

**NATIONAL COUNCIL OF PROVINCES
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 218 [CW306E]
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218. Ms T J Mokwele (North West: EFF) to ask the Minister of Finance:

Whether he has been informed that the SA Airways is contemplating to cut jobs as part of its measures to bring financial stability; if not, what is the position in this regard; if so, how will this solve the 24% unemployment rate in the country?

CW306E

REPLY:

In the draft Corporate Plan that South African Airways (SAA) submitted to the Minister of Finance, the airline is proposing the implementation of a reduction in headcount. The airline has also highlighted that the process it will follow will be in compliance with the requirements of the Labour Relations Act which provides for consultation with Labour in terms of Section 189A of the Act.

This is one of the initiatives aimed at reducing costs at the airline in order to return it to financial sustainability. If the airline continues to be loss making, it will require substantial funding (several billion rand per annum) on an ongoing basis from government – preventing these resources from being directed to initiatives that will enable the creation of more jobs throughout the economy.