

Treasury moves to inject technical experience and expertise into SAA board

The Treasury is calling for nominations of aviation experts and people with aviation experience for appointment to the South African Airways board.



© Peter Titmuss – 123RF.com

It is not clear how many new appointments the Treasury plans to make to the state carrier's board.

A new board was put in place at SAA in September after a long standoff with the Treasury over R19bn in guarantees, without which the airline would have been technically insolvent.

In the advert in Tuesday's *Business Day*, the Treasury requested nominations of candidates suitable "by virtue of their qualifications, expertise and experience in the field of aviation".

This was "in particular experience in airline management preferably with respect to the commercial functions including network and fleet planning and revenue management".

The airline, along with other state-owned carriers Mango and SAExpress could be in a rationalisation process with the Treasury and Department of Public Enterprises appointing Bain SA in October to review the operating model of the airlines.

There could be a merger to create a holding company or introduce strategic equity partners.

DA finance spokesman Alf Lees on Tuesday welcomed the Treasury's invitation, saying the party had long called a specialist to sit on the board.

"It is unfortunate that the appointment of an aviation specialist is only now being advertised some three-and-a-half months after the new board was appointed. A great deal of time has been lost during which decisive action to stop the financial bleeding could have been better implemented," Lees said.

The DA would be pushing for an ad-hoc inquiry into SAA, similar to that at the SABC. Lees said the DA was contacted by a high-ranking SAA employee willing to testify.

SAA's finances have been in the spotlight lately after the airline reported a R5.62bn loss for financial 2015 and a R1.5bn loss the year before.

Source: Business Day

For more, visit: <https://www.bizcommunity.com>