

Sapo offers proposal on Sassa grants

BONOLO SELEBANO

SOUTH African Post Office (Sapo) CEO Mark Barnes, has outlined the state-owned enterprise's proposal to assist South Africa Social Security Agency (Sassa) in the payment of 17 million grant beneficiaries.

Barnes said that in light of tentative discussions between the Department of Social Development and Sapo on the state-owned enterprise being roped in to assist Sassa in the payment of social grants, he outlined the granular detail of how Sapo would fill the void.

He said that if a decision were to be taken for Sapo to assist in resolving the looming crisis, the decision would augur well for the state-owned enterprise's agenda of becoming a key provider of government services to the people.

"I think we can be part of the solution. We can use our electronic data system which is already in operation with the department of public works in the Eastern Cape," Barnes said.

"Having got hold of Sassa's database, we could send electronic vouchers to people who can pitch up at a post office or Postbank and get paid upon presenting their identity number.

"That covers 2000 odd paypoints of representation. Sassa has 10 000 pay-



Mark Barnes

points that are serviced by an existing cash in transit company using the incumbent machines, so it'll have to be something of a partnership.

"I don't see any reason why it can't happen," Barnes said.

Barnes' comments come against the background of a long-term solution to Sassa's grant payment pickle having yet to materialise.

Minister of Social Development Bathabile Dlamini, has been under increasing fire to stave off a looming

April 1 grant payment crisis.

Barnes, making reference to Sassa's illegal contract with Cash Paymaster Service (CPS), believed that Sapo was best placed at becoming a long-term solution.

"If we work together with Sassa and the government, we can find an enduring solution and we can start off with something that works," he said.

"We don't believe that anyone can step in now with a comprehensive solution on day one, but we certainly regard ourselves as the best basic platform to offer than as a transnational solution."

Barnes said that Sapo's proposal dovetailed neatly with plans afoot by the post office to register its own financial services unit, Postbank.

"We have Postbank, which is operating. I think we process 20 million transactions per month, 5.7 million deposits, we have net assets of R2.7bn and R7.5bn of total assets," he said.

"If you go back to 2007, we paid social grants, although they were significantly fewer than they are now.

"We anticipate in our core strategy that we become an arm of service from the government to the people and this underpins our banking strategy."

bonolos@thenewage.co.za