

Govt fuels Eskom's debt spiral

SHOCKING REVELATION: PUBLIC ENTERPRISES, UNDER WHICH ENTITY FALLS, ALSO INDEBTED

» **Government departments owe R9.2bn and municipalities R26.5bn.**

Citizen reporter

The department responsible for encouraging entities to pay their Eskom debt is in arrears itself – and parliament owes the struggling utility too.

It was revealed in parliament on Tuesday that the department of public enterprises owes Eskom R13.2 million.

This will likely raise eyebrows, as not only is this department responsible for the struggling energy utility, but its head, Minister of Public Enterprises Pravin Gordhan, is tasked with fixing the embattled power provider. And he has committed to getting tough on those who owe Eskom money.

In October, he said his department would launch a campaign to encourage people who could afford to pay for electricity to do so,

or face the consequences.

The department's Eskom debt was revealed after the standing committee on public accounts (Scopa) called for municipalities

and government departments to submit plans on how they will pay their debts to the utility by the end of February.

Parliament heard that the

amount owed by national and provincial government departments was roughly R9.2 billion combined, while municipalities owe R26.5 billion.

While it is ironic that the department which Eskom falls under owes it money, the amount pales in comparison to the department of public works' debt. It owes R3 billion of the R3.4 billion owed in total by national government departments.

Equally ironic, as this discussion was taking place in parliament, is that it was also revealed parliament owed Eskom money, too, although the amount, R17 000, was small change relative to the billions owed in total.

Parliament will not be spared, either. Scopa will also write to National Assembly Speaker Thandi Modise and parliament management about the R17 000.

Scopa chair Mkhuleko Hlengwa said he would write to the indebted departments and municipalities, instructing them to submit payment plans detailing how they will pay Eskom. As for the big businesses that owe Eskom money, he called for cutoffs.

Eskom's debt to government is about R454 billion. On Tuesday, Gordhan said: "We will engage with lenders to Eskom to see what appetite they have for resolving the debt." – news@citizen.co.za