

# Court orders that Prasa board be reinstated

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The High Court in Pretoria ordered the immediate reinstatement of the former board at the Passenger Rail Agency of SA (Prasa).



Five board members [dismissed on 8 March 2017](#) by former transport minister Dipuo Peters will now return to the agency with immediate effect.

On Monday, the court also set aside the [appointment of the interim board](#).

Judge Peter Mabuse set aside the removal of the board ordering that the costs be paid by the Department of Transport.

## "Unreasonable and disproportionate"

"The minister's decision to remove the concerned directors was so unreasonable and disproportionate as to be arbitrary and irrational," the judgment read.

The court also concluded that a 350% increase in former acting Prasa group CEO Collins Letsoalo salary was neither sought by him, nor unlawfully awarded.

"It would appear that it was justified. It is not correct, in my view, that the increase was unlawful or that it had not been agreed by the parties in the appointment document," the judgment read.

Letsoalo's removal by the board in March - partly due to the salary increase - prompted Peters's subsequent dismissal of the board on 8 March 2017.

## **Breakdown in relationships**

Both Peters and the board had cited clear a breakdown in relationships for their respective decisions.

Former board chairperson Popo Molefe, and members Zodwa Manase, Mashile Matlala, William Steenkamp, Clement Manyungwana and Tefetso Phitsane will now return to their roles.

They had argued that their dismissal was irrational due to the manner in which Peters informed them, first through the media and then through a general letter, which the board maintained was "blatantly unlawful and must be set aside".

The former [board](#) also maintained that various ongoing investigations at the agency could be prejudiced, as they were at a "critical stage".

On Monday, Department of Transport spokesperson Ishmael Mnisi said the department would study the judgment before commenting.

*Source: Business Day*

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