**MEDIA STATEMENT

PSA COMMITTEE CONCERNED ABOUT INCREASING NUMBER OF PUBLIC SERVANTS DOING BUSINESS WITH GOVERNMENT

Parliament, Thursday, 3 September 2020** – The Portfolio Committee on Public Service and Administration (PSA)  received a briefing from the Department of Public Service and Administration (DPSA) on its monitoring of the prohibition of public servants doing business with the state. It also received a briefing from the Companies and Intellectual Property Registration Office (Cipro) on its efforts to assist government in enforcing the law in this regard.

The committee has noted progress made thus far in the implementation of Regulation 13 (c) of the Public Service Regulations of 2016, which prohibits public service employees from conducting business with the state. In addition, the Public Administration Management Act, 2014, makes it a criminal offence for public administration employees and special advisors to conduct business with the state.

The Act says if a person is found guilty of the offence, he/she is liable to a fine or imprisonment. However, the committee has yet to see officials being fined or imprisoned for such an offence, said the Acting Chairperson, Ms Mina Lesoma.

The committee expressed disappointment with accounting officers responsible for day-to-day activities in government departments when they do not enforce government’s laws. The committee will identify “serial leading culprits” and will invite heads of departments and directors-general to come to Parliament to account for their subordinates’ activities.

Some government departments do not have designated ethics officers to deal decisively with officials who continue to do business with organs of state.

Although Cipro has no legislative power to prevent officials from opening businesses, the Public Administration Management Act was intended to prevent public servants from conducting business with the state. The act allows officials who have businesses to trade with the private sector, but to do so the official must request permission from their accounting officer.

The number of officials doing business with the state increases every year. Most of these officials are at provincial and local levels of government. Since March 2020,
1 539 government officials have done business with government, an increase of 471 since last year.

The committee is concerned that the DPSA sends letters to government departments alerting them to transgressions of the act and regulations, but the number of cases continues to rise.

The committee welcomes the collaboration between the South African Police Service (Saps) and the departments of Justice and the DPSA to ensure allegations in this regard are investigated and that those found guilty are prosecuted.

Immediately after recess, the committee will call on Saps to provide a briefing on the details of specific cases and delays in prosecution. This meeting will be held with the Public Service Commission and the Department of Performance, Monitoring and Evaluation.

The committee will strengthen its oversight on this matter to ensure that government officials, including those in local government, are prohibited from conducting business with the state.

The committee proposed in the meeting that the DPSA strengthen its disclosure framework to prevent these offences, rather than acting after the fact. The DPSA was encouraged to insert a clause in the Z83 application form so that, before appointment, prospective public service officials are made to declare a registered business.

**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE ACTING CHAIRPERSON OF THE PORTFOLIO COMMITTEE ON PUBLIC SERVICE AND ADMINISTRATION, MS MINA LESOMA.**