**MEDIA STATEMENT**

**COMMITTEE ON PSA CONCERNED ABOUT HIGH NUMBER OF GOVERNMENT EMPLOYEES DOING BUSINESS WITH GOVERNMENT**

**Parliament, Wednesday, 17 February 2021** – The Portfolio Committee on Public Service and Administration (PSA) today received briefings from the Public Service Commission (PSC) on the report of the public servants doing business with the organs of the state, and linkages to their financial disclosure forms and on progress made by the Department of Public Service regarding the Government Employees Housing Scheme and challenges encountered by public servants in accessing the scheme.

The Committee Chairperson, Mr Tyotyo James, reiterated what President Cyril Ramaphosa outlined in his State of the Nation Address that “we must build a capable, ethical and developmental state”. The committee applauded the PSC for receiving 98% or 9 782 of the financial disclosure forms in May 2020.

The Committee also heard that 2% of the outstanding forms comprised of staff from the State Security Agency, five directors-general and four heads of department who did not submit their forms as at 31 May 2020. The Committee made an undertaking to collaborate with the other Committee on Intelligence to address non-compliance as a statutory requirement in the State Security Agency.  The PSC will continue to follow up with government departments to ensure compliance with timelines as stipulated in the financial disclosure framework.

The committee heard that the PSC contacted the executive authority to make a follow-up in instances where there were non-disclosures of financial interests and assets and non-submissions of forms of government employees. The PSC further indicated that some officials disclose dishonestly without divulging their assests. The Committee condemns such behaviour and calls for the review of existing loopholes in the financial disclosure forms. Regulation 13 (c) of the Public Service Regulations, 2016, and section 8(2) of the Public Administration Management Act (PAMA), 11 of 2014, prohibits a government employee from doing business with the state. The DPSA reported that 579 officials were identified by the South African Police Service to be posisbly conducting business with government.. A finding of actual conflicts of interest may, in terms of section 8 (3) of PAMA, lead to criminal prosecution of the affected official. It also constitutes a serious misconduct that may lead to the dismissal of the affected officials from the public service.

The Department informed the Committeee that 70% of public servants between salary level 1 to 10 who received the home owners’ allowance of R1 436 did not own their own homes due to budget constraints and access to home loans. The Committee appealed to the Department to encourage qualifying government employees to buy homes instead of renting. Government employees have to be prioritised in the Presidential Mega Projects such as Mooikloof.

The DPSA reported that there are 217 090 employees who were not receiving allowances which were additional to their salaries, and the human resources component needs to make employees aware of the Government  Employees Housing Scheme benefit.

**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE CHAIRPERSON OF THE PORTFOLIO COMMITTEE ON PUBLIC SERVICE AND ADMINISTRATION, MR TYOTYO JAMES.**