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**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**PARLIAMENTARY QUESTION 787**

**DATE OF PUBLICATION: 20 March 2019**

**Dr M J Cardo (DA) to ask the Minister of Economic Development:**

1. What are the reasons for each incident of irregular expenditure incurred by the Competition Commission (a) in each of the past three financial years and (b) since 1 April 2018;

2.whether the Commission has put in place a financial management strategy to control expenditure; if not, why not; if so, what are the relevant details;

3. whether the Commission has taken any measures to recover irregular expenditure from the officials responsible for incurring it; if not, why not; if so, what (a) are the relevant details and (b) disciplinary steps have been taken against the official in each case. NW910E

**Reply:**

As previously advised through parliamentary reply PQ77, the Department has instituted a review into various matters relating to the effectiveness and efficiency of the competition authorities, which includes a forensic investigation into certain items identified in the Auditor General Report and the results of the investigation is awaited.

In addition to the above, I refer the Honourable Member to the published annual reports of the Competition Commission which deal with irregular spending matters for relevant years in some detail, including where appropriate, matters related to consequence management in relation to officials.

In relation to a financial management strategy to control expenditure, the Commission advises that it has done the following:

* 1. Revised its Supply Chain Management (SCM) policy to tighten controls.
	2. Brought in additional capacity in the Finance Division to improve compliance and overall financial management.
	3. Rationalised its level of activities in order to fit in the budget and generate savings to cover the previous year’s budget.
	4. Adopted austerity measures including curtailment of case work, litigation as far as possible is insourced, filling of vacancies reprioritised only critical posts are filled, international delegations are reduced to one official approved by the Commissioner, only the Commissioner and Deputy Commissioner travel business class. All other staff travel economy class irrespective of the flight duration, all strategic meetings or planning sessions are held in the Commission’s premises.

The wider review of the Commission readiness for the implementation of changes to legislation that I have referred to, will also address some aspects of improved technical management of financial matters and financial controls.

**-END-**