

PC: COMMUNICATIONS, PARLIAMENT

TUESDAY MARCH 19, 2013

DISCUSSION NOTES / STATEMENT
SUZANNE VOS (NON-EXECUTIVE DIRECTOR, SABC BOARD).

1. NINE MEMBERS OF THE SABC BOARD -- FOLLOWING THE RECENT JOINT RESIGNATION OF THE CHAIRPERSON AND DEPUTY CHAIRPERSON -- CONTINUED UP UNTIL THE END OF LAST WEEK TO WORK DILIGENTLY WITHIN THEIR RESPECTIVE BOARD COMMITTEES;

2. I MAKE THIS POINT TO EMPHASISE THAT IMMEDIATELY PRIOR TO THIS WEEK'S RESIGNATIONS THERE WAS NO DISHARMONY NOR DYSFUNCTION AMONG THE REMAINING SABC DIRECTORS;

3. IT IS TESTIMONY TO THE COMMITMENT OF THE REMAINING DIRECTORS THAT WE HAVE TAKEN OUR WORK SO SERIOUSLY -- IN SPITE OF NOT BEING ABLE TO HOLD BOARD MEETINGS TO PROCESS COMMITTEE RECOMMENDATIONS;

4. THE BROADCASTING ACT IS QUITE CLEAR THAT EITHER THE CHAIRPERSON OR DEPUTY CHAIRPERSON MUST PRESIDE OVER BOARD MEETINGS AND WE HAVE RECEIVED A COPY OF A LETTER THE PUBLIC PROTECTOR HAS WRITTEN TO THE PRESIDENT OF THE REPUBLIC IN THIS REGARD (PERTAINING TO THE FUNCTIONALITY OF THE BOARD);

5. THERE WAS A VIEW THAT THE APPOINTING AUTHORITY MAY DECIDE TO APPOINT A CHAIRPERSON TO ASSIST US TO PROCEED WITH URGENT DECISION-MAKING -- FOR EXAMPLE: URGENT MATTERS PERTAINING TO DTT AND

THE SABC'S RESPONSIBILITIES IN THIS REGARD. THIS DID NOT (OBVIOUSLY) EVENTUATE;

6. IT HAS BEEN AN HONOUR TO WORK WITH THESE FELLOW DIRECTORS WHO POSSESS A WIDE RANGE OF EXCEPTIONAL SKILLS AND WHO HAVE ALWAYS ACTED IN THE BEST INTERESTS OF THE CORPORATION AS THEY SAW FIT;
7. IT HAS BECOME CLEAR THAT THIS BOARD CAN NO LONGER EFFECTIVELY AND EFFICIENTLY OPERATE IN TERMS OF THE BROADCASTING ACT, THE COMPANIES ACT, THE PFMA AND ICASA MANDATES WHEN WE DO NOT HAVE THE SUPPORT OF THE HON. MINISTER OF COMMUNICATIONS – THE SHAREHOLDER OF SABC LTD;
8. AS AN SOE IT IS IMPERATIVE THAT THE NON-EXECUTIVE DIRECTORS AND EXECUTIVE DIRECTORS OF THE SABC ENJOY THE ONGOING TRUST OF THE SHAREHOLDER AND ONGOING CONSTRUCTIVE COOPERATION FROM HER DEPARTMENT;
9. IT WOULD APPEAR THAT THE HON. MINISTER OF COMMUNICATIONS DOES NOT TRUST THIS BOARD AND HAS OF LATE SEEMED TO HAVE BEEN OPENLY CONTEMPTUOUS OF OUR PERFECTLY LEGAL DECISION-MAKING (PERTAINING TO VARIOUS MATTERS);
10. THE HON. MINISTER HAS MADE HERSELF PERFECTLY CLEAR IN RADIO AND TELEVISION INTERVIEWS AND IN STATEMENTS EMANATING FROM HER OFFICE THAT IT IS HER DESIRE THAT THIS COMMITTEE OF PARLIAMENT RECOMMENDS THE DISSOLUTION OF THE SABC BOARD;
11. THE HON. MINISTER, IN AN INTERVIEW BROADCAST ON SUNDAY WITH MR JUSTICE MALALA ON E-TV, WAS EXPLICIT THAT SHE WANTED THE PARLIAMENTARY

COMMITTEE WHO RECOMMENDED US TO SERVE ON THE SABC BOARD TO GET RID OF US AS SHE DID NOT HAVE THE AUTHORITY TO DO SO;

12. THIS STATE OF AFFAIRS COMES WITH A BACKDROP OF THE BOARD MAKING PERFECTLY LEGAL DECISIONS IN PROPERLY CONSTITUTED BOARD MEETINGS WITH REGARD TO MATTERS WITHIN OUR LEGAL PURVIEW ABOUT WHICH THE MINISTER DISAGREED;
13. THIS (OUTGOING) BOARD IS A BOARD WHOSE MEMBERS ARE RECOMMENDED BY PARLIAMENT AND APPOINTED BY THE PRESIDENT OF THE REPUBLIC. WE ARE A PUBLIC BROADCASTER -- WE ARE NOT A STATE BROADCASTER. IT IS A FACT THAT THE SOLE SHAREHOLDER IS THE HON. MINISTER OF COMMUNICATIONS AND WE ARE REQUIRED TO REPORT TO HER DEPARTMENT AND PARLIAMENT (AS WE HAVE CONTINUED TO DO) BUT NEVERTHELESS THE BROADCASTING ACT IS PERFECTLY CLEAR THAT DIRECTORS APPOINTED BY THE PRESIDENT OF THE REPUBLIC MUST (AND I QUOTE 13 (4) (B) OF THE BROADCASTING ACT) "... BE PERSONS WHO ARE COMMITTED TO FAIRNESS, FREEDOM OF EXPRESSION, THE RIGHT OF THE PUBLIC TO BE INFORMED, AND OPENNESS AND ACCOUNTABILITY ON THE PART OF THOSE HOLDING PUBLIC OFFICE..."
14. AFTER LEARNING YESTERDAY MORNING OF THE RESIGNATIONS OF FELLOW DIRECTORS WHOSE INTEGRITY AND COMPETENCE I HUGELY REPECT, I REQUESTED THE HON. CHAIRMAN KHOLWANE TO ALLOW ME TO HAVE AN OPPORTUNITY TO REPORT TO THIS COMMITTEE, IN BRIEF, ON MY VIEWS PERTAINING TO THE CURRENT FUNCTIONALITY OF THE BOARD;
15. IT GREATLY PAINS ME TO DO SO (AS THE RESIGNATIONS OF THE MAJORITY OF FELLOW DIRECTORS HAVE IN ESSENCE IMPODED THE BOARD)

BUT I BELIEVE I AM HONOUR-BOUND TO ALSO RESPECTFULLY TENDER MY RESIGATION TO THE APPOINTING AUTHORITY (WHICH I HAVE NOT AS YET DONE);

16. I AM DEEPLY SADDENED THAT THIS TURN OF EVENTS HAS ONCE AGAIN CAUSED REPUTATIONAL DAMAGE TO THE CORPORATION AND INHERENT (TEMPORARY) PROBLEMS PERTAINING TO CORPORATE GOVERNANCE;
17. THE SABC IS A PRECIOUS NATIONAL ASSET AND SINCE ITS COLLAPSE OF CORPORATE GOVERNANCE IN 2009 MANY OF US HAVE WORKED EXTREMELY HARD TO ATTEMPT TO EFFECT A TURNAROUND STRATEGY;
18. I SERVED ON THE INTERIM BOARD IN 2009 WHICH NEGOTIATED A R1.473 BILLION RAND GOVERNMENT GUARANTEE AND A R1 BILLION RAND LOAN FROM NEDBANK WHICH THIS BOARD, TO ITS CREDIT, IS RAPIDLY PAYING OFF;
19. GIVEN THE STATE OF AFFAIRS THE INTERIM BOARD AND THIS BOARD INHERITED, TIMES HAVE INDEED BEEN TOUGH: THE SABC HAS FEW EXECUTIVES AND MIDDLE MANAGERS WITH REQUIRED CAPACITY AND SKILLS SETS FOR A CORPORATION OF THE COMPLEXITY OF THE SABC FOR VARIOUS REASONS. THE BOARD HAS ATTEMPTED TO WORK, FOR THE MOST PART, WITH A RANGE OF EXISTING EMPLOYEES WITH MIXED RESULTS;
20. THIS (OUTGOING) NON-EXECUTIVE BOARD -- WHILE NOT EXERCISING OR URSUPRING IN ANY WAY THE ROLE OF MANAGEMENT -- HAS HAD TO IN MANY WAYS ACT AS A QUASI EXECUTIVE BOARD IN HAVING TO TIME AND AGAIN IDENTIFY CORPORATE GOVERNANCE PROBLEMS AND MISMANAGMENT AND ASSIST IN ADVISING AND IN SOME CASES ACTUALLY TEACHING MANAGEMENT THEIR RESPONSIBILITIES IN TERMS OF LEGISLATIVE AND REGULATORY REQUIREMENTS AND HOW TO PROPERLY

PREPARE DOCUMENTATION FOR THE CONSIDERATION OF THE BOARD, PARLIAMENT AND THE DOC.

21. WE HAVE A RELATIVELY NEW GCEO, NO COO AND WE HAVE SUSPENDED THE CFO.
22. THIS BOARD HAS ATTEMPTED TO BE METICULOUS IN IDENTIFYING CORRUPTION, INCOMPETENCE, INDOLENCE AND ARROGANCE WHICH HAD CLEARLY PERMEATED THE CORPORATION IN POCKETS AND MOST CERTAINLY BY CERTAIN INDIVIDUALS. WE WORKED TIRELESSLY TO TRY TO HOLD EXECUTIVES AND MANAGEMENT ACCOUNTABLE FOR THEIR ACTIONS.
23. THE AUDITOR-GENERAL'S REPORT BEARS TESTIMONY TO THE PROBLEMS WE FACED. IT WAS THIS BOARD WHO REQUESTED THE PRESIDENT TO ALLOW THE SIU TO INVESTIGATE OTHER SERIOUS MATTERS IDENTIFIED BY US;
24. I DO NOT BELIEVE THIS MEETING IS THE OCCASION FOR ME TO ARTICULATE CORPORATE GOVERNANCE CHALLENGES WHICH CURRENTLY EXIST BUT TO MAKE THE POINT THAT AT THE HEART OF THIS "CRISIS" (IF ONE CAN CALL IT THAT) IS THE VIEW (NOT ONLY MY OWN, I BELIEVE) THAT MINISTERIAL INTERFERENCE IN BOARD DECISION-MAKING AND THE FUNCTIONING OF THE SABC HAS BECOME EXTREMELY PROBLEMATIC. THE SINGULAR (UNILATERAL) DECISION-MAKING OF THE CHAIRMAN, DR BEN NGUBANE, HAS BEEN PREVIOUSLY BROUGHT TO THE ATTENTION OF THIS COMMITTEE OF PARLIAMENT;
25. FOR TOO LONG BOARD MEMBERS -- AND SOME BOARD MEMBERS WHO HAVE RESIGNED ALONG THE WAY SINCE 2010 -- HAVE STRENUOUSLY OBJECTED TO VARIOUS DECISIONS TAKEN BY THE CHAIRMAN WITHOUT THE APPROVAL OF THE BOARD.

26. TIME AND AGAIN DR NGUBANE ACTED ILLEGALLY (IN TERMS OF OUR DEFINED ROLES AND RESPONSIBILITIES AS NON-EXECUTIVE DIRECTORS) AND BY WAY OF PROOF OF THIS RIGHT UP UNTIL HIS RECENT RESIGNATION HE ATTEMPTED TO OVERTURN A DECISION TAKEN BY THE MAJORITY OF BOARD MEMBERS IN A PROPERLY CONSTITUTED BOARD MEETING.
27. DR NGUBANE UNFORTUNATELY ACTED AS IF HE WAS AN EXECUTIVE CHAIRPERSON (WHICH HE OBVIOUSLY WAS NOT). TIME AND AGAIN WE ATTEMPTED TO FIX UP HIS MISTAKES AFTER THE FACT – HERE (BY WAY OF EXAMPLE) I WILL BRIEFLY MENTION HIS ILLEGAL APPOINTMENT OF MR PHIL MOLEFE AS THE HEAD OF NEWS AND CURRENT AFFAIRS WITHOUT THE APPROVAL OF THE BOARD;
28. FOR TOO LONG BOARD MEMBERS (KINDLY AND TOO GENEROUSLY) COVERED UP HIS QUIXOTIC BEHAVIOUR AND ALSO HIS DESIRE TO BOW TO MINISTERIAL DICTATES – PARTICULARLY PERTAINING TO EXECUTIVE APPOINTMENTS. BOARD MEMBERS, MYSELF INCLUDED, HAVE DISCUSSED THIS MATTER WITH THE PUBLIC PROTECTOR SO I BELIEVE IT WOULD BE INAPPROPRIATE FOR ME TO ELABORATE ANY FURTHER ON THIS MATTER.
29. A RECENT BOARD MEETING, CHAIRED BY THE DEPUTY CHAIRPERSON, WHICH WAS QUORATE AND ATTENDED BY THE COMPANY SECRETARY, DECIDED THAT THE SERVICES OF MR HLAUDI MOTSOENENG AS ACTING COO WOULD BE TERMINATED AND HE WOULD REVERT TO HIS PREVIOUS POSITION AS GE: PROVINCES. ANOTHER SABC SENIOR EMPLOYEE WAS RECOMMENDED (FOR THE CONSIDERATION OF THE HON. MINISTER) TO SERVE IN THE POSITION OF ACTING COO (IN TERMS OF THE MOI OF THE CORPORATION). THE MINISTER WAS CORRECTLY INFORMED (IN WRITING) IMMEDIATELY AFTER THE CONCLUSION OF THE

MEETING AND THE DEPUTY CHAIRPERSON SIGNED THE REQUISITE BOARD RESOLUTION IN THIS REGARD;

30. IT IS SUFFICE TO SAY THAT IT IS NOW WELL KNOWN THAT THIS BOARD RESOLUTION PRECIPITATED THE CHAIRPERSON ATTEMPTING TO OVERTURN A LEGAL BOARD DECISION (IN AN ATTEMPT TO RETURN MR MOTSOENENG TO THE OFFICE OF ACTING COO); THE DEPUTY CHAIRPERSON ATTEMPTED TO ILLEGALLY WITHDRAW THE DOCUMENT HE SIGNED FOLLOWING THE BOARD'S DECISION; THE CHAIRPERSON AND DEPUTY CHAIRPERSON JOINTLY RESIGNED (KNOWING FULL WELL THIS WOULD CRIPPLE THE FUNCTIONING OF THE BOARD) AND IN THE MIDST OF ALL THIS THE HON. MINISTER BEGAN ACCUSING DIRECTORS OF WRONGFULLY CONDUCTING THE BOARD MEETING WHICH DECIDED TO REASSIGN MR MOTSOENENG (WHICH WE KNEW WAS INDEED A PROPERLY CONSTITUTED MEETING).
31. TIME AND AGAIN IN STATEMENTS AND INTERVIEWS OF LATE, THE HON. MINISTER HAS BEEN UNEQUIVOCAL IN HER VIEW THAT THE QUORATE DIRECTORS PRESENT HAD NOT ACTED PROPERLY IN TERMS OF THE BROADCASTING ACT AND OUR MEMORANDUM OF INCORPORATION (MOI). FACT HAS, ALAS, BECOME FICTION AND MATTERS WOVEN AND TWISTED AND TOTALLY DISTORTED.
32. THE HON. MINISTER HAS NOT RESPONDED (ACCEPTED OR REJECTED AS IS HER RIGHT IN TERMS OF THE MOI) TO THE RECOMMENDATION OF THE BOARD THAT SHE ENDORSE THE NAME OF THE PERSON PROPOSED TO PERFORM AS THE ACTING COO. THEREFORE, THE CORPORATION AT PRESENT HAS NO ACTING COO.

33. IN CLOSING I SINCERELY THANK THE PC: COMMUNICATIONS FOR THE TRUST IT HAS PLACED IN ME TO PERFORM "NATIONAL SERVICE" ON THE 2009 INTERIM SABC BOARD AND THE 2010 SABC BOARD. I AGAIN EXPRESS MY REGRET THAT IT HAS NOT BEEN POSSIBLE FOR US TO FULFILL THE FULL TERM OF OUR OFFICE AND I GIVE YOU THE ASSURANCE THAT I WILL MAKE MYSELF AVAILABLE TO ASSIST IN WHATEVER WAY I CAN MEMBERS OF A SOON-TO-BE-APPOINTED BOARD TO BECOME OPTIMALLY FUNCTIONAL AS SOON AS POSSIBLE.

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