THE MINISTER OF PUBLIC WORKS, MS THOKO DIDIZA, MP, GIVES A KEYNOTE ADDRESS AT THE DPW-ORGANIZED CONFERENCE ON ZERO TELERANCE STANCE ON FRAUD AND CORRUPTION CONFERENCE

DATE: TUESDAY, 25 SEPTEMBER 2007

<u>VENUE</u>: BIRCHWOOD HOTEL, OR TAMBO INTERNATIONAL AIRPORT; BOKSBURG

THEME: <u>How fraud and corruption negatively impacts</u> on Service Delivery of Public Works.

- The Deputy Minister, Mr Ntopile Kganyago
- The Director General of the Department of Public Works, Mr Manye Moroka
- Our Distinguished guests and international visitors.
- All Heads of Departments and Public Entities present here today
- Senior government officials
- Ladies and Gentlemen

"Government is firmly committed to come down harshly against all forms of corruption including bribery and abuse of public trust". I am quoting the above **primarily** because it was Deputy-President Thabo Mbeki who addressed the Anti-Corruption Summit in Cape Town in November 1998 and boldly stated the resolve of this government, to mobilize any resources it can muster to fight and defeat corruption.

Perhaps never the person to shy away from public commitment, the Deputy President, Mr. Thabo Mbeki further assented that "...We should take heart that corruption is not entirely new in government. If sin is as old as humankind, so too is corruption as old as government itself. He went further to pose a challenge to us as leadership: "The ability of public institutions to cross the threshold and fight corruption efficaciously hinges largely on a number of factors, an important one of which is a political will and determination from the highest echelons to tackle this ugly monster that is reaping havoc with our control systems"

Secondly, I am standing here to report that almost a decade later, government in general has done exactly that: assumed leadership in the fight against corruption, fraud and maladministration. In fact most investigations, some of which very high-profiled, that later fed into the ever-present frenzy of our popular media, were both instituted by government and fed to the same media, by government. To state this obvious fact does not constitute denial, rather it is an admission that corruption continues to exist amidst a tightening environment by government to, prevent it, detect it, dissuade it, and punish it. One of the struggles we fought under apartheid, it was a struggle for moral supremacy because together with the whole world, we agreed that apartheid was immoral. The veil of secrecy around the system allowed apartheid atrocities, crimes and corruption to occur and be perpetuated without any compunction for accountability. However, after 1994, the new leadership and cadre is a moral one, characterised by openness, transparency, accountability and freedom.

At my first public interaction with Public Works Management in June 2006 following my appointment as Minister of Public Works, I urged managers to embrace the new ethos of public service, patriotism and selflessness by recognizing and acknowledging their fortune after history had placed them in an advantage to make a difference in the lives of the people. As innocuous as it might seem, the call was inspired by the realization that unless political leadership surrounds itself with the public service that was willing and ready to make sacrifices, we shall continue to harbour in our midst government officials devoid of these virtues instead driven by greed, selfishness and little regard for the common goal of all. Such individuals are the weak links in the chain, and are susceptible to corruption, fraud and malice.

By nature, the business of Public Works is prone to acts of corruption and fraud. On daily basis, the organisation enter into millions of rands of transactions with mainly the property and construction industries. With so much cash changing hands in this competitive industry, there always exists a chance that someone might find themselves colluding with the Service Providers to commit acts tantamount to corruption.

It was this same realisation that led to the Department organizing and hosting its first anti-corruption summit in 2000, following a directive of the Minister and her provincial MEC's, to implement a five point anticorruption plan. Among others the plan called for the creation of awareness about corruption – what it is, how does it occur, what are its implications and how best to combat it.

Over the years, the Department has refined its Fraud Prevention Strategy and build internal capacity to effectively deal with Fraud and Corruption in-line with the Cabinet decision and required law. It also improved its internal control systems by integration of Internal Audit Investigation Activities under one Chief and Directorate. Consequently we have become better, effective and more bold to even take serious disciplinary and / or criminal steps against some senior personnel of the Department. In the interim, we have taken the experience gained, refined it and contributed it to forums of similar design convened to strengthen government efforts against Fraud and Corruption.

At the last (i.e. Second National Anti-Corruption Summit of March 2005, building on the first association and buoyed by our recent success, government has resolved on the following four focus areas, namely:

- 1. Promoting Ethics, Awareness and Prevention
- 2. Combating any likely acts of corruption
- 3. Strengthening all oversight structures and make them champions of transparency and accountability
- 4. maximising the role of National Anti-Corruption Forum and implementing its Programme of Action

By nature, public servants are supposed to be ethical people in honour of the trust embedded in them by the citizens. As lawmakers, governors and implementers of government policies, public servants and whistleblowers against crime, corruption and any malicious extravagance. Sadly, weak characters amongst us continue to weaken the value chain and compromise our good virtues. Such misfits need to be dealt with harshly and remorselessly. We have done exactly that in the Department.

At the same time, leadership and management must ceaselessly create an environment where everyone will be exposed to awareness messages with regard to good governance. The Department has mobilized all its internal business processes to assist in this regard and manage effectively the reduction of the impact of Fraud Corruption risk.

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In compliance, the Department has over the years strengthened the capacity of internal audit and fraud investigations while nurturing a cooperative approach with government oversight bodies including offices of the Accountant General, Auditor-General and the Standing Committee on Public Accounts (SCOPA). Collectively, management resolved as one of their strategic goals to consciously strengthen working relations with the above institutions, including the Public Works Portfolio Committee.

In the same manner that government and the country have put in place national strategies to manage crime and fight the spread of HIV and Aids and other communicable diseases, the government has recommitted to upholding and implementing the programme of action of the National Anti-Corruption Forum which emphasises among others the promotion of strong governance structures, sound financial management practices and internal controls, competent workforce and prevention of collusion particularly between the public and private civil sector officials.

At Public Works, we understand just how important our role is in the reconstruction and development of our country. Unless we do our best in improving our service delivery record, we run the risk of undermining the service delivery capacity of other organs of state, hence our assertion that **South Africa Works because of Public Works**.

This is not a statement of arrogance and cheap boasting. Rather it is a powerful act of acknowledgement that a hobbling Public Works has the potential to incapacitate the service delivery machinery of state. Therefore the building blocks of a strong public works are its most ethical and patriotic employees who are destined to make sacrifices in the service of others and the laying of concrete foundations upon which a steady future will be built for all of us.

I wish the conference well in its deliberations and believe that you will come up with further resolutions that will be written in indelible ink on your hearts and consciences. Corruption kills service delivery and do not allow yourselves to contribute to the death of a nation.

I thank you.