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Trade and Industry boss abused power – protector

Withdrawing key consumer commission staff 'amounts to maladministration'

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DEPARTMENT of Trade and Industry director-general Lionel October abused his power when he withdrew key staff from the office of the controversial former head of the National Consumer Commission Mamodupi Mohlala-Mulaudzi.

This is according to Public Protector Thuli Madonsela, who yesterday released the final report of her investigation after Mohlala-Mulaudzi levelled allegations of abuse of power and interference against October last year.

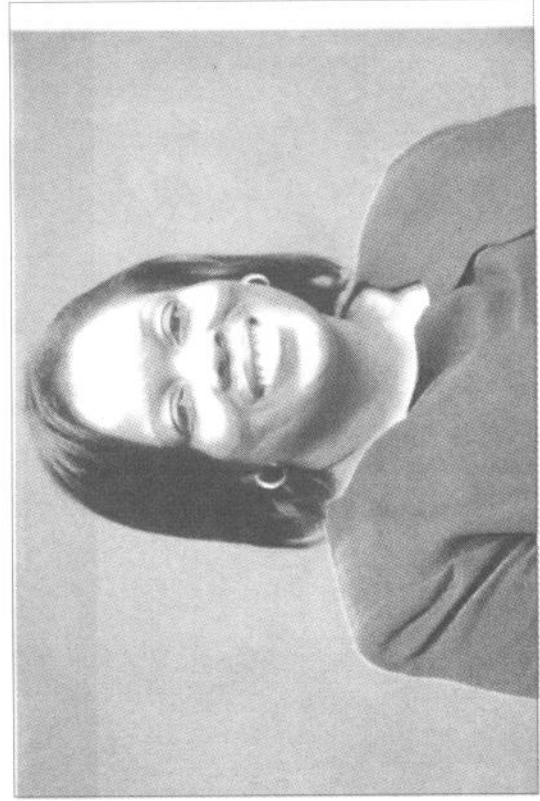
Mohlala-Mulaudzi, whose contract as the head of the consumer commission was not renewed by the department last year, alleged that October had failed to consult with her when he decided to withdraw key staff from the commission.

She told the public protector that she arrived at work one morning to find that key commission staff had been transferred back to the department on October's instructions.

Madonsela said this amounted to maladministration and was in violation of the constitution.

Mohlala-Mulaudzi and October did not enjoy a cordial relationship, and her contract was eventually not renewed by minister Rob Davies.

"The failure by the director-general to consult with the commissioner when withdrawing the Department of Trade and Industry staff from the National Consumer Commission is in violation of section 41



Mamodupi Mohlala-Mulaudzi.

PICTURE: MUJAHID SAFODIEN

place so it could fulfil its mandate. However, Mohlala-Mulaudzi's actions were also found to amount to maladministration in that she had failed to comply with the Public Finance Management Act.

Madonsela said the auditor-general's final management report had shown irregularities were found in the financial statement of the commission. These were not detected by its own internal controls.

Procurement of office accommodation for the commission had also failed to comply with the supply-chain management policy of the Public Finance Act, and the auditor-general had in fact determined that this procurement be regarded as irregular expenditure. This amounted to maladministration by Mohlala-Mulaudzi as accounting officer of the commission.

The Department of Trade and Industry had not commented on Madonsela's report.

The protector also released five reports of other investigations, but did not release the much-awaited report into the more than R200 million spent on renovations to President Jacob Zuma's private residence in Nkandla, Kwazulu-Natal.

She said the investigation was close to being completed, and that the Presidency had co-operated and referred her to departments that were involved in the project. "We are 90 percent done on Nkandla. All the field work has been done, the writing of the report is 90 percent done. We are just awaiting more information from one source."



Public Protector Thuli Madonsela briefs the media about her investigation into allegations against the director-general of the Department of Trade and Industry. PICTURE: THOBILE MATHONS