State of the Public Service Report

2007
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As South Africa enters the fourth year of its second decade of democracy, the country can look back with pride and celebrate the significant milestones it has achieved since the dawn of its political transition. Among others, the economy is growing, jobs are being created, and there is improved access to basic services such as water, electricity and health. Yet the daunting task of creating a better life for all is by no means fully accomplished. Many people still endure unacceptable levels of poverty and have as yet to fully enjoy the results of democratic citizenship.

As a key implementation agency of the state, the Public Service is central to improving the standard and quality of life of South Africans. In this sixth edition of the State of the Public Service Report the Public Service Commission offers an overview of the role played by the Public Service in promoting growth and development. The analysis in the report is framed on the 9 Constitutional values and principles for public administration.

In its efforts to accelerate shared growth and development, government introduced the Accelerated and Shared Growth Initiative of South Africa, comprising a limited and yet targeted set of interventions for implementation. One of the key features of this Initiative is that it seeks to bridge the gap between the first and second economies, and in so doing draw in more of the country’s population into the mainstream economy. This is a necessary step given the socio-economic inequalities South Africa has inherited from the Apartheid past. However, growth and development need to be supported by a range of skills, and some of the critical ones are in short supply in South Africa. In this regard the Joint Initiative for Priority Skills Acquisition is a welcome initiative to ensure that priority skills can be acquired and retained in South Africa.

Whilst this report does not detract from these initiatives, it highlights areas that need attention in the Public Service in order to enhance its ability to promote growth and development. Key among these is the deepening of government’s programmes in such a manner that they impact effectively on the well-being of citizens. For this to happen, the Public Service must be supported by sound monitoring and evaluation systems, which will provide timeous information on the effectiveness or otherwise of programmes.

I trust that you find this edition useful in the on-going debates that prevail about the role of the Public Service in the transformation of our country.

Professor S.S. Sangweni
Chairperson: Public Service Commission
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<th>Description</th>
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<tr>
<td>ADP</td>
<td>Accelerated Development Programme</td>
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<td>A-G</td>
<td>Auditor-General</td>
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<td>APRM</td>
<td>African Peer Review Mechanism</td>
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<tr>
<td>AsgiSA</td>
<td>Accelerated and Shared Growth Initiative of South Africa</td>
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<td>DIOs</td>
<td>Deputy Information Officers</td>
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<td>DPSA</td>
<td>Department of Public Service and Administration</td>
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<td>EAPs</td>
<td>Employee Assistance Programmes</td>
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<td>EPWP</td>
<td>Expanded Public Works Programme</td>
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<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>GEAR</td>
<td>Growth, Employment and Redistribution</td>
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<tr>
<td>GEMS</td>
<td>Government Employees Medical Scheme</td>
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<td>HoD</td>
<td>Head of Department</td>
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<td>HRM</td>
<td>Human Resource Management</td>
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<td>HSRC</td>
<td>Human Sciences Research Council</td>
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<td>JAS</td>
<td>Job Access Strategy</td>
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<td>JIPSA</td>
<td>Joint Initiative for Priority Skills Acquisition</td>
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<td>MDGs</td>
<td>Millennium Development Goals</td>
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<td>MTEF</td>
<td>Medium Term Expenditure Framework</td>
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<td>NACF</td>
<td>National Anti-Corruption Forum</td>
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<td>NACH</td>
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<tr>
<td>PAIA</td>
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<td>Promotion of Equity and the Prevention of Unjust Discrimination Act, 2000 (Act No. 4 of 2000)</td>
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<td>PFMA</td>
<td>Public Finance Management Act, 1999 (Act No. 1 of 1999)</td>
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<td>PHC</td>
<td>Primary Health Care</td>
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<td>PMDS</td>
<td>Performance Management and Development System</td>
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<td>SOPS</td>
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Introduction

Promoting Growth and Development through an Effective Public Service
This report is the sixth edition in a series of annual reports produced by the Public Service Commission (PSC). The PSC is established by Section 196 of the Constitution1 with a mandate to among others, promote the values and principles of public administration enshrined in Chapter 10 of the Constitution. In line with this mandate, every year the PSC consolidates findings from its oversight activities as well as other selected initiatives to produce a State of the Public Service (SOPS) Report. Since the inaugural edition in 2002, the SOPS reports have evolved to mark themselves as valuable overviews of public service performance in South Africa.

The 2006 edition focused on the capacity of the Public Service, which was identified as a key constraint for delivery. In this sixth edition, the focus is on the role played by the Public Service in promoting growth and development.

Organised according to the 9 Constitutional values and principles of public administration, the report is largely based on key findings from the research and investigations that the PSC has conducted in the process of fulfilling its oversight mandate. To enrich its analysis, the report also draws on relevant findings and conclusions from other sources.

The promotion of growth and development has been a high priority for South Africa from the inception of its democracy. The primary consideration in this regard is that higher levels of growth should deepen the country’s transformation and safeguard the stability of the political transition.

However, beyond the general consensus on the need for shared growth and development, there is not always a common understanding of what these concepts mean and what they should seek to achieve in practice. For the purposes of this report, growth refers to improvements in economic productive capacity as measured in Gross Domestic Product (GDP) per capita. Development on the other hand, refers to an improvement in the well-being of people as a result of a range of targeted social, political and economic processes.

While the two concepts are often used together, they are not synonymous. However, in practice there is a significant level of interdependence between them. For example, in order to improve the well-being of people, certain opportunities and resources would be required. Such opportunities include employment, admission to well-equipped schools, and access to well-functioning health facilities. For these opportunities and resources to be available in a manner that is sustainable, there needs be growth in the economy. Similarly, for growth to be sustainable, it needs to be supported by among others, improved well-being, a strong skills base and sound governance processes that encourage investment. While a country may experience certain levels of growth without development, and vice versa, in the long run such levels are usually not sustainable. These concepts are explained in further detail in the next section.

Introduction

Focus of this report
This Report focuses on the contribution of the Public Service towards the achievement of growth and development objectives in South Africa. Generally, the Public Service has a major role to play especially in developing markets. This is so because in such environments, the services it can provide are the only hope that poor people have to better their lives. In South Africa, the role of the Public Service becomes even more relevant given that it receives the largest slice of national revenue and is the largest single employer.

This Report seeks to assess how the South African Public Service has, through the promotion of the Constitutional values and principles contributed towards growth and development in the country.

Outline of the report
The next section sets the scene for the report by contextualising the concepts of growth and development as they relate to the process of transformation in South Africa. This is followed by nine sections, each of which takes an individual Constitutional value and principle and assesses how the Public Service has promoted it in a manner that contributes to growth and development. The final section of the report provides concluding remarks and highlights key considerations for enhancing the role of the Public Service in the promotion of growth and development.
Contextualising Growth and Development
Introduction

Despite the wide use of the twin concepts of growth and development there is not always a common understanding of what they mean. This section seeks to clarify these concepts and to locate them within the context of the South African developmental state. The section moves from the premise that these concepts are not necessarily neutral but instead derive their essence from the realities of the particular context in which they are applied.

A Perspective on Growth and Development

The concept of growth is normally used in economic terms to refer to improvements in a country’s economic performance, largely reflected in increased GDP per capita. However, using GDP alone as a measure of growth has its limitations. For example, it can ignore income distribution in society, with the result that countries can still be regarded as experiencing growth even if they display glaring and persistent inequities in income distribution.

In addition, as a measure of growth, GDP per capita does not take into consideration the impact of productive economic activity on the environment. This therefore means that the fact that certain growth-enhancing activities may lead to environmental degradation is not necessarily taken into consideration.

Notwithstanding its weaknesses, GDP per capita remains an important and widely used measure. The key issue is to recognise its limitations and ensure that it is not used in isolation. While classical economists may have conceived of growth as an ultimate goal in itself, history has offered the rather sobering lesson that impressive growth levels do not mean much outside the context of a country’s socio-political development. This has particularly been true of South Africa where previous governments have, even under conditions of poor economic growth, consciously ensured that the resources of the state benefited only a privileged few at the expense of the majority. As Minister Trevor Manuel recently reminded the country, “in the past four years, our economy has expanded by an average of 4,2%, with growth reaching almost 5 percent last year. (However)...in celebrating the solid performance of our economy, we must continue to be mindful that there are still too many South Africans who go to bed hungry, too many who stare at the fragile walls of their shacks and far too many for whom disease makes life a daily struggle”.

The implications of the above for South Africa are that, ‘growth’ cannot be the ultimate goal in itself. Instead, it should be seen as a means to a better life for people. Against this background, the concept of development is usually introduced as a twin objective that needs to be pursued alongside ‘growth’. In this Report, the concept of ‘development’ is used in its broadest sense to refer to ‘a comprehensive economic, social, cultural, and political process which aims at the constant improvement of the well-being of the entire population and of all individuals on the basis of their active, free and meaningful participation...”.

Viewed in this way, development is thus about a holistic improvement of the standard and quality of life of people. Such an improvement is not limited to material gains like

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access to education, health care, and housing, but also extends to social and political processes which, among others, promote respect for human rights and participatory governance.

The South African government committed itself to a programme of reconstruction and development (RDP) following the advent of democratic rule in 1994. Given the history of institutionalised discrimination and inequity that the country came from, it was important that such a programme should be adopted to give impetus to the country’s transformation processes. In advancing such transformation, government has been cognisant of the fact that its programme of reconstruction and development cannot be achieved unless it is accompanied by growth.

Indeed, the White Paper on Reconstruction and Development makes it clear that “growth and development are more than interdependent. They are mutually reinforcing”. It has therefore been critically important for the government to simultaneously prioritise and pursue both growth and development in order to achieve the objective of creating a better life for the people of South Africa.

One of the measures that were introduced to promote growth and development was the Growth, Employment and Redistribution (GEAR) strategy. Adopted in 1996, the GEAR strategy advocated for a ‘competitive outward-oriented economy’ and sought to promote an economic growth rate of 6% per year, create 400 000 jobs per year by the year 2000 while concentrating on meeting the demands of international competitiveness. There have been various reviews of GEAR, with some concluding that it was a fundamental shift from the RDP and has not been able to meet its objectives, including its targets for growth in real GDP, employment and private sector investment. However, others argue that although its economic projections were perhaps ‘naive’, “…the real success of …[GEAR]… was the momentum given to growth and development in the post-2001 period”. It is beyond the scope of this Report to delve into these debates. Suffice to say that notwithstanding the achievements the country has registered in its attempts to promote growth and development, there is wide recognition that more still needs to be done to improve the standard and quality of life for all.

Efforts to bring about such an improvement would, among other things, need to ensure that the glaring inequalities among South Africans are addressed. In more recent pronouncements, President Mbeki has referred to the existence of two economies in South Africa. In terms of this characterisation, South Africa has on the one hand an economy that is largely informal and subsistence based, and is largely African, vulnerable and impoverished, and on the other hand a parallel economy that...
is highly diversified, developed, well resourced and largely White. The quality of living is high in the latter and low in the former.

Although the above characterisation has attracted certain criticisms from some researchers, the existence of this skewed duality in the economy is nonetheless acknowledged. There is thus general agreement that the government still faces a number of challenges in its effort to promote growth and development. Key among these challenges are the following:

**Achieving higher levels of economic growth.** A specific growth target of 6% per annum has been set, and interventions would need to be made particularly in the First Economy to ensure that this target is achieved and sustained. In this process the country has been warned to also carefully address, among others, the relatively high current account deficit, which stood at 6% of GDP in the first quarter of 2006.

**Addressing poverty and underdevelopment.** While the economy has experienced an average growth rate of 4.2% over the last four years, poverty and marginalisation are still a reality among many South Africans. The challenge is therefore to ensure that the poor also share in the prosperity of the country.

**Building institutional capacity.** The functioning of the machinery of government needs to be strengthened to ensure that it delivers optimally as well as support the growth and development programmes of government. In this regard, government is faced with the challenge of building capable and efficient state institutions which can support delivery. Part of the challenge the country faces is the development of appropriate skills not only within the public sector, but across the economy.

**Improving safety and security.** There is a need to strengthen the criminal justice system as part of the strategy to fight crime and promote a safe and secure environment. Although reports point out that the incidence of certain types of crime is on the decrease, the reality is that the feelings of personal safety among members of the public have also decreased. This means that the perceived levels of crime are still high, thus raising a challenge to ensure that these perceptions are addressed. Such perceptions have the potential to discourage investment as well as discourage citizens from optimally playing a role in their own development as they would instead be more concerned about their personal safety.

**Promoting partnerships.** Government cannot single-handedly achieve and sustain growth and development. This has to be a collective effort involving different sections of the population, who, guided by the Proudly South African spirit, work towards a common goal.

In addressing these challenges, government has embarked on a number of targeted initiatives to promote growth and to ensure that the benefits accruing from such growth are shared equitably. These include the Accelerated and Shared Growth Initiative of South Africa (AsgiSA) which, through a set of specific interventions, seeks to achieve

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14 Frankel J et al. South Africa: Macroeconomic Challenges after a Decade of Success, September 2006.
17 http://www.markinor.co.za/press_46.html
an economic growth rate of 4.5% between 2005 and 2009, and of 6% between 2010 and 2014. In addition, AsgiSA seeks to ensure such growth would be used to promote social development in the country. AsgiSA also contains specific measures that target the Second Economy. These include initiatives to expand women’s access to economic opportunities, promote youth development, create a conducive regulatory environment for small businesses, and improve the capacity of local government to support local economic development. It is still early to assess progress in this regard, but clearly these efforts represent an attempt on the part of government to deal with the growth and development challenges facing the country.

South Africa’s efforts to promote growth and development are being pursued within the context of building a developmental state. Without going into a detailed discussion on the different conceptions of a developmental state, it suffices to say that such a state seeks to “capably intervene and shepherd societal resources to achieve national developmental objectives” 18, rather than simply rely on the forces of the market.

What gives rise to and shapes the nature of a developmental state depends on the context and history of a country. As the Minister of Social Development, Dr Skweyiya, reminds us, the meaning of the concept of a developmental state “...depends upon the specific historical conjuncture being considered...and the primary social forces and imperatives shaping public policy”.19 Against this background, many have quite correctly cautioned against any attempts to suggest that there is a prototype of a developmental state that can be constructed on the basis of what worked in other countries.20

What then is the specific context within which to locate a South African developmental state? The PSC believes that the Constitution provides the basis on which to understand developmentalism in South Africa given how it captures the collective will and determination of her people to create a better life for themselves.

In its preamble, the Constitution contains what is essentially a public commitment by South Africans to, among others, heal the divisions of the past, improve the quality of life of all citizens, and create a society that upholds democratic values, social justice and fundamental human rights.21 This commitment is further elaborated in Chapter 10 of the constitution, where values and principles governing public administration are outlined, including the principle that public administration must be development oriented. In addition Chapter 2 of the Constitution outlines the fundamental rights that each citizen has, including the right “to have the environment protected...through reasonable legislative and other measures that...secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development”.22

From the above exposition, it can be argued that the South African approach to developmentalism is one that values growth, sustainable development, equity, democratisation and the protection of basic human rights. It is therefore not an ‘either/or’ scenario. These key elements need to be addressed together. Such an
approach combines growth with what Amartya Sen has elsewhere identified as ‘...the removal of major sources of unfreedom’.\textsuperscript{23} The Bill of Rights in the Constitution clearly outlines the ‘freedoms’ which a South African developmental state should advance. These freedoms are expressed as rights, and an approach to development that does not fulfil, protect, respect and promote these freedoms would be inadequate.

Development therefore involves material achievements (such as income), improved well-being (such as health and education) and enjoying other forms of freedom such as participation in democratic processes of governance and religious association.

A high standard of professional ethics must be promoted and maintained
A professional and ethical Public Service enhances the credibility of the state as a development partner and promotes confidence in its programmes. A sound framework has been instituted to promote a strong culture of ethics, which is recognised internationally. The National Anti-Corruption Forum has strengthened the country’s partnership approach to promote ethical conduct. The implementation of the existing ethics infrastructure must be strengthened to ensure an integrity driven Public Service that promotes growth and development.

Growth and Development in the Context of Principle One

The significance of integrity and a sound ethical infrastructure in the creation of an environment conducive to growth and development is generally acknowledged. Collectively, these ensure that the processes through which decisions are made and implemented by government and the value system that informs them impact positively on the standard and quality of life of society. As a result they contribute towards the credibility of a state in the eyes of both citizens and the international community. An integrity driven Public Service is therefore not just for investor appeal, but is also a fundamental requirement for improving the quality of life of the citizens it serves.

South Africa has generally performed well in the establishment of an integrity-driven system of governance. The country has received largely positive ratings since its re-integration into the global community, with confidence reflected in improved investment. Its international credibility in this regard is also borne out by its leadership in hosting important international events such as the forthcoming Global Forum V scheduled to take place in April 2007 (preceded by the African Forum in March 2007), and by being a signatory to several international Conventions. For example, South Africa is one of the first countries to ratify the United Nations Convention Against Corruption and to comply with its mandatory requirements.

At a continental level, South Africa has also taken the admirable step of voluntarily having the quality of its governance assessed through the African Peer Review Mechanism (APRM). Such a step effectively adds momentum to the process of deepening governance not only within its borders but throughout the continent.

Promotion of Growth and Development through Professional Ethics

There has been a deepening of South Africa’s commitment to rebuilding a strong culture of ethics. Many of the initiatives to build an ethical infrastructure and to promote a high standard of professional ethics among public servants have been highlighted in previous editions of the State of the Public Service Reports. These include putting in place the necessary legislative and legal framework to direct ethical practice and sanction non-compliant behaviour. For example, the country passed the Prevention and Combating of Corrupt Activities Act of 2004 to among others criminalise corruption and corrupt activities, and to provide for investigative measures for dealing with such activities. This and other pieces of legislation strengthen the ethical infrastructure of the country and facilitate a deepening of the fight against corruption.

25 Global Integrity Index. 2006.
However, no matter how well they are crafted, frameworks on their own do not result in a high standard of professional ethics. It is at the level of implementation that the real challenge of promoting professional ethics and fighting corruption is experienced. In South Africa, partnering in implementation has become an accepted principle, especially in the fight against corruption. In this regard, the establishment of the National Anti-Corruption Forum (NACF) remains an important achievement that has put the country’s anti-corruption efforts at a higher level. The NACF provides a mechanism for promoting continual dialogue and collective anti-corruption action among all sectors, thus maintaining a momentum for driving ethical conduct. This approach has proved to be crucial for actioning sectoral collectivism in the anti-corruption drive.

Work done to date, shows that the NACF is yielding positive results. For example, in order to strengthen capacity for the implementation of anti-corruption legislation, reports of the NACF show that 263 public sector officials received ethics training through SAMDI. Such training was provided as part of giving effect to the resolutions adopted at the second National Anti-Corruption Summit held in March 2005. The training included officials from national, provincial and local government level. Training is an important part of any credible strategy for improving ethical integrity, and is crucial for reinforcing the ethical infrastructure of the public sector. A further achievement of the NACF has been the launching of an Integrity Pledge on August 2006. Recent reports from civil society and public sector representatives within the NACF indicate that the Integrity Pledge is being used successfully as a tool to promote anti-corruption within their respective sectors.

Recognition of the collective approach used by the NACF is important because corruption involves and affects not only the public sector but civil society and business as well. If one has regard for the results of the 2006 Transparency International’s Bribe Payers Index, South Africa was ranked 24th out of 30 countries, indicating that there is a strong possibility that South African businesses will bribe foreign officials in other countries. If they can do this abroad, the South African Public Service is not immune from such solicitation.

The above assertion shows that acts of corruption transcend country borders, thus requiring anti-corruption work to also include international collaboration. In this regard, South Africa continues to be recognised as an important international player in the combating of corruption. As indicated above, South Africa will be hosting the Global Forum V on corruption which is scheduled to take place at the beginning of April 2007. The Forum, under the theme *Fulfilling our Commitments: Effective Action against Corruption*, will emphasise effective implementation and application of anti-corruption measures. Global Forum V will provide the opportunity for the African region to promote a common understanding of corruption and to advance a collective position and response to this challenge. To this end an African Forum on Fighting Corruption was held in February-March 2007. The NACF will contribute to both events and ensure participation of all relevant sectors.

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29 Meeting of the National Anti-Corruption Forum held on 5 December 2006.
30 Ibid.
31 Meeting of the NACF held on 5 December 2006.
South Africa’s anti-corruption drive has a strong public participation dimension whereby citizens are encouraged to actively play a role in reporting acts of corruption. Such participation is in line with the country’s approach to development which recognises that citizens cannot just be passive beneficiaries of state interventions but should instead be active participants. The establishment of anti-corruption hotlines has provided a useful platform for citizens to play such a role. For example, Table 1 below shows that, as at 30 November 2006, 2297 allegations of corruption relating to national and provincial departments had been reported through the National Anti-Corruption Hotline (NACH). The most frequently reported cases relating to provinces dealt with alleged abuse of government-owned vehicles, as well as allegations of fraud and procurement irregularities such as favouring friends/relatives or not following proper procedures when issuing tenders.

Table 1: Cases of alleged corruption received through the NACH and referred to Departments and feedback received (as at 30 November 2006)

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<tr>
<th>National/Province</th>
<th>Number of alleged corruption cases received (1)</th>
<th>Percentage of total (2)</th>
<th>Feedback (3)</th>
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<td>Provinces</td>
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<td>Kwa-Zulu Natal</td>
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<td>12</td>
<td>16</td>
<td>11</td>
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<tr>
<td>Limpopo</td>
<td>87</td>
<td>7</td>
<td>51</td>
<td>59</td>
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<tr>
<td>Mpumulanga</td>
<td>128</td>
<td>11</td>
<td>95</td>
<td>74</td>
</tr>
<tr>
<td>North West</td>
<td>116</td>
<td>10</td>
<td>32</td>
<td>28</td>
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<tr>
<td>Northern Cape</td>
<td>17</td>
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</tr>
<tr>
<td>Western Cape</td>
<td>59</td>
<td>5</td>
<td>45</td>
<td>76</td>
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<tr>
<td>Total (Provinces)</td>
<td>1 172</td>
<td>51</td>
<td>468</td>
<td>40</td>
</tr>
<tr>
<td>Grand Total</td>
<td>2 297</td>
<td>100</td>
<td>827</td>
<td>36</td>
</tr>
</tbody>
</table>

While such reporting does not necessarily mean that there is indeed corruption in these provincial departments, it does, however, indicate that the public is proactively using available mechanisms to join in the fight against corruption. Feedback from departments and agencies remains generally sluggish (feedback has only been received in 38% of the cases referred to provincial departments). Cases reported to the Hotline have already led to the dismissal of 20 officials from the Public Service while 17 were suspended pending finalisation of their cases.32

In addition to the NACH, there exists other institution and province-specific hotlines which have also allowed the public to play its part in the fight against corruption. For example, the Department of Social Development has its own hotline which has since

March 2004 received more than 40 168 cases related to social grant fraud. The South African Revenue Services (SARS) Hotline recorded more than 40 715 cases. The highest number of cases reported to the SARS Hotline related to personal income tax (13 100), followed by import-related cases (6 211) and company tax related cases (5 954).33

The low feedback rate on cases referred to departments is unfortunate as it may encourage perceptions that there are high levels of corruption in the Public Service. Such perceptions affect public confidence in the Public Service and can have very damaging consequences on the ability of the country to attract investment, especially when such perceptions become the primary data that some international organisations utilise to measure the incidence of corruption in a country. The effective functioning of hotlines and the timely feedback on cases reported is important as it helps create a much more reliable information source on which to base assessments of the incidence of corruption. This is so because such assessments would then use data drawn from actual cases of alleged corruption rather than just perceptions that individuals may have.

Without detracting from all these anti-corruption efforts that South Africa is involved in, practice has shown that it is not enough to legislate values and beliefs. Society as a whole should work towards the nurturing of virtuous citizens to build an appropriate moral fibre that values ethical conduct. For their part, public officials must internalise the standards created and integrate an ethical dimension into their decisions and activities. A critical element of an impressive ethics infrastructure is the ability to ensure that everyday work is infused with a positive ethos and culture, such that ethical conduct readily becomes part of normal daily activities. Experience suggests that even the best legislation and institutions will not reverse corruption and unethical conduct if a positive ethos is missing.

Among the key pillars of the Public Service’s ethics infrastructure are an organisational culture of common values and operational compliance. Unfortunately, it is on these two pillars that weaknesses in approach have been most obvious. For example, a Code of Conduct for public servants was promulgated in 1997 to guide “..employees as to what is expected of them from an ethical point of view, both in their individual conduct and in their relationship with others”.34 A study conducted by the PSC found that the uptake of the Code has generally been very good, with most Departments ensuring that staff are aware of the provisions of the Code.35 However, the study found that there are still gaps in terms of the actual implementation of and compliance with the Code. For example, respondents indicated that arriving late for work or leaving early is one form of unethical behaviour with the highest frequency.36 This is unacceptable given the importance of serving the public at the right time when they need those services.

What these findings confirm is that the promotion of professional ethics through Codes can be very effective to the extent that they communicate both internally and externally, the moral path that employees are expected to tread. They are also an important mechanism through which to build a collective conscience for an organisation. They, however, require on-going review, enforcement capacity and also need to be supported by other measures such as training and enabling whistle blowing.

33 Reports provided to the Meeting of the National Anti-Corruption Forum (NACF) held on 5 December 2006.
36 Ibid.
mechanisms. Although SAMDI has begun to provide training in this regard, it will take time for these capacity challenges to be adequately dealt with.

In addition to promoting ethical conduct through a culture of common values, there is often also a need to sanction non-compliant behaviour. Such behaviour taints the integrity of the Public Service as a credible agent of growth and development, and it also sustains other counter-developmental practices such as inefficiency and ineffectiveness. Although the Code of Conduct for public servants primarily seeks to promote exemplary conduct, the Public Service Regulations make it clear that should an employee fail to comply with its provisions, they would be guilty of misconduct. However, successful enforcement in this regard depends on how effective the Public Service is in actually dealing with the cases of misconduct that have been identified. In this regard, encouraging findings have emerged from PSC research, showing that departments do at least comply with most of the policy requirements that guide the resolution of cases of misconduct.37

However, an area that still needs attention is monitoring and follow-up of the process by management. In only 57% of the departments included in PSC research is such monitoring conducted. Follow-up and monitoring are important in the handling of cases of misconduct because they ensure that the provisions of the Code of Conduct are implemented effectively. Without such follow-up and monitoring, the risk exists that acts of misconduct will go unsanctioned, thus compromising the efforts of the Public Service to promote a high standard of professional ethics.

In directing many of the initiatives that seek to create an integrity driven Public Service, senior managers have a key role to play given the functions that have been delegated to them. For example, senior managers are the main decision-makers in procurement processes of the Public Service. Given the magnitude of financial resources that are involved in these processes, procurement is a high risk area and tends to get special attention from internal and external stakeholders in evaluating the standard of professional ethics in the Public Service. It is in this context that the management of conflicts of interest at the level of senior managers becomes important. Where such conflicts are not effectively managed, they compromise the integrity of procurement decisions, open up opportunities for corruption and reduce investor confidence.

Full compliance with conflict of interest legislation sends out a categorical message of clean administration. Unfortunately senior Public Service managers fail to lead by example, with only 66% of them having disclosed their financial interests for the 2005/6 financial year (see Table 2 below38).

Considerations for Enhancing Growth and Development under Principle One

The rate of compliance has been better in some provinces, with the highest rates of return achieved by the North West (99%), Mpumulanga (96%) and Limpopo (93%). At 56%, national departments are lagging far behind, and the consequences of such centres of policy-making not complying with the very policies they spear-head is damaging to the ethical image of the Public Service and its capacity to facilitate growth and development.

The foundation for an integrity driven Public Service has been laid. The main consideration going forward, is to deepen implementation of the frameworks and strategies that are in place. Ultimately, the benefit of these frameworks in terms of growth and development lies in the concrete steps that the Public Service takes to action them.

The Public Service also needs to address the potentially harmful effects of perceptions-based measures of incidents of corruption. Here, making the NACH work by following up and investigating cases arising from it, cannot but improve perceptions that the tolerance for corruption is weakening.

While the attention of the Public Service to the issues raised is necessary, it is crucial to also appreciate the bigger challenge of improving the moral fibre of society. For the Public Service to successfully become an integrity driven institution, society as a whole needs to actively support a high standard of ethics. Otherwise public servants remain vulnerable to being corrupted by the public. In addition, unethical acts and their perpetrators would not encounter the societal disapproval they deserve.
Efficient, economic and effective use of resources must be promoted
Public spending impacts on the production, investment and employment patterns in the economy. Used efficiently, economically and effectively public resources can become a strategic lever to promote investment and to improve the well-being of citizens. There has been an improvement in financial reporting, but more needs to be done to ensure that the Public Service is competent in the utilization and management of resources.

Promoting Growth and Development in the Context of Principle Two

Government departments have a responsibility to ensure that public funds are used specifically for the purposes they are voted for by Parliament and within the prescripts provided for in the Public Finance Management Act. Unless this principle is upheld, there is a risk that funds may be diverted away from the appropriate priorities of government, thus compromising their potential to impact meaningfully on the lives of citizens.

The promotion of this principle has implications for the state's role in growth and development. Firstly, the scope, direction and timing of public spending influence the economic environment of the country. As an illustration, one simply has to look at the implications of the South African government’s commitment to spend over R400 billion over three years in various infrastructure projects as part of AsgiSA. In this regard, it can be expected that the “massive supplies that these projects will need …[will]...open up unprecedented opportunities for the private sector, and contain within them the possibility to restructure the economy in a fundamental way”. The net effect of all these supply requirements on the production, investment and employment patterns in the economy should not be underestimated.

Secondly, public spending can become a strategic lever to encourage private sector investment. The private sector has over the years increased its investment in the economy at a rate faster than that of government. This momentum should be increased by providing the business sector with further inducements to invest. Effective deployment and utilisation of public resources in development programmes by government inspires confidence. This encourages the private sector to play its role by partnering with government for mutually beneficial purposes.

Thirdly, public spending can impact on the quality of life of communities, leading for example, to better education, better health care and access to services and infrastructure. In this regard, one has to think of how the social wage provided by the South African government through subsidised basic services, school feeding schemes, school fees rebates and others, contribute to improving the quality of life of beneficiary communities. The quality of public spending is one of the key mechanisms through which the state can promote a sharing of the benefits of growth, especially in the South African context where acute poverty and unemployment continue to persist, even though higher levels of economic growth are being achieved.

41 These services are provided as examples as the value and total package of the social wage in South Africa has not been determined yet.
Efficiency and effectiveness in Public Service delivery involve more than just how much has been spent. They require that attention be specifically paid to the public value that has been created through such spending. As the Minister of Finance, Mr Manuel, noted in his 2006 Budget Speech, “it is not the rand cost of public services that counts in the daily experience of women and children, work seekers, victims of crime, the elderly or those with disabilities. It is the quality of care in the paediatric ward, the time it takes to process a business application, the effectiveness of court processes, the attention to special needs in the classroom, that makes a difference to people’s lives and well-being”.42 This report therefore combines in its assessment a focus on quantitative measures of resource utilisation as well as their impact on people’s lives and well-being.

One of the ways to assess progress made in resource utilisation is to analyse expenditure trends in the Public Service. Consolidated expenditure reports show that social services43 continue to receive the biggest share of allocated expenditure (over 56%). Accordingly, the assessment below focuses specifically on this sector to establish how, through such spending, the Public Service contributes towards growth and development. Within the category of social services, the largest share of the resources goes to Education. South Africa spends 5,3 % of its GDP on education which compares well with other countries. This is a good investment given that education is a great engine for development.44 Provincial education funding has increased from R53,2 billion in 2002/03 to R70,0 billion in 2005/06 translating to an average growth rate of 10,6 %, or 5,8 % per year in real terms.45

While these increases in budget allocations are commendable, the lives of people can only be positively impacted on if the Public Service has the capacity to spend the resources it is provided with. Without such capacity, the risk of funds not being spent properly (or not being spent at all) exists and this would compromise the achievement of the objectives they were intended for. In this regard it is encouraging to note, as Table 3 shows, that under-spending in provincial departments is mostly on the decrease. However, the same cannot be said about national departments where under-spending went up from an average of 0,9% in 2004/5 to 1,5% in 2005/6.

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43 Social services include Education, Health, Social security and welfare, and Community development.
It should, however, be pointed out that from a growth and development perspective, it is still a concern that under-spending is taking place. Although some of these percentages may appear insignificant, in rand terms the amounts involved are worth watching closely. Such under-spending effectively means that certain allocated resources were not put to any gainful use, leading to lost opportunities in development projects. South Africa cannot afford such public management practices while there are, for example, thousands of households that still suffer the indignity of having to use the bucket system as a form of sanitation. As recently as June 2006, there were still over 60,000 buckets in use for this purpose in certain parts of the country.46

The ability to spend allocated funds is going to be crucial in the context of the massive resources that are going to be invested in development projects over the next three years. Although not all the resources will come from and be managed by government departments, it can be expected that the Public Service will have a central role to play in the effective utilisation of the over R400 billion targeted for investment in infrastructure projects as part of AsgiSA. If the departments underspend in such projects, the growth-enhancing potential of the projects would be compromised.

46 Mbeki, T. President of the Republic of South Africa. Media Briefing on the Cabinet Lekgotla. 30 July 2006.
Furthermore, buoyant economic conditions have ensured that when the division of revenue is done among the three spheres of government, there is often a substantial amount that departments get allocated over and above their individual Medium Term Expenditure Framework (MTEF) baselines. This means that the allocations that departments receive annually continue to increase in real terms, thus making it even more important for them to improve their spending capacity.

Effective and efficient use of resources to achieve development goals requires disciplined and accountable financial management. It is because of this that the extent of unauthorised, irregular, fruitless and wasteful expenditure in the Public Service is noted with concern. The Auditor General reports that for the 2005/6 financial year, national departments incurred R266,678m in unauthorised, irregular, fruitless and wasteful expenditure, which is more than three times the amount reported for the 2004/5 financial year. A major portion of this amount (R139m) specifically comprises irregular expenditure.

Of concern is that the Departments of Water Affairs and Forestry, Trade and Industry, Transport and Communications are between them responsible for 75% of such irregular expenditure.47 Given the critical role of these four departments in growth and development, it is not acceptable that they let such huge amounts be incurred through irregular expenditure. For example, the Department of Transport is responsible for leading programmes of enhancing investment in public transport.48 Such programmes do not only have implications for growth but for the accessibility of quality transport for the public.

While the quantitative measures discussed thus far provide useful pointers in terms of the scope and pattern of the utilisation of public resources, the most critical consideration at the end of the day is how public spending impacts on the quality of life of citizens. For example, are citizens able to access the services provided, and when they do access them are the services of such quality that they make a difference to their lives?

Looking at education as an example, it is worth noting that there has been an increase in the proportion of adults who have matriculated, increasing from 24% in 1995 to 33% in 2003.49 The proportion of individuals without any formal education also went down by 50%. Despite these improvements, individuals have continued to experience the challenge of unemployment irrespective of their levels of educational attainment.50 Beyond participation rates, there are other deeper quality issues that would still need further consideration. Notably, there are on-going debates about the quality of learning outcomes and whether completing a particular grade implies that certain economically and socially desirable competencies have been achieved. The Education Department’s new curriculum seeks to do exactly that51, but more focused assessments would need to be undertaken to determine impact. It is, however, worth noting that the percentage of learners who passed Grade 12 with endorsement (exemption to enter university) increased from 14.2% in 2000 to 18.8% in 2003 and

48 Republic of South Africa. Department of Transport. Annual Report 05/06.
50 Ibid.
then declined to 17.1% in 2005.\textsuperscript{52} Of the 303 152 matriculants who took the Grade 12 mathematics exam in 2005, only 55.7% passed. Of concern is that only 8.7% of these passed on the higher grade. Therefore, more still needs to be done to improve the quality of passes.

In the area of health, reports suggest that increased Primary Health Care (PHC) funding has contributed towards improved access to health services. In particular between 2000/01 and 2005/06, visits to PHC facilities increased from 81.9 million to 101.8 million.\textsuperscript{53}

Similar to the issues raised with respect to the provision of education, it is important to ensure that an increase in the uptake of public health services is accompanied by improvements in their quality and outcomes. It is only through such improvements that the services provided would meaningfully fulfil their developmental purpose. These are, however, gains that do not come automatically. They require meaningful strategic management, including careful planning and scheduling of spending activities, focused monitoring and evaluation and sound reporting.

There are already concerns that the highly uneven quarterly spending patterns of departments may be sending a signal that funds are not always used efficiently and effectively. In certain instances departments tend to spend a large portion of their budget during the last month of the financial year. For example, in the 2003/4 financial year, the Department of Communications spent 49.72% of its total budget in the last month of the financial year, and the trend was continued in 2004/5 where the Department spent just over 50% of its budget in a period of one month (March).\textsuperscript{54} There are concerns that this pattern may be common among departments.\textsuperscript{55} It is hoped that such spending is not motivated by an attempt to simply ‘get rid’ of funds as a way of avoiding underspending and the consequences that go with it in terms of the provisions of the PFMA. This would be unacceptable behaviour on the part of departments, as it would effectively be a last minute ‘dumping’ of resources into less pressing priorities as a result of poor planning and implementation.

The creation of public value is a critical imperative for the Public Service, especially in the context of a state that seeks to improve the standard and quality of life of citizens. The Public Service needs to ensure that its performance reporting strikes a balance between quantitative achievements such as the number of beneficiaries and the value that the services provided generate for the beneficiaries. This requires among others sound planning and focused evaluative studies.

Priority initiatives such as AsgiSA should be supported by comprehensive monitoring and evaluation processes which would facilitate meaningful and regular reporting to keep the public informed.

Ultimately, the above considerations depend on the institutional capacity of the Public Service. Such capacity would also help address the unacceptably high levels of unauthorised, irregular and fruitless and wasteful expenditure in the Public Service.

\textsuperscript{53} Ibid.
\textsuperscript{55} Ibid.
Public administration must be development oriented
A development oriented Public Service plays a proactive role in the realization of government’s objective of creating a better life for all. Efforts such as social security and social assistance programmes have reached many beneficiaries, but these need to be augmented by more sustainable efforts of eliminating the second economy.

Promoting Growth and Development in the Context of Principle Three

South African developmentalism requires the Public Service to be a strategic agent through which government can intervene decisively to achieve its objectives of creating a better life for all. To achieve this, the Public Service must ensure that its policies, programmes and overall mode of operation are geared towards improving the quality of life of communities. Crucially, apart from driving growth, the Public Service must ensure significant improvements in the well-being of the citizenry.

Planning for growth and development has been a priority for the democratic government since it came to power. Frameworks have been put in place to facilitate such planning, and these include the National Spatial Development Perspective, Provincial Growth and Development Strategies and the municipal Integrated Development Plans. The challenge is to ensure that the plans that are generated through these frameworks are not only conceptually and operationally rigorous, but are in alignment with each other to facilitate collaborative intergovernmental implementation.

Notably, despite increased economic growth in recent years, South Africa is still challenged by poverty. Government is cognisant of the importance of addressing this challenge, and is committed to halving poverty by 2014, in line with the Millennium Development Goals (MDGs). Although new jobs are being created, this has not happened at the rate that is enough to keep pace with, and absorb the increase in the economically active population. As a result, there are still many people who do not earn income through productive employment.

A development oriented Public Service must rise to this challenge and use its infrastructure to intensify programmes that target the second economy and reduce poverty. In this process, there needs to be recognition of the fact that poverty is multi-dimensional and cannot just be assessed through money-metric measures only. While such measures often provide useful quantitative data that readily allows comparisons from one year to another, and between different countries, they do not holistically capture all the dimensions of poverty.

Promoting Growth and Development through a Development Orientation

As part of AsgiSA, government has been implementing a number of interventions that seek to bridge the gap between the first and second economy and to eventually eliminate the latter. An important consideration would be to ensure that through sound monitoring and evaluation the developmental impact of such interventions can be established and enhanced.

Assessments of progress made in reducing poverty tend to be defused by different definitions of poverty. The role of a developmental Public Service is to transcend these definitional differences and provide clarity on what poverty means in the South African

56 Job creation is estimated at about 500 000 new opportunities a year. See Manuel, T. Budget Speech. 21 February 2007.
context. This is a key issue on which to frame discussions that follow in this section because the extent to which there has been progress in poverty reduction also depends on the definition and the indicators that get used for such an assessment.

Thirteen years into democracy, South Africa still does not have an official poverty matrix. However, the need for such a matrix is acknowledged,58 and in this regard a discussion document has been released to facilitate national dialogue on an appropriate matrix for South Africa.59

In the absence of a poverty matrix, researchers have tended to use different estimates. Some use the common international poverty line of 2 dollars a day while others use what is often called the cost-of-basic-needs line of R322 per month (in 2000 prices).60 Some studies have concluded that poverty is declining61, although others have argued that the validity of such findings is still weakened by the lack of precision in definitions of poverty. The clarification of definitions is an important aspect of poverty reduction that needs urgent attention. In this regard, the PSC is already stimulating the required dialogue on this matter by proposing that “an individual or household is said to be in a state of poverty when they have no income or have an income below the standard of living or are unable to meet their basic human needs”.62

It is hoped that this work will encourage an engagement on poverty reduction that seeks to address the lack of definitional precision that has been identified.

Notwithstanding these definitional differences, it is acknowledged that there is still a huge challenge facing the government to reduce income poverty through productive employment. For example, unemployment is estimated at about 26%, and the percentage of the population living below 1 dollar a day is said to have increased from 9,4% in 1995 to 10,5% in 2002.63 In an attempt to deal with these challenges, one of the interventions that government introduced is the Expanded Public Works Programme (EPWP). The approach of the EPWP is essentially that of “using government expenditure on goods and services to create additional work opportunities, coupled with training, particularly for the unskilled unemployed”.64 The overall target of the Programme is to create one million jobs for women, youth and people with disabilities by 2009. As at March 2006, the Programme had created a cumulative total of 348 900 work opportunities through which a total of at least R636 million was paid in wages.65 This shows concerted efforts to address income poverty.

However, in using income poverty as a primary indicator, it is important to keep in mind that poverty is not experienced through lack of income only. As the Commission for Africa pointed out “Poverty means hunger, thirst, and living without decent shelter. It means not being able to read. It means chronic sickness. Poverty means not finding any opportunities for you or your children. It is about being pushed around by those who are more powerful. It is about having little control over your own life. And it can mean living with the constant threat of personal violence.”66

60 For example, Van den Berg, S et al. Trends in Poverty and Inequality since the Political Transition. University of Stellenbosch. 30 September 2005.
61 Ibid.
65 Ibid.
Income measures of poverty should therefore be balanced against the many other initiatives that have been put in place to improve livelihoods. Such measures include “the massive advances that have been made most obviously in securing human rights and political freedoms that are critical in allowing the poor (and others) to have a voice in society”. 67 In addition, there has been improved access to public services, with more people benefitting through housing, piped water, electricity and social security. 68 For example, since 1994 over 1300 clinics have been built or refurbished, programmes for child immunisation have been implemented, three and a half million homes have been connected to the electricity grid and close to four million poor households receive free basic water. 69

Through increases in social security spending as well as the social wage, government is reaching out to many households to reduce their poverty. Social security and social assistance grants continue to be the fastest growing category of government expenditure, currently amounting to R70 billion per annum and reaching over 10 million beneficiaries. 70

There is growing recognition that such social assistance does in fact achieve some developmental objectives as well. For example, a study by the University of Stellenbosch (commissioned by the Department of Social Development) shows that grant recipients tend to spend most of the money on food, education and other necessities that are fundamental to human well-being. The same study also shows that most of the beneficiaries also enjoy access to other basic services provided by government. For example, the majority said that the nearest health facility was within 5 km of where they live, and that their school-going children benefited from school feeding schemes as well. 71

Taking these benefits into consideration, a study by Van der Berg et al argues that poverty is on the decline. 72 They found that the likely explanations for this strong and robust decline in poverty is the massive expansion of the social grant system as well as possibly improved job creation in recent years.

A key challenge, however is that reducing poverty through grants is not sustainable. By October 2005 it was estimated that out of a population of 46.9 million South Africans, 22% were receiving grants, whilst approximately 7 million children were directly benefiting from grants by December 2005. 73 While these figures are impressive in terms of the reach of the social security net, they also raise concerns given the growing expenditure involved. 74 Such concerns should however not be misconstrued to imply that income support as a poverty reduction strategy is undesirable. The social security grants the South African government provides have been successful in improving the quality of life of the beneficiaries. 75

70 Ibid.
74 The expenditure currently amounts to approximately R70 billion a year. See for example Manuel, T. Budget Speech 2006
In addition to social security, there are many other poverty reduction programmes that the Public Service is implementing.\textsuperscript{76} These include Free Basic Services and school fee rebates for poor families. Ultimately, the key issue is to ensure that departments demonstrate the requisite capacity to design, plan, implement and monitor these programmes in such a manner that they achieve their objectives. In this regard, the PSC has found that departmental programmes could still be improved through better integration with other initiatives, including better alignment with Integrated Development Plans, and from on-going learning exchanges to share experiences and inform good practice.\textsuperscript{77}

Poverty reduction is not a responsibility of government alone. In this regard, the launch of the National Youth Service in August 2004 came as a welcome initiative to promote a spirit of voluntary and selfless service among the youth.\textsuperscript{78} Working with government, participating youth render certain services to their communities while acquiring skills in the process. For example, some are scheduled to work with the Department of Transport as Road Safety Ambassadors while others would work with the Department of Environmental Affairs and Tourism in Marine and Coastal Management Services.

The success of the country’s poverty reduction programmes should, in the final analysis, be discernable in the quality of life of citizens. One of the key indicators of human development through which to measure this is life expectancy. Average life expectancy for South Africans decreased from 57 years in 1995 to 55 years in 2000.\textsuperscript{79} At the same time, between 1997 and 2004, death rates for females aged 20-39 more than tripled whilst they more than doubled for males aged 30-44.\textsuperscript{80} There are many factors that contribute to such negative trends, some of which may not be related to poverty. These include smoking, bad eating habits and alcohol consumption.\textsuperscript{81} However, the country's development efforts have to address these mortality rates as a matter of urgency. The sections of the population that are represented in these mortality rates are the economically active adults, and losing them at such a rate does not augur well for growth and development.

There is an urgent need to promote a shared view of what constitutes poverty and how it can be measured. The current differences in definitions lead to different indicators being used, and there is a risk that they could also impact on the successful design and implementation of programmes (especially those involving different partners who may not have the same views on poverty reduction). The PSC has initiated studies focusing on poverty reduction, and it is hoped that the reports should contribute towards such a dialogue.

Efforts to improve the capacity of the Public Service to effectively plan and implement poverty reduction programmes should also be strengthened. In this regard, particular attention should be paid to enhancing collaboration between departments and between spheres of government to optimise the use of resources available and to promote collective learning.

\textsuperscript{78} Mlambo-Ngcuka, P. Deputy President of the Republic of South Africa. Statement on the occasion of the launch of the second phase of the National Youth Service Volunteer campaign. 4 December 2006.
\textsuperscript{81} Ibid.
Collaborative opportunities should also be extended to communities to ensure that they actively participate in the growth and development initiatives of the country. In that way, development would have a strong local input and stand a chance of not only being contextually relevant, but sustainable too.
Services must be provided impartially, fairly, equitably and without bias
The provision of services impartially, fairly and equitably is essential for growth and development, as it ensures that the current inequalities that exist are addressed. Such an approach promotes confidence in the transformation agenda of government and encourages citizens to optimally use available opportunities to better themselves. A legal framework to entrench impartiality, fairness, equity and a lack of bias is in place although implementation still remains a challenge for some departments.

Growth and Development in the context of Principle Four

The Constitution of the Republic of South Africa states that “all citizens are equally entitled to the rights, privileges and benefits of citizenship”. A key mechanism through which such commitment is conveyed is through the provision of services impartially, fairly, equitably and without bias. In a developmental state such as ours where the Public Service is central to the achievement of transformation and development, the machinery of the state can be rendered ineffective if it is perceived to be partisan. The immediate outcome of such a situation could be a lack of willingness by potential development stakeholders to engage with government.

The Public Service must adhere to this principle by ensuring equitable access to services and benefits. Such adherence must particularly happen at the coal-face of the citizen-government interface, in terms of how people are treated and experience service delivery, and whether when they complain, they are taken seriously.

A legal framework has been laid to entrench fairness, impartiality, equity and lack of bias in the Public Service. Some of the legislation in this regard includes the Promotion of Administrative Justice Act (PAJA), the Promotion of Access to Information Act (PAIA), the Promotion of Equity and the Prevention of Unjust Discrimination Act (PEPUDA), and the Employment Equity Act (EEA). Each of these acts addresses key elements of the country’s apartheid past that inhibited fairness and equity. Collectively these have the potential of addressing the residual discrimination that is present in South African society and which manifests itself adversely in the quality of life of citizens.

The Public Service has reversed the injustices caused by previous legislation, and now seeks to ensure that all citizens can equally enjoy the benefits of growth and development. In the area of providing equitable education opportunities, for example, the new education policy opened schools to all children across all population groups. This policy position has been supported by developments such as the introduction of school fee rebates for parents within a particular income range, the establishment of a school feeding scheme to provide a basic nutritional meal for learners in need, and the introduction of no-fees schools, all of which are important equity measures that ensure that children from poor backgrounds can also experience effective teaching and learning.

However, vestiges of past inequities still exist. Statistics South Africa found that, for example, of the 4,6 million people aged 20 years or more who had not received any schooling in 2001, 4,3 million (94.0%) were African. Among the 4,1 million people in this age group who had achieved some, but not complete, primary education, 3,6

Principle 4

million (87.1%) were African. It was also found that children were moving through the education system at differing rates, with African children moving through the system more slowly than those in other population groups. When a high proportion of the South African population is unable to participate in the economy equally, it hampers growth and development, as the maximum potential is not realised. These findings show that measures to support previously disadvantaged groups are still a necessity to promote equity in public education. Addressing these fully will allow all groups to participate in the economy on a more equal footing thereby enhancing growth and development.

Measures to improve equity through preferential procurement are sometimes considered as being unfair. However, these are necessary to give advantage to those that have been historically disadvantaged. An important dimension in this regard is that even where equity is being promoted through preferential treatment as provided for in legislation, fairness, impartiality and lack of bias should still be practiced. In this regard, other pieces of legislation have been put in place to ensure that such a balance is achieved. For example, in terms of procurement in the Public Service, Supply Chain Management regulations have been introduced and these specify clear requirements regarding fairness and transparency in the adjudication of tenders. The significance of balancing equity measures with fairness and impartiality mechanisms is to ensure that the objectives of growth and development are not compromised through nepotism and other corrupt practices.

Important legislation that particularly addresses fairness, impartiality and lack of bias is the Promotion of Administrative Justice Act of 2000 (PAJA). The Act requires departments to have mechanisms for explaining administrative actions and providing redress where necessary. Most critically the Act requires public officials to understand what constitutes lawful administrative action and what does not. By specifying such requirements in the decision-making processes of departments, the Act effectively obliges the departments to make decisions that are well considered and defensible. Decisions based on bias and lack of fairness cannot satisfy the test of these requirements.

Studies by the PSC show that the implementation of the PAJA remains a challenge for departments. For example, when it comes to the proper communication of decisions in terms of giving prior notice, providing opportunities for representations, communicating decisions that adversely affect people and providing reasons for decisions on request, only one out of eleven departments was found to comply. Proper communication of decisions as required by the PAJA is important in that it not only encourages decision-makers to ensure procedural rigour in decision-making, but it also inspires public confidence in the legality and fairness of the decisions. In only three (27%) of the departments assessed could an element of fairness in decision making be established. When it comes to the proper communication of decisions in terms of giving prior notice, providing opportunities for representations, communicating decisions that adversely affect people and providing reasons for decisions on request, only one (9%) department was found to be compliant.

Considerations for enhancing Growth and Development under Principle Four

Given the above compliance challenges, it is worth noting that the Department of Justice and Constitutional Development (DOJ&CD) is developing strategic partnerships with departments at the national, provincial and local spheres of government to promote the implementation of the Act. The approach adopted is that of building implementation capacity through training, and evaluating workflows in departments to establish particular points of administrative decisions and ensuring that such decisions comply with the PAJA.

A key consideration for the Public Service is for departments to improve the manner in which they work with current legislation to ensure that they can effectively promote fairness, impartiality and lack of bias. The challenge in this regard is that since this Constitutional principle is not expressed as a tangible output, it does not always get monitored effectively. There has to be a greater appreciation on the part of the Public Service of how lack of adherence to this principle works against the objective of encouraging citizens to identify with and voluntarily participate in the growth and development programmes of government.

Legislation such as PAJA provides a good framework within which to build impartiality and fairness into the decision making process of government. It should, however, be recognised that ultimately fairness, impartiality and lack of bias are connected to the promotion of a high standard of professional ethics in the Public Service. Efforts to build an integrity driven Public Service should thus also seek to promote fairness, impartiality and lack of bias as ethical virtues for the Public Service.

There must be a high degree of transparency and fairness in the adjudication of tenders. Given the several high level events that the country will be hosting in the near future, the allocation of government business through the public procurement process poses a challenge as well as a window of opportunity which should be exploited.
People’s needs must be responded to and the public must be encouraged to participate in policy-making.
The involvement of citizens in the decision-making process is important to ensure that experiential and grounded perspectives inform government of what the needs are, and how these can best be addressed. There are pockets of good practice in the Public Service that promote citizen engagement, but more still needs to be done to heighten the level and quality of participatory governance.

Growth and Development in the Context of Principle Five

Effective growth and development requires a responsive government that is willing and able to promote citizen participation. Through such participation citizens can infuse their experiences and contextual realities and inform government’s policies and programmes, thus making these more relevant and responsive to their needs. For example, involvement in the establishment of micro-financing schemes can ensure they reach appropriately targeted groups. Participation also promotes ownership of policies and programmes, which is a key requirement to ensuring that they are sustainable. For example, the involvement of a community in the running of a local school encourages the community to regard the school as theirs and not just as a detached property of the state. This promotes local responsibility towards the school to ensure that it runs effectively and is taken care of.

In addition to the value which participation adds to development programmes, it is important to also recognise that participation is itself a crucial democratic benefit. The space to participate in matters that affect the life of the community promotes a sense of personal and community self-worth, increasing ownership of projects and making them potentially more successful. There is evidence that “water projects in which there has been more community participation are more likely to be successful, because participation will help support the kind of long-term maintenance that is required to keep them effective.”

However, citizen engagement can sometimes be a challenge in new democracies, where the process of democratic decision-making (decision-making by elected representatives) may be incorrectly regarded as a substitute for citizen participation. The latter remains crucial even if there are legitimate and democratically elected representatives in place.

The practice of engaging with citizens is not easy. It can be labour intensive, time-consuming and mired in conflict and tension. However, given the history of this country where non-participatory governance supported the logic of apartheid, it is important that the practice of government insulation does not become a norm.

Promotion of Growth and Development through Participatory and Responsive Governance

South Africa is recognised as having a more open policy-making process than most other countries. Parliamentary hearings, processes such as National Economic Development and Labour Council (NEDLAC), engagement with trade unions and Izimbizo are all illustrative of consensus building which supports the implementation of policies.

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This constitutional tenet has been built into policy frameworks90, and continues to be emphasised in public pronouncements. For example, the Minister for Public Service and Administration, Ms Fraser-Moleketi, has reminded senior Public Service managers that the kind of developmental state the country is pursuing is one where, among other things, “citizens not only benefit from state interventions..., but are also empowered to take an active part in improving their own lives and realising their full potential”90.

The partnership between government and civil society groups on HIV/AIDS is an example where critical interest groups collaborate with government to seek solutions. The Deputy President called upon COSATU91 to form a partnership to address the problem and work with the South African National AIDS Council (SANAC). The Treatment Action Committee (TAC) was also urged to partner with government to collectively address the HIV/AIDS challenge.92 These initiatives show the importance placed by government on soliciting critical participation on matters of common national interest.

However, at the level of implementation the Public Service has had mixed results in the promotion of participatory governance. Most of the mechanisms that have gained momentum are those that are organised by political representatives. For example, government has continued to conduct its Izimbizo which provide ordinary citizens with the opportunity to interact with government and to raise their frustrations and concerns about issues that affect them.93

Since its launch in 2001, the programme of Izimbizo has gained increasing momentum, and has also become regularised as part of government’s annual programme of action. In this regard, Izimbizo Focus weeks are held twice per annum whereby members of the Executive and senior government officials interact with communities. In addition, there are Presidential Izimbizo where communities get an opportunity to discuss their experiences, concerns and suggestions directly with the President. The format and content of Izimbizo have also improved over time to ensure a much focused engagement. For example, one of the recent rounds of Izimbizo focused specifically on local economic development, thus promoting community input into and ownership of government’s local economic strategies and programmes.94

At least at the level of encouraging broader community participation, Izimbizo appear to arguably be one of the most supported mechanisms. The figure below indicates attendance of Izimbizo by public representatives.

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94 Republic of South Africa. South African Government Information. President Thabo Mbeki to visit Sisonke District, KwaZulu-Natal, as part of the Presidential Imbizo.
A key challenge moving forward would be to ensure that inputs received through this process are effectively built into the planning, decision-making and implementation processes of government. It is in this way that the benefits of Izimbizo would be optimised.  

There are, however, some valid concerns around Izimbizo, such as the representivity of participants and the ability of attendees to provide feedback to non-attendees. Despite these challenges, such forums still make a useful intervention.

The PSC has, over the years actively promoted the engagement of citizens to improve Public Service responsiveness through the use of Citizens Satisfaction Surveys. In this regard, the PSC recently completed a Citizens Satisfaction Survey focusing on selected services of the Departments of Agriculture, Land Affairs and Water Affairs and Forestry.

These three departments are particularly relevant given their role in growth and development. For example, the department of Water Affairs and Forestry is effectively the custodian of the country’s water resources. Water is a very important resource for growth and development. It is used in mining operations, productive agricultural activities, sanitation and for human consumption. It is therefore imperative that water is managed effectively through processes that take the views of users into account. The figure below summarises the results from the survey.

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Principle 5

The highest satisfaction level (81%) was experienced with services relating to Agricultural Engineering (Department of Agriculture), followed by Breeding Registration Certificates and Authorisations (Department of Agriculture) 80%, Surveys and Mapping (Department of Land Affairs) and Licensing of Activities on State Forest Land (Department of Water Affairs and Forestry) both of which were at 79%. The areas where the lowest satisfaction levels were recorded include Farmer Settlement (Department of Agriculture) at 68%, Land Reform (Department of Land Affairs) at 68%, Restitution of Land Rights (Department of Land Affairs) at 62%, Authorisation of Water Use (Department of Water Affairs and Forestry) at 69% and the Billing of Major Water Users (Department of Water Affairs and Forestry) at 67%.

The usefulness of these results lies in the fact that citizens gave experience-based indications to the Departments concerned on how improvements can be effected. A number of the areas identified (for example, Restitution of Land Rights) are very important levers of development, and the concerns raised would thus need to be taken into account if the value of this Survey is to be optimised.

An issue that needs to be highlighted separately is that citizens were generally not satisfied with the complaints and consultation mechanisms of the three Departments. Overall, only 27% of the users indicated that they had been part of the consultation processes of the departments.

This is worth flagging separately because it seems to be a recurring concern in all the Citizens Satisfaction Surveys the PSC has conducted. In fact, in one of the PSC studies, it was found that “in almost half of...[the]...cases where users lodged complaints, they indicated that nothing had happened after they lodged their complaints, while almost a third stated that they were still awaiting an answer”. In addition, certain “dissatisfied users did not report problems experienced mainly because they did not know how to do it, while a third felt that reporting the matter would not make a difference”.

Figure 2: Citizens’ Satisfaction Levels (per service and department)

The high satisfaction level (81%) was experienced with services relating to Agricultural Engineering (Department of Agriculture), followed by Breeding Registration Certificates and Authorisations (Department of Agriculture) 80%, Surveys and Mapping (Department of Land Affairs) and Licensing of Activities on State Forest Land (Department of Water Affairs and Forestry) both of which were at 79%. The areas where the lowest satisfaction levels were recorded include Farmer Settlement (Department of Agriculture) at 68%, Land Reform (Department of Land Affairs) at 68%, Restitution of Land Rights (Department of Land Affairs) at 62%, Authorisation of Water Use (Department of Water Affairs and Forestry) at 69% and the Billing of Major Water Users (Department of Water Affairs and Forestry) at 67%.

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99 Ibid.
100 Similar surveys were previously done on selected services of the Departments of Health, Education, Housing and Social Development, and the Departments of Correctional Services, Justice and Constitutional Development and the South African Police Service.
Lack of properly managed redress mechanisms compromises the ability of departments to be responsive to the needs of the communities they serve. Indeed, this works against the very notion of promoting ownership of government’s policies and programmes through citizen engagement. The Public Service needs to attend to these matters as a matter of urgency to ensure improved responsiveness.

The PSC believes that public participation needs to be entrenched through the development and implementation of supporting policy guidelines at departmental level. Accordingly, the PSC has assessed a sample of departments to establish, among other things, if they have a policy or guideline on public participation, whether a system for soliciting public inputs on key matters is in use and whether all policy inputs received from the public are acknowledged and formally considered.

Based on the information obtained from a selection of 12 provincial and two national departments from the PS M&E System for the 2005/6 cycle, the PSC found that only 21% of the departments evaluated have policy and guidelines to deal with public participation. Just over a quarter (29%) of these departments have systems to solicit public participation in the policy development process. It was also found that only 29% of the departments include public comments in their policy formulation process.102

These findings indicate that the Public Service needs to do more to improve the scope and quality of participation by citizens in its work. Participatory mechanisms such as Citizens Forums103 can be adapted to departments’ requirements to structure participation. The Department of Provincial and Local Government (the DPLG) has produced a draft National Policy Framework for Public Participation104, and although this focuses more on Ward Committees, it can provide broader guidance on types, principles and the practice of citizen engagement. Supporting the rollout of participatory mechanisms means that growth and development opportunities, many of which are best identified by citizens themselves, can be meaningfully exploited.

There is a need for more dialogue in the Public Service to deepen the understanding of different mechanisms of public participation and the objectives that they serve. A particular focus should be on those mechanisms that departments can embark on over and above the current initiatives that involve the President, the Deputy President and the Executive. Through such mechanisms, the Public Service would ensure that it not only increases its pool of methods of citizen engagement, but that it also builds these into mainstream administrative processes.

The execution of participatory models requires a particular set of skills from public servants, such as the ability to negotiate, understand community dynamics and work with, rather than work for, communities. This would require the reorientation and re-skilling of public servants to address the challenges posed by working in such a context.

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Public administration must be accountable
Accountability for performance is critical for a Public Service that is charged with the important responsibilities of implementing government policy and managing public resources. Mechanisms such as Annual Reports and Performance Management and Development Systems were put in place precisely to ensure that the Public Service is accountable. However, their implementation needs to be improved to ensure that they achieve their intended purpose.

The Public Service has enormous responsibilities and is entrusted with vast resources and levels of authority to enable it to deliver on the priorities of government. Accompanying these delegations is an imperative for the Public Service to be accountable for the effective use of the public resources at its disposal. It should also be accountable for its performance to ensure that it delivers on the mandates it has been given.

South Africa is generally recognised for having in place credible accountability mechanisms which are supported by legislative and regulatory provisions. There are statutory institutions such as the Auditor-General and the Public Service Commission with an oversight mandate over state institutions. These institutions were established to strengthen constitutional democracy in the country. Given the importance of their role, Parliament has taken the crucial step of conducting a review to establish, among others, “whether the institutions have kept pace with the changing socio-political environment in South Africa”.

Frameworks to ensure appropriate accountability such as the Public Finance Management Act (PFMA), the Promotion of Access to Information Act, and regulated requirements of the Performance Management Development System (PMDS), create a basis for the Public Service to be answerable.

The introduction of the MTEF in 1998, followed by the PFMA a year later, has enhanced financial accountability in the Public Service. Collectively, these have helped to steer departments towards more accountable financial management and the provision of better budgeting information. Departments have clear prescripts to adhere to, and these also guide the Auditor-General to focus oversight assessments on crucial aspects of accountability. Adherence to these prescripts is important not just for purposes of fulfilling legislative requirements but for ensuring that public resources are effectively used to benefit citizens.

One of the important areas of financial accountability is the timely submission of Annual Reports to the Auditor-General to facilitate regularity audits. Timeous submission of these reports enables the Auditor-General to evaluate them to establish if the information they contain does not contradict the financial statements.

During the 2005-06 audits these reports were often delayed, thus making audit reviews difficult. The majority of departments (56%) failed to submit their reports by the due date of August 2006. Twenty one percent of departments submitted their

105 The 2006 Global Integrity Survey by Transparency International placed South Africa in the top five countries on oversight and accountability.
Annual Reports after the signing of their audit reports. These practices of late submission and reporting by departments, undermine the purpose of the legislative framework that seek to promote accountability for the use of public resources.

Table 4: Information on the receipt of national departments’ annual reports

<table>
<thead>
<tr>
<th>Timing</th>
<th>Percentage of Departments</th>
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<tbody>
<tr>
<td>Annual report received with financial statements</td>
<td>12% (4 departments)</td>
</tr>
<tr>
<td>Annual report received after financial statements but prior to signing of audit report</td>
<td>12% (4 departments)</td>
</tr>
<tr>
<td>Annual report received after signing of audit report</td>
<td>21% (7 departments)</td>
</tr>
<tr>
<td>Annual report not received by August 2006</td>
<td>56% (19 departments)</td>
</tr>
</tbody>
</table>

Source: Auditor-General’s Report on Audit Outcomes for the Financial Year 2005-06

The Auditor General has however reported some encouraging improvements in the quality of departmental reporting. For example, in 71% of the departments reviewed, the objectives and performance information reflected in their annual reports were aligned to what is contained in their strategic plans as well as National Treasury’s Estimates of National Expenditure. This is a notable increase compared to last year’s 39%. In addition, 86% of the departments had specific measurable objectives, an improvement from last year’s 71%. These findings can only mean that the Public Service is continuing to improve its reporting on performance against deliverables.

However, an area that still needs attention is that of ensuring consistency from one reporting period to the next in order to allow for comparisons between performance information contained in quarterly reports and that which is contained in annual reports. The Auditor General noted that it was only in 50% of the departments that such consistency could be established.

A worrying trend in the Public Service’s accountability measures is the increase (from 7 to 11) in the number of qualified audits for the period 2005/6.
These qualified audit opinions represent 32% of the total budget votes of Parliament, up from 21% for the 2004-5 period. The most significant number of qualifications (78%) is in respect of only 5 departments namely Correctional Services (21 issues), Home Affairs (13 issues), Defence (10 issues), Independent Complaints Directorate (8 issues) and Water Affairs and Forestry (7 issues). There has also been an increase in the number of issues raised under emphasis of matter during the past three years, with fewer than 200 items in 2002-03 to over 300 items in 2005-06. The A-G notes that this increase is to a limited extent, attributable to the increasing disclosure requirements as departments are expected to migrate to accrual accounting.

If the objectives of growth and development are to be met, the Public Service must also show an ability to work without wastage. This requires a very high level of financial management capability. At the most basic level it requires that departments comply with the requirements of the Public Finance Management Act and Treasury Regulations. These regulatory provisions aim to ensure that assets are safeguarded, that financial information is reliable and that departments can meet their reporting requirements.

One of the ways in which departments can ensure that they improve their financial accountability, is by putting in place the minimum anti-corruption capacity which will include sound fraud and risk management plans. The PSC’s PS M&E System report over the last cycle showed this to be an area of concern, in that risk assessment and fraud prevention was conducted only in 21% (3) of the 14 departments included in the cycle. If this element of financial accountability is not in place, it makes the Public Service vulnerable to fraud, and is not the model of accountability that one wants to portray.

Table 5: National Departments receiving qualified audits for 2005-06 as well as a history of their qualified audit opinions over the past six years

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<td>Correctional Services</td>
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<td>Defence</td>
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<td>Health</td>
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<td>Home Affairs</td>
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<td>Independent Complaints</td>
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<td>Directorate</td>
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<tr>
<td>Justice</td>
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<td>Labour</td>
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<tr>
<td>Land Affairs</td>
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<tr>
<td>Parliament</td>
<td>√</td>
<td>√</td>
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<tr>
<td>Transport</td>
<td>√</td>
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<td>Water Affairs and Forestry</td>
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Source: Auditor-General’s Report on Audit Outcomes for the Financial Year 2005-06

If the Public Service is to meet the challenge to be accountable it is also important to ensure that the senior management subject themselves to scrutiny. Such scrutiny promotes an accountability and performance ethos in the departments themselves.

During 2006/07, the PSC continued to facilitate the evaluation of the performance of HoDs. As table 6 shows, a total of 44 HoDs of national and provincial departments were evaluated for the 2004/5 financial year. Overall, HoDs were rated at a performance level of higher than fully effective. More than 80% of the 44 HoDs evaluated received a rating of four (performance significantly above expectations) or higher. The correlation between HoD performance on the one hand and departmental performance on the other still warrants closer assessment. It is important for example, to again look at departments that have received qualified audit opinions (or many matters of emphasis) and establish what the outcome of the individual performance assessments of their HoDs were. At this stage the performance of such HoDs for the 2005/06 financial year have not as yet been conducted.

Table 6: Level of performance of HoDs for the 2004/2005 financial year

<table>
<thead>
<tr>
<th>Rating</th>
<th>No. of HoDs</th>
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<tr>
<td>National</td>
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<tr>
<td>5</td>
<td>9</td>
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<tr>
<td>4</td>
<td>4</td>
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<tr>
<td>3</td>
<td>1</td>
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<tr>
<td>Total National</td>
<td>14</td>
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<tr>
<td>Provincial</td>
<td></td>
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<tr>
<td>5</td>
<td>6</td>
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<tr>
<td>4</td>
<td>15</td>
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<tr>
<td>3</td>
<td>9</td>
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<tr>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Total Provincial</td>
<td>30</td>
</tr>
</tbody>
</table>

The PSC is concerned that the Performance Evaluation of HoDs is still not being used optimally as an accountability mechanism. There are still HoDs who qualify to be evaluated but do not get evaluated. For example only 44 HoDs were evaluated for the 2004/5 financial year out of 73 that qualified. This raises concerns about how such HoDs account for their performance and that of their departments. The PSC has established that many of the instances where HoDs do not get evaluated come about as a result of Executive Authorities who do not initiate such evaluations as provided for in the Framework for the Evaluation of the Performance of HoDs.\(^{114}\) This matter needs to be addressed, to ensure that accountability through performance management of HoDs can be enhanced.

At the heart of effective accountability for performance is the signing of performance agreements (PAs). PAs translate departmental strategic plans into specific deliverables for officials. Unless each official enters into such an agreement, accountability for the implementation of departmental programmes becomes...}

Considerations for Enhancing Growth and Development under Principle Six

At the level of the Executive and Senior Management, there needs to be an honest assessment of the weaknesses that lead to departments not implementing performance management systems effectively, and not meeting the financial management requirements of the PFMA. Clear action plans should then be developed and implemented to address these weaknesses. Regular reporting against such action plans should be made to the responsible Parliamentary Portfolio Committees. Many of the weaknesses identified in this Report have been there for some time now, and it is ultimately for the Executive and Senior Management to accept full responsibility and for the Legislatures to hold them accountable for addressing them.

The Executive should play a much more proactive role in the facilitation of the performance evaluation of their HoDs. Executive Authorities are the line supervisors of HoDs and are therefore crucial to the performance evaluation process. This matter needs to be addressed to ensure that accountability through performance management can be enhanced. In addition, performance evaluation should be lifted to a higher level where the assessment of the performance of HoDs is correlated with the performance of the institutions they are managing. If senior managers are indeed accountable for the achievement of departmental performance targets, then it would be important to ensure that their performance is not looked at separately from the progress made by their departments.

Given the fact that PAs are not always entered into as required by legislation, it is necessary also to examine their value as management tools. This should help to establish how PAs are being used by managers once they have been entered into, their strengths and weaknesses in enhancing management practice, and the improvements that are needed in this regard.

Transparency must be fostered by providing the public with timely, accessible and accurate information.
Transparency facilitates public scrutiny of government programmes. Key to the promotion of transparency is the provision of accessible information to different users. In the context of growth and development such information promotes an understanding of the programmes of government, and enables citizens and investors to exploit the opportunities that are available. The provision of information through public reports has generally improved although departments still need to improve their responsiveness to individual requests for information.

**Growth and Development in the context of Principle Seven**

Transparency in the operations of the state is an important requirement for growth and development. It empowers stakeholders to scrutinise the operations of state institutions. If such operations do not comply with democratic norms and principles, pressure can be brought to bear on the institutions to improve or face sanction.

The timely availability and accessibility of information facilitates the promotion of transparency. The Public Service controls vital information about its decisions, policies and programmes. This information is crucial for stakeholders if they are to play an active role in the promotion of growth and development.

This Report has already underscored the importance of citizen participation in the promotion of growth and development. However, participation without information is unlikely to be meaningful. Information empowers communities to appreciate which opportunities they can utilise for their own development. Information can also help citizens to understand the policies and programmes government is pursuing and to know their rights and privileges as citizens. Above all, information can enable them to ask informed questions about growth and development.

Similarly, domestic and foreign economic players require appropriate information on government policies, programmes and track record in order to make informed business decisions regarding investments and partnerships. In this way, transparency plays a vital role of ensuring predictability and some degree of certainty for business. As pointed out in Principle Four, AsgiSA has brought with it opportunities for business to partner with government to supply goods and services for the identified infrastructure projects. However, for business to take full advantage of these opportunities, timely and accessible information should be available. The absence of adequate information often means that companies interested in investing end up spending their own resources searching for the necessary information themselves. This increases their costs of doing business with government. It also puts an extra burden on the competitive ability of particularly small and medium enterprises given that they may not readily have the resources to search for and timeously obtain such information. This would work against government’s strategy to promote economic inclusion through encouraging productive small and medium enterprises.

**Promotion of Growth and Development through Transparency**

South Africa has made significant progress in the promotion of transparency through access to information. However, these improvements are largely in the areas of availing information through reports as opposed to responsiveness to individual requests for information. For example, after every Cabinet meeting, a statement on the key decisions taken is posted on the government website.118 This informs the public

of important decisions by the Executive. It has also become common practice that each year after the President’s State of the Nation Address, government’s Programme of Action (PoA) for the year is finalised and posted on the website for public consumption. Quarterly reports are also generated to provide an update on the PoA, and these are complemented by quarterly Parliamentary media briefing sessions to provide further details on the progress of the projects. These are important mechanisms of promoting transparency and access to information. Given that the information is posted on the website, international role players can also use it to identify opportunities for partnerships.

A further improvement has also been in the quality of reporting by departments. Based on the information from the PS M&E System for the 2005/6 cycle, the results show that most of the departments evaluated had produced an annual report through which they account to the taxpayers in a transparent manner as required by Treasury and Public Service Regulations. The content of the Annual Reports of 79% of the departments evaluated satisfied 90% of the requirements set out in the Regulations. The Annual Reports are accessible to the public in 71% of the departments evaluated. More than three quarters (79%) of the departments report on their programmes, which allows the tax payers to hold the departments accountable if they do not meet targets. All these mean the public can access in published form useful information on the work of departments.

The manner in which the government’s budget is prepared and the priorities which such a budget supports are considered an important indicator through which to assess the growth and development path of a country. “The budget”, as Minister Manuel has advised, “must tell a story of the values a society eschews”. Transparent budgeting processes are therefore crucial for stakeholders to judge for themselves how much the state spends on promoting growth and development. South Africa’s budgeting processes are recognised as among the most transparent in the world. A study by the International Budget Project has scored South Africa 85 out of 100 in terms of budget transparency. The study included 59 countries, and South Africa was placed in fourth place, after New Zealand, France and Britain.

The above measures of promoting transparency through accessible information are commendable. However, at the level of responsiveness to individual requests for information, the Public Service is still facing challenges that need urgent attention. Evidence in this area suggests that most departments are still not able to adequately respond to the information needs of citizens. For example, in a survey completed by the PSC in 2006, one of the key concerns raised by citizens was the lack of information on the services provided as well as the processes for accessing them. The concern was that some of the services involve complex processes of completing forms and assessing citizens’ eligibility. Without proper information on these processes, access becomes compromised.

The above observations are corroborated by findings from other PSC studies. For example, in the departments in which the PSC’s Public Service Monitoring and Evaluation System was applied in 2005/6, it was found that only 50% of them indicated that they had capacity to deal with requests for access to information. The

unannounced visits conducted by the PSC at service delivery sites as part of its programme of inspections provided useful information on what some of these capacity challenges are. Most of the sites the PSC visited had help desks that were properly stocked with information materials. Once again, this demonstrates the departments’ ability to generate, package and avail information for consumption by the public as a collective audience. However, the challenge is in ensuring that such help desks are adequately staffed to facilitate interaction with the public on individual requests for information. Similar unannounced visits organised by DPSA as part of celebrations for the Africa Public Service Day found that information and help desks were often not properly staffed.

The creation of capacity to facilitate the provision of accurate information to the public goes beyond establishing information desks which have a good supply of information packs. It requires the appointment of people who can interface with citizens who have information needs that are not catered for through published material. In terms of the Promotion of Access to Information Act (PAIA), departments are required to appoint Deputy Information Officers (DIOs) to assist the Accounting Officer in the provision of adequate information to the public. However, many departments have not complied with this requirement. A study by the PSC found that out of 101 departments that responded to the questionnaire sent to them, only 23% had appointed DIOs. The study also found that 40% of the DIOs were either unsure or had a limited understanding of their roles and responsibilities.

The above are some of the basic capacity issues that need to be addressed at departmental level to facilitate responsiveness to requests for information. A clear message in this regard is that beyond the commendable legislative and regulatory provisions that government has put in place to promote transparency, the need exists to ensure that as implementing agents departments themselves have the wherewithal to turn policy into action.

The above consideration is particularly relevant when considering the magnitude of programmes that government drives to promote growth and development. A number of these would require partnerships with service providers, and the manner in which decisions on who to partner with are made should be transparent. In this regard the procurement policy as well as Public Private Partnership frameworks of government are quite clear on the processes that should be followed and how wider access to the bid process can be facilitated. For example, National Treasury’s Framework for Supply Chain Management indicates the minimum information that bid documentation should contain and the requirements that should be met in terms of publicising the bids. Included in this regard is the need for clear criteria that would be used when the adjudication of bid submissions is being conducted.

123 Republic of South Africa. Public Service Commission. Reports on Pilot Inspections in the Departments of Home Affairs, Labour, Social Development (Free State), and Housing (Gauteng). October 2006.
Principle 7

Considerations for Enhancing Growth and Development under Principle Seven.

These provisions notwithstanding, it is ultimately at the level of departments themselves that such mechanisms of transparency and accountability should be operationalised. If the number of alleged procurement irregularities reported to the NACH are used as a point of reference, it would appear that there is still room for improvement to ensure transparent decision-making in the handling of procurement bids. Reports presented to the NACF indicate that of the 2296 cases reported to the NACH since its establishment, 159 related to allegations of fraud and procurement irregularities.

Government needs to invest in departmental capacity to respond timeously and meaningfully to individual requests for information. While information provided through reports and internet postings is useful, individual citizens and companies may need certain information that responds to their specific needs. Availing such information would empower the public to take advantage of the opportunities that may exist to improve their well-being as well as participate actively in the processes of governance.

Given the transparency concerns that have been raised with regard to supply chain management, there is need for studies that look closely at the challenges that departments are facing in this area and the possible mechanisms that can be put in place to minimise the risk of irregularities. In this regard, more attention should be given to establishing the extent to which departments have transparent and accountable Supply Chain Management practices that inspire confidence among stakeholders.

128 According to the Public Service Commission’s Case Management System for the National Anti-Corruption Hotline, allegations of fraud and procurement irregularities are the second most frequently reported cases.
129 Meeting of the National Anti-Corruption Forum. 5 December 2006.
Good human resource management and career development practices, to maximise human potential, must be cultivated.
Good human resource management is critical for ensuring that the Public Service is optimally poised to promote growth and development. Recognising the skills challenge and its implications, government launched the Joint Initiative for Priority Skills Acquisition (JIPSA), which seeks solutions to ensure that priority skills are available to support initiatives such as AsgiSA. However, the acquisition and retention of skills requires an effective management of the entire Human Resource Management value chain, and the Public Service still manifests areas of weakness in this regard.

Growth and Development in the Context of Principle Eight

The exacting growth and development targets that have been set by South Africa can only be realised if they are supported by an appropriate skills base. For this country, “the most fatal constraint to shared growth is skills...[and] .. that fact should be admitted with emphasis”.130 This is not a problem that is limited to the Public Service, but also applies to the country as a whole. Growth and development initiatives require a skilled workforce that can innovate, design and implement effective programmes. Such skills are also required to produce products and services that can help meet the increasing local demand that South Africa is experiencing. Currently some of this local demand is met through imports, partly because the capacity to produce the required goods and services is not available in the country. Such reliance on imports is one of the reasons behind the vulnerability of South Africa’s current account.131

Recognising the skills challenge and its implications, government launched in March 2006 the Joint Initiative for Priority Skills Acquisition (JIPSA).132 Working jointly with organised labour, the private sector, and research institutions, government will through JIPSA seek solutions to ensure that priority skills that are required to support AsgiSA are acquired.

Skills are, however, not a commodity that gets built overnight and then availed where needed. Instead, they are a product of and become more valuable through effective processes of human resource management, including human resource planning, training and development, recruitment, selection, and employee wellness. There is thus no short-cut to building a capable skills base that can effectively support growth and development.

Promoting Growth and Development through Good Human Resource Management

The activities that constitute the human resource management (HRM) value chain of the Public Service need to be managed effectively if a strong skills base is to be created. The Public Service still has a lot of challenges that it needs to deal with in order to achieve such effective HRM. Part of the challenge is about striking a balance between basic technical HRM on one hand and strategic HRM on the other.133 The technical aspects relate to basic compliance with prescripts while strategic aspects are about ensuring that HRM practices strategically support service delivery imperatives. The Public Service is still experiencing challenges in both technical and strategic HRM.

Basic requirements such as entering into performance agreements and scheduling performance assessments are still not always complied with. In certain instances, performance rewards are even given to employees without any evidence of credible performance management processes having been followed.\textsuperscript{134} Such practices compromise the potential of the Public Service to contribute effectively towards growth and development in many ways. Firstly, they undermine the efforts of the Public Service to enforce its policies and regulations. Secondly, they work against efforts to incentivise good performance and productivity.

Grievances lodged by employees are an indicator of the level of dissatisfaction with how HRM is conducted in departments. PSC databases show that performance assessment, the handling of salary payment and increases and the filling of posts are among the highest types of complaints that employees lodge. Whilst complaints do not necessarily imply that there are administrative weaknesses. It is of concern, however, it is of concern that the Public Service is still experiencing many grievances that relate to what is otherwise a basic set of administrative processes.

At the level of basic requirements relating to recruitment and selection of staff, there is evidence that certain key compliance aspects are still not adequately addressed. Fourteen per cent (14\%) of the 863 complaints lodged with the PSC in 2005/6 were about such HRM matters as recruitment, selection and filling of posts.\textsuperscript{135} These findings are corroborated by research done through the PSC’s PS M&E System where it was found that only 62\% of the departments surveyed did have a policy for recruitment and selection.\textsuperscript{136} The time taken to fill posts, however, is too long and the survey showed that only 7\% of the departments evaluated comply with the 90-day period for filling posts. Of concern is that this process is not properly monitored by management, with 36\% of the departments not reporting to management on the process, implying that management is not collectively aware of what is taking place with regard to issues of recruitment and selection. Such management abdication is of serious concern, particularly given the magnitude of skills requirements as reflected in Table 7 below:\textsuperscript{137} 

\begin{table}[h]
\centering
\begin{tabular}{|l|c|c|c|}
\hline
\textbf{Sector} & \textbf{Highly Skilled} & \textbf{Skilled} & \textbf{Semi-and un-skilled} \\
\hline
Public Administration and defence activities & 108,400 & 302,000 & 95,300 \\
\hline
Education & 54,100 & 150,700 & 47,600 \\
\hline
Health and social work & 4,900 & 18,800 & 6,000 \\
\hline
Other service activities & 37,000 & 107,300 & 83,000 \\
\hline
\end{tabular}
\caption{Additional Skills Required by Sector}
\end{table}


\textsuperscript{135} Republic of South Africa. Public Service Commission. Trend Analysis on Complaints Lodged with the Public Service Commission during the 2004/5 and 2005/6 Financial Years.
Taking these skills shortages into consideration, it is worrying that only 57% of the departments surveyed by the PSC had skill development plans in place. Without such plans, efforts to promote a focused and contextually responsive approach to skills development become compromised.

In terms of the strategic aspect of the human resource management value chain, the Public Service has successfully put in place credible frameworks to inform implementation. However, putting these frameworks into practice remains a challenge for many departments. For example, a Human Resource Planning Toolkit has been developed by DPSA. The Toolkit emphasises the centrality of human resource planning, noting that it must ensure that an organisation obtains the quality and quantity of staff it requires, that it makes optimum use of its human resources, and that it is able to anticipate and manage surpluses and shortages of staff. That, notwithstanding, departments largely still do not have sound human resource plans in place. The DPSA has since proposed a standard reporting template on Human Resource Planning, and it is hoped that such measures would encourage departments to be accountable for the quality of their human resource planning practices.

Human resource planning as a strategic HRM tool needs to be supported by sound retention strategies. With the magnitude of skills shortages experienced in the country, it is only natural that skilled people would be highly marketable and thus generate competition for their services. The Public Service experienced an average turn-over rate of 8.5% between April 2001 and March 2002, with the highest affected skills categories being Computer programmers (33%), health professionals other than nurses (24%), nursing professionals (10.7%), physical, mathematical and engineering sciences professionals (16.4%), senior managers (10%) and middle managers (11.2%). These are critical skills categories for the Public Service, and the need exists to ensure that credible retention strategies are developed and implemented to address such staff turn-over challenges.

At the heart of improving the management of the human resource management value chain is senior managers who play their role and accept the responsibility of providing leadership in their departments. One of the areas where such leadership is seriously needed is in the management of poor performance. The PSC found that the management of poor performance remains a problem with the lack of mechanisms in place to hold managers accountable, the failure of human resource departments to support, monitor and drive the management of poor performance, and the performance management systems itself. The overall perception of employees is that the poor management processes are not fair and that subjectivity prevails.

Effective human resource management requires that attention be paid to employee health and wellness. The introduction of the Government Employees Medical Scheme (GEMS) demonstrates the commitment of the Public Service to ensuring the well-being of its employees. GEMS provides affordable and high quality health cover. Its structure is flexible and caters for all income groups, and to date the scheme has registered over 20 000 employees covering 120 000 dependents. The membership is expected to increase to 60 000 by the end of 2006/7, and it remains the fastest growing scheme in the country, adding 650 members per day.

142 www.gems.gov.za
The most significant contribution of this scheme is that it has addressed the past imbalances, where most schemes were not affordable and outside the reach of lower paid public sector employees. A healthy work force bodes well for productivity and the growth and development prospects of the country, and the introduction of GEMS is a commendable development in this regard.

The Public Service has recognised its obligation to support its employees, with the Public Service policy framework providing direction in issues pertaining to Employee Assistance Programmes (EAPs).143 Given the increasing levels of stress people experience today modern day EAPs are expected to be more comprehensive. Such programmes should include among others, assistance with marital and family conflicts, job stress, alcohol and drug abuse, eating disorders, legal needs, separation or divorce issues, grief and loss, parenting, relationship issues, anxiety, depression and/or anger concerns and physical/sexual/emotional abuse as well as communication problems. EAP programmes represent a commitment to improve the well-being of employees through a programme that provides assistance in dealing with personal difficulties. Addressing the well-being of employees is necessary to support, and thus make the working force more productive.

Any vision of a prosperous country must take into account what the population profile is likely to be in the future. This is an important consideration for investors, as it points to what the future labour force is likely to be, as well as what the growth prospects for the economy are. If the population is ravaged by HIV/AIDS, and if the important cohort of active working adults is diminishing relative to children and the aged, it points to a high dependency ratio. It also means that more people will be sustained by social security rather than income, which in turn places a burden upon the country’s fiscus.

It is important also that the workforce is productive and able. The impact of HIV/AIDS on the educational sector, can be seen, and is of concern in that educators are at the forefront of improving the capacity of future generations. A study conducted for the Education Labour Relations Council (ELRC) found that 10 000 of the total 356 749 educators would be eligible for immediate antiretroviral therapy.144 If not mitigated, this scenario will seriously undermine the educational system of the country, and impact upon the productivity of the future workforce.

The Public Service needs to strengthen its capacity for better administrative compliance with policies and frameworks that guide human resource management. These are basic requirements, and management should be held accountable for such compliance.

There also needs to be dedicated focus on lifting the strategic dimension of human resource management in the Public Service. Part of this lies in targeting human resource management components themselves and ensuring that they develop a richer appreciation of the strategic imperatives of their departments and how their work as human resource practitioners impacts on these imperatives. Departments should thus bridge the artificial gap that continues to exist between human resource components and ‘line functions’ to ensure that the two support each other much better.

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in the interest of creating capable institutions that deliver on the growth and development priorities of government.

An urgent priority is to accelerate the development and retention of priority skills in the Public Service. Many of the growth and development initiatives involving the Public Service would require such skills, and staff retention efforts in this regard should take cognisance of the increasing demand in the private sector and abroad for the same skills.
Public administration must be broadly representative of the South African people, with employment and personnel management practices based on ability, objectivity, fairness and the need to redress the imbalances of the past to achieve broad representation.
As the single largest employer, the Public Service has a responsibility to set a good example and achieve a representative workforce. Progress made in this area conveys a message of a Public Service that is serious about workplace transformation and thus encourages other employers to accordingly examine their employment practices. As reflected in the Constitution, representivity is an important pillar of the country’s political settlement, and adherence to it should reflect a shared understanding of the country’s transformation policies to achieve growth and development.

One of the key benefits of representivity in the Public Service is its potential contribution to workforce productivity and social cohesion. Growth and development require new ideas to identify and exploit opportunities that exist and address challenges that inhibit progress. A diverse workforce can facilitate a lively exchange of different perspectives, thus creating a basis for new ideas to emerge.

However, it is important that measures to promote representivity are applied objectively and fairly. Adherence to representivity requirements should not, for example, result in credible selection processes being abandoned. This would open up opportunities for corruption and create disillusionment among affected citizens.

The South African Public Service has generally done well in the promotion of certain categories of workplace representivity. For example, good progress has been made overall in terms of increasing the number of female employees in management positions. Table 8 reflects the representivity status of the Senior Management Service (SMS) in the Public Service at national and provincial level as at 31 October 2006. These figures indicate that at an aggregate level, the Public Service has complied with the earlier targets of having 30% of women in decision-making positions. However, Cabinet has since adopted a revised employment equity target of 50% for women at all levels of the Public Service to be reached by 31 March 2009. A disaggregation of female representivity statistics paints a worrying picture whereby four of the provinces are still lagging behind the initial target of 30%, as shown in Table 8 below.
Principle 9

In addition, although the rest of the provinces have achieved the required target they remain too close to the 30% margin. It can be argued that for such provinces what they have are fairly fragile gains that can very easily be reversed in case as few as four women were to leave the employ of the Public Service in that particular province. The Public Service thus has to continue working hard to ensure more improvements in this area.

An area of workplace diversity that still remains a challenge for the Public Service is that of the employment of people with disabilities. Statistics show that as at 30 September 2006, the total number of people with disabilities in the Public Service was 1 808 out of a total staff complement of 1,137 587. This represents only 0.16% of the entire civil service corps, an achievement that is still below the 2005 target of 2%. 146

In order to respond to the needs of people with disabilities, government produced a Job Access Strategy (JAS). The JAS contains a commitment to create an inclusive society and gives a new focus to tackling barriers and inequalities in the Public Service. The strategy includes clear actions that should be taken to promote and protect the rights as well as the interests of people with disabilities.

Through the above strategy the government wants to ensure that voted funds are spent on accessibility for people with disabilities. As part of playing its role, each department is required to produce its own action plan and to ensure timely implementation. 147

<table>
<thead>
<tr>
<th>Table 8 : National Departments and Provincial Administrations</th>
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</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
</tr>
<tr>
<td><strong>NATIONAL:</strong></td>
</tr>
<tr>
<td><strong>PROVINCIAL:</strong></td>
</tr>
<tr>
<td>1. Eastern Cape</td>
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<tr>
<td>2. Free State</td>
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<tr>
<td>3. Gauteng</td>
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<td>4. KwaZulu-Natal</td>
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<td>5. Limpopo</td>
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<td>6. Mpumalanga</td>
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<tr>
<td>7. North-West</td>
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<tr>
<td>8. Northern Cape</td>
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<tr>
<td>9. Western Cape</td>
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</table>

*(Statistics provided by the Department of Public Service and Administration. 2006.)*
In taking these efforts forward, a key consideration for the Public Service is to ensure that representivity is not just about replacing one face with another. Efforts that work only on the basis of numerical targets but ignore the creation of a suitable organisational climate cannot have long-lasting results. During the course of 2005 the PSC conducted an investigation on gender mainstreaming in the Public Service. Mainstreaming is regarded as a process “that brings what can be seen as marginal into the core business and main decision-making process of an institution.” An important element of a mainstreaming strategy, from a development and growth perspective, is to give attention to gender equality by influencing goals, strategies and resource allocations, and thus bring about real changes in policies, programmes and other activities. Mainstreaming thus forms an essential part of good governance and is critical if the Public Service wants to ensure that institutions, policies and programmes respond to the needs and interests of all employees, and distribute benefits equitably between men and women.

In its investigation, the PSC found that there is still not a strong enough commitment within the Public Service, beyond numerical targets, to actually create the necessary enabling environment for gender mainstreaming and gender equality. Policies and the work environment do not recognise the importance of providing social benefits such as breastfeeding and child care facilities. Flexi-time to accommodate child caring is also lacking. There is need for a specific programme targeting women for accelerated learning for specific roles and senior positions, and a structured mentoring programme so that women who are advanced to leadership positions have the necessary support. In order to change the profile of government, especially at senior levels, departments should in their recruitment strategies specifically target women for senior positions within a set period of time.

The DPSA has taken up the challenge to fill this gap of women at SMS level by implementing an Accelerated Development Programme (ADP) which aims to empower female middle managers, with a hope of equipping them for future managerial positions. The ADP started in August 2005 with training sessions conducted for the Western Cape, Mpumalanga, KwaZulu-Natal, DPSA, Office of the Public Service Commission and the South African Management Development Institute (SAMDI), the Department of Trade and Industry (DTI) and Home Affairs. This effort should ensure that a cohort of officials is developed and empowered to take up leadership positions and effectively realise government’s vision of growth and development.

It was also found that policies and the work environment do not recognise the importance of providing social benefits such as breastfeeding and child care facilities. Flexi-time to accommodate child caring is also lacking.

The Public Service needs to address the challenges that delay the achievement of workplace representivity and the integration of women in management as well as people with disabilities. This integration should seek to make gender and disability perspectives integral to decision-making processes in the Public Service.

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A more urgent intervention is to raise levels of awareness on the strategic significance and benefits of representivity. Without a grounded appreciation of such benefits, there is a risk that representivity gets reduced to a process of numerical compliance which then does not exploit the potential that workplace diversity provides to productivity, economic growth and development.
This edition of the State of the Public Service Report has provided an analytical overview of the role played by the Public Service in promoting growth and development within the context of the nine Constitutional values and principles of public administration. The Report has acknowledged that interpretations of the scope and purpose of growth and development may vary, but ultimately what is key, is improving the standard and quality of life of citizens. The South African developmental state is obliged to reverse the skewed racial, social, and economic patterns inherited from Apartheid. There is therefore an obligation on the Public Service to develop the capacity and skills to address this challenge.

From the overview provided in this report, it is clear that significant milestones have been achieved by government. These include an average economic growth rate of almost 5%, the lowering of inflation, and improving the competitiveness and governance ratings of the country internationally. These measures reflect well on the country and have resulted in its successful reintegration into the global economic and political spheres of power.

At the level of the Public Service various legal and regulatory frameworks, policies and programmes provide the parameters that guide good governance. Anti-corruption measures remain strong, with the collaborative approach shown in the NACF delivering results. There is also better reporting of progress against plans, with Annual Reports becoming a true accountability mechanism. Poverty reduction initiatives are being implemented, with social security providing the much needed safety net for the poor.

Despite these successes there are still serious challenges. There is a paucity of implementation capacity in the Public Service which can easily derail the commendable intentions of the frameworks, regulations and policies. In the area of the NACH, the ability of departments to investigate cases referred to them and report back remains weak, which could cost the system its credibility. Senior managers still fail to file their Financial Disclosures, reflective of poor executive and administrative leadership. Perceptions continue to prevail that there is corruption in the Public Service and that government departments do not always deal with reported cases effectively. The amount of unauthorised expenditure has risen three fold, and departments continue to underspend.

Citizens complain that when they lodge complaints they fail to get responses, and most departments do not have public participation policies, thus undermining an important potential contribution of drawing from the experiences of citizens. Whilst government makes information available, it is unable to engage adequately with citizens who have individual requests for information.

There is a skills shortage in critical areas, which is exacerbated by the competition for skills from the private sector and abroad. Of particular concern is that these skills are in areas crucial for growth and development. Departments do not plan properly for skills development and retention, and while numerical representivity targets are being met integration of designated groups could still be a challenge. The spectre of HIV/AIDS is serious, particularly in the education sector where a fifth of the staff is infected. This threatens the education system as a whole, which will impact on future
productivity. Representivity targets have largely been met, but improving on the numerical targets without any support or mainstreaming could be a challenge.

All these challenges are about aspects of public administration that are important levers to exploit in order to sharpen the contribution of the Public Service towards growth and development.

**Looking ahead**

The solid work that has taken place in the Public Service over the past decade must be maintained and improved upon. In a more competitive global context, it is important that government rallies all sections of society around a common vision and collective programme of growth and development. Ultimately it is through such a partnership approach that a momentum for change can be sustained and optimal results achieved.
INTRODUCTION


CONTEXTUALISING GROWTH AND DEVELOPMENT


10. Mbeki, T. President of the Republic of South Africa. ‘The Second Economy: What is it and what is needed to meet the growth and Development Challenges it Presents?’ Address by President Thabo Mbeki to the National Council of Provinces, Cape Town, 11 November 2003.


**PRINCIPLE ONE**


**PRINCIPLE TWO**


**PRINCIPLE THREE**


**PRINCIPLE FOUR**


**PRINCIPLE FIVE**


13. Republic of South Africa. South African Government Information. President Thabo Mbeki to visit Sisonke District, KwaZulu-Natal, as part of the Presidential Imbizo.


**PRINCIPLE SIX**


Appendix

15. The 2006 Global Integrity Survey by Transparency International placed South Africa in the top five countries on oversight and accountability.

PRINCIPLE SEVEN

3. Meeting of the National Ant-Corruption Forum. 5 December 2006.
PRINCIPLE EIGHT

PRINCIPLE NINE
