



**MEDIA RELEASE**

**Outcome of investigation into Digital Vibes: PSA not surprised and calls for protection of vulnerable employees**

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The Public Servants Association (PSA), which represents more than 80 000 public-sector health-care workers, welcomes the report by the Special Investigation Unit on the investigation of the National Department of Health/Digital Vibes contracts.

A tender worth R150 million was awarded by the Department of Health to Digital Vibes with which Minister Mkhize allegedly has ties. The vast amounts that were paid to Minister Mkhize for this contract is totally against the legal principles and legislation governing the tender processes and prohibits any government official to do business with the state.

The report findings confirm the PSA's suspicions as expressed to the media on 7 June 2021 in that the procurement process was irregular and the subsequent contracts were void and therefore the Department of Health incurred irregular and fruitless expenditure amounting to R150 million. The report further reveals shocking details of the relationship between the Minister and Digital Vibes and reveals that Digital Vibes failed to declare and pay company tax and subsequently failed to pay the required VAT to the SA Revenue Service. The PSA welcomes further investigations to identify more potential corrupt payments in this regard.

The PSA is shocked that during such a stressful time in South Africa the former Minister deemed it fit to disregard the procurement processes and only approved the budget of R85 million for the media campaign six months after the service level agreement was signed. The PSA is also informed that other employees in the Department are implicated and cautions the Minister against any action amounting to victimisation or blame shifting to protect his former colleague.

The PSA is concerned that politicians are using their influence and power in coercing subordinates to comply with unlawful instruction and subsequently be part of a corrupt scandal. Decisive action against corrupt conduct by politicians is required. The PSA will stand up against any corruption or malpractice in government and calls for stringent measures to ensure good corporate governance to protect vulnerable employees against misuse of power.

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