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Zondo Commission – Manyi defends GCIS' liaison with the *New Age*

Mzwanele Manyi told the commission of inquiry into state capture on Thursday that he did not have a special relationship with the Guptas during his tenure in government, but supported their *New Age* newspaper on the basis that it challenged the industry status quo with its unique approach to advertising. It was this approach that appealed to government, as it furthered its mandate of distributing important information on its campaigns to the public.

The former director-general (DG) and CEO of the Government Communication and Information System (GCIS) concluded his testimony on the day, having complained on several occasions since Wednesday of being ambushed by evidence leader Advocate Kate Hofmeyr. Manyi accused her of making inferences that he positioned himself at GCIS so that he could give the Guptas business.

In Manyi's first year at the GCIS, the *New Age* got R6.3-million in advertising from government, a figure he defended by saying the newspaper often provided advertising space for government projects and campaigns over a number of pages at a time, a model not adopted by any competitors. It was the second highest paid newspaper, after only the *Sunday Times*, said Hofmeyr, which made R8.4-million, and had known circulation records. Manyi defended the record by saying the *New Age* as a daily should not be compared to a weekly newspaper, but when Hofmeyr re-channelled her argument using a daily competitor, the *Daily Sun*, his argument then became that the two newspapers had differing target audiences and thus could not pull the same advertising strength.

Testifying before him on Wednesday, Manyi's predecessor Themba Maseko reiterated his previous evidence that he was abruptly removed from GCIS without proper procedures followed, on the instruction of former president Jacob Zuma, for refusing to give Ajay Gupta access to the R600-million government advertising which fell under GCIS.

This in itself was a misrepresentation, said Manyi, as the GCIS did not take the final decisions on which government advert goes where. In fact, he added, the agency contributed an average of 80%-20% decision-making power dynamic in cases where media buying was involved.

Asked by Hofmeyr what strategies were taken into consideration to ensure the best value in media buying using taxpayers' money, Manyi said the industry standards set by the Audit Bureau of Circulations (ABC) were biased in favour of the industry's main players, and excluded new entrants, making it difficult for them to compete in a fairly levelled space for advertisers. "ABC is run by media cartels, and has serious implications for those wanting to go into the media space," said Manyi.

For this reason, the argument of the *New Age* not having ABC rates to justify their advert pricing was not a fair one, as the paper was not obliged to subscribe to the bureau. He was happy to advertise with them because the paper's visionary outlook on advertising contributed to government's mandate. As a new entrant into the market, they worked hard to win government over, and their

demise in later years was partly due to government departments pulling out of advertising deals, said Manyi.

Move to GCIS

Although he sympathises with Maseko over the way that he was removed from the position he would later fill, Manyi had nothing to do with the decisions surrounding the process, he said. "I was just a pawn in the process," he told commission chairperson Deputy Chief Justice Raymond Zondo, adding that the ministers involved in his transfer from the Department of Labour to GCIS should be called. To this Zondo replied that both former DoL ministers Membathisi Mdladlana and Mildred Olifant had been approached by the commission, and submitted affidavits on the matter. Olifant was in fact expected to testify.

Mdladlana in 2010 suspended, and later dismissed, Manyi over misconduct charges while he was the DG in that department. Although Manyi challenged this decision, by his admission through engagements with "everyone who could assist" including Zuma, the final decision to have him removed came at the end of October that year.

Manyi's evidence is that as Mdladlana probably knew of his then-imminent dismissal as a consequence of a cabinet reshuffle at the end of October, and probably saw it fit to discard him before a new minister took office. He added that because Mdladlana's decision was never endorsed by Zuma at the time, it remains unlawful, as DGs have to be dismissed by the president, to complete the process. As far as he was concerned, he was treated as being under precautionary suspension, as he continued to be paid beyond the October dismissal date.

On Olifant's arrival in the ministry in November, Manyi asked her to reconsider the decision, and according to Olifant's affidavit, was advised by her to appeal it through formal channels, which Manyi did not do. Instead, in a surprise move, Olifant withdrew Mdladlana's dismissal order on 31 January 2011, two days before Manyi was announced to be replacing Maseko.

His later meeting with then minister of monitoring and evaluation, the late Collins Chabane, was thus held with the understating that Manyi was still in the public service. Chabane offered him the options of COO in the Presidency and DG of GCIS, in light of his situation at DoL. Manyi went for the GCIS job because the other was a level beneath his, and this was how his move to GCIS came to be.

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