

Public sector GOVT. MISC.

DEPARTMENTS

1978

Kommissie sal ondersoek met verdrag

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PARLEMENTÊRE kommissie van ondersoek of 'n geregelike ondersoek sal net verdere vertrappings in die ondersoek na die bedrywighede van die gewese Departement van Inligting meebring, het die Eerste Minister, mnr P. W. Botha, gister in 'n televisie-onderhoud met die S.A.U.K. gesê.

Die onderhoud het soos volg verloop:

VRAAG: „Mnr. Botha, ernstige beweringe word nou gedoen oor die misbruik van staatsgeld en sekere koerante meen dat u nou al genoeg inligtinge het om op te tree. Is dit die geval?“

EERSTE MINISTER: „Dit sou verkeerd wees om op gebrekkige inligtinge en inligtinge wat nie volkome gekontroleer is nie, tot 'n gevolgtrekkings te getraak. Oor daardie volkome inligtinge beskik ons nie in hierdie stadium nie.“

VRAAG: As hierdie beweringe wat gedoen is, gegrond is, in hoe 'n ernstige lig sou u dit beskou en wat sou u daaromtrent doen?

EERSTE MINISTER: As sommige van die beweringe wat gedoen word, waar sou wees, sou ek dit in 'n ernstige lig beskou, maar ek het geen gronde in hierdie

stadium om dit al so te aanvaar nie.

VRAAG: Het u al enige idee watter optrede u sou volg?

EERSTE MINISTER: Die optrede wat ek volg, het ek reeds, na my mening, volkome gevolg yandat ek Eerste Minister geword het. Ek het die Kemp-komitee se samestelling verbreed met 'n opdrag dat hy so gou moontlik moet rapporteer.

VRAAG: Sal die uitgebreide Kemp-komitee se ondersoek wyd genoeg wees om die hele geskil te dek?

EERSTE MINISTER: Ja, beslis.

VRAAG: Mnr. Botha, die kwessie van 'n parlementêre kommissie van ondersoek om op die aangeleentheid in te gaan. Die opposisie vra so 'n kommissie. Wat is u antwoord daarop?

EERSTE MINISTER: Ek wil geen verdere vertrappings hê wat die ondersoek betref nie. Die Parlement, Kiy, binne 'n paar maande geleentheid om, my en die Regering te toets of hierdie aangeleentheid en dan kan die Parlement daarvoor oordeel.

VRAAG: En 'n geregelike ondersoek?

EERSTE MINISTER: Dit sal myns insiens die hele

saak met verdrag

VRAAG: Die Kemp-komitee — wanneer verlag u 'n verslag van die komitee en sal daar ook tussentydse verslae wees wat u sal bekend maak?

EERSTE MINISTER: Soos ons reeds aangekondig het, sal daar tussentydse verslae wees en ek het die Kemp-komitee gevra om sy verslag so spoedig moontlik te lewer. As die komitee dit wil doen en in staat is om dit te doen, sal hy aan my sulke tussentydse verslae verskaf.

VRAAG: Mnr. Botha, watter versekering kan aan die publiek gegee word dat so 'n komitee nie inligtinge terughou en sekere mense probeer beskerm nie?

EERSTE MINISTER: Omdat hierdie komitee uit amptenare van die hoogste integriteit bestaan, sowel as die Ouditeur-generaal, in wie ek volkome vertroue het.

VRAAG: In die algemeen gesien, watter is die siening van die opslae wat nou gemaak is?

EERSTE MINISTER: Ek dink die opslae wat nou gemaak is, is onnodig voortdurend. Daar maget gewag word om te sien of ek voldoende aan my beveling of ek dit gestand sal doen. Naamlik sal een of twee administrasie gehandhaaf word.

Inligting se sake gou bekend

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Van Ons Politieke Redaksie

PRETORIA

DIE uitgebreide ondersoek na die geheime projekte van die voormalige Departement van Inligting gaan met nuwe dringendheid voortgesit word.

Die Eerste Minister, mnr. P. W. Botha, het gister in 'n verklaring aangekondig dat die Ouditeur-generaal, mnr. Willie Schickerling, by die werksaamhede van die Kemp-komitee betrek word. Daarby het die komitee die groen lig gekry om tussentydse verslae te lewer en na op gesag verneem word, word in politieke kringe verwag dat die eerste verslag binne 'n week ter hand sal wees.

In nog 'n belangrike ontwikkeling in die oplaaiende storm rondom Inligting het die Premier skerp gereageer op 'n poging deur die Randse middagblad Die Vaderland om hom te betrek by medeverantwoordelikheid vir moontlike staatsgeld wat na die koerant The Citizen gekanaliseer kon gewees het.

Hy was nie lid van enige Kabinet-komitee wat — soos beweer word — kon besluit het om staatsgeld aan die koerant te gee nie, het hy gesê.

In politieke kringe word die inbring van mnr. Schickerling in die ondersoek as baie insiggewend bestempel. As Ouditeur-generaal, is hy

kende onthullings en beweringe oor die gewese Departement van Inligting gedoen en op gesag is gesê dat die Inligting-saak op die oomblik beskou word as „uiteers sensitief en baie kritiek”

* VERVOLG OP BL. 2 *



MNR. SCHICKERLING

Wat verwag jy?

Van Ons Kantoor
PRETORIA.

„VERWAG jy dat ek gaan bedank?” Dié vraag is gister deur dr. Connie Mulder, Minister van Plurale Betrekkinge, aan 'n koerantfotograaf gestel wat hom voor die begin van die Kabinetvergadering by die Uniegebou wou afneem.

Toe die fotograaf antwoord dat hy al die Ministers afneem, het mnr. Mulder, voormalige Minister van Inligting, geantwoord: „Nie vanoggend nie.”

employers organisations, from trade unions and other bodies".²⁴ As a result the authorities altered the original Bill and introduced the Bantu Labour Relations Regulation Amendment Bill.²⁵

Inisiatief

- Regter Anton Mostert — wat die ondersoek doen na valuta-oortredings — het gesê hy het nog niks by te voeg by sy vroeëre verklaring dat hy dit oorweeg om die getueneris tot sy beskikking volledig aan die pers beskikbaar te stel nie.
- Die Ouditeur-generaal, mnr. Willie Schickerling, het vertel hoe die Eerste Minister die inisiatief geneem het om hom by die Kemp-ondersoek te betrek; en
- Gister is in verskeie koe-stante weer opspraakwekkend.

Nog berigte op bl. 2

regstreeks aan die Parlement verantwoordelik. Op gesag is gesê dat dit die belangrikste ontwikkeling in die ondersoek is sedert die aanstelling van die Van den Bergh-komitee, wat later deur die Kemp-komitee opgevolg is.

Hierdie nuwe ontwikkelings is van die belangrikstes in die opsigbare Inligting-bohaai, wat nou elke dag

nachwezen...
wye en wyer rondom die gewese Departement en sy voormalige hoofde uitkring.
Die Kabinet het gister sy weeklike vergadering in Pretoria gehou en in die oggend sowel as die middag gesit. Daar is klaarblyklik dringende aandag aan die hele Inligting-kwessie gegee. Van die ander jongste ontwikkelings is soos volg:
• Die Eerste Minister het in 'n onderhoud met die S.A.U.K.-TV gesê hy sou dit in 'n ernstige lig beskou as sommige van die beweringe wat gedoen word, waar is (Berig hierbo)

...el Horrell
...ations in South Africa, 1973.
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EDITORIAL OPINION

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Let the people know

New, bewildering allegations about channelling of state funds to operations not normally associated with state responsibilities have cast further doubts on the activities of the now defunct Department of Information and once more undermine public confidence in the manner in which public monies are handled

The sums allegedly misused or misappropriated are said to run into millions. There is as a result grave concern at all levels of authority and whispered suspicions are also passing from mouth to mouth among ordinary people whose faith in the integrity of officials in high places has been shaken.

One of the allegations is that a supposedly privately-launched pro-government English language newspaper in Johannesburg has been dependent on state support all along, that it has lost millions since it was launched in 1976 and that these losses have been made good secretly at the taxpayers' expense.

If this is true it is scandalous because it amounts to deception as well as to cynical disregard for the principles of fair competition in a free enterprise society

If this Citizen newspaper has been financed and sustained on the basis of

non-accountability for the source of its funds, if there is no concern about its profitability, it also makes nonsense of the concept of a free press in South Africa.

Had the Department of Information felt it necessary for the Government to run its own newspaper the correct procedure would have been for the Minister concerned to have sought parliamentary approval for the publication of a state news medium. He would not have endeared himself to the newspaper world, of course, or to colleagues with shareholdings in newspaper and magazine enterprises but he might have carried the day on ideological arguments no matter how outraged some MPs may have been.

Instead, it is alleged, covert methods were used to subsidise the Citizen in a fiercely competitive newspaper market, the suspected intention having been to eventually destroy the viability of other English-language newspapers that are critical of the government

On this issue alone a public revelation of all the facts is necessary. But there seems to be more to the story than the funding of the Citizen. Let it all be brought into the open as a matter of urgent national interest and in defence of individual reputations in government

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Brusque PM spurns demand for Citizen cash probe

ORMANDE POLLAK
Political Correspondent

CAPE TOWN — The Prime Minister has rejected growing demands for an independent inquiry into allegations that secret "information" funds were used to finance the Citizen because it would "delay matters."

But he has confirmed three vital aspects in the latest information row — that the enlarged Kemp committee will "most decidedly" go into them, that its investigations are being done in close liaison with the Auditor-General, and that the committee has been told to complete its work as soon as possible.

Mr. Botha, who earlier this week said that he would have

nothing to say on the controversy till the committee had reported, was interviewed on TV after yesterday's Cabinet meeting, and said the matter should not be prejudged.

His interview provoked a sharp reply from the Leader of the Opposition, Mr. Colin Eglin, who clashed with him the day before over the Government's silence.

"While appreciating the need for any investigation being conducted not to be delayed, I am afraid the Prime Minister's statement is unsatisfactory," said Mr. Eglin.

Mr. Eglin has called for an all-party parliamentary commission and Mr. Vause Raw, leader of the New Republic Party, has said a judicial inquiry was necessary.

But Mr. Botha said yesterday: "I do not want any further delays as far as the investigation is concerned."

"Parliament will be getting the opportunity within a few months to test me and the Government on these matters and then it is for Parliament to judge on them."

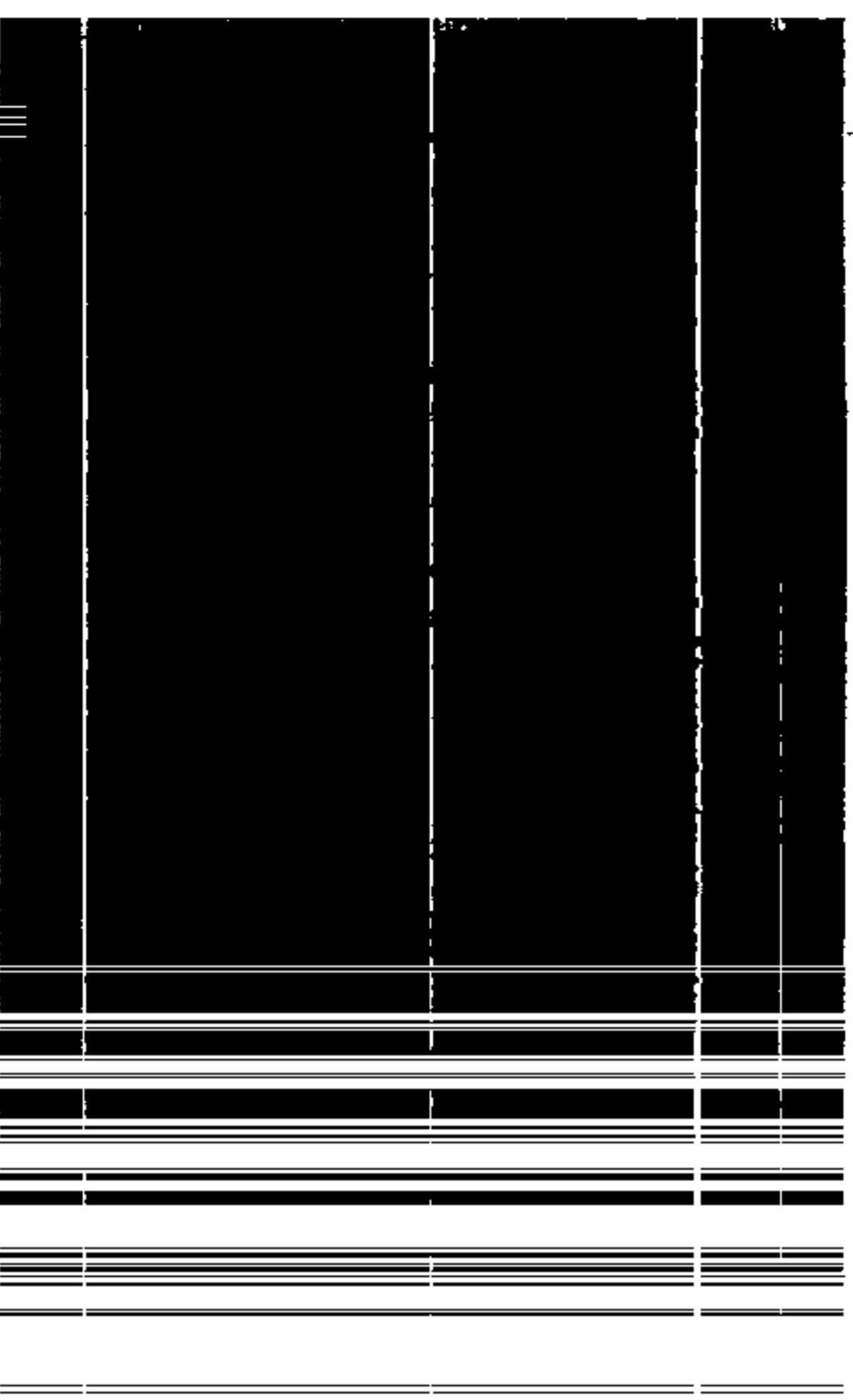
Asked specifically "... And a judicial inquiry?" Mr. Botha replied: "... will in my view only delay the whole matter."

Mr. Eglin said last night that the allegations concerning the Citizen did not need an in-depth investigation.

"It requires no more than a confirmation or a denial by the Government."

There were two major allegations — one dealing with the misappropriation of funds and the other that funds voted by Parliament had been used to finance the Citizen.

Tycoon got R10m out



Mercury Correspondent

JOHANNESBURG — It can be disclosed today that the Department of Information used R10 million from secret funds in a bid to help the Right-wing American newspaper proprietor, Mr. John McGoff, buy the influential Washington Star.

Department of Information to buy newspaper

My information is that the R10 million was part of a R23 million bid for the newspaper by Mr. McGoff, who has close links with Dr. Connie Mulder and Dr. Eschel Rhoodie.

I have been told Mr. McGoff kept the R10 million in his companies when the bid failed and repaid the money in January this year — two years after the attempted take over.

Mr. McGoff, it is learned, also paid back the interest on the R10 million but a key question in this transaction is the final destination of the interest on this money and at what rate of interest the money was loaned to Mr. McGoff.

It is estimated that if the loan was granted on an interest rate of 8 percent this should have netted the South African Government an amount of approximately R1 700 000 over the two-year period.

According to my information, the repayment money was moved back to South Africa through Switzerland, where part of it was used to repay a loan raised there to help the Citizen, which at that stage was short of funds.

Mr. McGoff was involved in the attempted take-over of South African Associated Newspapers with Mr. Louis Luyt, who subsequently launched the Citizen, which was funded with Department of Information money.

It is understood Mr. McGoff was offered the ownership of the Citizen earlier this year before it was taken over from Mr. Luyt by Mr. J. van Zyl Alberts, Mr. McGoff turned down the offer.

Mr. McGoff and Mr. van Zyl Alberts are business associates in various companies including Panax and Gaffer Press, as well as being joint owners with Dr. Connie Mulder and Dr. Rhoodie of a claim in the Eastern Transvaal.

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In another major development yesterday it was learned from senior National Party circles that the Prime Minister, Mr. P. W. Botha, had asked Mr. Justice Anton Mostert to see him in Pretoria.

Judge Mostert is conducting a one-man commission of inquiry into Exchange Control contraventions.

Earlier this week he said he was considering making public evidence given to him concerning Department of Information money transactions. In this statement he said he was reconsidering his position in the "light of the law and the national interest."

Mr. Justice Mostert was not available for comment yesterday.

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Info R10m lent to buy US paper

JOHANNESBURG — The retired Secretary for Information, Dr Eschel Rhoodie, sent R10 million of his department's money to the United States to buy the influential Washington Star newspaper it can be revealed today.

The money was sent to Mr John McGoff, the right-wing American publisher, who is a close friend of both Dr Rhoodie and the former Minister of Information, Dr Connie Mulder.

This is in addition to the big Citizen scandal in which it was disclosed this week that R13 million of the Government money allocated to the newspaper had gone missing.

It is understood that the R10 million was part of a R23 million bid for the newspaper by Mr McGoff.

Mr McGoff kept the R10 million in his companies when the bid failed and repaid the money in January this year — two years after the attempted takeover.

Mr McGoff, it is learned, also paid back the interest on the R10 million but a key question in this transaction, however, is the final destination of the interest on this money and

at what rate of interest the money was loaned to Mr McGoff.

It is estimated that if the loan was granted on an interest rate of eight per cent this should have netted for the South African Government an amount of approximately R1,7 million over the two-year period.

According to information received, the repayment money was moved back to South Africa via Switzerland where part of it was used to repay a loan raised there to help The Citizen, which at that stage was short of funds.

It is understood that Mr McGoff was unable to release the R10 million of South African taxpayers' money out of his companies until he pulled off a major business deal in Europe late last year.

Mr McGoff was involved in the attempted takeover of South African Associated Newspapers

with Mr Louis Luyt, who subsequently launched The Citizen, which was funded with Department of Information money.

It is understood that Mr McGoff was offered the ownership of The Citizen earlier this year before it was taken over from Mr Luyt by Mr J. van Zyl Alberts. Mr McGoff turned down the offer.

Mr McGoff and Mr Van Zyl Alberts are business associates in various companies including Panax and Craft Press as well as joint owners with Dr Mulder and Dr Rhoodie in a farm in the Eastern Transvaal.

Mr McGoff was also named as director of a company called Lotandanya, which owns a number of flats in the controversial Cape Town beach flats, Valhalla, in which the Department of Information front company, Thor Communicators, also owns flats.

co-director to Mr Van Zyl Alberts in the company's register in Pretoria — but he later denied being a director and the auditors for that company said his name had been put on by mistake.

In another major development yesterday it was learned from senior National Party circles that the Prime Minister, Mr Botha, had asked Mr Justice Anton Mostert to see him in Pretoria.

Judge Mostert is conducting a one-man commission of inquiry into exchange control contraventions.

Earlier this week he said he was considering making public the evidence given to him concerning Department of Information money transactions. In this statement he said he was reconsidering his position in the "light of the law and the national interest" — DDC.

Mr McGoff is listed as a **Editorial opinion, page 10**

Opposition attacks PM

PRETORIA — The Prime Minister, Mr P W Botha, said last night he wanted no more delays in the in-

Botha replied "That will in my view only delay the whole matter."

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investigation into the spending of secret funds by the defunct Department of Information

In a TV interview, Mr Botha said a judicial commission of inquiry at this stage would only delay matters.

His statement provoked a sharp reply from the Leader of the Opposition, Mr Colin Eglin, who clashed with him the day before over the Government's silence, and from the New Republic Party's Mr John Malcomess, MP.

"While appreciating the need for any investigation being conducted not to be delayed, I am afraid the Prime Minister's statement is unsatisfactory," Mr Eglin said.

Mr Eglin has called for an all-party parliamentary commission and Mr Vause Raw, leader of the New Republic Party, has said that a judicial inquiry is necessary.

However, Mr Botha said yesterday. "I do not want any further delays as far as the investigation is concerned.

"Parliament will be getting the opportunity within a few months to test me and the Government on these matters and then it is for Parliament to judge thereon."

Asked specifically about a judicial inquiry, Mr

But Mr Eglin said last night that the allegations concerning The Citizen did not need an in-depth investigation

"It requires no more than a confirmation or a denial by the Government," he said.

"It is inconceivable that an operation like this, striking at the roots of press freedom and undermining our parliamentary system of government, could, if correct, have been undertaken without the approval of one or more cabinet ministers," Mr Eglin said.

Keeping quiet about the latest Information controversy was a lot of "bosh", Mr Malcomess, MP for East London North, said last night.

"If the latest allegations are correct I don't think it is in the best interests of the country that they be covered up. If The

Citizen was financed with public money and if millions have disappeared silence might be in the best interests of the National Party, but not the country," Mr Malcomess said.

In the interview, Mr Botha was asked whether the expanded Kemp Committee would cover the entire field of the controversy. He replied: "Yes, most decidedly." — DDC-SAPA.

Film magnate used Info cash

JOHANNESBURG — More than R800 000 of Department of Information money was used by South African film magnate Andre Pieterse to help finance Golden Rendezvous, an Alistair Maclean adventure film starring Richard Harris, who was paid R435 000.

The film was an international flop and is currently doing the South

African drive-in and home movie circuit.

It was disclosed the money was set aside out of secret funds for commercial film projects.

Mr Pieterse is a director of Film Trust (Pty) Ltd which had investments in Golden Rendezvous. Together with Pretoria Communicators — a Department of Information front organisation.

Mr Van Rooyen was the man who disclosed he had given a special briefing on Department of Information projects to three Cabinet Ministers shortly before Mr P. W. Botha was elected Prime Minister.

According to sources close to the Department of Information secret projects, Mr Pieterse was loaned money out of the department's secret funds

to set up cinemas for blacks.

The sources say he ploughed more than R800 000 of this money into Golden Rendezvous. There is no evidence the money had been paid back to the government.

Mr Pieterse has evaded persistent attempts for days to question him over this use of taxpayers' money. — DDC.

This suggestion was made by the *Vaderland* in its main report on Tuesday this week in which the newspaper asked several questions concerning the latest revelations in the scandal. The question

Judge to see PM today

JOHANNESBURG — Mr Justice Anton Mostert yesterday postponed, at the request of the Prime Minister, a press conference he was due to have held at Jan Smuts Airport concerning the Department of Information.

Judge Mostert, who is conducting a one-man commission of inquiry into exchange control contraventions, said he had been asked by Mr Botha to meet him in Pretoria today.

Speaking to a group of newsmen he said: "I have sad news for you. At the request of the Prime Minister the statement I was to have made will be postponed until after I see the Prime Minister tomorrow."

He refused to answer questions to elaborate.

Earlier this week, Judge Mostert said he was considering making public evidence given to him concerning money used by the Department of Information.

In this statement, he said he was reconsidering his position on the Information evidence in the light of the law and the national interest. DDC

sharp denial of the suggestion was given prominence yesterday in the main front-page report of *Beeld*, a publication belonging to the Cape-based Nasionale Pers Group of which Mr Botha was a director before becoming Prime Minister.

The *Beeld* report quotes Mr Botha as denying he was a member of a Cabinet committee that approved the secret projects of the former Department of Information, which included the channelling of R13 million of public funds to support *The Citizen* newspaper.

PRIME: I did not approve funds

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2/11/78 W

JOHANNESBURG —
The Prime Minister, Mr P. W. Botha, has reacted angrily to suggestions in an Afrikaans newspaper that he might have been involved in the growing Citizen - Department of Information scandal.

Mr Botha's response was triggered by a report in Die Vaderland—a newspaper belonging to the Perskor group of which Dr Connie Mulder is a director — that Mr Botha, because of his seniority in the Cabinet, would have been a member of a committee that is said to have approved the secret projects of the former Department of Information. The Prime Minister's

must also be asked who decided that money be given to The Citizen.

“Dr Mulder alone did not have the power to take such a decision. The then Prime Minister, Mr Vorster, and the former Minister of Finance, Dr Diederichs, as well as his successor, Sen Horwood, must also at least have been consulted in the matter.

“If such a decision was taken by a cabinet committee, the present Prime Minister must also have been a member of it on account of his seniority in the Cabinet,” the newspaper said.

Beeld stated the Vaderland report as “an attempt... to draw (Mr Botha) into joint responsibility for any public funds which could possibly have been channelled to The Citizen

newspaper.”

The possibility of more than one Cabinet minister being involved in the administration of the Department of Information secret fund was initially revealed by the former Secretary for Information, Dr Eschel Rhoadie.

In his statement admitting the existence of an unauthorised secret fund operated by the now defunct department, Dr Rhoadie added “It (the fund) was overseen by a secret, though unofficial three-man Cabinet committee from which I received approval for secret projects and to whom detailed verbal and written reports were made annually and often every six months.

“A secret fund was provided to the department, but I do not intend now or ever, to say

how much and in what way it reached me.”

This week the Vaderland pointed out that according to the law, the only departments authorised to have secret funds were the Departments of the Prime Minister, of Defence and of Foreign Affairs.

In a leading article the newspaper said, “The matter has now reached the stage that it does not only affect a single department and its officials, and ministers, but the Government.”

And the Beeld said in an editorial, “If it is true that The Citizen newspaper was financed by Government funds... the bond of trust (between the voter and the ruler) will have been impaired, seriously impaired.”

DDC
Schwarz sees Prime Minister, Page 11

**BOSS men
won't
answer**

Star 259
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From Page 1

this also applied to Mr Reynders

Mr Justice Mostert: "In other words you use the Bureau for State Security and the Official Secrets Act to withhold information needed by this Commission?"

Mr Kemp: "No, I am not using it for that. I merely say that neither myself nor the staff working under me, are bound by it."

The Judge: "Are you aware that in January the Prime Minister agreed that the Bureau should help this Commission in everything it did? I want you to think carefully about that question, because the second one is coming."

Mr Kemp: "I am not aware of the Prime Minister's instruction. I am aware of the instructions which I received from General van den Bergh to be helpful to you"

The Judge asked if Mr Kemp's answer was that he refused to provide the information needed by the Commission. Mr Kemp said he had been instructed to do a secret evaluation/investigation into projects which fell under the Official Secrets Act.

He said he did not refuse to provide the information, on condition that he had authority — which could only be obtained from the Prime Minister

The Judge: "Will you then sit there while I question Mr Reynders and then you can decide what he can give and what he cannot give? Does that suit you?"

Mr Kemp: "I think it is an unfair request."

The Judge: "Why?"

Mr Kemp: "Because I do not know what you are talking about."

The Judge: "But you will find out what I am talking about. Ask Mr Reynders to come in please."

At this stage Mr Reynders was sworn in

**Basson: A
crisis**

From Page 1

acted in the highest traditions of the South African Bench.

He said Judge Mostert's actions were in keeping

**Full text
of judge's
statement**

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THE EVIDENCE ALSO REVEALED THE EXISTENCE OF CORRUPTION IN THE WIDE SENSE OF THE WORD.
IN VIEW OF THESE CONSIDERATIONS, HE HAD CAREFULLY CONSIDERED THE REQUEST BY THE PRIME MINISTER AND P W BOTH NOT TO DISC

The following is the text of Mr Justice Mostert's statement

"I have been asked by the public Press to make the testimonies deposed before my commission and which have a bearing on the affairs of the erstwhile Department of Information, available for publication

"This request raises two issues.

(a) Whether, in law, I have the power to allow the Press access to the testimonies

(b) Whether I should exercise any discretion I may have in four of such disclosure, assuming that I have that power?

"The legal position is governed by Section Four of the Commissions Act, Number Eight of 1947, which reads, "All the evidence and addresses

the hearing of such evidence or address is, in his opinion not necessary or desirable."

"At the time of the deposition, I did not exercise the power vested in me by the proviso contained in Section Four. The meeting at which the depositions were taken must therefore be regarded as public meetings for the purpose of Section Four.

"It follows, as a necessary consequence, that evidence taken at a public meeting is available for public inspections, unless I exercise the proviso powers now, assuming that I can do so, at this late stage. I shall assume for the time being I have a discretion to withhold publication of the evidence. The question is should I do so?"

with the high standards which had earned the South African judiciary a deserved reputation.

"This makes all the more urgent my call on the Prime Minister to appoint a similar judicial inquiry into the repeated allegations concerning the financing of The Citizen"

heard by a commission shall be heard in public provided that the chairman of the commission may, in his discretion, exclude from the place where such evidence is to be given or such address is to be delivered, any class of persons or all persons whose presence at

"I have taken cognisance of the Prime Minister's appeal on television and in the Press. Coming as it does from the Prime Minister, the appeal is entitled to serious consideration, but that does not release me from the duty of examining the cogency of the Prime Minister's arguments.

APPEAL

"I have endeavoured to discover what particular interest of the State is furthered by suppression, albeit temporary, rather than disclosure of the evidence. I have been able to find none."

"The evidence given before me and other information at my disposal shows the improper application of taxpayer's money running into millions of rands. Moreover, there are indications from the same source of corruption (in the wider sense of the word) relating to public funds. In such matters the public interest is paramount and is usually best served by frank disclosure. Only reasons of great cogency will cause suppression or secrecy to be preferred to disclosure. I do not find such cogency in emotional appeals unsupported by valid considerations.

"I have, therefore, decided to make the evidence available to the Press. In doing so I believe that I have made a contribution to a clean administration" — Sapa.

259 THURSDAY
November 2, 1978

Look how your money was abused

AS WE PUBLISH more and more revelations about the Information Department scandal, two points need to be emphasised in addition to those we have already made

The first is that the technique of a government trying to buy control of newspapers in secret represents a monstrous attempt to deceive the public — and as such a most sinister threat to Press freedom

Secondly, whatever one may think about the projects in question, even the department's most ardent admirers must wonder at the frequency with which the money seems to have ended up somewhere else — in the accounts of quite different commercial enterprises.

No doubt there are people who will say it is a jolly good idea for the Government to have tried to buy the Washington Star, so that South Africa could have its own mouthpiece in the world's most important capital. And what is wrong with setting up a pro-Government English-language newspaper in South Africa?

The answer is, nothing — provided it is openly done and the public is able to see the paper for what it is. We welcome the existence of Die Transvaler, which is the official organ of the National Party. We welcome the existence of Beeld, which is owned by a well-known, pro-Nationalist publishing company. The public knows what it is getting, as it does with all the other established papers in South Africa as well. There is no deception.

It is the secret control that is so sinister. A government which does this can obviously control the policy of the paper it has bought, without the public knowing it. It can then push its viewpoint under a false guise. The public is deceived into believing it is reading a free and independent paper, whereas it is in fact a government-controlled one.

Press freedom can be totally subverted in this way. If the Government can get away with it in the case of one paper, what is to stop it from gaining secret control

of another — and another? Or a whole major newspaper company?

And it is just as monstrous done in Washington as here at home. Because government which resorts to such attempts at calculated deception forfeits both credibility and respect.

Now let us look at the argument that all these secret projects were necessary in the national interest; that the Government had to resort to unorthodox methods to counter a ruthless "war" being waged by its enemies abroad. That has been the official justification for the whole secret operation.

But look what has happened in practice. R13-million assigned for the secret purchase of The Citizen ended up in the accounts of an altogether different company. Let us suppose, for the sake of argument, that the company was a fertiliser manufacturer.

Can it be said that a large investment of taxpayers' money — your money — in a fertiliser company is helping to counter the ruthless "war" being waged against South Africa abroad?

The R10-million sent to Mr John McGoff to bolster his bid for the Washington Star remained in his companies overseas for just over two years. He paid it back, with interest, but his companies had it available for use for a considerable time.

So here we were helping to counter the ruthless "war" against South Africa by making a huge loan to a wealthy American businessman!

And now we have the case of Mr Andre Pieterse being given a secret fund loan which he put towards making an Alastair McLean adventure movie. Which must surely be the ultimate weapon for countering our ruthless enemies. Slay them in their cinema seats!

The bitter lesson, of course, is that when you have secret funds, with no proper accountability to Parliament, this kind of thing is bound to happen.

Which some of us have been saying ad nauseum for more than a year now.

PRETORIA — The Progressive Federal Party MP for Yeoville, Mr Harry Schwarz, yesterday asked the Prime Minister, Mr P. W. Botha, at a private interview to appoint an all-party parliamentary commission to deal with the activities of the former Department of Information.

Schwarz sees

spokesman on finance, in view of public concern over the issue.

The Prime Minister had maintained his attitude that at this stage he regarded the investigation by the committee of public servants as adequate and that he wished to be fully informed on the facts before taking any action which might be necessary.

Mr Schwarz said he had consulted with the leader of the PFP, Mr Colin Eglin, before the interview, and would report to him on the meeting.

His statement read: "In view of the public concern over the activities of the former Department of Information an interview was sought with the Prime Minister. This interview took place this morning.

"It was clearly conveyed to the Prime Minister that it was the view of the PFP that the correct manner of dealing with the situation was to appoint an all-party parliamentary commission with power to call witnesses and to report to Parliament.

"This would give the assurances to the public which they wanted in respect of an issue which was becoming a festering sore in the public life of the country.

"Full and frank discussion took place, most of

which was on a confidential basis. The Prime Minister maintained his attitude that at this stage he regarded the investigation by the committee of public servants as adequate and that he wished to be fully informed on the facts before taking any action which might be necessary.

"He stressed that the present methods of inquiry seemed to him the quickest manner of investigation.

"The whole sorry affair must be brought to an end as soon as possible," Mr Schwarz said — SAPA.

Nat paper alters stance to Mulder

JOHANNESBURG — Dr Connie Mulder's position in the Information Department has weakened considerably after one of his main supporters, Die Transvaler, significantly changed its attitude towards the affair.

Dr Mulder, the Transvaal leader of the National Party, who controlled the Department of Information until it was disbanded earlier this year, is a director of Perskor which owns Die Transvaler.

The last allegation was a reference to Rand Daily Mail and Sunday Express disclosures that millions of rands in Government funds were channelled to The Citizen.

Die Transvaler added in an editorial, "It is becoming increasingly clear that more justified investigative journalism."

Dr De Klerk said it appeared that the newspapers wanted first to break Dr Rhoadie before aiming for Dr Mulder and finally for the Government itself.

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followed up disclosures in the Rand Daily Mail and Sunday Express by publishing three allegations involving the department

It also said it was becoming increasingly clear that allegations about the department were not merely "wild stories"

Government investigations into the department should be broadened, the newspaper said, and a progress report on the probes should be published

Die Transvaler said allegations circulating in business and political circles were.

● Secret Government funds were used to buy flats in South Africa and overseas.

● Millions of rands were involved in negotiations to gain control of an influential American newspaper. This was a clear reference to the Washington Star.

● Various charges about secret funds for the pro-Nationalist English newspaper, The Citizen, did not "rest on mere speculation"

the allegations revolving around the disbanded Department of Information are not merely wild stories.

"It is becoming increasingly clear that there is also considerably more to it than meets the eye"

The newspaper's treatment of the scandal was a significant departure from its previous coverage, which ranged from condemnation of English-language newspaper probes into the department to strong support for Dr Mulder, particularly during the premiership battle last month when the Information controversy was being used against him.

In April this year, the Editor of Die Transvaler, Dr Willem de Klerk, said in his weekly column that English-language newspapers had formed a front to damage the country.

"I have no faith in their pious motives because their sustained campaign against so-called irregularities at the Department of Information cuts deeper than

After stating that no one should be protected if irregularities were found in the department, Dr De Klerk accused opposition newspapers of furthering their own ends by inflating certain "technical matters" which came to the fore in the parliamentary investigation of the department.

At the height of the battle for the premiership last month, it published a report saying the Reynders investigation into the department had cleared Dr Mulder and the department, thus improving his chances of being elected Prime Minister.

But the report had the opposite effect. The retiring Prime Minister, Mr Vorster, issued a statement indicating that investigations had not been completed and supporters of Mr P W Botha called on Dr Mulder to withdraw from the premiership race.

He refused to do so and was narrowly defeated by Mr Botha — DDC

Flop you

By Mervyn Rees

MORE than R800 000 of Department of Information money was used by South African film magnate Mr Andre Pieterse to help finance "Golden Rendezvous", an Alistair MacLean adventure film, starring Richard Harris, which was an international flop.

The Rand Daily Mail on Tuesday disclosed that the money was set aside out of secret funds for commercial film projects.

Mr Pieterse is a director of Film Trust (Pty) Ltd which had investments in "Golden Rendezvous". Together with Pretoria advocate, Mr Retief van Rooyen, he was a director of Thor Communicators — a Department of Information "front organisation".

Pieterse used Info money for bad movie

Mr Van Rooyen was the man who told the "Mail" he had given a special briefing on Department of Information projects to three Cabinet Ministers shortly before Mr P W Botha was elected Prime Minister.

According to sources close to the Department of Information's secret projects, Mr Pieterse was loaned money out of the department's secret funds to set up cinemas for blacks.

The sources say he ploughed more than R800 000 of this money into "Golden Rendezvous". The "Mail" can find no evidence that the money has been paid back to the Government.

Mr Pieterse has evaded for days persistent attempts by the "Mail" to question him over this use of taxpayers' money.

"Golden Rendezvous" has been panned in most parts of the world and is currently on the South African drive-in and home movie circuits. It has been described as the costliest film yet made in South Africa.

A publicity blurb describes it as a "suspense drama on the high seas set on board a cargo ship with an unusual sideline — gambling with no limit".

Irish hell-raiser Richard Harris was reportedly paid about R435 000 to play the star role.

At the time, "Mail" critic Sydney Duval said the film's main attraction was a pasty-faced Harris in a role that he would probably



MR ANDRE PIETERSE
... film magnate

ACTOR RICHARD HARRIS
... star of film

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Mostert postpones Press conference

Staff Reporter

MR Justice Anton Mostert yesterday postponed — at the request of the Prime Minister, Mr P W Botha — a Press conference he was due to have held at Jan Smuts Airport concerning the Department of Information

Judge Mostert, who is conducting a one-man commission of inquiry into exchange control contraventions, said he had been

Schwarz sees PM

AT A private interview yesterday the PFP's finance spokesman, Mr Harry Schwarz, asked the Prime Minister to appoint a parliamentary commission into the former Information Department — Sapa

● See Page Two

asked by Mr Botha to meet him in Pretoria today

Speaking to a group of newsmen, he said "I have sad news for you. At the request of the Prime Minister the statement I was to have made will be postponed until after I see the Prime Minister tomorrow"

He refused to answer questions or elaborate.

Earlier this week, Judge Mostert said he was considering making public evidence given to him concerning money used by the Department of Information

In this statement, he said he was reconsidering his position on the Information evidence "in the light of the law and the national interest"

Among the people reported to have given evidence to the judge are Mr Retief van Rooyen, the prominent Pretoria advocate who was a director of an Information Department "front organisation", Thor Communicators, and Mr Louis Luyt, the first "owner" of the Citizen newspaper, which was funded from Department of Information secret money

want to forget because of the film's lack of subtlety

London critics wrote off the film as "inept, laughable" and described the script as "half-witted"

To add to the film's problems there was also a great deal of trouble on the set and international star Christopher Lee walked out

The owner of the ship used for filming threatened to sail if R55 867,38 was not paid when the production went over schedule

Film Trust brought an urgent interdict to stop the ship sailing

Mr Pieterse is a well-known film executive and was a former vice-president at MGM International in charge of production and distribution in the United States and Canada

Mr Pieterse, together with his brother Philo, were whizz-kids on the South African film scene and pioneered the giant Ster film group

Film Trust owns Johannesburg's Film Trust Arena which was recently nearly evicted from its council-owned site for non-payment of rent. The Johannesburg City Council has given the Arena extra time in which to pay the arrears

● See Page 2

● Editorial Comment

— Page 12

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paid for

McGoff denies 'Mail' claim

By SIMON BARBER

MR John McGoff has denied the allegation in yesterday's Rand Daily Mail that his bid to purchase the Washington Star was partially financed by the South African Government.

He said that "there was no truth whatsoever" in allegations that he was sent R10-million two years ago.

"It is utter nonsense," he said in a statement issued through Lester Kinsolving, editor of the pro-South African Washington Weekly, which is owned by Mr

McGoff's Panax Corporation.

Mr Kinsolving said he was acting as Mr McGoff's spokesman.

Mr McGoff would not make himself available for comment last night.

Yesterday morning his secretary said he had "left the country", although on Tuesday night a Panax employee insisted Mr McGoff would be in his office.

Despite allegations that Mr McGoff received the South African money two years ago, his bid to buy the

Washington Star began in 1974.

Mr McGoff set up a new company, separate from Panax, to buy the Washington paper. It was called the Star Newspaper Company and he was the sole incorporator.

Panax is a public company and he would have had to reveal his financial backers.

But as the sole incorporator of the Star Newspaper Company he was required to reveal nothing, and he didn't.

Mr John Kauffmann, who was president of the Star in the 1974, said a major problem with Mr McGoff's offer was that nobody knew from where he was getting his money.

Mr Steve Richards, an adviser to Mr Joe Allbritton who eventually bought the Star, said people felt Mr McGoff did not have the money to buy the paper.

Another adviser said Mr Allbritton had never thought Mr McGoff was financially strong.

Mr Allbritton sold the Washington Star to Time Incorporated this year.

● Mr Kinsolving is a clergyman who has also been in trouble over his South African connections.

His Congressional Press credentials were removed after he had received about

500 shares, so he could attend stockholders meetings. He has not continued investment in the Republic.

baas

Burger 2/11/78 (259)

Van Ons Politieke Redaksie

PRETORIA.

DIE komitee wat die belangrike taak het om die geheime projekte van die voormalige Departement van Inligting te evalueer, het 'n nuwe voorsitter gekry. Hy is mnr. Dries Pretorius, Sekretaris van die Tesourie.

Mnr. Pretorius, wat reeds gister voorgesit het op die vergadering van die komitee, is die derde voorsitter van die komitee. Hy kom in die plek van mnr. Koos Kemp, wat sedert die uitrede van genl. Hendrik van den Bergh op 26 September voorsitter was. Mnr. Kemp bly lid van die komitee.

Die rede waarom mnr. Pretorius die nuwe voorsitter geword het, is omdat die evaluering van die geheime projekte blykbaar byna afgehandel is. Die kern val nou hoofsaaklik op die geldelike aspekte van die projekte en daar word gemeen dat 'n finansiële kundige die geskikte persoon is om nou die leiding te neem.

Valuta

Die komitee sit nou elke dag en sal na verneem word probeer om binne 'n week sy eerste tussentydse verslag uit te bring. Mnr. Willie Schickerling, Ouditeur-generaal, woon vanoggend vir die eerste keer 'n sitting van die ondersoekspan by.

Intussen het regter Anton Mostert — wat valuta-oortredings ondersoek — gistermiddag uit Durban na Transvaal gevlieg vir 'n gesprek vandag met die Eerste Minister, mnr. P. W. Botha, oor sake rakende die ontbinde inligtingsdepartement.

Ander nuwe ontwikkelinge rondom die geval Inligting is:

● Mnr. Harry Schwarz het die Premier in sy kantoor in die Umegobou gaan spreek en die aanstelling gevra van 'n Parlementêre kommissie van ondersoek na Inligting, bestaande uit alle politieke partye.

● Mnr. Vause Raw, leier van die Nuwe Republiek

party het gesê die geloofwaardigheid van die Regering en die land se hele inligtingsopset ly elke dag meer skade as die beweringe nie verkeerd bewys of gerepudieer word nie.

● 'n Engelstalige oggendblad het beweringe gepubliseer dat dr. Eschel Rhodie R10 miljoen uit die gewese

VERVOLG OP BL. 13 *

Inligting: Kemp vervang

* VERVOLG VAN BL. EEN *

departement se geheime fonds land-uit gestuur het om die koerant The Washington Star te koop

Mnr. Schickerling het gisteraand gesê hy het sy betrokkenheid by die ondersoek van die Pretorius-komitee, nou volledig met die Eerste Minister uitgeklaar. Hy sal deurgaans sittings van die komitee bywoon, maar hy word nie amptelik 'n lid van die komitee nie, sodat hy sy onafhanklikheid kan behou.

„Ek sal dus insae hê in alles wat die Pretorius-komitee doen en woon my eerste sitting Donderdagoggend (vandag) by.”

Regter Mostert — wat vroer vandeeweek bekend gemaak het dat hy afhange van sy regsposisie en die land se belang oorweeg om die getuënis wat voor sy kommissie afgeleë is, volledig aan die pers beskikbaar te stel — het gister gesê hy was van plan om sy getuënis gistermiddag in 'n verklaring by die lughawe Jan Smuts aan die pers bekend te maak.

„Op versoek van die Eerste Minister het dit egter nie geskied nie. My samesprekinge met die Eerste Minister vind Donderdagaand plaas. Die moonthkheid dat ek alles aan die pers kan openbaar, bestaan nog, maar ek sal daarvoor besluit aan die hand van wat gebeur by die samesprekinge tussen my en die Premier,” het hy gesê.

Mnr. Schwarz het gisteraand bekend gemaak dat hy die Eerste Minister gespreek het in sy hoedanigheid as die Progressiewe Federale Party se woordvoerder oor finansies en in die lig van die openbare kommer oor die geval Inligting.

Volgens mnr. Schwarz het die Eerste Minister die standpunt gehandhaaf dat hy die ondersoek van die Pretorius-komitee as voldoende beskou en dat hy ten volle op die hoogte van die feite wil kom voordat hy stappe doen wat nodig mag blyk.

Mr. Schwarz het gesê hy het dit aan die Premier gestel dat die P.F.P. oortuig is dat

'n Parlementêre kommissie van ondersoek met magte om getuënis op te roep en aan die Parlement te rapporteer, die beste manier is om die saak te hanteer. „Dit sal die publiek gerusstel oor 'n saak wat besig is om 'n sweer te word in die openbare lewe van die land.”

Mnr. Schwarz het gesê hy het 'n volledige en openhartige bespreking met die Eerste Minister gehad. Volgens hom het die Premier dit beklemtoon dat hy die huidige metode van ondersoek as die vinnigste beskou en hom verseker dat hy nie sal huier om volgens die eise van die omstandighede op te tree nie, sodra die feite ten volle ondersoek en aan hom gerapporteer is.

Mnr. Schwarz het gesê hy het sy hoofleier, mnr. Colin Eghin, geraadpleeg voor sy besoek aan die Premier en dat hy aan mnr. Eghin daarvoor verslag sal doen.

Mnr. Raw het gisteraand gesê hy glo die Eerste Minister moet onmiddellik optree en nie toelaat dat die land en die wêreld glo sulke ongehooflike beweringe kan nie onmiddellik weerleë word nie. Bepaalde beweringe is gemaak dat R13 miljoen van belastingbetalers se geld gebruik is vir 'n kommersiële koerant wat die Regering steun, het hy gesê. Die beweringe is te ernstig dat gewag kan word vir 'n gekompliseerde en noodwendig uitgerekte ondersoek na die hele veld van geheime besteding.

Mnr. Raw het gesê hy glo 'n regterlike kommissie wat hom op die bepaalde beweringe aangaande die R13 miljoen toespits, kan binne 'n week die saak oplos. Die ander kwessies kan in die loop van tyd opgelos word.

Die Engelstalige oggendblad het gister beweerd dat dr. Eschel Rhoadie R10 miljoen uit die geheime fonds gestuur het aan mnr. John

McGoff, Amerikaanse uitgewer wat 'n goeie vriend van dr. Rhoadie en min. Connie Mulder is.

Mnr. McGoff was gister nie vir kommentaar beskikbaar nie.

Na wat berig word in The Star het mnr. McGoff, voorsitter van die Panax Corporation, heftig ontken dat hy of sy koerantgroep geldelike hulp van die Departement van Inligting ontvang het om 'n aanbod vir die koerant te doen.

and later introduced the Bantu Labour Relations Act.

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During the 1973 labour unrest the Govern

THE BANTU LABOUR RELATIONS REGULATION ACT

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23. Ibid.
24. Hansard 17 column
25. Some of the com

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Info funds:

P.M. denies

involvement

Copy 2/11/78 (259)

Own Correspondent

JOHANNESBURG. — The Prime Minister, Mr P. W. Botha, has reacted angrily to suggestions in an Afrikaans newspaper that he might have been involved in the growing Citizen-Department of Information scandal.

Mr Botha's response was triggered by a report in Die Vaderland — a newspaper belonging to the Perskor Group of which Dr Connie Mulder is a director — that Mr Botha, because of his seniority in the Cabinet, would have been a member of a committee that is said to have approved the secret projects of the former Department of Information.

The Prime Minister's sharp denial of the suggestion was given prominence yesterday in the main front-page report of Beeld, a publication belonging to the Cape-based Nasionale Pers group of which Mr Botha was a director before becoming prime minister.

The Beeld report quotes Mr Botha as denying that he was a member of a Cabinet committee that approved the secret projects of the former Department of Information (which included the channelling of R13 million of public funds to support the Citizen newspaper).

This suggestion was made by the Vaderland in its main report on Tuesday this week in which the newspaper asked several questions concerning the latest revelations in the scandal.

The newspaper said

“the question must also be asked who decided that money be given to the Citizen. Dr Mulder alone did not have the power to take such a decision. The then prime minister, Mr Vorster, and the former Minister of Finance, Dr Nico Diederichs, as well as his successor, Senator Owen Horwood, must also at least have been consulted in the matter. If such a decision was taken by a Cabinet committee, the present prime minister must also have been a member of it on account of his seniority in the Cabinet.”

Beeld slated the Vaderland report as “an attempt to draw (Mr Botha) into joint responsibility for any public funds which could possibly have been channelled to the Citizen.”

The possibility of more than one Cabinet minister being involved in the administration of the Department of Information's secret fund, was initially revealed by the former Secretary

newspaper publisher, Mr John McGoff, has denied a report that his attempt to purchase the Washington Star was partly financed by the South African Government, the Star said yesterday.

The Star quoted Mr McGoff as saying “There is no truth whatsoever” in the allegation that the South African Government had sent him R10 million clandestinely for use as part of a R23 million bid for the Star two years ago.

Mr McGoff denied the allegation in statement relayed last night through Mr Lester Kinsolving, editor of the Washington Weekly, owned by Mr McGoff's Panax corporation, the Star said in yesterday's editions.

Although the Cape Times said yesterday that the money was passed to Mr McGoff two years ago, he apparently was a serious contender to acquire the Star only in late 1974, the Star said. The newspaper was sold in 1975 to a Texas financier, Mr Joe D Albritton, who sold it to Time Incorporated early this year — Sapa AP.

for information, Dr Eschel Rhoodie

In his statement admitting the existence of an unauthorized secret fund operated by the now defunct department, Dr Rhoodie added

“It (the fund) was overseen by a secret, though unofficial three-man Cabinet committee from which I received approval for secret projects and to whom detailed verbal and written reports were made annually and often every six months.”

“A secret fund was provided to the department but I do not intend now or ever, to say how much and in what way it reached me.”

This week the Vaderland newspaper pointed out that according to the law, the only departments authorized to handle secret funds were the departments of the Prime Minister, of Defence and of Foreign Affairs.

In a leading article the newspaper said “The matter has now reached the stage that it does not only affect a single department and its officials and minister, but the government.”

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..	501 9	436	4961
..	968 5	198	1963
..	218 5	788	2961
..	826 4	710	1961

McGoff denies Info aid

WASHINGTON — A Michigan

TABLE 16: EMPLOYMENT ON THE IRON ORE

CONFIDENTIAL

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178
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It's

CONFIDENTIAL

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Judge also confirms Citizen funds

Staff Reporters

Evidence of corruption with public funds and the misuse of taxpayers' money running into millions of rands has been given to Mr Justice Anton Mostert.

One of the disclosures made by the judge in Pretoria this afternoon is that Dr Eschel Rhoodie, former Secretary of Information, lent Mr Louis Luyt R12-million to start The Citizen newspaper.

The loan was made through a Swiss company named Thesaurus Continental Securities Association, according to affidavits released by the judge to the Press. The contract for the deal was marked "Top Secret" and apart from Mr Luyt and Dr Rhoodie was signed by Dr Denys Rhoodie, Mr Les de Villiers and Mr A J Fourie

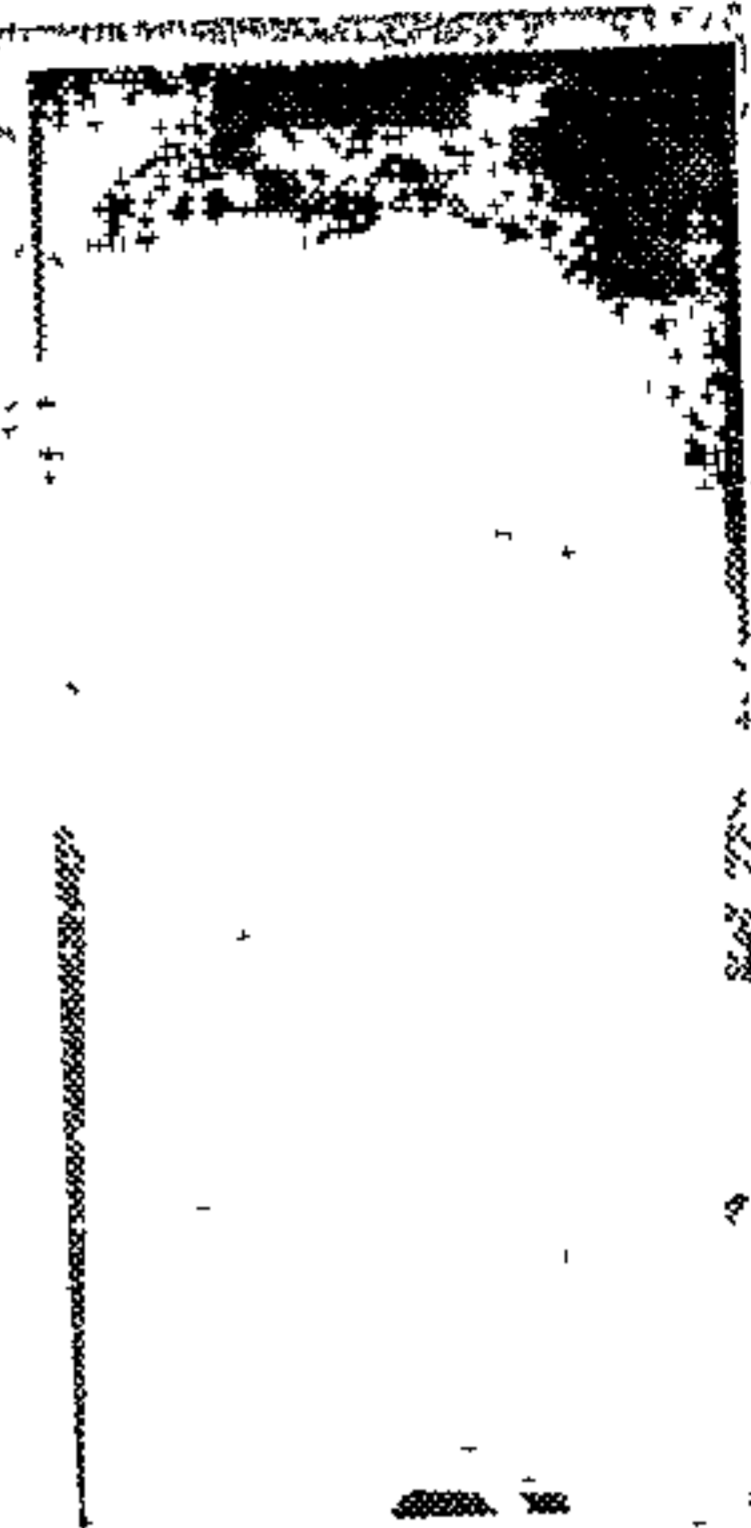
The contract made the deal subject to strict control by Dr Rhoodie the editorial policy of The Citizen.

The Citizen's staff had to abide by the editorial charter in the contract also stated in its terms were in accordance with the terms of the Official Secrets Act.

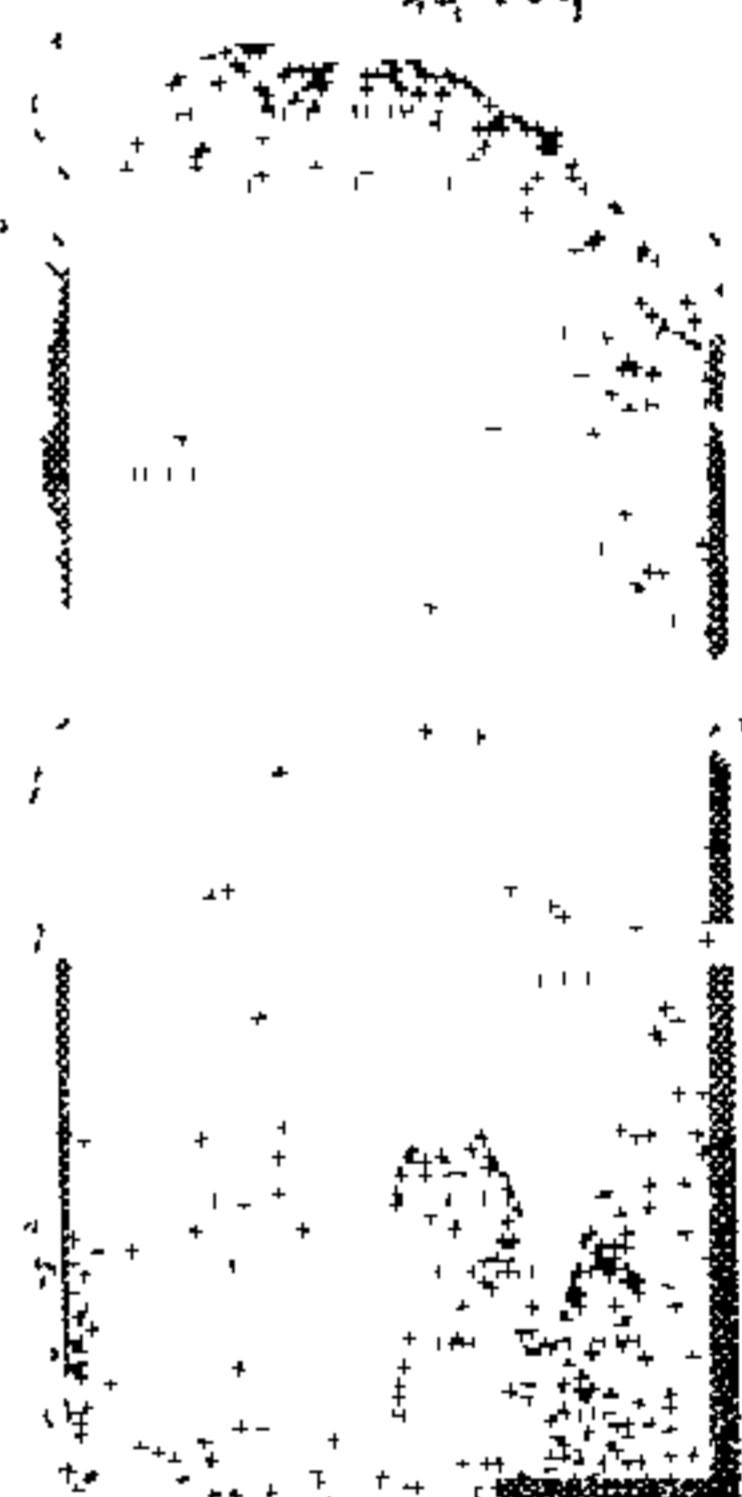
Mr Justice Mostert who has been holding a Commission of inquiry into exchange control conventions made this evidence available after he had talks this morning with the Prime Minister Mr P Botha.

(See full text of statement — Page 3.)

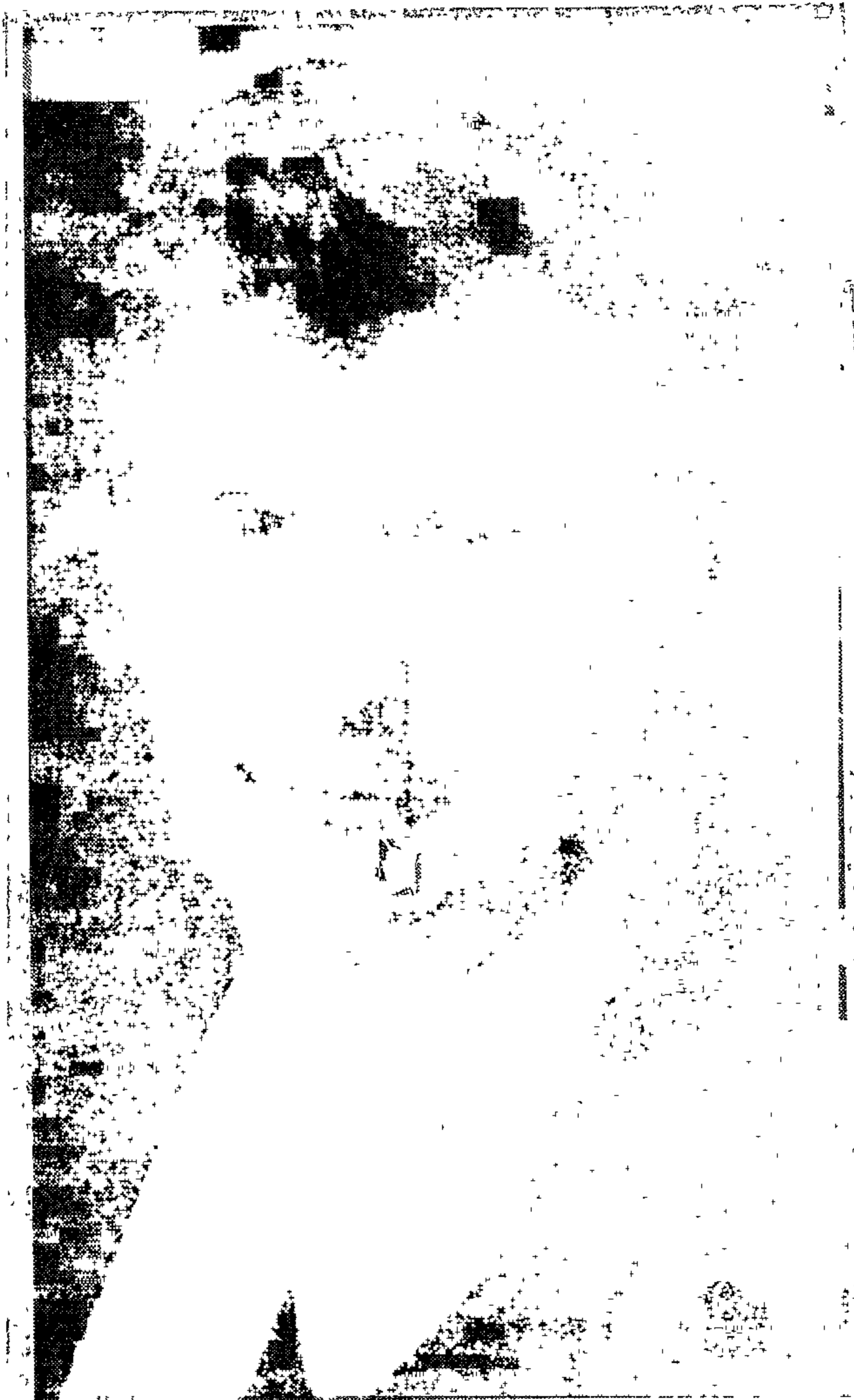
Before releasing the evidence, the judge announced to the Press he had decided to



Mr Louis Luyt . . . signed deal with Dr Rhoodie.



Dr Eschel Rhoodie R12-million for The Citizen



Mr Justice Anton Mostert . . . in the public interest

**Louis Luyt says
he's busy with
legal advisers**

**Basson
sees a
crisis**

Mr. Japie Basson, chief
Opposition spokesman on

Police surround terrorists

By Jan van Ree,
Crime Reporter

ALLDAYS — Police hunting three terrorists in the Northern Transvaal were said today to have surrounded the gang in a densely vegetated area near Alldays.

The men hunting the gang are saying nothing to the Press about the extent of the search and the progress they are making but it is understood they are waiting for the fugitives to make a move.

The dense vegetation and rough terrain are preventing them from going into the area where the terrorists are believed to be hiding.

All necessary precautions have also been taken to stop the men attempting to cross the border into Botswana.

In the ambush a policeman, Sergeant Thmus Nel (34) station commander of Mara police, was shot and wounded. He is being treated in the Pietersburg hospital.

TODAY'S WEATHER

TRANSVAAL — Till 6 pm tomorrow. Partly cloudy and warm over the north and east with scattered thunder-showers. Fair and warm but cooler over the south and south-west. Cloudy and cooler over the southern lowveld tomorrow with possible light rain over the escarpment, spreading north — See Page 3

Turmoil on markets over gold

By Michael Chester,
Financial Editor

World bullion markets were in turmoil today as gold prices plunged in reaction to United States moves to hold the biggest gold auctions in history.

In early dealing in London today it was 219,50 dollars an ounce — 26 dollars down from its record three days ago.

At the crucial fixing session the price of gold was 220,40 dollars an ounce. And the dollar was improving.

President Carter has ordered the US Treasury to increase its bullion sales from Government stockpiles to 1,5 million ounces a month — more than 80 percent of monthly production levels in South Africa.

The auctions, beginning next month, are among measures announced by the White House to stop the fall of the dollar.

Bullion and currency markets alike were taken by surprise at the forcefulness of the White House action.

In initial London reaction last night gold prices crashed by nearly 18 dollars — the biggest tumble in a single day on record — down to 224,50 dollars an ounce.

South Africa stands to

gain or lose as much as R200-million a year for every 10 dollar movement of the gold price if it lasts.

However, a moderate easing of the gold/dollar seesaw could favour South Africa in the long term.

The 'dizzy' heights of bullion — around 246 dollars earlier in the week — had already started to cause tensions.

Many observers, including Mr Robin Plumbridge at the Chamber of Mines, saw dangers in an over-heated market.

RETREAT

Much of the gain in gold prices in dollar terms was negated by the sharpness of the dollar's retreat against other currencies.

The gyrations on currency markets were already stirring unwelcome speculation about major shifts in the rand's exchange rate.

Many economists believe that a retreat of gold back to 200 dollars an ounce, or even a shade below, should be regarded as a reasonable sacrifice in exchange for more stability in bullion income and more stability for the rand.

● Panic on bullion markets — Page 27.

Tanzania fights back

NAIROBI — Tanzania was today pushing reinforcements up to the remote north-western corner of the country to counter Ugandan troops who claim to have seized hundreds of square kilo-

metres of Tanzanian territory

Buses and trucks were commandeered in the Tanzanian capital of Dar es Salaam as the Government mobilised all available means to move men and supplies to the rolling bushland west of Lake Victoria, reported to be under military occupation by the Ugandan army.

Diplomatic sources in Nairobi said about 3 000 Ugandan army troops backed by tanks and artillery had occupied the Kagera salient, north of the Kagera River, which Uganda has traditionally claimed as its own.

The Ugandan spearhead had crossed the only bridge over the river and also occupied the town of Kyaka, they said.

Military analysts here said there was no clear indication of the scale of the fighting. — Sapa-Reuters-AP.

The founder of the Citizen, Mr Louis Luyt, said today that he knew nothing about the documents released by Mr Justice Mostert.

Asked whether he knew anything about the reference to a cheque for R4 million one of the documents says, was made out to him, he replied: "I am saying I know nothing about the documents — I would like to see them."

Mr Luyt said he would be available for comment later when more details of the information released by Judge Mostert was known.

When The Star read details of the contract for the setting-up of the Citizen to Mr Luyt he asked: "How do I get a copy of these documents?"

Mr Luyt said he was busy with his legal advisers and would make a statement after he had finished conferring with them.

"Obviously I have to make a statement, now," he said.

He thanked The Star for bringing the information promptly to his attention.

No comment was available from Dr Eschel Rhoodie, director of the former Department of Information. He left South Africa last Sunday on an extended trip abroad.

His brother, Di Deneys Rhoodie, refused to discuss the revelations. "I have nothing to say to you," he said.

A spokesman for the Minister of Plural Relations, and former Minister of Information, Dr Connie Mulder, said the Minister "had no comments to make whatsoever."

The editor of The Citizen, Mr M A Johnson, was not available for comment, said a secretary. He was not in the office, she said.

information, said a crisis had arisen that placed the Government before an absolute test.

Mr Basson was reacting to the statement issued today by Mr Justice Mostert.

"For the Government, it all depends on how the Prime Minister handles it. If he cleans it up totally, showing no favouritism upwards and downwards, it can even work out in the Government's favour."

Mr Basson said he thought the scandal could involve people right to the top of the Government.

Judge Mostert's statement was reassuring, as it again confirmed the independence and integrity of the country's judiciary, he said.

Mr Vause Raw, leader of the New Republic Party said that in deciding to release the evidence given to his commission, Mr Justice Mostert had

do so because "I believe that I have made a contribution to a 'clean administration'."

The evidence before him had showed the proper application of taxpayers' money, running into "millions" of rand.

Public interest was paramount and he had received the evidence at public meetings in terms of Section Four of the Commissions Act.

The judge said he had noted the Prime Minister's appeal on television and in the Press. "Coming as it does from the Prime Minister the appeal is entitled to serious consideration but that does not release me from the duty of examining the cogency of the Prime Minister's arguments."

"I have endeavoured to discover what particular interest of the State is furthered by suppression, albeit temporary, rather than disclosure of the evidence. I have been able to find none."

BOSS men would not answer questions

Officials from the Bureau for State Security were asked by Mr Justice Mostert if they knew that 5-million dollars was transferred from the Union Bank of Switzerland to the account of Thor Communications in a Pretoria bank during September 1976.

But they refused to answer this question from the chairman of the one-

al Security, the Judge said his commission had been investigating exchange control and one of the matters involved the Department of Information.

"At one stage certain facts came to the attention of this commission and I was given certain assurances by your predecessor, General van den Bergh

"It appears that now that those assurances were not correct and that there are still things which have to be investigated," the Judge said.

He said Mr L S Reyners from the Bureau possessed certain information and he had asked the officials to surrender that information.

Mr Reyners agreed to do this but phoned the

Judge to say that he was forbidden to provide the information and that Mr Kemp worked directly under the Prime Minister.

Mr Kemp replied that he was bound to the investigation which he himself had undertaken by the Official Secrets Act and he could not reveal facts without the necessary authority. He said

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REPUBLIC OF SOUTH AFRICA
GOVERNMENT GAZETTE

STAATSKOERANT
VAN DIE REPUBLIEK VAN SUID-AFRIKA

REGULATION GAZETTE No. 2685

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VOL 161]

PRETORIA, 3 NOVEMBER 1978

No. 6204

PROCLAMATIONS

by the State President of the Republic of South Africa

No 291, 1978

SUMMONING OF PARLIAMENT

Whereas by Proclamation 172 of 1978, Parliament was prorogued until Friday, the Second day of February 1979,

And whereas it is expedient that Parliament shall be summoned on an earlier date,

Therefore under and by virtue of the power and authority in me vested by section 25 of the Republic of South Africa Constitution Act, 1961, I do hereby declare that the Parliament of the Republic of South Africa will commence in Cape Town on Thursday, the Seventh day of December 1978 for the dispatch of business

Given under my Hand and the Seal of the Republic of South Africa at Pretoria this Third day of November, One thousand Nine hundred and Seventy-eight

B J VORSTER, State President

By Order of the State President-in-Council

P W BOTHA

No 292, 1978

APPLICATION OF THE COMMISSIONS ACT, 1947 (ACT 8 OF 1947), ON THE COMMISSION OF INQUIRY INTO ALLEGED IRREGULARITIES IN THE FORMER DEPARTMENT OF INFORMATION

Under the powers vested in me by section 1 of the Commissions Act 1947 (Act 8 of 1947), I hereby declare that the provisions of that Act shall be applicable to the Commission of Inquiry into Alleged Irregularities in the Former Department of Information

Given under my Hand and the Seal of the Republic of South Africa at Pretoria this Third day of November, One thousand Nine hundred and Seventy-eight

B J VORSTER, State President

By Order of the State President-in-Council.

P W BOTHA

3059—A

PROKLAMASIES

van die Staatspresident van die Republiek van Suid-Afrika

No. 291, 1978

BYEENROEPING VAN DIE PARLEMENT

Nademaal die Parlement by Proklamasie 172 van 1978 tot Vrydag, die Tweede dag van Februarie 1979 geprorogeer is,

En nademaal dit dienstig geag word dat die Parlement op 'n vroeër datum byeengeroep word,

Derhalwe verklaar ek hierby kragtens die bevoegdheid en gesag my verleen by artikel 25 van die Grondwet van die Republiek van Suid-Afrika, 1961, dat die Parlement van die Republiek van Suid-Afrika op Donderdag, die Sewende dag van Desember 1978 te Kaapstad 'n aanvang sal neem vir die afhandeling van sake

Gegee onder my Hand en die Seel van die Republiek van Suid-Afrika te Pretoria op hede die Derde dag van November Eenduisend Negehoenderd Agt-en-sewentig

B J VORSTER, Staatspresident

Op las van die Staatspresident-in-rade

P W BOTHA

No 292, 1978

TOLPASSING VAN KOMMISSIEWET, 1947 (WET 8 VAN 1947) OP DIE KOMMISSIE VAN ONDERSOEK NA BEWELRDE ONREËLMATIGHEDEN IN DIE VOORMALIGE DEPARTEMENT VAN INLIGTING

Kragtens die bevoegdheid my verleen by artikel 1 van die Kommissiewet, 1947 (Wet 8 van 1947), verklaar ek hierby dat die bepalings van daardie Wet van toepassing is op die Kommissie van Ondersoek na Beweerde Onreëlmatighede in die voormalige Departement van Inligting

Gegee onder my Hand en die Seel van die Republiek van Suid-Afrika te Pretoria, op hede die Derde dag van November Eenduisend Negehoenderd Agt-en-sewentig

B J VORSTER, Staatspresident.

Op las van die Staatspresident-in-rade

P W BOTHA.

6204—1

GOVERNMENT NOTICE**DEPARTMENT OF THE PRIME MINISTER**

No 2244

3 November 1978

APPOINTMENT OF COMMISSION OF INQUIRY INTO ALLEGED IRREGULARITIES IN THE FORMER DEPARTMENT OF INFORMATION

It is notified for general information that the State President has been pleased to appoint The Honourable Mr Justice Rudolf Philip Botha Erasmus to be a member and Chairman and the following persons to be members of the Commission of Inquiry into Alleged Irregularities in the Former Department of Information

Advocate George Frederik Smalberger

Advocate Abraham Jacobus Lategan

The Commission's terms of reference are as follows

To inquire into and recommend on—

(a) any irregularities or unlawful gaining of advantage by individuals or bodies or the misappropriation of public funds by the former Department of Information and/or any person who was connected with that Department,

(b) the methods and malpractices which were employed in connection with any irregularities or gaining of advantage or any misappropriation which you may find,

(c) steps to be taken to put an end to such practices as well as any action against any person or persons who were involved in such actions, and

(d) any matters relating to (a), (b) and (c) above

The Commission has been requested to report to the State President before 6 December 1978

GOEWERMENTSKENNISGEWING**DEPARTEMENT VAN DIE EERSTE MINISTER**

No 2244

3 November 1978

AANSTELLING VAN KOMMISSIE VAN ONDERSOEK NA BEWEERDE ONREELMATIGHEDEN IN DIE VOORMALIGE DEPARTEMENT VAN INLIGTING

Hierby word vir algemene kennisname bekendgemaak dat die Staatspresident behaag het om Sy Edele Regter Rudolf Philip Botha Erasmus, as lid en Voorsitter, en die volgende persone as lede, van die Kommissie van Onderzoek na Beweerde Onreelmatigheede in die Voormalige Departement van Inligting aan te stel

Advokaat George Frederik Smalberger

Advokaat Abraham Jacobus Lategan

Die opdrag van die Kommissie lui as volg

Om ondersoek in te stel na en aanbevelings te doen oor—

(a) enige onreelmatigheede of onreëlmatige bevoordeling van individue of instansies of die wanaanwending van Staatsfondse deur die voormalige Departement van Inligting en/of enigiemand wat aan daardie Departement verbonde was,

(b) die metodes en die wanpraktyke wat gevolg was met betrekking tot enige onreelmatigheede of bevoordeling of wanbesteding wat u mag vind,

(c) stappe wat geneem moet word om sodanige praktyke stop te sit en optredes met betrekking tot enige persoon of persone wat by sodanige optredes betrokke was, en

(d) enige naverwante aangeleentheid wat betrekking het op (a), (b) en (c) hierbo

Die Kommissie is versoek om voor 6 Desember 1978 aan die Staatspresident verslag te doen

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Ek, Eschel Mostert Rhoodie, leen Luyt R12 miljoen

Luyt R12 miljoen

Van Ons
Politieke Redaksie
PRETORIA

Hy is meegedeel dat R12 miljoen wat deur dr Eschel Rhoodie aan mnr Louis Luyt geleen is op die mondelinge verstandhouding dat dit belê en die rente vir die tekort van The Citizen aangewend word deur mnr Luyt in sy eie maatskappy „versink“ is. S6 het adv Retief van Rooyen voor die Mostert-kommissie getuig. Daar is nou probleme om die R12 miljoen terug te kry het hy gesê.

Adv Van Rooyen het gesê „n dokument is aan hom ge-wys. Dit het gelui „Ek, Eschel Mostert Rhoodie, leen hiermee aan Louis Luyt die bedrag van R12 miljoen. Omsprekings Oktober verlede jaai het dr Rhoodie aan hom gesê dat mnr John McGoff „n Amerikaanse uitgewer die koerant The Citizen gaan oorneem.

PROBLEME

Hulle het hom in Suid-Afrika „n besturende direkteursposaan gebied. Dr Rhoodie en die Minister is die volgende weke na Europa, waar mnr McGoff ook was. Hulle wou aankondig dat mnr McGoff The Citizen van mnr Luyt oorgeneem het.

Min McGoff wou nog graag om probleme verbonde aan die oorname praat. In daardie verband is toe aan adv Van Rooyen deur di Rhoodie genoem dat daar probleme is met die finansiering wat aan mnr Louis Luyt verleen is. Adv Van Rooyen het getuig „Daai word toe vir my

kontrakte gewys. Kontrak 1 is „n dokument wat lees „Ek, Eschel Mostert Rhoodie, leen hiermee aan Louis Luyt die bedrag van R12 miljoen. As ek my reg herinner

was daar geen verwysing na enige sekuriteit of terugbetaalingsvoorwaardes of iets in daardie verband nie. „n Tweede dokument, ook „n ooreenkoms tussen Rhoo-

die en Louis Luyt, oor die sogenaamde „editorial policy“ van The Citizen, en ek meen dat daarin ook voorsiening gemaak is dat die Departement van Inligting via dr

« THE SAURUS »

CONTINENTALE EFFEKTE GESELLSCHAFT
CO IPANIE CONTINENTALE DE VALLEUR
CONTINENTAL SECURITIES CORPORATION

8027 Zurich
Bleichervweg 30
Telephon 01 25 02 72
Telegramme Thesaurus

Mr. Louis Luyt
Pretoria

Johannesburg
Republic of South Africa

Datum

August 10, 1976

Unser Zeichen
FOR/PUG

Loan

Dear Sir,

This is to confirm that "THE SAURUS" Continental Securities Corporation, Zurich, is making a loan of R 12'000'000.--

in accordance with the conditions of a separate contract. This loan is in respect of the establishment of a new newspaper

"THE SAURUS" Continental Securities Corporation
in Johannesburg / Republic of South Africa

Handwritten signature and stamp

DIE oordrag van R12 miljoen van Zurich aan mnr Louis Luyt vir die stigting van The Citizen

Rhoadie beheer sal h6 oor die benadering en so meer van die koerant. Adv Van Rooyen het gesê hy is meegedeel dat daai „n mondelinge verstandhouding tussen dr Rhoadie en mnr Luyt was dat die R12 miljoen was belê sou word. Die rente sou gebruik word om die tekorte in The Citizen aan te vul, om dus die verliese te dek, maar dat mnr Luyt in stryd met die mondelinge verstandhouding heengegaan het en die bedrag van R12 miljoen in sy eie maatskappy „die fosfor-aanleg en in Tromf en/ of ander van sy maatskappye, gaan versink het“.

TERUGBETALING

Adv Van Rooyen het gesê „Ons het nooit „n enigets anders as die Departement van Inligting se „geheime fonds gesels nie. So hierdie R12 miljoen is „nou aan Louis Luyt geleen, hy het dit „versink, en nou is „daar probleme. Hyself wil ook nou die koerant verkoop, maar hy kan nie die R12 miljoen terugbetaal nie.

Hulle het derhalwe nou „n probleem en hulle wil som-nier van my hoor hoe kan hulle hierdie R12 miljoen terugkry. Op stuk van sake, dit is vir Eschel Mostert Rhoadie onmoontlik om vir Louis Luyt te dagvaar op daardie ooreenkoms vir terugbetaling van „n bedrag van R12 miljoen. Want se dr Rhoadie, almal sal dan weet Eschel Mostert Rhoadie het R12 miljoen om te leen nie, dit is ons geld, dit is die geheime fonds“.

GEHEIME FONDS MOES

TEKORT AANVUL

— ADV. RETIEF VAN ROOYEN

Van Ons Politieke Redaksie

PRETORIA:

AAN hom is gesê dat daar 'n tekort van R400 000, per maand op die lopende rekening van The Citizen was, en dat dit dan op 'een of ander manier' maand vir maand uit die Departement van Inligting se geheime fonds by mnr. John McGoff moet uitkom, het adv. Retief van Rooyen voor die Mostert-kommissie getuig.

Adv. Van Rooyen het getuig, dat hy by geleentheid saam met mnr. Jan van Zyl Alberts, na die lughawe Jan Smuts gery het om met mnr. John McGoff en sy prokureur te praat. Sy advies aan mnr. McGoff was om hom uit die saak te hou.

„My advies aan hom was Bly uit, ek persoonlik wil niks met hierdie ding te doen hê nie, ek beskou dit as heeltemal in stryd met goeie regering dat belastingbetalersgeld

gebruik word vir 'n interne projek wat bedoel is om misken party-politieke belange te dien”

„Ek het vir hulle almal gesê dit is ondenkbaar dat jy die aandeelhouers en die

Hulle moet my uittel 'en my advies aan McGoff is bly weg”

Adv. Van Rooyen het getuig dat daar in hierdie tyd 'n dokument aan hom voorgelê is wat „'n sogenaamde opsegging van die oorspronklike leningsooreenkoms” was

Die dokument het gelui dat die bedrag in die leningsooreenkoms tussen dr. Eschel Rhoodie en mnr. Louis Luyt van R12 miljoen tot R13 miljoen verhoog word en dat sowat R2.9 miljoen daarvan afgetrek word, synde uitgawes en verliese gely deur die lening, wat dan verliese van The Citizen tot op daardie stadium sou verteenwoordig

Dit word dan afgeskryf van die lening, met 'n balans van sowat R10 100 000, welke bedrag Louis Luyt onderneem om terug te betaal in vyf gelyke jaarlikse paaiemente met rente teen 12½ persent en ten opsigte waarvan skuldbe wyse deur mnr. Luyt verskaf word.

Adv. Van Rooyen het gesê dr. Rhoodie het in sy handskrif op die dokument geklaap, en hy is gevra of die nuwe teeling die situasie sal red

Adv. Van Rooyen het geantwoord dat dit onder geen omstandighede die situasie red nie en dat dit nie die papier werd is waarop dit geskryf staan nie. Hulle het die dokument daar by hom laat lê en hy is vandag nog in besit daarvan



ADV. RETIEF VAN ROOYEN, redakteur van die Rand Daily Mail se belastinggeld kan gebruik om op 'n geheime manier konkuriensie te skep, met ander woorde, met die hele Citizen-storie wil ek absoluut niks te doen hê nie

hoofde, is in 1976 besluit om daadwerklik met die program voort te gaan.

Daar is ook tentatief verskeie persele in swart woongebiede uitgesoek. Daar is egter in daardie stadium aan hom gestel dat dit moeilik was om sy maatskappy as die enigste uit te sonder wat met sulke planne kon voortgaan. Hy is gevra om met mnr. Van Zyl Alberts die ontwikkeling van die swart teatermark in Suid-Afrika te bespreek.

Ná verskeie vergaderings het hy en mnr. Van Zyl Alberts ooreengekom om twee maatskappye te stig, een by name die Filmtrust Plaza en een met die naam Alfeskor-belëggings.

In Filmtrust Plaza was Ma Afrika die halwe aandeelhouer met Alfeskor die ander helfte. By Alfeskor was dit ook so. Ma Afrika het die helfte aandeelhouding gehad en mnr. Alberts se finansieringsmaatskappy die ander helfte.

Voordat hy met mnr. Alberts begin beraadslaag het, het die destydse Minister van Bantoe-Sake en Ontwikkeling, mnr. M. C. Botha, hom meegedeel dat hy, sodra hy met die bou van die teaters kon begin, met dr. Eschel en Deneys Rhoadie van die Departement van Inligting moes skakel. Daar is glo 'n

ondersoek na die hele aangeleentheid gelas het.

Hy en sy personeel het toe gesit en wag, sê mnr. Pieterse, en intussen belang begin stel in die vervaardiging van rolprente.

Hy het ook in aanraking gekom met mnr. Milt Oken, 'n Amerikaner wat ook John Denver se produsent is, wat van hom twee draaiboeke gekoop het. Oken het daarvoor 300 000 dollar betaal. Die regte is toe aan Milt Oken oorgedra wat dit sou hou tot tyd en wyl 'n maatskappy in Nederland gestig sou word.

Hy het aansoek deur die kanale in Suid-Afrika gedoen om 'n aandeelhouding van 50 persent van die maatskappy te kry. Daar is ook verder gegaan met die voorbereiding van die produksie van Golden Rendezvous.

Die regte van die rolprent is aan 32 lande verkoop op voorwaarde dat aflewering op 'n sekere datum sou geskied en dat die prent sekere sterre in sy hoofrolle sou hê.

Die totale verkoopbedrag het R2 500 000 beloop, en hierdie kontrakte is ook aan die Trust-Bank as sekuriteit gegee vir die verdiskontering daarvan.

Die finale kontrakte was teen einde 1976 geteken. Toe het Trust-Bank hom egter in kennis gestel dat weens die

gevra om alles in sy vermoë te doen om toe te sien dat die R825 000 wat as sekuriteit gedien het, nie opgeëis word nie.

Uiteindelik is die gedeeltelike regte van die rolprent vir R525 000 verkoop, betaalbaar oor 'n sekere tydperk aangesien die rolprent deur die kopers eers in 1982 in aflewering geneem word.

Die gevolg is dat die

Kry daardie geld terug?

Van Ons Politieke Redaksie

PRETORIA.

„IN hemelsnaam, kry daardie geld terug,” het adv. Retief van Rooyen volgens getuienis voor die Mostert-kommissie, vroeg vanjaar aan mnr. Lood Reynders van die Departement van Nasionale Veiligheid gevra na aanleiding van R825 000 wat deur mnr. André Pieterse gebruik is om die rolprent Golden Rendezvous te finansier.

Adv. Van Rooyen het getuig dat hy middel verlede jaar aan mnr. Lood Reynders gevra het wat van die geld word wat aan mnr. André Pieterse geleen is.

In daardie stadium was daar 'n brief van André Pieterse wat gevra het wat van bedrae wat intussen uitgegee of verliese wat gely is, geword het.

Sy reaksie, het adv. Van Rooyen getuig, was om aan mnr. Reynders te sê dat mnr. Pieterse eerder om R116 000 rente gevra moes gewees het.

In daardie stadium het André Pieterse persoonlik by hom aan huis gekom en om 'n moratorium gevra. „Ek het vir hom gesê: „Gaan sien vir genl. Van den Bergh, moenie met my kom staan en sukkel nie.” Genl. Van den Bergh was in daardie stadium betrokke by die geheime fondse, met ander woorde: hy was eintlik in beheer, volgens adv. Van Rooyen.

Thor het 'R825 000 gegee vir rolprent'

ALTESAME R825 000 wat deur die Departement van Inligting deur 'n front-organisasie, Thor Communicators, beskikbaar gestel is, is gebruik om die rolprent Golden Rendezvous in Suid-Afrika te vervaardig.

Hoewel die bedrag aanvanklik as 'n lening aan die maatskappy Ma Afrika-Teaters beskikbaar gestel is, was daar tot vroeg in Oktober geen sent terugbetaal nie.

Dié getuie is op 4 Oktober vanjaar deur mnr. André Pieterse, bekende rolprent-aas, voor regter Anton Mostert afgelê. Regter Mostert het gister die getuie bekend gemaak.

Mnr Pieterse het ook geëig dat hy in 'n afsonderlike transaksie 'n „honorarium” van R10 000 van die Departement van Inligting ontvang het omdat hy sy naam beskikbaar gestel het op die direksie van Thor. Hy het ook vergaderings bygewoon wat 'n anti-kommunistiese doel gehad het en sekere koste in verband daarmee aangegaan het.

Volgens mnr Pieterse het hy vroeg in verlede jaar — Februarie — dr Eschel Rhoadie destyds Sekretaris van Inligting, „omgepraat om R825 000 wat op vaste deposito by Barclays Bank gelê is, aan te wend om as sekuriteit te dien” vir 'n lening van sy maatskappy wou aan te gaan om die rolprent Golden Rendezvous in Suid-Afrika te vervaardig.

Die bedrag was oorspronklik opgesit deur die Departement van Inligting om die swart teatermark in Suid-Afrika te finansier.

Mnr Pieterse, wat aan die einde van die sestigerjare een van die ondervoorsitters van die M G M -rolprentmaatskappy in Amerika was, het getuig dat hy ná sy terugkeer na Suid-Afrika die rolprent-trust Milt Oken in Nederland gestig het. Dit is ook die moedermaatskappy van die Golden Rendezvous Corporation Inc in Amerika.

Ná sy aankoms in Suid-Afrika het hy hom beywer vir die skepping van 'n swart rolprentnywerheid in die land. Hy het met verskeie Ministers, dienend en afgetrede, oor die aangeleentheid gesels. Ná verskeie vergaderings, ook met departement-

spesiale komitee in die lewe geroep om die saak te bespoe-dig.

Dit is dan ook op aanbeveling van òf dr Deneys, òf dr Eschel Rhoadie dat hy met mnr Alberts begin beraadslaag het.

Nadat hy en mnr Alberts konsensus bereik het, is daar in oorleg met mnr Piet Liebenberg van Finanskantoor besluit dat laasgenoemde bank dit sou finansier. Die eerste 25 persent van die kapitaal moes hy egter self verskaf.

Hy het in dié stadium daaglik aan dr Rhoadie gerapporteer. Omdat hy nie self die kapitaal gehad het nie en dit so aan dr Rhoadie gestel het, is hy daarna in kennis gestel dat die Departement van Inligting R825 000 aan hom sou bewillig vir die eerste jaar en daarna verdere bedrae soos die begroting en die uitbreiding van die saak vereis. Die geld sou kom òf uit die departement se eie fondse, òf uit 'n spesiale fonds wat vir die doel geskep is.

'n Leningsooreenkoms is ook opgestel tussen Ma Afrika en Thor Communicators „wat in daardie stadium die identiteit was wat dr Rhoadie genoem het vir die geld verantwoordelik moes wees”.

DOODGELOOP

Die R825 000 is inbetaal — vanaf Volkskas in Pretoria — by Barclays Bank in die Carlton-sentrum in Johannesburg.

Mnr Van Zyl Alberts, wat onderneem het om dieselfde bedrag beskikbaar te stel, het in daardie stadium egter laat blyk dat hy net R375 000 beskikbaar het.

Kort hierna het alle onderhandelinge oor die aangeleentheid by die verskillende departemente, soos die Wes-Randse Bantoe-Administrasieraad, die Oos-Randse Bantoe-Administrasieraad en by Bantoesake self doodgeloop. Hy is in kennis gestel dat die Regering weer van vooraf na die saak kyk en 'n spesiale

groot verliese wat die bank in die Glen Anil-insolvensiegely het, die bank nie meer met die finansiering kon voortgaan nie.

Hy is daarop na Amerika, waar hy en Milt Oken na die Chemical Bank is. Dié bank het besluit om die kontrakte te verdiskonteer. Dit het hulle meer as 'n miljoen dollar gekos om aan die bank se eise te voldoen.

Daar is met die produksie begin, maar van die begin af was daar probleme. Richard Harris, wat die hoofrol vertolk het, het 'n bottel vodka per dag uitgedrink. As gevolg daarvan kon hy nie die perseel verlaat om bykomende finansiering te gaan soek nie.

„Uiteindelik het ek na dr Eschel Rhoadie gegaan en die saak aan hom verduidelik. Dit moes vroeg in 1975 — waarskynlik in Februarie — gewees het. Ek het aan hom verduidelik dat, hoewel ek persoonlik geruïneerd sou gewees het, dit ons bedryf in die land baie skade sou berokken het.

„Ek het hom omgepraat om die R825 000 wat in daardie stadium op vaste deposito by Barclays Bank gelê het aan my te gee om aan te wend as sekuriteit vir 'n produksielening wat die Nederlandse Bank in Johannesburg en Barclays beskikbaar sou stel.

„Ek was oortuig, en het dit so aan hom gestel, dat die bedrag nooit opgeroep sou word nie. As ons die regte kon verkoop kry, sou ons genoeg geld kry om die produksie te dek en sou die R825 000 slegs as sekuriteit dien,” het mnr Pieterse getuig.

Ongelukkig het die produksiesyfer verder hand uitgeruk. Die rolprent se begrotingsyfer is ver voorskry. Uiteindelik, sê mnr Pieterse, sal dit tussen 5¼ en 5½ miljoen rand wees.

Omdat die rolprent egter sewe weke langer geduur het om te voltooi, kon hy dit nie in die buiteland verkoop nie. Dr Rhoadie het hom

R825 000 steeds deur sy maatskappy verskuldig is het mnr Pieterse getuig. Die eerste betaling kan nie oor minder as ses maande verwag word nie en selfs dan sal dit nie meer as R100 000 of R200 000 wees nie. Die uiteindelijke sukses van die prent sal afhang van hoe hy in Amerika ontvang word, het mnr Pieterse getuig.

Mnr Pieterse het ook aan regter Mostert gesê dat hy in Junie of Julie vanjaar na genl Hendrik van den Bergh gegaan het en hom alles vertel het wat hy weet. Hy het dit gedoen omdat hy weet dat genl Van den Bergh aangestel was om die aangeleentheid van Thor en die Departement van Inligting te ondersoek.

Genl Van den Bergh het gesê dat hy verkies om die saak te bespreek wanneer dr Eschel Rhoadie wat in daardie stadium in die buiteland was, terugkeer.

Geld links en regs gesteel

Burger 3/11/78 (259)

SKOKKENDE beweringe dat geld „links en regs rondom Les de Villiers uit die geheime fondse gesteel is” en dat genl Hendrik van den Bergh sou gesê het dat hy die evaluering van Inligtingsprojekte sou uitrek totdat die hele ding dood is, was deel van die sensasionele getuienis wat adv. Retief van Rooyen voor regter Anton Mostert gelewer het.

Regter Mostert het as eenmanskommissie ondersoek ingestel na beweerde ontduiings van valutabeheer en die gewese Departement van inligting.

Adv. Van Rooyen, het ook getuig oor gesprekke wat hy met mr. John Vorster, destydse eerste minister, gevoer het.

Regter Mostert: „Het u hom vertel van die vliegting?” (n. verwysing na die reis na die Seychelle.)

Adv. Van Rooyen: „Ek het hom alles vertel, die hele storie. Onmiddellik nadat hie die oetantstorie tot my aandag gebring is deur dr. Rhoothe — soos ek nou sê, in hierdie McGoff-Van Zyl-Albeits-konneksie — het ek onmiddellik gevoel dat dit ’n aangeleentheid is wat ek aan die Eerste Minister moet rapporteer.

„Ek het dit toe aan hom gaan rapporteer en hy het vir my baie geskok voorgekom. Dit was ’n insident wat nie vir my te lekker was nie, want ek was die oggend alleen by die Eerste Minister en daardie selfde aand het Les de Villiers sy afskeidspartytjie in die Hotel Burgerspark gehad. Ek is toe daaheen uitgenooi, want Les de Villiers het in ’n vroeë stadium vir my kom sê dat hulle steel links en regs geld rondom hom uit die geheime fonds.”

Adv. Van Rooyen het gesê dit was in Oktober 1977, „in die stadium toe daardie CitiZen-transaksie onder my aandag gebring is.

Aan Les de Villiers is byvoorbeeld R10 000 gegee en hy het dit vir projekte gebruik. Later, toe daar weer

* VERVOLG OP BL. 11 *

GELD LINKS, REGS GESTEEL

* VERVOIG VAN BL. EEN *

die een of ander uitspattige ding was waaraan hy versoek is om deel te neem, is navraag daaroor gedoen en toe hy gesê het hy het nie geld nie, het di Rhoodie hom gevra: "maar waar is die R10 000 wat ek vir jou gegee het?" En hy het toe gesê hy het dit vir projekte gebruik. Dr. Rhoodie sou toe aan hom gesê het: "Maar jy is dom ek het dit dan vir jou gegee". In ieder geval, Les de Villiers het na my toe gekom en vir my gesê dat hy nou 'n aanbod het. Hy kan nou Amerika toe gaan.

ADVIES

Hy het gesê hy kan dit nie meer verduur nie. Hier gaan 'n ontsettende ding plaasvind, en hy voel hy moet gaan, maar aan die ander kant wil hy nie graag sy loopbaan in die Staatsdiens net so opskop nie, behalwe as dit regtig nodig is. "En hy het my toe ook versoek om asseblief met die Eerste Minister te praat en dié se advies ook in te win."

..Ek het dit gedoen. Ek het na die Eerste Minister gegaan, en dié se advies was ook dat hy soveel as moontlik afstand tussen hom en die Rhoodie's moet plaas. Die advies is toe oorgedra aan Les de Villiers en hy het toe besluit om die pos te aanvaar. "Toe ek die aand by die partytjie aankom, staan min.

Mulder en genl Van den Bergh en Eschel Rhoodie bymekaar in 'n hoekle en gesels, en 'n paar minute later kom Les de Villiers na my en hy roep my uit en hy sê: "Wat het jy nou aangegang, of wat is aan die gang?" Hulle het nou net vir my gewaarsku ek moet tog uiters versigtig wees wat ek met jou, Van Rooyen, praat, want jy skinder by die Eerste Minister. Met ander woorde, my gesprek met die Eerste Minister van die oggend het toe reeds die aand ter ore gekom van min Mulder, Eschel Rhoodie en die Generaal.

..Ek via toe vir Les de Villiers, maar hoe kon dit gebeur het? Toe sê hy die Generaal het dit vertel, die Eerste Minister het dit aan hom vertel. Ek het toe die volgende dag teruggegaan na die Eerste Minister en vir hom gesê ek is teleurgesteld, want dit was in 'n beperkte kring wat ons gesprek was.

..Hy het gesê hy is daaroor ernstig geskok, hoe kon dit op dees aarde gewees het, en ek het vir hom gesê u het vir die Generaal vertel en hy het vir die ander vertel. Hy het gesê hy is baie geskok daarvoor."

HELE STORIE

..As ek moet praat oor wat verder gebeur het, dan dink ek moet ek maar die hele storie vertel. In November-

maand is daar aan my gesê dat hierdie hele sogenaamde 'katnes' sal skoongemaak word net ná die verkiesing op 30 November."

Regter Mostert: "Deur wie?"

Mnr. Van Rooyen: "Die Eerste Minister. Daarna het ek hom verskeie kere gesien, en dit was vir hom 'n ontsettende bekommernis. Hy het vir my gesê hy sien kans vir alles, maar net nie vir die koerant nie. Daardie miljoene moet weer terugkom. Uiteindelik het ek gedurende Desember of vroeg Januarie, voordat hy sy nuwe Kabinet aangestel het, vir hom gaan spreek op Oubos, en daar het ek vir hom aan die hand gedoen dat die enigste oplossing sou wees om die betrokke Minister nie weer in sy Kabinet aan te stel nie en sorg te dra dat Eschel Rhoodie nie meer in die departement is nie.

..Ek mag meld dat hier in November se kant was min Barrie, die Kontroleur en Ouditeur-generaal, se eerste gewees dat di. Deneys Rhoodie — ten opsigte van sy ondersoek van die oop rekeninge — as hy terugkom van Suid-Amerika, dan moet Deneys Rhoodie 'weg wees', en ek het toe allerlei verduidelikings aangehoor van Eschel Rhoodie dat Deneys Rhoodie en hy nie gaan bedank nie. Hulle sou dit deursien en hulle het beskerming, ensomeer.

..Die Eerste Minister het vir my aangedui hy kan nie bekostig om in die situasie waarin dinge was, die betrokke Minister nie weer in die portefeulje aan te stel nie, want binne die eerste week nadat hy iemand anders sou aanstel, dan sou dié by hom wees met skok oor watter soort van kind hy nou moet erf.

..Ek het toe ook vir die Eerste Minister gevra, maar as ons net vir Eschel Rhoodie kan verplig om te bedank, sal dit nie beter wees nie? En hy het ook gesê hy is ook in daardie verband bang dat een duiwel dalk twee kan word. Ek het telkemale vir hom gesê dat hierdie ding gaan oopbars, hierdie ding

gaan ontsettende skade doen. Wat my betref, is daar net een weg wat hy kan volg, en dit is om nou doodeenvoudig, stappe te doen, skoon te maak en vir die volk te sê: "Kyk, kyk, ek het op onreëlmatighede afgekom, ek is bewus gemaak daarvan, ek het die nodige stappe gedoen, maar omdat dit oor konfidensiele aspekte gaan, is ek nie bereid om detail te verskaf nie, en julle moet my vertrou." Ongelukkig het dit nie gebeur nie.

Adv. Van Rooyen het gesê einde Maart het die koerant begin met hulle kampanje, en volgens wat ek verstaan het, was genl. Van den Bergh toe ernstig daarby betrokke om die hele aangeleentheid in bedwang te hou.

..Uiteindelik is generaal Van den Bergh ook toe aangestel om die evaluering te doen, en gedurende 1978, nie te verskriklik lank gelede nie, dit moet seker ongeveer Julie wees, wou generaal Van den Bergh my sien. Hy het 'n afspraak gemaak by sy seun se woonstel in Walkerstraat. Die generaal het toe vir my meegedeel hy het die Eerste Minister en min. Mulder gaan sien en vir hulle gesê hy wou eintlik al vantevore afgetree het, maar hy sal hulle red.

LIEG

Die mens se dat die Eerste Minister deur verswyging die volk mislei, terwyl hulle sê dat min. Mulder sommer reg uit heg, en dat hy toe vir hulle gesê het hy sal hulle red, en hy sal die evaluering oorneem. Hy is van plan om projek vir projek vir die volgende twee jaar, indien nodig, die aangeleentheid te behartig. Hy het gesê hy het vir Harry Schwarz, wat met hom gepraat het, om die bos getel, en hy sal sorg dat die koerant meegedeel word dat hierdie hele aangeleentheid nou onder die Wet op Amptelike Geheime is, omdat hy op 'n kontrakbasis vir die Buro van Staatsveiligheid werk.

Hy het ook gesê hy sal die ding vir hulle uitrek tot tyd en wyl die hele ding dood is.

Later Bantu) Labour Officers whose
wishes, aspirations and
needs in their areas;
the Native (Bantu) Commissioners
and the Regional Native
, where appropriate,
of any Labour disputes;

Bantu Labour Officers

Optrede sal kom as dit moet

Van Ons Spesiale Verteenwoordiger

MARQUARD

IN 'n demokratiese stelsel mag dit net gebeur dat belastingbetalers se geld gesteeke word in 'n binnelandse koerant wat aktief aan die binnelandse politiek meedoen nie.

„Ek wil egter Vrystaters die versekering gee dat ons Eerste Minister die bekwaamheid, integriteit en moed het om, indien onreëlmatighede aan die lig kom, sonder aansien des persoons die regte stappe te doen. By herhaling het ons 'n skoon administrasie belowe. P. W. Botha sal sy woord gestand doen.

„Intussen wil ek aan veral die Rand Daily Mail en die Sunday Times sê dat ons nie bereid is om lesse oor moraliteit van hulle te leer nie. Intendeel, wat sekere onthullings van hulle aangaande beweerde buitelandse bedrywighede van die ou Departement van Inligting betref, lyk dit nie of hulle 'n baie goeie onderskeiding kan maak tussen 'n plig om die publiek in te lig en patriotisme nie.

CITIZEN

„Ek wil egter dadelik byvoeg dat ek die persoon nie voorheen geken het of gesien het nie. Al die inligtinge wat hy uit sy eie wil daarop verskaf, dit word nou deur die oogenoemde Kamp Komitee in verband met die oog daarop om was te stel waarheen en wat onwaar is. Daar word natuurlik nou ernstige aantygings in veral die opposisiepeil gemaak wat indien dit in die geheel of gedeeltelik waar bevind sou word, nie deur die Regering ontwyk kan word nie.

Intendeel, die Regering sal dit ook nie wil ontwyk nie.

Een van die klagtes, wat van die ernstigste al wees, is dat belastingbetalers se geld, wat miljoene rande sou beloop, in die Engelse dagblad The Citizen gesteeke is.

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In other words, a rather narrow definition. As involved were covered either by an

an arbitration award, or a conciliation board, the machinery which the Industrial Conciliation Board used to settle a dispute provided the Central Board. In the case of a wage determination the dispute to the Minister who was empowered. In the case of a wage determination the Board. In the case of a wage determination able to other racial groups would be used if ration for less than two years.

ates with no stoppage of work involving usually settled by Bantu Labour Officers. stopped, but which could not be regarded as d 22 744 Africans. There were also 246 ook part. 23

be unfair to infer that the alternative system of labour relations Africans by the State was inadequate and that when it was subjected cracked. African workers eschewed it, employers showed a tance to use it in a meaningful way, and even the State implemented vitality.

BOUR RELATIONS REGULATION ACT (NO. 70 OF 1973)

1973 labour unrest the Government moved quickly to overhaul the ublished a draft Bill embodying its aims in this regard. Its

the words of the Minister of Labour "... evoked wide interest, as well as proposals for its improvement were received from most employers' organisations, from trade unions, individual employers ies". 24 As a result the authorities altered the original Bill roduced the Bantu Labour Relations Regulation Amendment Bill. 25

ery retained the three-tier system, which had operated for with certain important differences.

7 column 8390, 6 June 1973.

ne comment elicited by these Bills is recorded in: Muriel Horrell / Horner. A Survey of Race Relations in South Africa, 1973. arg, S.A.I.R.R., 1974 pp.276-281 and 286-291.

adv. Van Rooyen gesê: „Ek het dit aanvaar, Ek het dit aanvaar vanweë die kennis van die burokrasie, dat dit heeltemal onmoonlik is vir 'n rekenpligtige amptenaar van 'n departement om met reuse-bedrae te werk sonder die Minister se magtiging met ander woorde, ek het aanvaar dat binne die departement daar die normale soort van voorlegging en besluite sou wees, maar ongelukkig kan ek dit nou nie bevestig nie

„Ek weet nie wat daar in hul departement gebeur het nie al wat ek weet is die normale gang van staatsdienspraktyk

Adv Van Rooyen het getuig dat die omstrede kwessie oor die vliegtuig van Thor Communicators in Desember 1976 begin het toe dr Rhoo- die hom en sy gesin genooi het om saam op die Seychelle

„veer gē rader en sy uitroei- gang herhaal, en toe adv Van Rooyen weer weier, het dr Rhoodie gesê hy het hom inder waarheid daar nodig, „want hulle oorweeg dit om die vliegtuig in die Seychelle te laat registreer en dat daar onderhandelinge in dié verband aan die gang was

DOGTER

Dr Rhoodie het gesê hulle „wil in die O.E.A.-lande kom“, en daarvoor het hulle 'n registrasie in die O.E.A.-lande nodig. Adv Van Rooyen moes die registrasie- onderhandelinge namens Thor Communicators onder- teken. In die lig daarvan het adv Van Rooyen, vergesel van sy dogter, besluit om wei- na die Seychelle te gaan

„Daar het hulle onderhan- del met die president en die

R1,5m. betaal vir

Van Ons
Politieke Redakste
PRETORIA.
THOR COMMUNICATORS
— 'n frontorganisasie van die
gewese Departement van
Inligting — het R1,5 miljoen
betaal vir 0 persent van die
aandele in mnr. Louis Luyt se
vliegtuig.

So luit van die getuents
wat adv. Retief van Rooyen
voor die Mostert-kommissie
van ondersoek na valuta-oortredings afgeleë het

Adv. Van Rooyen, wat 'n
direkteur van Thor Commu-
nicatois was, het gesê hy het
teen die helfte van verlede
jaar „begin ongelukkig raak
oor sekere aspekte van die
maatskappy” en hy het toe
navraag gedoen oor wat pre-
sies aangaan

Die ouditeure het mnr.
Bram Fourie, wat die interne

rekenmeester was, om verdui-
deliking gevra en daar was
'n handgeskrewe dokument
wat sou aandui hoe die geld
bestee is.

Ek was nie tevrede met
die handgeskrewe dokument
nie en het gesê dat daar
sekere inskrywings is waar-
voor ek hoegenaamd nie pa-
wil staan nie en waarvan ek
geen kennis gedra het nie
en wat ek eintlik niks van
wil weet nie.

Adv. Van Rooyen het gesê
een van die aspekte wat ge-
noem is, was dat R1,5 miljoen
betaal sou gewees het in 'n
vroee stadium — op 'n oor-
eenkoms geteken deur mnr.
Oscar Hurwitz — vir die aan-
koop an die helfte van die
aandele in mnr. Louis Luyt se
vliegtuig.

„Daar was 'n ander inskry-
wing op die handgeskrewe

dokument wat sou voorgesê
dat daar 'n lening van 'n
miljoen rand aan mnr. Louis
Luyt was, as synde 'n halwe
aandeelhouer in die vliegtuig,
en ek kon geen motivering
of rede vind waarom die
lening van 'n miljoen rand
sou geskied nie. Ek het daar-
van geen kennis gedra nie.
Daar is nooit so 'n bedrag
deur die maatskappy se boeke
of tjekrekening en so meer nie
met ander woorde dit het
vir my gelyk soos 'n boekin-
skrywing in die departement
se geheime fonds en ek het
gesê ek wil niks daarvan weet
nie.”

Adv. Van Rooyen het gesê
die inskrywing van die lening
aan mnr. Louis Luyt aangaan-
de die vliegtuig is nie in die
boeke van Thor gedoen nie.

SWITSERLAND

Hy weet nie of die bedrae
aan mnr. Luyt betaal is
uit die R5 miljoen wat uit
Switserland aan Thor na Suid-
Afrika gestuur is nie.

„Daarop het ek tot vandag
toe nog nie 'n bevredigende
antwoord gekry nie. Die
indruk wat ek kry, is dat
daar op 'n losse wyse aanvaar
is deur die departement dat
al hierdie fondse sy eie fondse
is, om mee te doen wat hy
goed dink, en dat hy Thor
Communicatois alleen ge-
bruik as 'n geleibus.”

Op die vraag of dit die
Minister insluit, as hy sê die

259 betreft vir 'n nuwe oornedeel in Luyt-vliegtuig'

was, om verdu-
tra, en daar was
krewer' dokument
dai hoe-die geld
nie tevrede met
krewer' dokument
gesé dat daar
lywings is waar-
egenaamd nie pa-
le en waaraan ek
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vir my gelyk soos 'n boekin-
skrywing in die departement
se geheime fonds en ek het
gesé ek wil niks daarvan weet
nie."

department, het adv. Van
Rooyen getuig dat hy in geen
stadium persoonlik met die
Minister die aangeleentheid
bespreek het nie. Die bespre-
kings wat hy gehad het, was
met dr. Eschel Rhoadie en
in uitsonderlike gevalle met
mnr. Lesde Villiers.
Op die vraag of hy die
indruk gekry het dat die Mi-
nister daarvan kennis dra, het
te gaan vakansie hou
"Ons het gesé nee dankie,
ons gaan na ons vakansiehuis
by die see," het adv. Van
Rooyen getuig. Dr. Rhoadie
het hom egter in die vakansie

Rooyen het gesé
aspekter wat ge-
dat R1,5 miljoen
gewees het in 'n
nr — op 'n oor-
teken deur mnr.
itz — vir die aan-
e helfte van die
mnr. Louis-Luyt se
'n ander inskry-
handgeskrewe

Adv. Van Rooyen, het gesé
die inskrywing van die lening
aan mnr. Louis Luyt aangaan-
de die vliegtuig is nie in die
boeke van Thor gedoen nie

dat mnr. Luyt betaal is
uit die R5 miljoen wat uit
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op, nie 'n bevreëdigende
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Op die vraag of dit die
Minister insluit, as hy die

die Gereguleerde Lening is van 500 000 Rands gewoos
Wapenonderd...
die begraafde Maatskappy, onderworpe aan die Alho van
Opdrag en Sake van die Maatskappy

die Gereguleerde Lening is van 500 000 Rands gewoos
Wapenonderd...
die begraafde Maatskappy, onderworpe aan die Alho van
Opdrag en Sake van die Maatskappy

Company Name	Amount
1	200
2	200
3	200
4	200
5	200



Tjerner word Gesertifiseer

dat...
die Gereguleerde Lening is van 500 000 Rands gewoos
Wapenonderd...
die begraafde Maatskappy, onderworpe aan die Alho van
Opdrag en Sake van die Maatskappy

Wapenonderd...
die begraafde Maatskappy, onderworpe aan die Alho van
Opdrag en Sake van die Maatskappy

"Tydens daardie ete, was
Rhoadie, De Villiers, Man-
come en René seker ongeveer
'n uur lank weg vir private
samesprekinge. So hulle
het wel onderhandel, maar
waaroor hulle onderhandel
het weet ek nie.
Daar is toe gedink, na
visse gekyk en bote gehuur
en al die soort van ding.
Dit was nogal 'n, sal ek maar
sé, duur petalje in die sin
dat ek toe verantwoordelik
gehoos is vir twee dertendes
van die uitgawes.
Op die laaste dag het ek
vir Rhoadie en De Villiers
geuig waar die dokumente
is wat ek moet teken. Toe
word daar aan my veldude-
lik: Nee, die onderhandelinge
val op di handge oomblik
deur die dat van die

nie 'n vliegtuig laat registreer
in 'n land sonder dat daardie
land die diensgerewe het nie.
Die Seychelle het op die hui-
dige oomblik nie die gerewe
om daardie B.A.C. 11 van
Louis Luyt te diens nie, en
derhalwe kan die ding nou
nie afgehandel word nie, met
ander woorde ons keer nou
onverrigter sake terug."
Teen middel verlede jaar
het adv. Van Rooyen begin
navraag doen oor wat presies
aangaan oor die kwessie van
die vliegtuig en het die halwe
aandeel ter sprake gekom.

"Toe moet ek uitvind dat
hulle feeds in 'n Bytse vloer
stadium 'n aandeel van 10
persent in die vliegtuig-geky
het Hulle het dit eendek ook
toegeskryf aan Thor Commu-
nicators. Uiteindelik het Louis
Luyt die vliegtuig verkoopt en
'n bedrag is ontvang, synde
die helfte van die aandeel, in
die vliegtuig wat nou aan die
staat behoort, van iets soos
R1 200 000 via die ouditeur
van Louis Luyt.
Die geld het Thor Com-
municators toegekort, en is
weer, regsreeks na die een
of ander rekening van die
departement wat hulle aange-
deur wys het met ander woorde
die maatskappy se weer ge-
bruik as 'n geleentheid vir die
fonde om dit weer in die
geheime fonds te kry of by
'n bestemmings deur die ge-
heime fondse bepaal te

Wapenonderd...
die begraafde Maatskappy, onderworpe aan die Alho van
Opdrag en Sake van die Maatskappy

LUYT NOEM RHOODIE 'JAMIES BOND'

Burgers 3/11/78 (259)

Van Ons Politieke Redaksie

PRETORIA.

„Jy is 'n James Bond en jy praat nie so met my nie. Ek huur ouens soos jy, ek werk nie vir hulle nie en ek werk nie vir dr. Mulder nie. Ek doen hierdie goed verniet vir julle,” het mnr. Louis Luyt aan dr. Eschel Rhoodie gesê.

Mr. Luyt het die opmerking gemaak op 'n vergadering waar dr. Connie Mulder, gevese Minister van Inligting, ook teenwoordig was. Hy het gesê hy dink nie iemand het al voorheen so „met Rhoodie voor die minister gepraat nie”.

HUURLING

Mr. Luyt het gevoel dit moet gesê word, „want hy (Rhoodie) het weggekrom met „moord” 'n Gedeelte van die getuens van mnr. Luyt voor regter Anton Mostert het gehandel oor die wrywing tussen dr. Rhoodie en mnr. Luyt.

WRYWING

Mr. Luyt het ook getuing dat daar reeds voor die televisie-ondershoud waarin hy in Londen betrokke was, wrywing tussen hom en dr. Rhoodie was. „Ek kon hom nooit glo nie. Ek kon hom nie glo nie, en ek het hom nie

KOERANTGROEP

Mr. Luyt het gesê daar was planne om die koerant-groep Saan oor te neem en dat mnr. Van Zyl Alberts reeds 'n aantal aandele opgekoop het. Hy het egter die leiding geneem. „Ek het gevind dat hoewel Van Zyl Alberts 'n gekwalifiseerde outeur is, hy nie baie sake-vernuif gehad het nie.” Mr. Luyt het toe gevoel dat dit miskien die beste is dat hy die leiding neem.

TENDER

Die besluit is op 'n vergadering by mnr. Les de Villiers se huis in Banketstraat, Waterkloof, geneem. Dr. Eschel Rhoodie, dr. Connie Mulder, genl. Hendrik van den Bergh, mnr. Les de Villiers, mnr. Petrus Fourie du Preez en mnr. Luyt het die vergadering bygewoon.

Mr. Luyt het met mnr. Jooste gepraat en hom die beste van die twee groepe gevind. Mr. Jooste se tender was laer as dié van die Beeld-groep.

The Verster investigation collected less satisfactory data on these committees than it had on liaison committees. This was due in part to the fact that management is not represented on a works committee and in many instances was not able, therefore, to complete the questionnaire satisfactorily. In some cases, apparently, the works committee members viewed the questionnaire and its purpose with suspicion. In June 1974 questionnaires were sent to 124 organisations of whom only 34 responded. These 34 had established 41 works

- 33. Hansard 7 columns 485-7, 20 March 1973.
- 34. Hansard 10 columns 632-4, 10 April 1973.
- 35. Hansard 10 column 691, 15 April 1975.
- 36. Rand Daily Mail, 22 May 1975. Cited in: Murrell Horrell and Tony Hodgson. Op.cit. p.212.

In January 1973 there were 33 committees throughout the Republic. At the end of these, 98 reached 207 and of these, 35 increased to 31. In the Cape, 45 (22%) in Natal, and the number at 239 in May 1975, a

Among the most approximately 9 committee had l initiative had Rarely had the Verster's data occurred.³²

committee nearl 'foresight', wh and obtained th African employe themselves broug management's att

Rather surprising pate in selecting organisations.

African members of the liaison committ management. However, in only 16,6% o without any restriction, for example, spread from different departments was while 46,2% required service (seniority certain age limit. Voting was usually respondents) or by a show of hands (33

About 63% of the respondents reported t elected for a period of one year while

of office. In most instances, 72%, regular monthly committee meetings were held, but a further 12% met every two months and 5% quarterly.

There were 284 organisations which responded to a question as to why they had preferred a liaison to a works committee. The majority of 147 (nearly 52%) gave as their reason that the liaison committee was an 'anti-polarisation' device conferring benefits such as better guidance by management and prompt solution of problems, thus serving both parties' interests and improving two-way communication. In a further 38 instances (about 13%) either the liaison committee

32. Ibid, p.20.

Burgers 3/11/78 (259)

Aanbod vir Star in V.S.A. voorbladnuus

Van Ons Korrespondent

WASHINGTON.

DIE geskil oor mnr. John McGoff se rol in pogings om die Washington Star te koop met geld wat na bewering deur die Suid-Afrikaanse regering voorsien is, was gister voorbladnuus in Amerika, veral in die Washington Post en The Star.

Mnr McGoff het die bewerings in sy jongste verklaring ontken. "Die bewerings van die Rand Daily Mail — 'n onverbiddelike en dikwels onverantwoordelike vyand van sy eie regering — is nie net volkome verkeerd nie, maar ook heeltemal onbeholpe.

"Die bewerings word so gebrekkig gestaaft dat dit 'n

ernstige vraagteken plaas agter die erns en integriteit van die publikasies wat dit produseer

"Verantwoordelike joernalistiek sal na my mening eerder sy ondersoek en nuuskierigheid wy aan 'n koerant wat sulke niksbeduidende aanklagte publiseer as die slagoffers van die bewerings"

"Sommige van McGoff se kennisse het hul verbasing uitgespreek oor die Rand Daily Mail se berig. "Ek sou geskok gewees het as John geld van die Suid-Afrikaanse regering gekry het," het Jason L Shrinky, 'n regsgeleerde van Washington wat McGoff in verskeie sake en onderhandelings verteenwoordig het, gesê. Hieronder tel pogings om die Star te koop

Gister se Washington Post het berig dat, hoewel daar geen onafhanklike bevestiging vir die Rand Daily Mail se bewerings is, nie, ingeligte woordvoerders in Amerika en Suid-Afrika, meen dat die bestaan van 'n streng Suid-Afrikaanse wette rakende laster

geloofwaardigheid aan die berig verleen.

"As die koerant nie klinkklare bewyse vir sy bewerings gehad het nie, sou hy dit waarskynlik nie gewaag het om dit te publiseer nie"

Verskeie sakemanne in Washington wat gemoed was met McGoff se pogings om die Washington Star te koop, het gesê groot geheimhouding het gewoonlik McGoff se geldelike aanbiedinge gekenmerk. Hy het sowat 25 miljoen dollar aangebied vir die Star, wat in 1974 en 1975 groot geldelike moeilikheid ondervind het. McGoff het egter nooit bekend gemaak hoe en waar hy die geld sal kry nie

"Destyds is in finansiële kringe gegis dat McGoff bande het met iemand wat 'n fortuin van 'n Amerikaanse chemiese maatskappy geerf het," het 'n voormalige redaksielid van die Star gesê

"Later was daar egter gerugte dat 'n Suid-Afrikaanse geld aan McGoff beskikbaar gestel is om die Star te koop"

Broers Rhoodie sou Citizen-manne keur

Van Ons
Politieke Redaksie
PRETORIA

ALLE senior aanstellings in die redaksie van The Citizen moes eers goedgekeur word deur dr Eschel Rhoodie, of dr. Deneys Rhoodie of mnr. Les de Villiers, ingevolge 'n ooreenkoms wat op 2 April 1976 deur mnr Louis Luyt en dr. Eschel Rhoodie onderteken is.

Darby mag mnr Luyt ook geen verandering in die redaksionele beleid van The Citizen aangebring het, sonder dr. Eschel Rhoodie se verlof nie. In die geval van

sy dood moes dr broer, dr Deneys Rhoodie verlof gee, en in die geval van die dood, mnr. Les de Villiers. Die ooreenkoms-dokument is deel van die stukke wat regter Anton Mostert gister hiel aan die pers uitgeleek het. Die dokument is duidelik uiters geherny genmerk en beslaan behalwe die handtekeninge, drie folioblade.

Nêrens in die ooreenkoms verskyn die naam van die Departement van Inligting nie, behalwe dat dit onder die brieftoel van die departement getek is.

Die ooreenkoms begin soos volg: "Louis Luyt van West-Johannesburg, ondernemer hie, in 'n luit vir 'n lening van R12 miljoen van Eschel Rhoodie."

Mnr. Luyt onderneem daartoe plegtig om The Citizen te stig, en om toe te sien en uitvoering te gee aan die ledaksionele en administratiewe riglyne soos later uiteengesit. Hy mag geen verandering in die riglyne aanbring sonder die skriftelike verlof van dr. Eschel Rhoodie nie.

Die lys van riglyne is soos volg:

- Die naam van die koetani mag nie verander word nie
- Die blad sal niks onderneem of publiseer wat die politieke, sosiale of ekonomiese posisie van die blanke bevolking van Suid-Afrika in gevaar stel nie
- Die blad sal nie Kommunnisme in enige vorm goedpraat nie
- Die blad sal niks onderneem of publiseer wat die grondwetlik verkose regering in gevaar stel nie
- Die blad sal hom ten alle tye beywer vir die behoud van die identiteit en die politieke gesag van die blanke bevolking van Suid-Afrika
- Die blad onderskryf die brie doelstellings van die huidige gekose regering ten opsigte van die atsonderlike politieke ontwikkeling van die swart bevolking en die blanke bevolking, asook anti-Kommunisme en die veiligheidswetgewing van Suid-Afrika
- Alle hooft-subredakteurs, assistent- en adjunk-redakteurs, redakteurs, politieke skrywers en korrespondente en hooftatkeelskrywers, van die blad is verplig om 'n redaksionele handves (editorial charter) wat hierdie riglyne bevat, te onderteken
- Geeneen van hierdie riglyne mag ook in die redaksie aangestel word sonder die verlof van dr. broers Rhoodie of mnr Les de Villiers nie
- Indien mnr. Luyt die riglyne nie volg nie — en die beslissing of dit gevolg is, sal by die drie persone beus — sal die R12-miljoen binne twaalf maande terugbetaalbaar wees met rente van 10 persent per jaar.
- Enge geskild moet besleg word deur 'n regter van die Transvaalse afdeling van die Hooggeregshof. In die kontrak ten slotte

was passed, or it was company policy to have one, or quality for a works committee. About 26 (9%) gave low level of education among their African workers ce with a system of negotiation, while a further 12 committees on the advice of outside agencies such or the Steel and Engineering Industries Federation advanced the reason that works committees resemble This is not quite correct for the differences between a trade union are more marked than the similarities. apulate the fear of collective bargaining which y than the Verster survey indicates. Yet another that liaison committees are consultative rather than s is, I believe, the crux of the matter. The disparity son and works committees established since the 1973 dicate that management perceives its interests to be f control through consultation. Whether this is en.

action of works committees. In January 1973 there constituted works committees throughout the Republic of that year these had increased to 31. At the end of these committees had reached 207 and of these, 98 Transvaal, 61 (30%) in the Cape, 45 (22%) in Natal, and later information put the number at 239 in May 1975, a ttle over two years. 36

collected less satisfactory data on these committees. This was due in part to the fact that nted on a works committee and in many instances was complete the questionnaire satisfactorily. In some orks committee members viewed the questionnaire and its In June 1974 questionnaires were sent to 124 y 34 responded. These 34 had established 41 works

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1, 15 April 1975.
May 1975. Cited in: Muriel Horrell and Tony Hodgson.

NIEMAND HET VIR MY VOORGESKRYF

Burger 3/11/78

JOHANNESBURG

DIE redakteur van The Citizen, mnr. M. A. (Johny) Johnson, het gisteraand nadruklik ontken dat die redaksie van sy koerant hulle moes onderwerp aan 'n redaksionele handves of dat die beleid van die koerant onderwerp is aan die beheer van dr. Eschel Rhoodie of iemand anders as die redakteur nie

Mnr Johnson het in 'n voorblad-hoofartikel gesê. „Ek is twee weke nádat The Citizen op straat verskyn het, as hoof-redakteur aangestel

„Ek is nie bewus van enige lenings, wat die destydse eenaars, mnr Louis Luyt, by die Departement van Inligting aangegaan het nie, nog minder dra ek enige kennis van regeringsgeld wat op enige manier beskikbaar ge-

„Ek is deur die huidige eenaars verseker dat die geld wat gebruik is om The Citizen van mnr Luyt te koop, hul eie is en die van lede van

die konsortium Hierdie koerant se beleid is deur my bepaal — en deur my alleen

„Ek het nog nooit opdragte van mnr Luyt of enigiemand anders ontvang of aanvaar, die huidige eenaars ingesluit, oor die beleid wat ek moet volg nie

Die bewering dat hierdie koerant onder my redakteur-skap gebruik is om die oogmerke van die Regering te bevorder, is heeltemal vals. Te alle tye het ek en my personeel die hoogste peil van joernalistieke „onafhanklikheid, en integriteit, gevolg,” het mnr Johnson verklaar — (Sapa)

13.

Findings of the investigation were that in sample the initiative for establishing the liaison management. In about 9% of the sample the management and its African employees together. ken the initiative on their own. In fact from ear that in only 2 of 326 organisations had this determining African workers' needs for a liaison sample attributed the main factor to management's had discussed the matter with African supervisors and about 18% had held general meetings of all their y some 4% of the organisations had African employees ystion of the establishment of a liaison committee to

members of the liaison committee did not participate in selecting the chairman of their committee in 81,9% of the participating organisations. On the other hand, 79,1% of the respondents reported that African members of the liaison committee were elected rather than appointed by management. However, in only 16,6% of the firms could candidates be nominated without any restriction, for example, as to age or seniority. A representational spread from different departments was required by 78,1% of the respondents, while 46,2% required service (seniority) qualifications and 27,3% required a certain age limit. Voting was usually by means of ballot papers (57,1% of the respondents) or by a show of hands (33,4% of the respondents).

About 63% of the respondents reported that their liaison committees were elected for a period of one year while nearly 28% recorded a two-year period of office. In most instances, 72%, regular monthly committee meetings were held, but a further 12% met every two months and 5% quarterly.

There were 284 organisations which responded to a question as to why they had preferred a liaison to a works committee. The majority of 147 (nearly 52%) gave as their reason that the liaison committee was an 'anti-polarisation' device conferring benefits such as better guidance by management and prompt solution of problems, thus serving both parties' interests and improving two-way communication. In a further 38 instances (about 13%) either the liaison committee

Binnar 3/11/78 (259)

Só het ons diamante gekoop — De Villiers

Van Ons
Politieke Redaksie
GETUIGENIS oor geslypte diamante wat mnr. Les de Villiers, gewese Adjunk-sekretaris van Inligting, mnr. John McGoff, Amerikaanse koerantbaas en adv. Retief van Rooyen van 'n polisieman gekoop het wat in geslypte diamante smous, is deur adv. Van Rooyen voor regter Anton Mostert gelewer.

Rooyen se getuigenis oor die koop van die diamante soos volg verloop.
Regter Mostert: „Hoeveel geslypte diamante het u, in 'n vriend wat met geslypte diamante smous”

Regter M.: „Sy naam is?”
Adv. Van R.: „Dit is 'n polisieman, John Simpson. In 'n stadium het ek vir Les de Villiers en Patsy de Villiers gesê dat, as hulle ooit diamante wil koop, hier is 'n goeie man. Inderdaad het hulle toe 'n diamant gekoop. Na wat ek verneem, het John McGoff ook 'n diamant gekoop. Eschel Rhoadie wou, maar hy wou net blouwittes gehad het. Hy het toe nie gekoop nie.”

Regter M.: „Is daardie drie diamante wat u gekoop het, nog hier in die land?”

Adv. Van R.: „O ja, ek het my diamante John McGoff se diamant is uit.”

Regter M.: „Wie het dit uitgeneem?”

Adv. Van R.: „Les de Villiers — of wag, het Les de Villiers dit uitgeneem?”

Regter M.: „Les de Villiers is nog in die buiteland?”

Adv. Van R.: „Les de Villiers is in die buiteland.”

● Mnr. De Villiers het uit sy kantoor in New York gesê as beweer, word dat hy in Suid-Afrika met diamante gesmokkel het, is dit van alle waarheid ontbloot.



MNR LES DE VILLIERS

Volgens stukke wat gister deur regter Mostert bekeerd gemaak is, het adv. Van

die afgelope twee, drie jaar gekoop?

Adv. Van Rooyen: „Ek? drie.”

Regter M.: „Het Inligting enigiets met daardie diamante te doen gehad?”

Adv. Van R.: „Nee, hoegenaamd niks. Diamante — wag net so 'n bietjie. Ek het 'n persoon ek het

gation, were that in establishing the liaison 9% of the sample the rican employees together. heir own. In fact from 126 organisations had this 'kers' needs for a liaison main factor to management's ter with African supervisors general meetings of all their isations had African employees ment of a liaison committee to gekoop nie.”

on committee did not partici- in 81,9% of the participating respondents reported that cted rather than appointed by could candidates be nominated r seniority. A representational y 78,1% of the respondents, ations and 27,3% required a of ballot papers (57,1% of the respondents).

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Inligting se sake word oopgevelek

Burger 3/11/78 (259)

Van Ons Politieke Redaksie

SENSASIEWEKKENDE getuienis oor die aanwending van geheime fondse deur die voormalige Departement van Inligting wat dui op moontlik die grootste korrupsie-skandaal in die land se geskiedenis, is gister in Pretoria deur regter Anton Mostert bekend gemaak. Miljoene rande is betrokke.

Die beweringe bring bekende name van mense in die openbare lewe in Suid-Afrika in die gedrang. 'n Donker wolk het gisteraand gehang oor die politieke toekoms van dr. Connie Mulder, gewese Minister van Inligting en Transvaalse leier van die Nasionale Party.

Die verhaal hoe die Johannesburgse dagblad *The Citizen* met geheime staatsgeld gestig is, word onder meer in die getuienis vertel. Daarvolgens het dr. Eschel Rhoodie, gewese Sekretaris van Inligting, R12 miljoen aan mnr. Louis Luyt, bekende sake-man, geleen. Mnr. Luyt moes dit belê en die rente daarop vir die koerant gebruik. Na bewering het mnr. Luyt die geld in sy eie maatskappye belê.

Mostert-kommissie nou op dié wyse bekend te maak

Die Premier het sekere regulasies wat op die Mostert-kommissie van toepassing is vertolk as 'n verbod op die bekendmaking van die getuienis terwyl regter Mostert hom op die Kommissiewet beroep het

Die Burger verneem dat die Premier tydens die onderhoud die volgende samewerking van die Pretorius-komitee (vroeger Kemp-komitee) wat die geheime projekte evalueer, aan regter Mostert aangebied het. Dié komitee gee

* VERVOLG OP BL. 13 *



DR. C. P. MULDER, Minister van Plurale Betrekkinge en Ontwikkeling, en destydse Minister van Inligting, oor wie se politieke toekoms 'n donker wolk hang.

Ander opspraakwekkende getuienis voor regter Mostert, wat oortredings van valutabeheer ondersoek, is om 'n soos volg

● Mnr. Les de Villiers, gewese Adjunk-sekretaris van Inligting, het aan adv. Van Rooyen gesê dat hulle links en regs geld rondom hom uit die geheime fonds steel en dat aan hom persoonlik R10 000 gegee is

● Altesame R825.000, van die gewese Departement se geld is gebruik om die rolprent *Golden Rendezvous* in Suid-Afrika te vervaardig en die geld word nog geskuld

● Adv. Van Rooyen het die voormalige Eerste Minister, mnr. B. J. Vorster, by sy vakansiehuis op Oribosstrand gaan spreek en aan die hand

machinery retained the three-tier system, which had operated for years, with certain im-

ing sou wees om die betrokke Minister (dr. Mulder) nie weer in sy Kabinet aan te stel nie en sorg te dra dat dr. Eschel Rhoodie nie meer in die Departement is nie

Totale verlies

● Thor Communicators, front-organisasie van die gewese Departement, het R1,5 miljoen betaal om 'n halwe aandeel in mnr. Louis Luyt se vliegtuig te koop en nog R1 miljoen aan hom geleen

● Alle senior aanstellings in die redaksie van *The Citizen* moes eers goedgekeur word deur dr. Eschel Rhoodie of sy broer, dr. Deneys Rhoo- die of mnr. Les de Villiers.

● Die totale opgehoopte verlies van *The Citizen* was op 28 Februarie vanjaar byna R12 miljoen.

● Skerp botsings tussen mnr. Luyt en dr. Eschel Rhoodie

Die openbaarmaking van die getuienis deur regter Mostert het gevolg op 'n dag van hoc drama waarin regter Mostert met die Eerste Minister in die Uniegebou same- sprekinge gevoer het

Die Eerste Minister, mnr. P. W. Botha, en regter Mostert het botsende stand- punte ingeneem oor die reg- om die getuienis voor die

rrrell

LOUIS LUYT WIN REGSADVIES IN

Van Ons
Politieke Redaksie
PRETORIA

MNR LOUIS LUYT het gister ná die bekendmaking van die getuens vóór die Mostert kommissie beraad- met sy leersadviseurs berad- slang en het aan die middag- blad The Star gesê hy sou- moontlik later gisteraand 'n verklaring uitreik.

Hy het aan die koerant gesê hy weet niks van die

die enkeles wat wel deur die media gekontroleer kon word, was "oorbluf" of "on- bewus van die verrekende"

Die drie buitelandse aan- deelhouders in The Citizen- mnt David A. Wills, 'n pro- kureur van Dallas, Texas, di- Beunt Seivass, 'n prokureur in Indianapolis, Indiana, en di Otto von Habsburg, van Lechtenstein, was by navraag onderskeidelik "weg" met vakansie", "op reis" en "in China".

onlans met die evaluasie van die geheime projekte van die voormalige Departement van Inligting belas was, het gister- aand by monde van sy dog- ter Adele, aan Die Burger laat weet dat hy "selfs te besig is om met vriende te praat en in elk geval nie tyd het om met die pers te praat nie". Genl Van den Berg se rol in die debakel londen Inligting wat vóór beskryf in getuens, wat vóór regter Mostert afgelê is.

die diaken (en waar geen diaken in die wyk ne: ouderling) hou 'n boekie met volledige in en adreslys van lidmate wat 'n verdienste het; e diaken sal verkieslik die laaste week in maand die dankotferkoevertyes vir die gende maand aan sy wykslede besorg, waarop wyk, datum and die naam van die lid ingevul is; leer die koevertye ingelêwer is, sal die en sy wykslede se dankotferbedrag invul in oekie en die lid se "bydragkaart" tuis ook l wanneer die nuwe koevert afgegee word;

met leraar in kerkkantoor: Elke Woensdag 7.30 nm (voor biduur);

ersts Sondag in die maand 10.30 vm;

vergadering elke tweede maand, derde Saterdag and 2.00 nm;

ering 2 April 1978:

GEWONE VERGADERING

S. A. GEESTIG:

KERKRAADSVERGADERING

27 MEI 1978



DR ESCHEL en mev Rhodie afgeneem by hul silwarteestel wat hulle in Nederland gekoop het

'n Private hokkie op Loftus . . .

Van Ons
Politieke Redaksie
PRETORIA

UIT die getuiens wat adv Retief van Rooyen voor regter Anton Mostert gelewer het, kom die vreemde verhaal van die private hokkie wat dr Eschel Rhodie op Loftus Versfeld gehuur het

In April verlede jaar is 'n kontrak vir die huur van so 'n hokkie aan adv Van Rooyen gestuur om te onderteken, maar hy het geweier. Die huur sou R8 000 vir twee jaar wees.

„Ek wou dit nie onderteken nie, want die ding het nie vir my lekker gelyk nie. Ek kon nie sien hoekom die ge-

heime fonds van Inligting 'n publieke hokkie voor 60 000 toeskouers by Loftus Versfeld moet huur nie.”

Adv Van Rooyen het daarop by dr Rhodie navraag gedoen oor die aangeleentheid en het die verduideliking gekry dat dit bedoel is vir die „geweldig baie mense wat

me op die amptelike besoekerslys van Inligting kan kom nie, dit is mense wat uit geheime fondse uitgebring word.”

Hierdie mense wil nie geassosieer of gesien wees met die regering van die Republiek van Suid-Afrika nie, het

* VERVOLG OP BL. 11 *

Burger 3/11/78 (259)

The Act also provided for white Native Bantu Labour Officers

duties were:

- (a) to acquaint themselves with requirements of African employers and Inspectors of Labour;
- (b) to maintain close contact with and Inspectors of Labour;
- (c) in collaboration with the Native to act as intermediaries between workers;
- (d) to keep the Inspector of Labour (Bantu) Labour Committees (Industrial Councils) informed in collaboration with the Inspector of Labour (Bantu) in settling any such disputes;
- (e) to try to settle any such disputes with the Regional Native (Bantu) Labour Committees.

In 1972 there were only seven white country but by 1975 this had increased to chair such committees.

(f) to chair such committees.

In 1972 there were only seven white country but by 1975 this had increased to chair such committees.

TABLE 1

30	7
1	-
1	-
2	1
2	1
3	1
1	-
1	-
1	-
5	1
3	1
1	-
6	1
3	1
1975	1972

Die volgende hoofstuk in die hokkie-saga was toe dr. Rhodie adv. Van Rooyen gevra het om die reëling met die Noord-Transvaalse

Die reëlings vir die hokkie nagegaan en gevind dat elke direkteur van Thor Communicators twee seisoenkaartjies sou kry en dat dit dan deur die Departement van Inligting opgevra kon word wanneer hulle besoekers gehad het om te onthaal.

„Toe gaan kyk ek,” het adv. Van Rooyen getuig. „Die eerste wedstryd staan daar bokant die deur Departement van Inligting. Toe sê ek vir di Rhodie wat nou? Jy sê jy het 'n geheime hokkie nodig, nou staan daar Departement van Inligting terwyl die kontrak voorgee om in die naam van die frontmaatskappy te wees.”

Die volgende keer dat adv. Van Rooyen daar gekom het, is die naambord vervang deur een met Thor Communicators daarop.

„Wie sit in die hokkie? Dr. Rhodie, Deneys Rhodie, die prokureur, 'n familielid van dr. Rhodie. . . Toe sit ek by myself en dink, hoe is dit nou moontlik, want hier adverteer hy nou weer eens vir almal wat belang stel om te weet dat daar 'n verbintenis is tussen dr. Rhodie en tussen die twee Rhodies van Inligting en Thor Communicators, en dit lyk so al of dit 'n Rhodie-hokkie is.”

Adv. Van Rooyen het dr. Rhodie volgens sy getuienis daarmee gekonfronteer en die Thor Communicators-bordjie is ook verwyder. Adv. Van Rooyen was steeds nie gelukkig met die toedrag van sake nie en het besluit om dr. Rhodie te toets.

„Ek het aan dr. Rhodie gesê ek hoor van 'n persvriend van my die Sunday Times wil 'n storie skryf oor 'n hokkie by Loftus Versfeld. Ek kan nie swaar dis hierdie hokkie nie, maar hoekom sal hulle nou 'n storie wil skryf oor 'n hokkie by Loftus Versfeld? Is dit nie dalk hierdie hokkie nie?”

„Die reëling met Eschel Rhodie die die ding gemaal, ek het dit swart op wit, het hy hom gehuur, dit is 'n Departement van Inligting-hokkie of dit is 'n Rhodie-Private hokkie. . . ek stel die belang in die maatskappy Thor Communicators, nie dr. Rhodie is hierdie bedrag verskuldig en hy sal moet betaal.”

„Heelwat later het dr. Rhodie, nadat hy deur adv. Van Rooyen van hierdie verwickeling in kennis gestel is, oenskynlik regsadvies by adv. Van Rooyen gevra en hom toe geprobeer oorreed om hom 'n rekening te stuur vir die advies, en dan sommier die R4 000 vir die hokkie-rekening daarby aan te heg. Dit moet adv. Van Rooyen dan aan mnr. Denton oordra.

„Ek sê toe, jy is stapeigek, het adv. Van Rooyen getuig. „Is jy besig om hierdie voorstel aan my te maak, dat ek met Staatsgeld vir daardie hokkie moet betaal? Hy sê toe, nee, vergeet dit.”

„Op 'n vraag van die kommissie het adv. Van Rooyen gesê dat daar toe uiteindelik wel vir die hokkie betaal is.”

Source: Hansard 17 J 21. Murrel H

dr. Rhodie gesê, maar hulle moet ook onthaal word, en hulle moet ook rugby gewys word.

Adv. Van Rooyen het die reëlings vir die hokkie nagegaan en gevind dat elke direkteur van Thor Communicators twee seisoenkaartjies sou kry en dat dit dan deur die Departement van Inligting opgevra kon word wanneer hulle besoekers gehad het om te onthaal.

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Mr Nate Ferreira.

Ex-Citizen man 'sold' idea to Koornhof, Mulder

By DI POWELL

A FORMER Cape Times journalist, sold the concept of the Citizen to Dr Connie Mulder and Dr Piet Koornhof in Cape Town in 1975 — a year before the newspaper was launched by Mr Louis Luyt.

The then Prime Minister, Mr Vorster, also knew of the plan.

In his recently completed, but unpublished book, "The Story of an Afrikaner or The Children's Revolution", Mr Nate Ferreira, former chief sub-editor of the Cape Times, political editor of the Citizen and political columnist on the Transvaal, describes in detail how he persuaded members of the Cabinet to accept his proposal to establish an English-language, government-supporting newspaper.

The book is a personal account of "the total Afrikaner experience" tracing political and cultural influences from childhood to the present.

The newspaper plan was put to Dr Mulder in his office in the H F Verwoerd Building during the last weeks of the 1975 parliamentary session.

He accepted the concept and a detailed draft of costs and policies was put before him.

The project, Mr Ferreira estimated, would cost an initial R25 m and Dr Koornhof was called in to "investigate financial prospects", he writes.

Negotiations between Mr Ferreira and the two ministers continued for three months then communication was cut abruptly.

Soon afterwards, in October 1975, Mr Luyt made his bid to take over South African Associated Newspapers.

Mr Ferreira was later approached by Mr Martin Spring to become political editor of the new newspaper, The Citizen, "on the recommendation of Dr Mulder".

Mr Ferreira says he went to see Dr Mulder initially to discuss his disillusionment with South African politics — both government

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and opposition

"My basic idea was to form an English language newspaper which would support the government but press for the acceleration of change. I was convinced, after talking to Dr Mulder, that the government was sincere in moving away from apartheid. Drastic changes had to be made which would mean losing right-wing support. But a weak government cannot initiate change. Support lost on the right would have to be gained from the left."

"Dr Mulder agreed. He said he couldn't agree more and that the government had been praying for such a newspaper for years. I told him I knew it involved a vast sum of money but that it should never be said that we failed in averting disaster because of a lack of initiative to find funds for a vital project."

"Dr Mulder agreed but pointed out that the government could not make public funds available for the establishment of a newspaper."

"Our conversation lasted for hours. I went back several times. Dr Mulder was obviously very enthusiastic. Finally it was decided in principle to go ahead with the plan. Dr Mulder said I should stay on the Cape Times for the time being, he was going to investigate possibilities."

"I had an interview with the Prime Minister. He knew about our plans. 'The first thing he said was 'Where are you going to get the money? You realize the government can't get involved in any way'."

"I assured him this was not the idea but that ministers could use their influence to find private investors."

"As I left Mr Vorster shook my hand and wished me the best of luck."

"A few days after the decision to go ahead with the newspaper Dr Mulder telephoned me. The Minister of Sport and Mines and the head of information for the NP in the Transvaal, Dr Piet

Koornhof, was investigating financial prospects. I was to contact him."

Mr Ferreira explained his idea to Dr Koornhof who promised to contact him as soon as he had news.

"For weeks nothing happened. After a month I phoned and was told to 'hold on', the matter was progressing."

"Nearly two months went by without a word. I phoned Dr Koornhof again. I was told it was a 'difficult matter' which had to be handled with the 'utmost care'."

"Another month went by. I wrote to Dr Mulder reminding him the venture was based on mutual trust and that I was vitally interested in developments. I never got a reply."

Then Mr Luyt made a bid to take over SAAN. "When Luyt suddenly appeared on the scene my immediate reaction was to link his offer with our plans. I was shocked. Surely Dr Mulder realized any right-wing Nationalist connections would kill the idea?"

Then Mr Luyt announced that he was starting his own newspaper, the Citizen, based in Johannesburg.

"Martin Spring, deputy editor of the pro-government Financial Gazette, was appointed editor. 'Spring phoned me. He was looking for a political editor and my name was mentioned'."

Mr Spring later told Mr Ferreira his name was "mentioned" by Dr Mulder.

Mr Ferreira was appointed and drew up the paper's political policies, as discussed with Dr Mulder. Mr Luyt accepted them. However when Mr Ferreira began writing in terms of these policies, his work was rejected by the editor.

He resigned from the newspaper. Two months later when it became clear to him the political ideas accepted by Mr Luyt were not being implemented.

"The idea of a newspaper taking verligte policies to their logical conclusion had turned into a verkrampde mouthpiece."

No comment from Wiley

MR JOHN WILEY, leader of the South African Party, said yesterday he would rather not comment on the revelations of Dr Justice Mostert.

"I would prefer to see the full statement and to wait for the Prime Minister's Committee's report before I comment," he said.

He hoped National Party actions by MPs who continued to support the Government but who were worried

The Border regional chairman of the Progressive Federal Par-

finance the Citizen in spite of denials in Parliament at Cabinet level Commenting on the dis-

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public funds have been used to finance the Citizen in spite of denials in Parliament at Cabinet level will cause millions of South Africans to question the integrity and credibility of the government

"The good name of South Africa has been undermined in the eyes of the world," Mr Eglu said. "If there had been corruption the law enforcement agencies must carry out their duties without fear or favour of any individual concerned"

A responsibility also rested on the shoulders of the new Prime Minister, Mr Botha, to dismiss from office every person who might be responsible for this "disgraceful situation"

"If he is not prepared to do so, he should go to the voters of the country on this issue"

Mr Vause Raw, Leader of the New Republic Party, said the "incredible revelations" about alleged massive misuse of the taxpayers' money for a newspaper, to support the National Party and for other purposes was the worst scandal South Africa had ever experienced

thing he can do to restore credibility in his promise — which I accept without question — of a clean administration"

Mr Raw said the Prime Minister should convene a special session of Parliament and remove any restraint preventing the Government from being called to account in the name of the people in the highest council of the land

"However sincere his motive may be in wanting current investigations to take their normal course any further delay will be seen by the public as a cover-up. I know he does not want this but his only way to counteract such an impression would be a special open session of Parliament"

Mr Raw said he believed that in the meantime the South African press had a duty to the public to reveal the information they had available to them and on which he had based his demands for Parliament to meet

Mr Japie Basson, the chief Opposition spokesman, said he thought the scandal could involve people right to the top of the Government —
DDR SAPA

Van Rooyen: I told the whole story

PRETORIA — Mr Retief van Rooyen, an advocate and a director of Thor Communicators, described in evidence before the Mostert Commission how he had first heard about a loan of R12 million from Dr Eschel Rhodie to Mr Louis Luyt

Mr Van Rooyen said about September or October 1977 he had been visited by Dr Rhodie, who was accompanied by a Mr McGoff.

Dr Rhodie told him that Mr McGoff was going to take over the newspaper The Citizen from Mr Louis Luyt

"But Mr McGoff still wanted to talk about the problems that might be connected with the takeover, and in this regard Dr Rhodie mentioned to me that there were problems in connection with the financing given to Louis Luyt I was shown contracts The first contract was a document which read "I, Eschel Mostert Rhodie hereby lend to Louis Luyt the amount of R12 million"

"As far as I can remember there was no reference to any security or the conditions of repayment or anything like

an internal project which may serve party political interest

"As I put it, I said to all of them it is unthinkable that you use the tax money of the shareholders and editor of the Rand Daily Mail to create competition in a secret manner In other words, I want nothing to do with the whole Citizen story, they must count me out and my advice to John McGoff is — stay away." Mr Van Rooyen said

Mr Van Rooyen explained at length the transactions that took place during the purchasing of Valhalla Flats, Clifton, by Thor Communicators and how he had accompanied Dr Rhodie on a holiday visit to the Seychelles

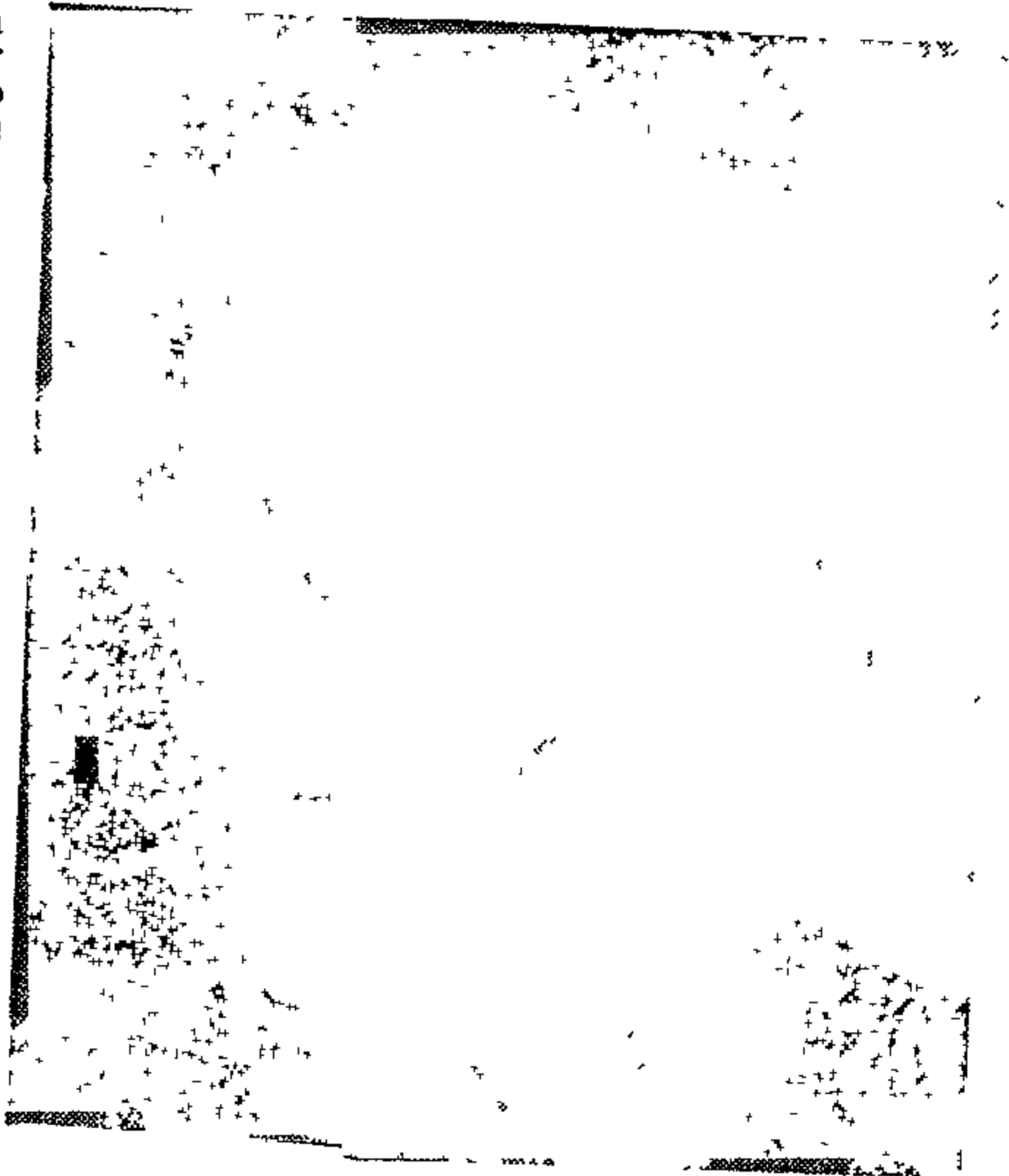
During April 1977, he said he had received a contract for the hiring of a private booth (hokkie) at Loftus Versfeld, with the request that he should sign it on behalf of Thor Communicators

"It was R8 000 for two years, one of those private booths at Loftus Versfeld I did not want to sign the contract because the thing did not look right to me I could not see why the secret fund of the Depart-

stark mad if he was suggesting to me that I pay for that booth with state money. He then said no, forget it"

Asked by the commissioner whether the

booth had ever been paid for, Mr Van Rooyen said "Yes, that is the point I wanted to make The booth was an important aspect with the people to whom I reported"



3/11/78

Carter acts to protect dollar

WASHINGTON — The United States Government has announced a series of measures designed to stop the long slide in the value of the dollar overseas.

The steps include an unprecedented one percentage point increase in the Federal Reserve Board's key bank lending rate to a record 9,5 per cent.

"The continuing decline in the exchange value of the dollar is clearly not warranted by the fundamental economic situation. That decline threatens economic progress at home and abroad and the success of our anti-inflation programme," Pres Carter said.

The surprise actions were announced without advance notice at the White House by the Treasury Department and the Federal Reserve Board.

The Treasury Secretary, Mr Michael Blumenthal, said the US would join with West Germany

and Japan to "intervene in a forceful and co-ordinating manner in the amounts required" to try to stabilise the dollar.

He said the long slide in the dollar, which has dropped precipitously in recent weeks against many major currencies, is hampering progress toward price stability and is damaging the climate for investment and growth.

"The time has come to call a halt to this development," he said.

The United States has been under growing pressure to intervene on a large scale in foreign exchange markets by buying up unwanted US dollars with borrowed foreign currencies, and Mr Blumenthal appeared to be saying this would now be done.

In addition to 30 000 million dollars in resources, Mr Blumenthal said the government would increase its sales of official gold to at least 1,5 million ounces monthly.



Bank appointment

Mr Tony Molony has been appointed assistant manager of the Queenstown branch of the Standard Bank. He joined the bank in Cathcart in 1958 and later served at several branches throughout South Africa and Transkei. Prior to his Queenstown appointment he was manager of the bank's branch in Idutywa. He succeeds Mr R. Richardson who has been transferred on promotion to Johannesburg.

Orr dividend down

JOHANNESBURG — John Orr Holdings have announced an interim dividend of 3,5 cents compared with 6,5c last year — SAPA

3/11/78

Call for special session of Parliament

EAST LONDON—The MP for East London North, Mr John Malcomess, said yesterday the evidence revealed by Mr Justice Mostert would cost the Government many votes and some MPs.

"The Government have used public money in a venture calculated to support the National Party which is not South Africa and the Nationalists should realise they are not South Africa.

"There must be many people who are shattered that the Government squandered public funds in this way for a publication which can only be seen as a mouthpiece of the Nationalists," Mr Malcomess said.

about the direction it was taking would leave the party now

Mr Malcomess congratulated Mr Justice Mostert for making the evidence public despite the fact he was called in by the Prime Minister, Mr Botha, earlier yesterday.

If, said Mr Malcomess, the SABC did not use Mr Mostert's statement it showed the Government was prepared to go to any lengths to cover their own evidence of corruption.

In view of Mr Louis Luyt's statement to the Commission Mr Malcomess said it would surprise him if leading Nationalist ministers were not in the picture concerning Dr Eschel Rhoodie's

ty, Mr Ivor Sparg, called on Dr Connie Mulder to resign immediately

He said Dr Mulder had said the Government did not supply funds to The Citizen in reply to a question in Parliament.

If in Mr Justice Mostert's findings this revealed Dr Mulder's statement in Parliament to be untrue the least Dr Mulder could be expected to do was resign immediately, said Mr Sparg.

In Durban, the Leader of the Opposition, Mr Colin Eglin, said millions of South Africans would question the integrity and credibility of the government now they knew that public funds were used to

losures by Judge Mostert, Mr Eglin said "This is a sad day for South Africa, relieved only be the integrity of Mr Justice Mostert who upheld the best traditions of the South African judiciary, and the courage and tenacity of the free press

"South Africans of all political parties are entitled to feel angry and sore and badly let down."

The statement by Judge Mostert about improper application of taxpayers' money running into millions of rands and about indications of corruption would send a shudder through the nation.

"The evidence that

A political crisis had developed which totally transcended all legal considerations.

Mr Justice Mostert, acting in the finest traditions of a free and independent judiciary, had released evidence which he considers vital in the public interest.

Regulations prohibiting publication had now been invoked by the Prime Minister after what appeared to have been an appeal by him to withhold or delay the publication of these facts.

"By doing so the Prime Minister has brought himself directly into issues which concerned a former administration. There is now only one

Luyt: I called Rhoodie a James Bond

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Continued from Page 4

for a balance sheet for a loan, except after The Citizen was established I was asked for the first time for a balance sheet after I already had the loan and I...

Judge: The company that served as the vehicle for housing The Citizen was the company SA Today?

Luyt: That is correct. Judge: When was that company established?

Du Preez: It was long ago. The Company's name was International Ferretizers, it was an existing dormant company that Mr Luyt...

Judge: The name was changed to SA Today?

Du Preez: That name was changed to SA Today?

Du Preez: That name was decided on at the meeting at the Burger Park Hotel and I received orders to change the name of the company to SA Today and they gave me instructions — three shares were issued to Luyt, that I must place the existing

rand to sport, and if anybody wanted money, then they came to me Dr Koorhof.

Judge: The stadium at RAU?

Luyt: That I donated to them, as you are aware and Dr Koorhof phoned me, and I just did not see the way clear for the R220 000 that was necessary, but I told Rhoodie, what do we do, and he said it was a brilliant idea to launch The Citizen. Then I said but they want a three-year contract. Then he said that was right, and the money for the first year was paid.

Then he denied that he ever said three years, and this upset me terribly. It also led to all these things being placed on paper. The fact that he could turnd about like that, and we had more and more clashes, and for example if the loss of the month was a little bigger or the cash ran short, he complained, and the more we tried to explain, and prove to him that your income went up, what is clearer, the income is greater than the

rather Citizen, at one stage as much as R2.7 million.

Du Preez: I may perhaps just mention to explain the thing. Dr Mulder said this money, which was with Mr Luyt, was a "pool". That "pool" may never be touched. These were his words on several occasions. In other words this money was invested on a fixed basis which he called a "pool". Any losses and other things had to be financed from other funds.

Luyt: That R12 million I guaranteed my estate and so on, but at one stage losses would be made good from overdrawn accounts and so on, but at one stage unfortunately this must come in there, I am sorry that I.

Du Preez: A mortgaging of part of Mr Luyt's plane to be able to get a R1 million loan from them. But any man could have seen how much money the company would need. At this meeting Mr Luyt was referred to at the Holiday Inn I think it was in April,

Judge: Who are the shareholders in SA Today?

Du Preez: Van Zyl Alberts

Judge: And on the same basis?

Du Preez: On the same basis. The shares are still with me.

Judge: Who do you regard today as the shareholders in SA Today?

Du Preez: Van Zyl Alberts

Judge: As nominee or in his own rights?

Du Preez: In his own right, because I have no cause to believe otherwise.

Judge: The shares were registered in Mr Luyt's name. Did they belong to Mr Luyt?

Du Preez: No, they did not.

Judge: At that stage, did you believe that information was in reality the owner?

Du Preez: That is correct.

Judge: Then they were transferred by Mr Luyt to

tracted from that was the evaluation loss.

Judge: The interest loss?

Du Preez: The interest loss that he suffered on this loan. We wanted to go back and say good, we start with R13 000 000, at an interest rate as originally laid down in the contract, and Mr Luyt pays back according to the contract. Then Dr Mulder said, not at all, we start with R10 118 000 — start on that figure and that

DR FRANS CRONJE

prove that this money does not come interest-free from somewhere. We now sit with South Africa Today. And we want to let this interest flow into this company. So that is what happens now. We had the loan with Mr Luyt, which he lent to Triomf, and that interest was paid straight to South Africa Today.

Judge: Who insisted on that 12 per cent?

Du Preez: On that interest rate? 12 per cent?

shares in a trust and keep it for them, and it was kept for them like that

Luyt: I am now at . . .

Judge: It was that Mr Van Zyl Alberts was the man that admitted, after the others denied it, and De Viliers, that the R12 000 000 — now the company got underway. You made the point that the company showed a loss because the turnover was higher than was expected.

Luyt: Yes. The loss became bigger everytime.

Du Preez: I can just mention that that R12 000 000 loan was then confirmed by a letter from Thesaurus Continental from Zurich, that is also there.

Judge: Whose signature is this?

Du Preez: I have no idea. The thing was given to me.

Luyt: They flew special-ly to go and fetch it in Switzerland.

Du Preez: I know that that document was destroyed by them, from their side, because at a stage they asked me if I could not present them with a copy of that document

Luyt: They also asked me, but I kept it. In fact, I kept everything. What happened then is that this Swiss loan that I had at a very low rate . . .

Judge: The other loan from Standard Bank — if you say 'I' then it is Triomf?

Luyt: No, it was personal. You know. I had an undertaking that I must finance the company, finance Triomf. It goes back to a contractual obligation that we had and that is why money was brought in, but when this loan ceased I told Rhoodie and them that I could not carry this loss or rent. I could not give a balance sheet unless I blew the whole thing, then do not expect to lose. Then they said no, without saying very much, that they did not expect me to lose a cent.

Du Preez: Right from the beginning Dr Mulder said Mr Luyt may not lose a cent in this transaction. Those were his specific words.

Luyt: He said it. Dr Mulder said it but I worked without reimbursement. I also said I did it because it was said to me it was for my country, and because it was the Prime Minister who had asked, that I said good, and my people worked without reimbursement, and even used some of Triomf's facilities that cost a lot of money, without reimbursement, because we felt it was a good thing, and because the Prime Minister supposedly, according to them, wanted it.

Dr Rhoodie and my co-operation did not go well because he phoned over the smallest little thing,

exam-ined he . . . e about it. He . . . e certain things . . . ect to a newspaper and he made it difficult for me, and we clashed more and more

We really clashed at that stage, so much so that — also he often said things that he denied immediately a week later. One example, if I may mention it to you, is the Grand Prix, when Dr Koornhof phoned me to ask if I would not be interested.

I might just mention that I donated through the years long before the Department of Information appeared on the scene, about a million

budget, but your costs also go up, the less he understood it and he continually said that Mr Van Zyl Alberts with To The Point they were always on budget.

Du Preez: We can just mention that budgets were presented to them monthly.

The company was handled on an orderly basis and management accounts were drawn up every month, that were available on the 15th of the month. That stuff was handed via me from Mr Luyt to them every month, which they then, if there was any problem, questioned the costs, with the right to come back to me. I would give them the necessary answers.

Luyt: They never had any problems because it was like we handled in Triomf with a R300 000 000 turnover, as we handled SA Today. For each thing there was documentary evidence, but I just felt that Dr Rhoodie and I we could not go on like this. In fact, at one stage I lost my temper the evening at the Holiday Inn, where Dr Mulder was present and Van Zyl Alberts and Rhoodie, and he talked to me as if I was his hireling.

But I let him understand very clearly — in no uncertain language — that I did not work for him or Dr Mulder or for anybody else, but that I did it because I was asked to do it without reimbursement, and that I will not allow him to come and talk to me as though I was one of his hirelings.

I now put it softly — I called him a James Bond actually with all his mythical companies and that sort of thing. It was then decided that it would probably be better if the newspaper was sold, which made me smile, because I knew there was no buyer. We met again in Dr Mulder's office.

Du Preez: If I may perhaps interrupt, the plane transaction was now between these . . .

Judge: Let us handle the plane transaction separately then we start again from the beginning.

Du Preez: May I just mention one point to you, something that was perhaps missed there. At one stage there was a shortage of financing and Mr Luyt was then told to get overdraft facilities at Volkskas which he then did, but on his personal guarantee. He then personally signed guarantee and mortgaged some of his shares. You will see number 11, the document there, shows where he mortgaged his shares.

Luyt: Those shares mean control of Triomf. If they were sold today it would be R35 million. That is what African Explosives were willing to pay last year.

Du Preez: I may perhaps mention further that Mr Luyt also signed guarantee for the Perskor contract which Mr Jooste insisted upon.

Luyt: He wanted my personal guarantee which I gave.

Du Preez: In other words Mr Luyt was absolutely financially linked with the whole story to let the thing appear to outside what the transaction was.

Luyt: Yes, Mr Van Huyssteen and them had my shares, this was the control of the whole group. I also did financing. At one stage there was shortage of money and I had to make use of my overdrawn account to finance SA Today or

I'm not sure. We warned them that that money would be needed and they promised the money would come in June. Then August came. I think the first money started to come in September.

Luyt: This is another instance. The other instance is a machine we had to buy, one of these "computers" for typesetting which I had to finance out of my own pocket, which was only paid back after the so-called transaction when Rhoodie also said go ahead. But the money was not paid, and not to look a fool in the eyes of my own people and not look like a man who could not make a decision, I had to finance it through a personal cheque.

It was later repaid to me, but in the meantime I had appeared on a television programme in London, which Dr Rhoodie did not have much good to say about.

Judge: Before the television situation, were you and Rhoodie good friends? Was there already friction at that stage?

Luyt: There was friction. I could never believe him. I couldn't believe him, and I did not believe him. He jumped around too much for me so we did have friction, and I believe we had this altercation when I told him straight out.

Judge: Before the television?

Luyt: This is before the programme, when I told him straight out. I will tell you what I told him. "You are a James Bond and you don't talk to me like that. I hire guys like you, I don't work for them, and I don't work for Dr Mulder, and I am doing these things for nothing for you."

I don't think anybody had talked to Rhoodie like that in front of the Minister before, but I felt it had to be said because he simply got away with murder, and after that I was invited by ATV to put South Africa's case, which I did not get much time for.

Rhoodie said, among other things, he had nothing to do with it, and he is absolutely right. He had nothing to do with it. And then he dressed me down and I answered on that, and my answer was that in England it wasn't like in South Africa where you get a chance to study what they are going to ask you.

There they sit, 35 who are against the country, against you, and they simply shout you down, and I said I sat looking pretty on SA television, and then Mr Van Zyl Alberts came to Mr Du Preez and said no, after this thing they think we should sell the shares as soon as possible.

Judge: At that stage, in whose name were the shares in SA Today?

Luyt: In my name, in trust with him.

Judge: You never saw them as your shares?

Luyt: No.

Judge: As whose shares did you see them? Luyt: I saw them as Information.

Du Preez: But they saw it like that as well, because at one stage they asked, they questioned at one stage whether the stuff should not be lodged with them.

Judge: Who were the auditors of SA Today at that stage?

Du Preez: Me.

Judge: Are you still?

Du Preez: I am still there.

Van Zyl Alberts

Du Preez: With a purchase contract, yes, that he bought them in his own name, Yes.

Judge: For how large a sum?

Du Preez: While we talked, General Van den Bergh came in. It was clear to me that he knew what we were talking about. He continued talking from that point further and said to me that I was the only one that could finalise the thing with Mr Luyt, and I must see if we could come to a reasonable offer and finalise the thing.

Then I had another meeting at Dr Rhoodie's. I might just refer to this document, no 28, if you would please look at it. It was a thing that he prepared in his own handwriting. You have it there, no 37.

Judge: It is in Rhoodie's handwriting?

Du Preez: Rhoodie's handling. I had certain proposals about paying back those rents and things.

Judge: Which rent was it exactly?

Luyt: The R10 000 000 that was still with me.

Judge: That was still with Triomf?

Du Preez: That is right, that Mr Luyt and them now owe R10 118 000, which must now be paid back to them.

Judge: From the time that that R12 000 000 was transferred and lent to Triomf it stayed there till this thing was finalised.

Luyt: The money was lent to me, not to Triomf.

Judge: You then lent it to Triomf?

Luyt: Yes I lent it to Triomf and I paid them rent of 12 and half per cent but we had gone back again.

Judge: At the moment when it was decided — and it was decided by everybody — that you will transfer your shares to Van Zyl Alberts, were you still indebted to them, the R10 000 000?

Luyt: Still.

Judge: What was that money used for? Which money was then used to run The Citizen?

Du Preez: I said right from the beginning that the principle must be that there must be a pool and that this pool may not be touched. Just the rent from it should be used, everybody thought when the budgets were originally presented, it was enough money to carry the company, but the budgets came to appear ridiculous but the principle remained that that money should not be touched, so the running losses of The Citizen was the overdrawn account.

Judge: I see, the thought was that the R12 000 000 is lent to Luyt who in turn lends it to Triomf.

Du Preez: To prove his creditworthiness.

Judge: To prove his creditworthiness, otherwise the rent on it is then used to cover the running costs of the thing.

Du Preez: It was just not enough. That is why they had to pay in money and organise overdrafts to see this thing through.

Judge: I know of R12 000 000 but now there is talk of R10 000 000. Where does the difference come in?

Du Preez: It was R12 000 000. Then an additional R1 000 000 was loaned with the aeroplane as security that Mr Luyt gave on his shares. That made it R13 000 000, and then sub-

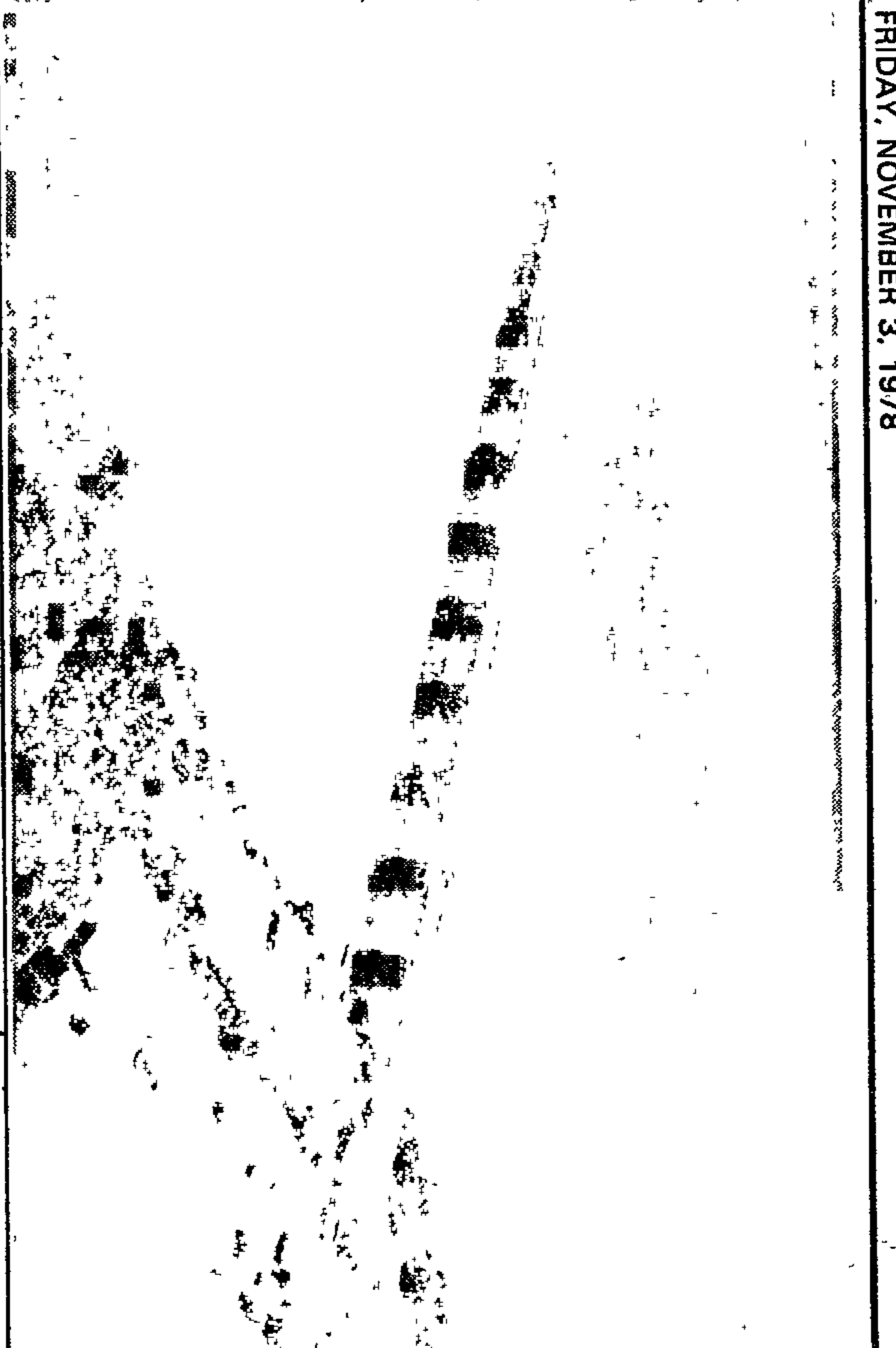
New Cape St Francis bridge

EAST LONDON — Murray and Stewart (Eastern Province) have completed the new 290m-long, 11-span bridge across the Kromme River — five months ahead of schedule. The last 57-ton precast beam was placed in late July.

The project will link the well-known Cape St Francis resort to blossoming coastal resorts to the east. Formerly a long, poor road via Humansdorp had to be used to drive from one side of the river to the other.

Included in Murray and Stewart (Eastern Province)'s R2 million contract is a shorter, curved 18m-high bridge to the east across the Seekoei River. This project should be complete by the end of this month — DDR

3/11/78



He would be available for comment later when more details of the information released by Mr Justice Mostert were known

When shown a copy of the contract for setting up The Citizen, Mr Luyt said "How do I get a copy of these documents?"

He was busy with his legal advisers and would

you," he said.

A spokesman for the Minister of Plural Relations and former Minister of Information, Dr Connie Mulder, said the Minister "had no comments to make whatsoever."

The editor of The Citizen, Mr M.A. (Johnny) Johnson was also not available for comment, his secretary said — SAPA

He saw us immediately

but I went with Hill and Samuel's managing director Van Zyl Alberts did not accompany us. They felt that it would not be right if he went along.

I think he was reasonably unknown and Frans Cronje also did not know him. Hill Samuel asked whether I would be in the position to do the transaction. Dr Cronje

and then I negotiated further with them alone and increased the offer, and they again said no, they were not interested

DU PREEZ: If I may interrupt, at that stage we were asked to produce a report, and we did an analysis of the balance sheets. At the same time we brought out a second one where we say at what

Dr Eschel Rhoadie, Dr Connie Mulder, Gen Van den Bergh, Mr Les de Villiers, Mr Du Preez and myself. There we then discussed the establishment of a new paper, and Mr Van Zyl Alberts presented a budget and a costing

Du Preez: At that stage the discussion was about — I advised Mr Luyt completely against going into this thing, because I saw from a financial point of view that he would run into serious problems because he had to use large scale foreign financing in his concern, and I knew that this newspaper would damage him severely, and he also put it like that to them that morning.

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come through on the basis of interest on R12 million a year, and it was decided that R12 million would be advanced to me to invest and then the interest would be applied to finance the paper.

You know, then there was speculation, and I went to Dr Rhoadie — now I am a little too fast. I must return. We started working and we then found out that where Mr Alberts had been out by 5 000 per cent, we ourselves were 1 000 per cent out as far as the costs were concerned. We did not know it was so tremendous.

Du Preez: The budgets of Mr Alberts are also there. It is number three there.

Luyt: At the same time, of course, problems started to arise about where the money was coming from. I approached Dr Rhoadie and told him here are big problems, and we would have to do something about it, and I made a suggestion to him that we do this newspaper on the basis of a business transaction — in other words, that they withdraw, that they lend the money to me and that I would then do it. Then we could look the world in the face and say there is no Government money in it, because it is a loan to me and then I do it myself, and pay it back to them. And he said this was fine, and I had a contract drawn up by Mr Laurie Perreira without any names put in, a so-called overseas loan,

I then went to see Mr Jooste and I found him the best of the two groups and Mr Jooste even went so far as to have a budget worked out for me about how he saw the costs of such a

Government paper.

Luyt: Yes, it was decided that I could invest the money at 12,5 per cent at Triomf. The highest the banks offered was nine per cent. I think you can appreciate that. Long term.

Judge: Was that decision muted?

Luyt: Nothing was ever muted.

Judge: But does it appear in a document anywhere?

Du Preez: No, it was specifically decided that none of this discussion should be in print.

Judge: When was it decided, who shared in this decision?

Luyt: All those people I mentioned just now, Rhoadie, Van den Bergh, Mulder, Les de Villiers, Van Zyl Alberts, myself and Mr Du Preez.

Judge: Where was this meeting held?

Luyt: In the Burgers Park Hotel.

Judge: And it was decided in that hotel that you people would not start a newspaper, and that the R12 000 000 was there in the trust account, and that it would be loaned to Triomf?

Luyt: I could invest it at Triomf at that stage, it was before this contract.

Du Preez: I would just like to mention the justification for this. How could Mr Luyt do a deal with a newspaper with R12 000 000 earning interest in a bank on the one hand, while on the other hand there was account with an overdraft. That

Mr Louis Luyt

Louis Luyt: I

know nothing

about these

documents

JOHANNESBURG — The founder of The Citizen, Mr Louis Luyt, said yesterday he knew nothing about the documents released by Mr Justice Anton Mostert.

Asked whether he knew anything about the reference to a cheque for R4 million which one of the documents says was made out to him, Mr Luyt said:

"I am saving I know nothing about the documents. I would like to see them."

they buy Saan, in buying shares and I said yes, up to an amount of R1 000 000.

We then went to Hill Samuel, and there Hill Samuel insisted on proof — financial proof that we were able — or rather whether Mr Van Zyl or Alberts who had already started negotiations with them — would be able to buy the shares.

He could not produce the proof, and then they asked him for the foreign partners. He said that they should not be mentioned. Then I showed them a cheque for a little over R6 000 000 that was paid to me for shares bought from me and that I placed Hill Samuel in a position to say good, in that case we can go ahead.

Judge Just to interrupt Mr Du Preez, if you want to add anything you must not hesitate to interrupt and also so that we get the evidence that it unfolds in its logical sequence and chronological sequence.

Luyt: We decided there on the manner, how to do the thing and it was decided to approach Frans Cronje, who was then a director of Saan, and whom I knew well and with whom I banked, to hear how we must start and whether he thought there was a possibility

It then came out that Abe Bailey's Trust and other trust companies had the actual control of the company, and that if one could get them, the 51 per cent would be reasonably easily reachable with those that Alberts had already bought.

I then took the lead. I found that Van Zyl Alberts, although a qualified auditor, did not have much business acumen, not that I had so much myself — but I felt that it was probably the best that I do it myself.

Sorry, but I must tell you, in between I also talked to Rhoadie, and the proposal was made to me that to make things look very good we must bring into the transaction a man like Graaff, who was proposed by Frans Cronje, and that I at the same time must tell him — to hear whether he would invest in a SAAN takeover, what I had done.

Frans Cronje phoned Graaff and he said he would like to talk and he declared himself prepared to invest in a million shares — to advance R1 000 000 to buy shares.

From there Graaff and I negotiated with the Bailey Trust. They wanted a while and then said no, they could not accept the offer.

Luyt: If we did succeed, then we could... Judge: Then you start your own newspaper?

Luyt: That is correct.

Du Preez: I just want to add to what you now mentioned, that at that stage R6 million had been placed in a trust account. If you look at the following documents there, marked '2', from 2.1 to 2.7, proof had to be supplied that the money was actually available.

Luyt: We put it in a trust. We discussed it a bit, and Mr Du Preez and I also thought a bit, and we thought of establishing a new printing press. This would have been tremendously expensive, and we then told the information people and the General and all the people who were involved with it, that we thought, if we were to start a newspaper, we should go to an existing newspaper group and ask for tenders to print the paper. When this failed, a meeting was called at Mr Les de Villiers' house. I think you have the date. Do you perhaps have the date, when we were with them?

Du Preez: December 4, 1975, Banket Street 135, Waterkloof. It was 7 30 in the morning.

Luyt: And present was

the Saan group, and when the new paper had to be started, he thought he had to do that too, which we said was right, but once again Gen Van den Bergh adopted a very firm attitude and said no, Mr Van Zyl Alberts was not the right man, and you also advised me against it.

Du Preez: I may just mention that one of the reasons why I said Mr Alberts was not acceptable was that he and Prof Hoek had done an investigation into the Anglo American Group in earlier years, and at that stage he was quite closely tied to the Government. Mention was also made of his connection with To The Point, and then they felt he was not the right man.

Luyt: That day I offered to give them R6 million back to them, and to give all the work we had done to them for gratis, and that they could then either leave it or continue as they wished, but they said no, we had to go ahead, and we should start the paper as soon as possible to counter the Rand Daily Mail.

We worked out budgets, wrong, very wrong, much higher than that of Mr Van Zyl Alberts, but we were unfortunately completely raw, and we calculated that we could

at Nedbank... Judge: In a special account?

Du Preez: I will just show you the document over there, then you can look at it. 27 document, 27.

Judge: Where are the originals of these documents?

Du Preez: I have the originals.

Judge: Look here, SE, G of No 8. Have you the original of No 8?

Du Preez: I have the originals of some of those.

Luyt: Rhoadie has it, or did have it. I am not certain.

Judge: Well, let us proceed, just give me the reference again.

Du Preez: "It is the original R6 000 000 of the Louis Luyt" Saan Account.

Judge: Is that one amount of R6 000 000?

Du Preez: It is a credit — interest earned. If you look at 4.4 — it is not the full amount, there's an amount added to it. That money was withdrawn, that R6 000 000. He also shows a withdrawal there.

Judge: Where was it transferred to? Transferred to Braamfontein branch. Is that the same bank.

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Interview with Mr L. Luyt and Mr P. F. du Preez on October 4, 1978

Judge Mr Luyt, will you start from the beginning? I think the best is if you give us a chronological — or rather let us start with the newspaper, The Citizen, and then give us in the order that it happened, all the things that you know, with reference to the documents now before me

Luyt I cannot give the precise date, but I went to look at a Test match with my plane, with guests, and among others, General van den Bergh, was also one of the guests, and Rhoodie and also Piet Koorhof, but Gen Van den Bergh, told me he was going to approach me because he needed me I said sure but I did not know what it was about

Thereafter I was approached by Dr Rhoodie and he declared that they were in the process of taking over SAAN and that they wanted to use me, especially my name, and the fact that I was reasonably wealthy, and that the amount that was named for the shares was within my means

They had then already bought shares through Mr Van Zyl Alberts. Mr Van Zyl Alberts thereafter came to me and asked me to accompany him to Hill Samuel, whom they were to use as the bankers to complete the transactions

He also told me he had two foreign partners, McGoff and Axel Springer, and that the balance of the money would naturally come from Information He also asked me whether I would be personally interested, in the event that

This Transcript of an interview between Mr Justice Mostert and Mr Louis Luyt and Mr P. F. du Preez was released by the judge yesterday. In it Mr Luyt reveals the discussions he had with the former Secretary for Information, Dr Eschel Rhoodie, about establishing The Citizen newspaper.

said that I had already done many transactions with Nedbank and if I start something, then it went through, and then they were further satisfied, and he said that he thought we could get the shares at a price of R2,50

The share price at the time, if I'm correct, was about R1,90 and he thought that an offer of R2,50 would do it

He also said that he would have to phone the chairman, McPherson to say that we had been with him, in other words it would immediately be out that there had been an offer.

From there we went to Slater, of Star Argus, and I also told him that I was going to make an offer and asked whether he would possibly be interested from his side to sell, and he said that he could not give me an answer at that moment

share price the profit would be justified

LUYT: I am sorry, I have naturally forgotten, but that is so I asked Mr Du Preez to do that for me A press conference was organised for me to talk to the people over the so-called takeover and there I was placed in a cross-fire with the SAAN people, as well as Argus people and other English newspapers, and I was asked what would happen if I did not succeed with the takeover

JUDGE: Whose idea was it to print the paper if the bid did not succeed? Did the idea originate with you or was it Rhoodie's idea?

LUYT: No, it is but — I cannot say whether it was my idea or any — it came through during the discussions that there was a possibility

Judge: Was there already such a discussion at that stage?

paper, and moreover, I also mentioned to him than I would go to the Beeld group and he said that was all right His tender was lower which I brought back to them, and it was decided to go ahead with a newspaper in the Burgerspark Hotel, after these things were submitted Am I right?

Du Preez: I cannot remember the meeting in the Burgerspark Hotel. I think the Burgerspark meeting was before this one

Luyt: No, the Burger-spark meeting was before the one of Les de Villiers This was the day that Mr Van Zyl Alberts said there he did not think I was the right man to start the newspaper, and then I said I agreed with him I wanted to propose that he do it himself

I think Mr Van Zyl Alberts was brought under the impression that he would become the head of the

which I — in the Carlton Hotel, I think it was April 7, I am not sure of the date

Du Preez: The date of the contract is April 7, yes, 1976

Luyt As you can also see here, Dr Rhoodie and I entered into a contract whereby they lent the money to me at three per cent interest-free for the first two years Of course, we worked as hard as possible to make a success of this newspaper, and then the burden was on me, but after a few months I told Les de Villiers, I was afraid

Judge: At this stage when the contract, number nine, was signed, did you already have R12 million available?

Luyt: On trust, yes

Judge: When you say on trust, at which bank was this?

Du Preez: If you would perhaps just look back in the documentation

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contract from Marius Goste but in spite of this it became more expensive, because you are always behind with our advertisements, and you also carry your ledger.

I then told Les de Villiers that I would lose my estate in this process and that I would rather close down the paper. He then told me no, they must take it over again. Information must take it back. His words were that they had many projects losing more than it a year, and that it was worth the trouble for the country to have a newspaper like The Citizen, which gave the other side of the picture.

Dr Rhodie and I met again and it was decided that the paper would again fall in their sphere of influence. But in the meantime the money was invested with Triomf. They then decided to take it over again and we kept on.

A foreign loan of just over 17 000 000 francs was due for renewal and the bank — Standard Bank had it — asked me for a balance sheet and I could not give one. Mr Du Preez could not sign it. There was no problem with the loan, but you know, with a loan of 17 000 000 francs you must produce a balance sheet. They insisted and I said no, I cannot produce a balance sheet. So we lost that loan.

Du Preez: The previous year they had informed Mr Luyt that they would renew the loan without any difficulty, but as a result of the English language newspaper's founding they refused to do it.

Luyt: Unless I produced a balance sheet I know why they asked for it, because SAAN also banked with Standard Bank. And not only that, there is quite a lot of influence from various sides, otherwise I cannot see why they insisted on it before had a bank asked me for a balance sheet for a loan, except after The Citizen was established. I was asked for the first time for a balance sheet after I already had the loan and I...

Judge: The company which served as vehicle of The Citizen is SA Today?

Luyt: That is correct.

Mr Du Preez said the name of the company was International Fertilizers. The name was changed to SA Today. He was instructed to change the name to SA Today.

I might just mention that they did not ask me for a balance sheet before that. That was the first time that they asked for a balance sheet. Never before had a bank asked me

Continued on Page 5

No comment says editor of The Citizen

JOHANNESBURG — The Editor of The Citizen newspaper, Mr M.A. "Johnny" Johnson, refused to see or issue a statement to reporters who called at his Doornfontein offices yesterday.

Several reporters were left milling around for several hours waiting to see Mr Johnson.

Reporters from other newspapers were not even permitted inside the confines of the paper's newsroom. A huge iron grille kept unwanted visitors out and security men were posted at the entrance to the grille.

A reporter and photographer were asked to leave the premises im-

mediately by The Citizen news editor, Mr Ralph Cohen, after he appeared briefly in the passageway. When asked if he or Mr Johnson had anything to say about yesterday's revelations about The Citizen Mr Cohen ordered the security guard to remove the reporters.

"The editor or anyone else has nothing to say to you," he snapped.

The atmosphere in The Citizen newsroom was described as tense by several staffers.

"We just do not know what is going on or what is going to happen to the paper. A lot of us feel we have been sold down the river," one reporter said. — DDC

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Luyt tells of talk with Eschel Rindolie

MOSTERT REPORT

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money had to be integrated so that his image outside at least looked like that of a businessman

Luyt: I may just mention that Dr Rhoodie, Dr Mulder and Mr Van Zyl Alberts later — I cannot remember that date — denied that they agreed to this, and said that the General had said it should be invested with a Bank. They added that Mr Les De Villiers felt likewise

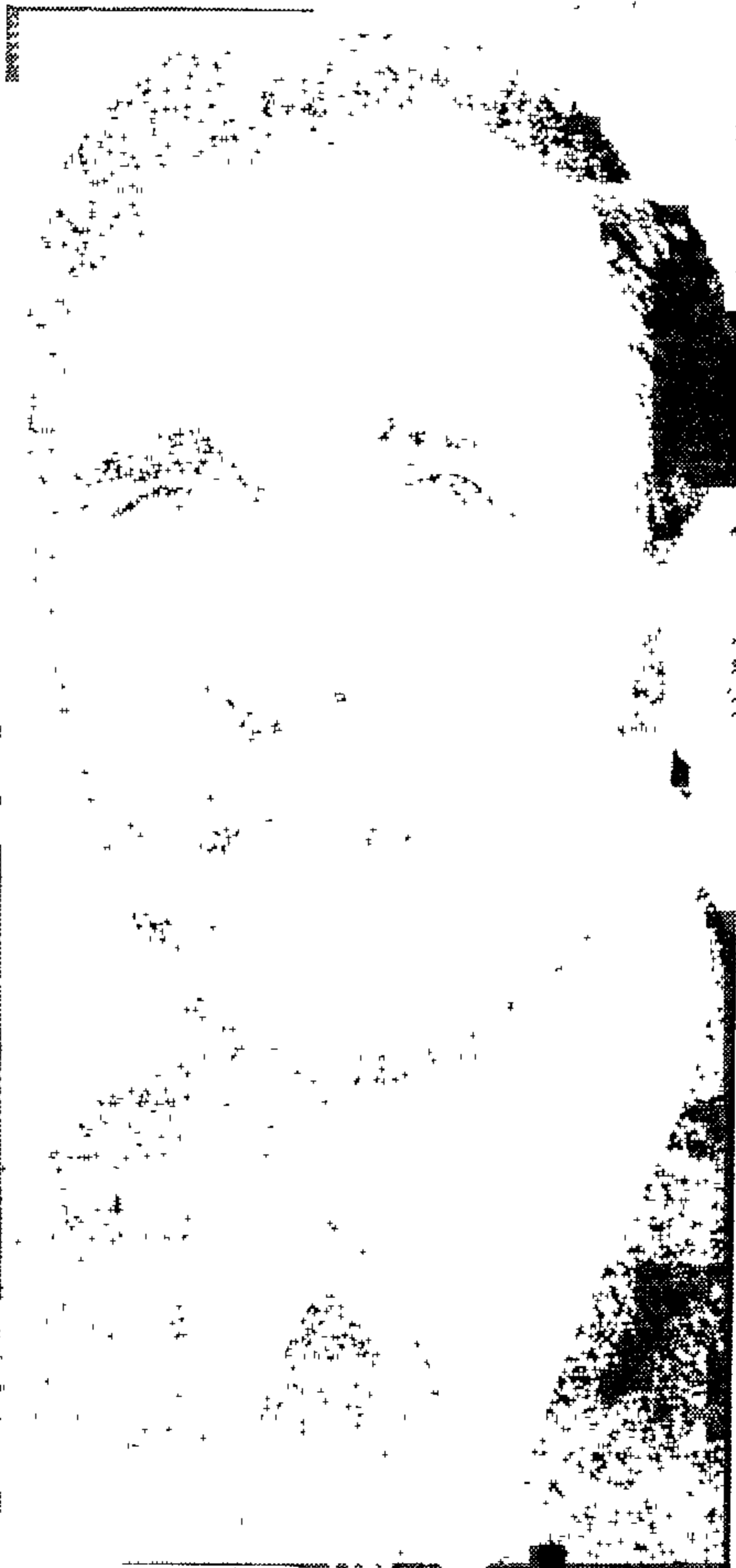
It was a very warm meeting, because I said that no bank could pay them 12,5 per cent, because the bank's overdraft rate was 12,5 per cent. So you can't earn 12,5 per cent and borrow from a bank. After all, a bank has to make the money

In any case, I then confronted Mr van Zyl Alberts, and he then admitted in front of Mr Du Preez that they had indeed told Dr Rhoodie that it was so decided

I confronted Mr Les de Villiers and he replied that Dr Rhoodie did not have the authority to speak on his behalf, because he told him so. I then asked Mr Van Zyl Alberts why he did not have the courage to say so, to which he replied that his contacts were such that he could not say it

I then told the minister, among other things, that even if they were right which they were not — here was a contract which lent the money to me, which is all in my estate.

I think the contract was only shown to the Minister that morning, because he was not fully aware of the contents of this contract. I have digressed a little, but after the loan was concluded I got busy and found that this newspaper cost much more than any of us ever dreamt. And the more we sold, the more expensive it became. We got a good printing



Dr Eschel Rhoodie

Citizen staff deny Knowledge of link Business: We'll still advertise

JOHANNESBURG — The following statement was issued last night on behalf of 39 members of the editorial staff of The Citizen

"We emphasise that we had no knowledge whatsoever of any charter binding us to a particular editorial policy.

"We deny that any member of the staff was made to sign such a document or asked to abide by any specific directives — or to support the policy of any political party.

"We strongly reject any reflection on our professional integrity and stress that we had no knowledge — direct or indirect — of any negotiations which may have taken place when this newspaper was founded

"We are certain that if the signing of such a charter or the adherence thereto was a precondition of service, none of the

undersigned would have joined The Citizen.

"As journalists of long-standing we affirm our dedication to the principles of independence of journalism, unfettered by political restraints."

A Citizen staff spokesman said later that Mr M. A. Johnson, editor, had refused his reporters, sub-editors and photographers permission to make any public statement on the controversy surrounding the setting-up of the newspaper.

Mr Johnson insisted that all statements concerning the newspaper should be made only by himself.

But the staff decided to issue their statement regardless of the editor's directive because, said the spokesman, they were "concerned for their own professional reputations."

Only reporters, sub-editors and photographers were asked

to sign the statement and the spokesman said that only "one or two" members of the editorial staff in this category had declined to sign.

The names of the signatories are: Marshal Wilson, News editor; David Jackson, Rosemary Northcott, Chris Olckers, Ian Thomas, Priscilla Duff, Manuel Correia, Barbara Ludman, Errol Symons, Barry Martens, Dan Side, Sue Fox, David Ludman, Gordon Winter, Chris Swanepoel, Terry Lofthouse, Ben Temku, Dave Beattie, Michael Forwine, Vic de Klerk, George Parker, Ken Slade, Tana Terblanche, Doug Anderson, J. Walham, David Pincus, Wally Waldeck, Steve Molter, Bevis Fairbrother, Ralph Nicholson, Gill Mackey, Louise Blake, Wally Kriek, Colin Windell, Siggie de Vos, Arina de Kock, Manne Wolfaardt, and Rodney Cilliers. — SABA

JOHANNESBURG — Major companies buying advertising space in the Citizen will continue supporting the newspaper for business reasons, financial spokesmen said yesterday.

As the controversy over The Citizen grew, businessmen were reluctant to become involved. They said they could not let politics stand in the way of reaching the consumers.

Pick 'n Pay's Transvaal regional manager, Mr Rene de Wet said: "There are people who buy from us who say we should not advertise in this or that newspaper."

"But Pick 'n Pay must use the media with the following we need to reach the consumers. This is a business decision, not a political one. We cannot afford to be interested in politics."

A spokesman for an overseas airline advertising European flights and

holidays in The Citizen said: "We are an airline not a political organisation."

General Motors also held the same view. "We only want to sell cars," a spokesman said. "We do not deal in politics. We buy our advertisements on circulation."

This view was shared by other industrial and commercial enterprises, although some people said they personally wanted nothing further to do with The Citizen after the closures.

Rambrandt, the South African group headed by Dr Anton Rupert, and the South African Breweries refused to be brought into the debate.

A spokesman for Rembrandt failed to phone back after giving an assurance he would.

The private secretary for Mr Dick Goss, managing director of SAB would not put the call through to him.

Mr Justice Mostert and the Minister of Finance, Sen Horwood, arriving at the Union Buildings yesterday for their meeting with the Prime Minister, Mr P. W. Botha.

Judge Mostert: Why I released the documents

PRETORIA — Mr Justice Anton Mostert, chairman of the one-man commission of inquiry into conventions of exchange control regulations, said yesterday that his reason for disclosing the evidence before him to the press was that he felt this would make a contribution to a "clean administration."

The evidence indicated, he said, that there was

governed by section four of the Commissions Act, number eight of 1947, which reads "all the evidence and addresses heard by a commission shall be heard in public provided that the chairman of the commission may, in his discretion, exclude from the place where such evidence is to be given or such address is to be delivered, any class of persons or all persons

decided to make the evidence available to the press. In doing so, I believe that I have made a contribution to a clean administration."

The Prime Minister, reacting to Mr Justice Mostert's statement, said, "I have no comment on the action of Judge Mostert.

"If the judge thinks that his making public (the evidence in front of him)

regulations were in force which applied to the commission of inquiry into malpractices relating to the avoidance and evasion of the Republic's exchange control measures (the Mostert Commission)

The relevant regulations were published in the Government Gazette in Pretoria on May 26, 1978, it said

Regulation No. 12 reads

order of a competent court"

Regulation No 13, in the same Government Gazette states that "no person shall, except in so far as shall be necessary in the execution of the terms of reference of the commission, publish or furnish to any other person, the report of the commission or a copy or part thereof until the State President has released the report for

misappropriation of millions of the taxpayers' money.

The evidence also revealed the existence of corruption in the wide sense of the word.

He said he had carefully considered a request by the Prime Minister, Mr. P. W. Botha, not to disclose evidence at this stage.

Mr Justice Mostert said in terms of the Commissions Act, the presiding officer had discretion to decide whether it would be in the public interest to release evidence to which the public had a right.

"The evidence given before me and other information at my disposal show the improper application of taxpayers' money running into millions of rands; moreover there are indications from the same sources of corruption (in the wider sense of that word) relating to public funds.

"In such matters the public interest is paramount and is usually best served by frank disclosure. Only reasons of great cogency will cause

whose presence at the hearing of such evidence or address is, in his opinion, not necessary or desirable."

"At the time of the deposition, I did not exercise the power vested in me by the proviso contained in section four. The meeting at which the depositions were taken must therefore be regarded as public meetings for the purpose of section four.

"It follows a necessary consequence that evidence taken at a public meeting is available for public inspections, unless I exercise the proviso powers now, assuming that I can do so at this late stage. I shall assume for the time being I have a discretion to withhold publication of the evidence. The question is should I do so?"

"I have taken cognisance of the Prime Minister's appeal on television and in the press. Coming as it does from the Prime Minister, the appeal is entitled to serious consideration, but that does not release me from the duty of examining the cogency of the

falls within his terms of reference, he must act according to his own views."

Replying to questions by the news media the Department of the Prime Minister pointed out that when a commission was appointed by the State President, the report of such a commission had to be submitted in the first place to the State President.

The government thereafter decides in what way such a report is dealt with, the department said.

The office of the Prime Minister said certain

that "no person shall publish in any manner whatsoever or communicate to any other person any proceedings of the commission or any information furnished to the commission, or any part of any such proceedings or information or suffer or permit any other person to have access to any records in the possession or custody of the commission or any officer or any person referred to in regulation 4 (1) except in the performance of his duties in connection with the functions of the commission of any

publication or until the report has been laid on the tables of the Senate and the House of Assembly."

Regulation No 15 reads: "Any person who contravenes any provision of regulations 8 (b), 12, 13, or 14 or willfully hinders, resists or obstructs the chairman of any officer in the exercise of any power referred to in regulation 10 shall be guilty of an offence and liable on conviction to a fine not exceeding R200 or imprisonment for a period not exceeding six months." SAPA

MOSTERT REPORT

suppression of secrecy to be preferred to disclosure. I do not find such cogency in emotional appeals unsupported by valid considerations.

"I have, therefore, decided to make the evidence available to the press."

The full text of Mr Justice Mostert's statement was:

"I have been asked by the public press to make the testimonies deposited before my commission and which have a bearing on the affairs of the erstwhile Department of Information, available for publication.

"This request raises two issues:

"(a) Whether, in law, I have the power to allow the press access to the testimonies.

"(b) Whether I should exercise any discretion I may have in favour of such disclosure, assuming that I have that power?"

"The legal position is

Prime Minister's arguments.

"I have endeavoured to discover what particular interest of the State is furthered by suppression, albeit temporary, rather than disclosure of the evidence I have been able to find none."

The evidence given before me and other information at my disposal show the improper application of tax-payers' money running into millions of rands. Moreover, there are indications from the same sources of corruption (in the wider sense of the word) relating to public funds. In such matters the public interest is paramount and is usually best served by frank disclosure. Only reasons of great cogency will cause suppression of secrecy to be preferred to disclosure. I do not find such cogency in emotional appeals unsupported by valid considerations.

"I have, therefore,

Mr Justice Mostert at his press conference yesterday after meeting the Prime Minister, Mr P. W. Botha. Man with the microphone taping Judge Mostert's statement is Mr Johann Pretorius, SABC TV's political reporter. SABC TV declined to reveal Judge Mostert's revelations on their two news programmes last night.

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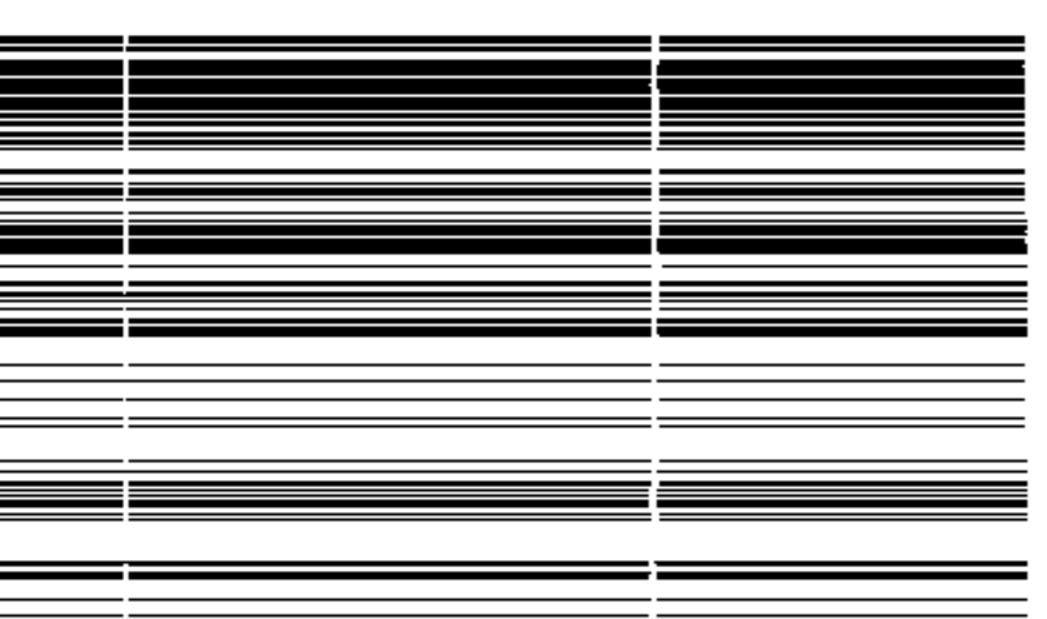
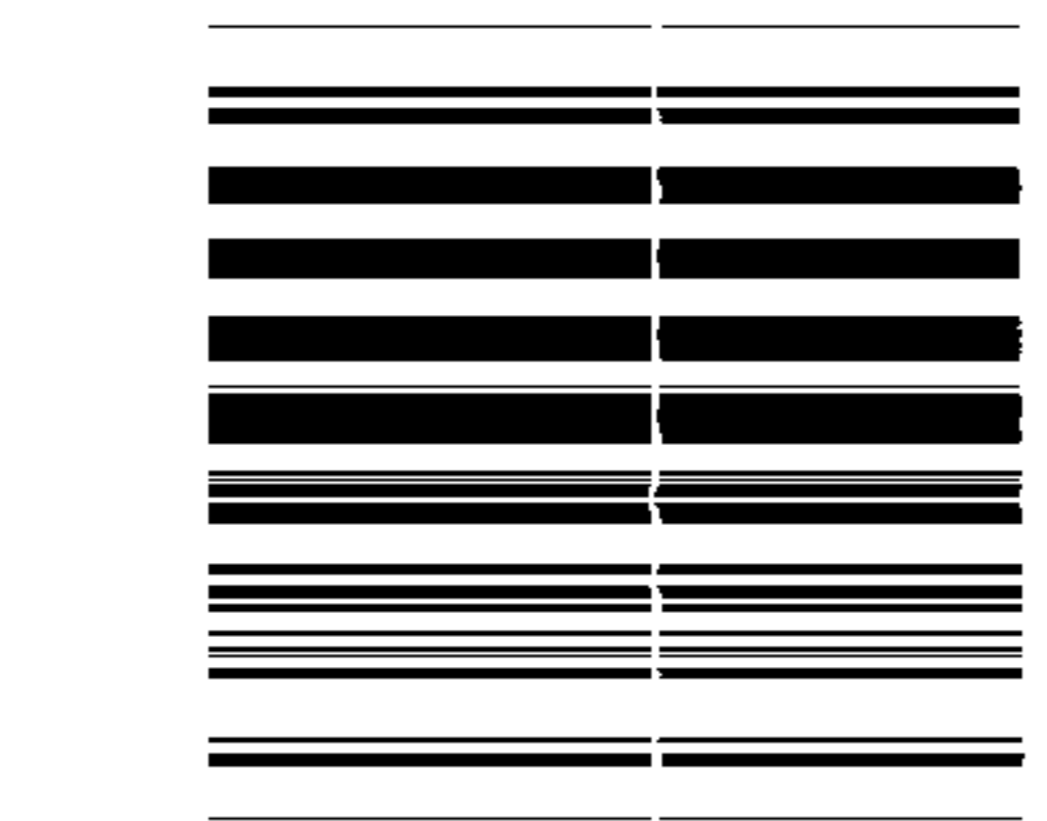
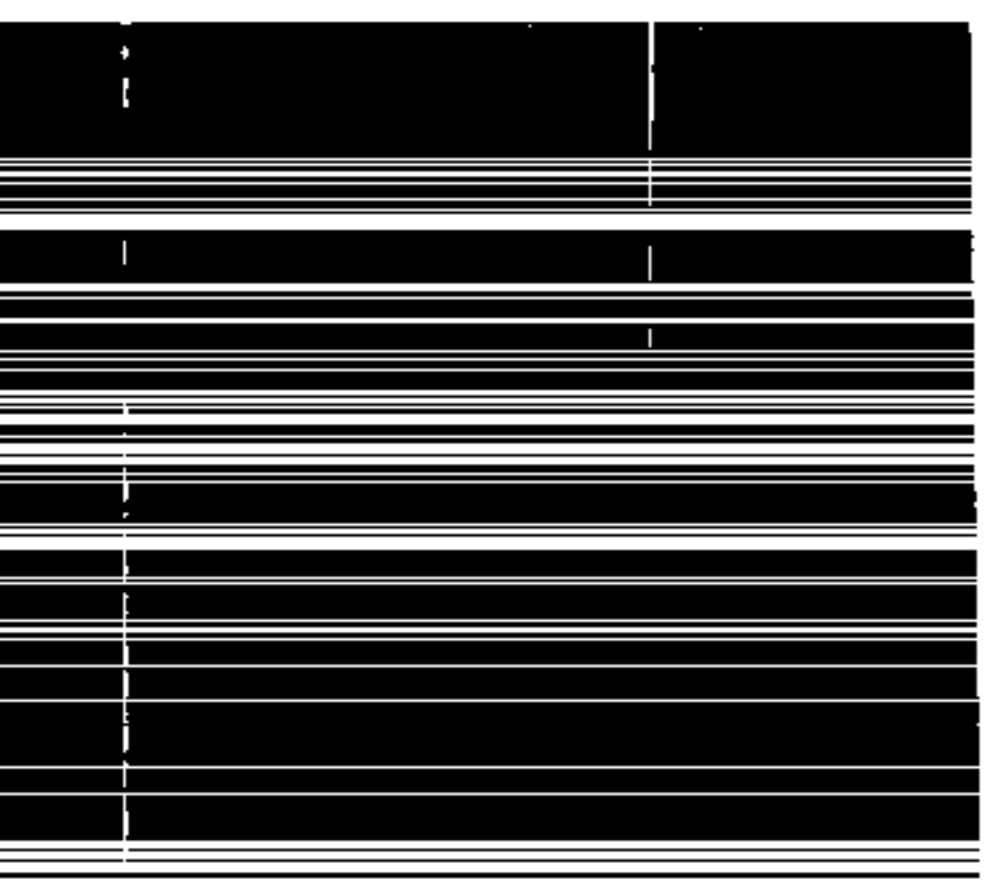

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Mostert walked out on PM —Horwood

Mr Justice Anton Mostert has accused the Minister of being the first to attempt to persuade a judge, according to Senator Owen Horwood.

Senator Horwood described to newsmen how Mr Justice Mostert had "turned on his heel and walked out" after the Prime Minister had refused to authorise Mr J J Kemp's immediate appearance before the Mostert Commission.

Mr Kemp is an official with the Department of National Security and had been investigating alleged Information Department irregularities.

NO POINT

The Prime Minister told the judge that he would ask Mr A J Pretorius, Secretary to the Treasury, and now chairman of the investigating committee, to make any information available to the Judge as soon as the Pretorius Committee could take its work no further.

"Judge Mostert made it plain there was no point in pursuing the interview," Senator Horwood said. "He jumped up and informed the Prime Minister this was the first occasion that a Prime Minister had attempted to persuade a judge to

Mulder may quit

Political Resignation

Speculation has mounted in Pretoria that former Information Minister, Dr Mulder, was about to resign.

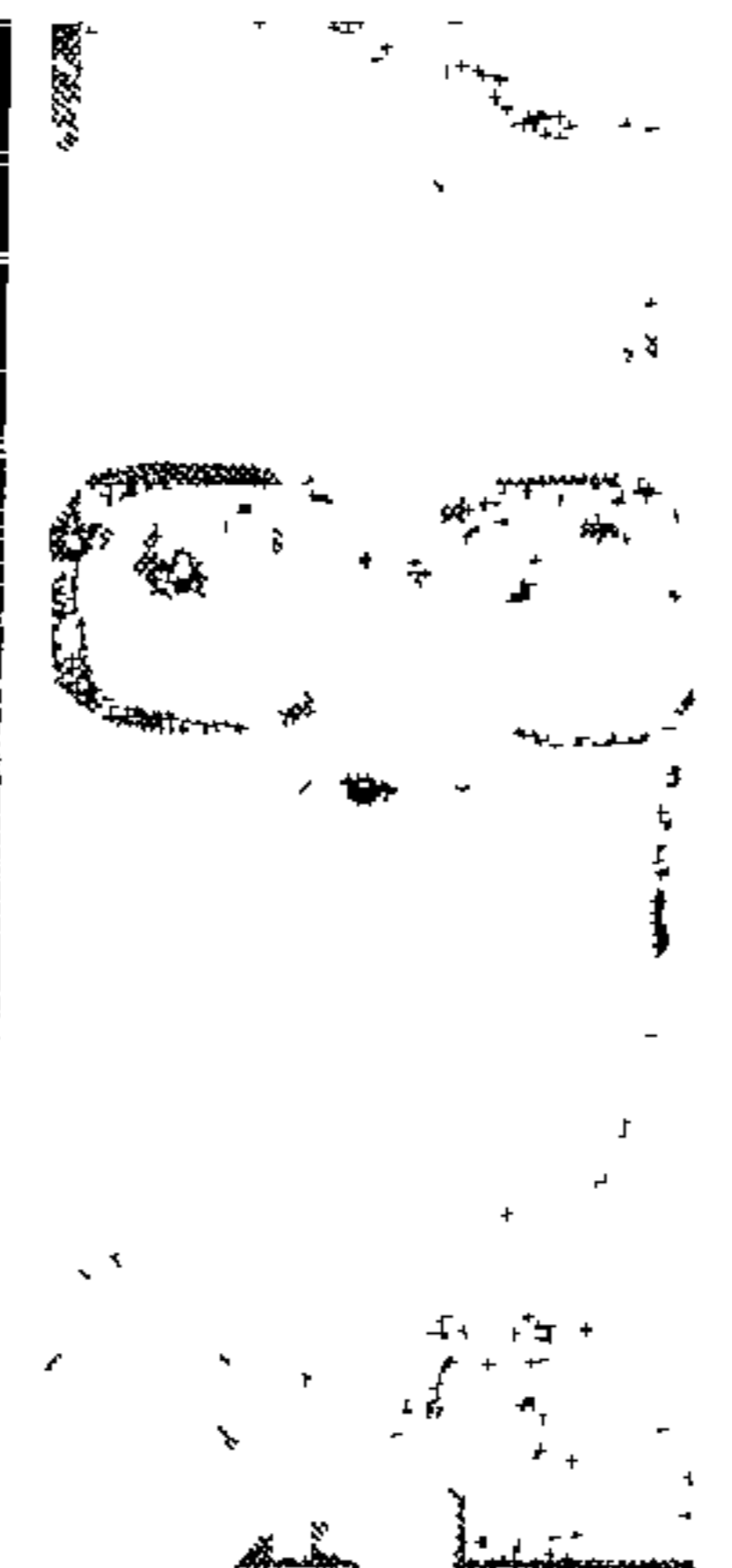
However, a spokesman for Dr Mulder denied that Dr Mulder was to resign.

"We have not announced at this time," the spokesman said.

Hard-hitting criticism in Nationalist today raised questions about his political future following the revealing evidence of abuses in the now defunct Department of Information.

A reporter from the Star told the spokesman that he had heard from a reliable source that Mulder's resignation was imminent. The spokesman replied that the

Mr Justice Anton Mostert turned on his heel and walked out after the Prime Minister refused to authorise the appearance of Mr J J Kemp before the Mostert Commission.

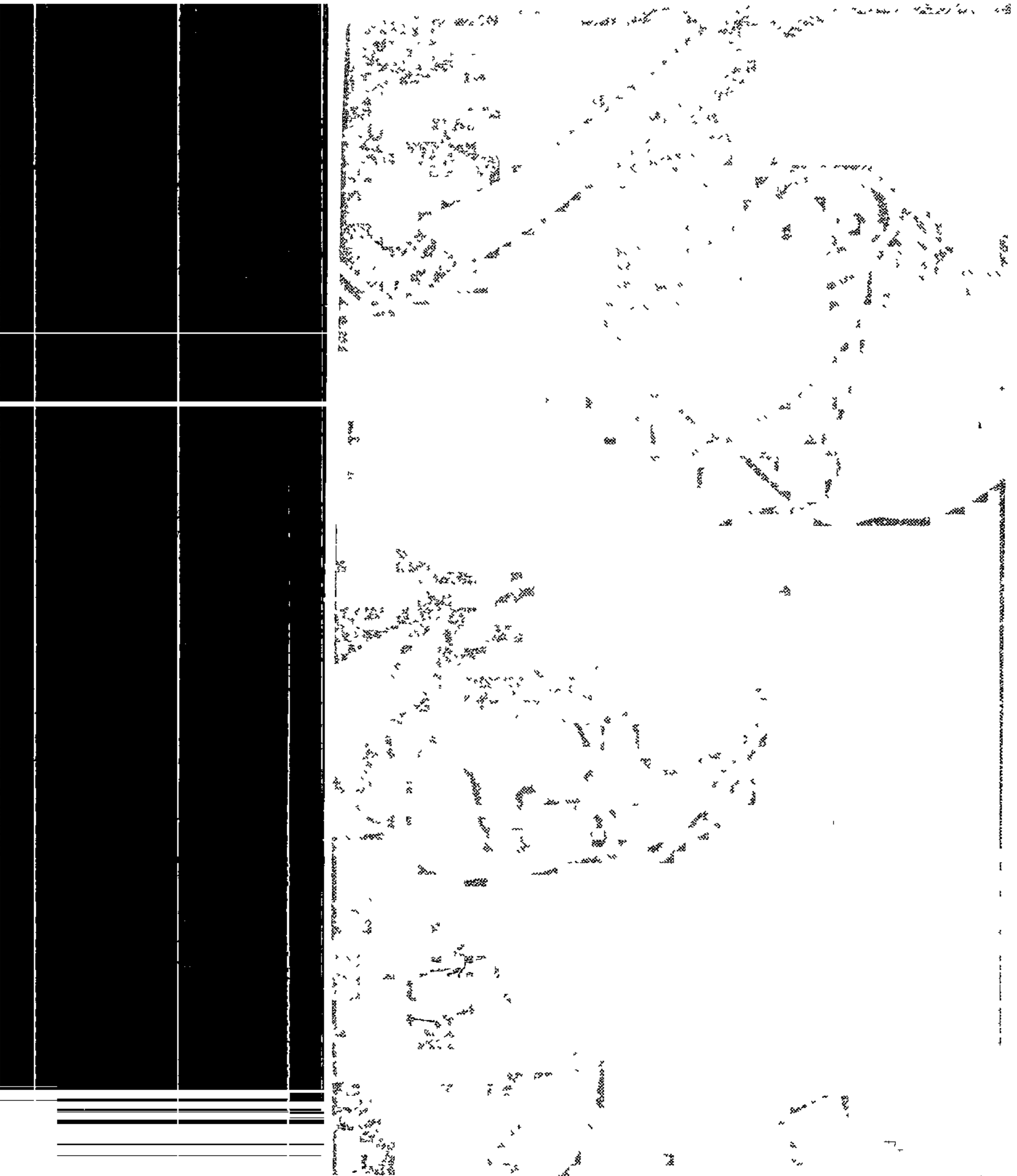


General H J van den Bergh promised an effective cover-up of the Department of Information scandal, according to evi-

New judicial commission ON Info

By Hugh Leggett,
Political Correspondent

The Prime Minister, Mr P W Botha, today recalled Parliament for December 7 to hear a report of a judicial commission of three he has appointed to investigate allegations of corruption in the Information Department.



Jim hopes for peace treaty soon

YORK — Buoyed by a three-hour meeting the Secretary for State, Mr. Cyrus Vance is Prime Minister, Mr. Menachem Begin, is pleased that Egypt and Israel can sign a peace treaty soon. "I spent three hours with Mr. Vance and the conditions so that quite soon — with help — we can sign the peace treaty with us" — Sapa-Reuters

Biere vows to oust invaders

ROBI — Tanzanian President Julius Nyerere has vowed to throw more than 2 000 Ugandan troops out of the lake Victoria. Seven years of relations between the two East African countries erupted into a bitter war earlier this week in which Ugandan troops snatched more than 1 800 sq km of rolling bushland from its neighbour — Reuters

Wants to take on Nyerere

ROBI — Uganda's President Idi Amin has asked a way of settling his border conflict with Tanzania — meeting President Julius Nyerere in a meeting. Amin said he would fight with arms behind his back and weights on his hands to give his opponent a sporting chance — Reuters

Sh's troops clash with students

ERAN — Troops used teargas and water cannons to disperse thousands of student demonstrators here yesterday as political unrest that has hit oil exports erupted into violence. The clash is one of the most serious incidents in two weeks generally peaceful confrontation between martial forces and opponents of the Shah's regime — Reuters

General van den Bergh former head of the Bureau for State Security, allegedly promised an effective cover-up of the major elements of the current Department of Information scandal.

This was one of the sensational disclosures made to the Mostert Commission of Inquiry by Mr. Retief van Rooyen, one of the directors of Thor Communications — a Department of Information front organisation — and one of the men who eventually decided to fight any possible cover-up.

He told the judge that General van den Bergh had suggested to him that he would "drag the whole

The evidence of Mr van Rooyen, an advocate, put a harsh spotlight on General van den Bergh, who was appointed by Mr. B. J. Vorster the then Prime Minister, to evaluate the Department of Information's secret activities but pulled out shortly before Mr. P. W. Botha took over as Prime Minister.

General van den Bergh explained at the time that he had promised himself that he would resign when Mr. Vorster resigned.

Mr van Rooyen said in evidence he decided to tell Mr. Vorster everything he knew about the department's activities. He spoke to Mr. Vorster who "appeared very shocked".

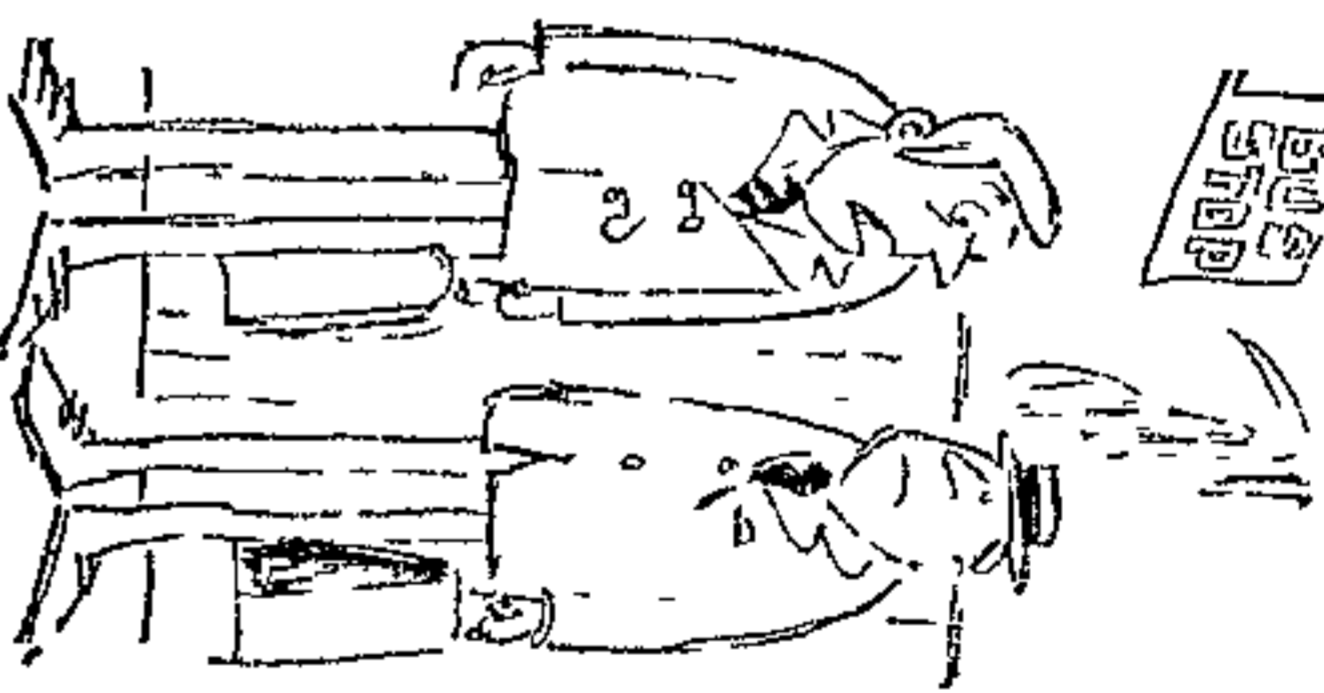
He had spoken to Mr. Vorster on a number of occasions and it was clear that the whole thing was a "tremendous worry" (ontstellige bekommernis) for the Prime Minister. Later, when he urged To Page 3, Col 4

TIDY

JOBS	10
Women	13
Books	14/15
Letters	17
Comment	18
Finance	20/21/22
Racing	24
Comics	28
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TRANSVAAL — Till 6 pm tomorrow Cloudy and cold

BY GEORGE!



"Never mind the R12-million for The Citizen — what about the money spent on the SABC?"

ment's viewpoint to Parliament on December 7. Mr. Botha said that he accepted the challenge of this decision with all its consequences.

"I will look the country straight in the eye on this but I hope I can expect the media to behave in such a way that they aid the aim of orderly government," he said.

More reports, pictures — Pages 2, 3, 4, 5, 19.

Mr. Botha said that at the same time a departmental committee of inquiry headed by the Secretary of the Treasury, Mr. A. J. Pretorius, would continue its investigation.

Other members of the committee were Mr. J. H. du Toit, Deputy Attorney General in Johannesburg, Mr. A. J. Engelbrecht, Director of the Bureau of Communication and Mr. J. Kemp, Senior Assistant

To Page 3, Col 1

Gourmet judge lifted the lid...

Pretoria Bureau
The man who lifted the lid on the Information Department stew is a gourmet who enjoys a reputation as a good cook among friends and family.

was very much a family man whose interests other than good wine and food included flying and farming.

Former colleagues describe him as a pleasant

He said he had not resigned, but had since been informed by the SABC that he had been suspended until further notice.

The chairman of the SABC, Dr. Piet Meyer, said today the corporation had used its own discretion in omitting TV and radio news of the evidence of Government corruption.

It's big news in the UK

The Star Bureau

LONDON — Mr. Justice Anton Mostert's revelations of official corruption in South Africa and the misappropriation of public funds are featured prominently in most of Britain's serious national newspapers today.

The Times makes the story the main item on its front page. It also tops the back page of the Financial Times, that newspaper's second most important news page.

He was a forthright man and had moved to the Natal division of the Supreme Court after a minor clash with the judicial hierarchy in the Trans-

Prime Minister, Mr P W Botha, with Finance Minister Senator Horwood at his side, announces the next move in the Information Department scandal

PM does not believe cash flow

to The Citizen

Prime Minister today to accept the truth, states that secret channelled to zero

Mr Justice Anton who yesterday evidence before this connection, heard the other

Prime Minister said aware money was of the Department

of Information for the purpose of combating "the total threat" against South Africa

"At no stage as Minister of Defence did I know money was allocated to The Citizen in any form as alleged," he said

Although he accepted that secret methods were necessary to combat the

threat against South Africa just as other countries used secret methods, he could not agree, if it were true, that public funds be used to subsidise a party political paper inside the country.

Asked about an allegation that money for the Citizen was channelled through a defence force

special equipment fund the Prime Minister said "No funds voted for defence purposes were allotted to the Department of Information I say that as a matter of fact"

Asked to comment on a denial by Dr Conno Mhl-der that State funds were given to The Citizen, he said "If it proved that

funds were made available contrary to the regulations of the treasury and contrary to what the Cabinet knew, I reject it and don't agree with it"

Mr Botha said he first became aware of rumours that money was allegedly being channelled to The Citizen when it was discussed in Parliament last year during the information vote

He said the former Minister of Information Dr

The members of the commission appointed today by the Prime Minister are Mr Justice R P Erasmus, of the Free State Provincial division of the Supreme Court, Mr A J Lategan, the Cape Attorney General, and Mr G F Smalberger, the Chief State law adviser

The commission's terms of reference are to report and make recommendations on

- Any irregularities or profit by individuals or institutions or any misuse of State funds by any member of the Department of Information or anyone connected with it,
- The methods and practises found to have been carried out in this connection,
- Any steps necessary to stop such activities by any of the persons concerned,
- Any other matters in connection with the previous terms of reference

The commission has been asked to make its report and recommendations by December 6

'A debate 'being delayed'

YORK — African sources admit that the Security Council debate on SWA/Namibia delaying tactic "It is deliberately going slowly e can negotiate," an African diplomat said the Star Bureau

Judge told Van den Berggh vowed to cover up scandal

Staff Reporter

thing out until such time

Challenge

The Prime Minister

Radio producer walks out

The producer of Radio Today, Mr Julian Potter, stopped work this morning in protest against the corporation's decision not to broadcast details of the evidence given to the Mosert Commission of Inquiry

Mr J Potter said he "walked out" because of "certain omissions of news"

"I am talking purely in terms of my own credibility as a producer and the credibility of Radio Today as a radio pro-

THE INFORMATION FILE... THE INFORMATION FILE... THE INFORMATION FILE... THE INFORMATION FILE...

Mr Justice Anton Mostert accused a senior official of the Department of National Security (former BOSS) of evading a question during a wrangle over whether another official would give the judge information.

The accusation was made when the judge interviewed Mr Jacobus Johannes Kemp about information he wanted from Mr Loot Reynders.

It preceded Mr Reyn-der's refusal to tell the judge whether he knew about 5-million dollars being transferred from Switzerland to the account of Thor Communicators in Pretoria in September 1976.

The judge opened his interview with Mr Kemp, according to the transcript, by telling him that one of the exchange control issues he was probing affected the (former) Department of Information.

TRANSACTION

One transaction, and transactions flowing from it, fell within the commission's terms of reference — to probe exchange control malpractices and everything flowing from them

"Certain assurances" had previously been given by General H J van den Bergh, added the judge, but it now appeared that the assurances "were not correct" and things still had to be investigated.

BOSS man accused of evading question

Mr Reynders, however, had indicated to the judge that he had been forbidden by Mr Kemp to hand over further information

Mr Kemp told the judge that both he and Mr Reynders — "also a member of the Bureau for State Security" — were bound by the Official Secrets Act on the probe he was conducting and could not reveal any facts without the necessary authority.

WITHHOLD

The judge: "In other words you are using the bureau... and the Official Secrets Act to withhold information which this commission needs?"

Mr Kemp: "No, I am not using it for that I am just telling you how I and

evaluation-investigation in connection with projects falling under the Official Secrets Act"

The judge: "You are evading my question. Please answer it. I will put it to you again. Do you refuse to make available to this commission information Mr Reynders has?"

Mr Kemp "I am not refusing to provide the information — on condition I have the authority to do it (which) . I can get only from the Prime Minister"

The judge: "That is not the question The question is a very simple one."

Mr Kemp denied that he could give a "yes or no" answer to the judge Mr Kemp said the judge made an unfair request in asking him to sit in on Mr Reynders's questioning and to decide what Mr Reynders could reveal

After Mr Reynders was sworn in the judge asked him if he was aware that the rand equivalent of 5-million dollars had been transferred from the Union Bank of Switzerland to a Thor Communicators bank account

Mr Reynders said he was aware of "amounts" But he would answer no further questions without permission from the Prime Minister. He would have to contact the Prime Minister for permission, he said. His evidence ended at this point.



Mr Andre Pieterse . . . tells of receiving R825 000 loan which has not yet been repaid.

R825 000 film loan not yet repaid

A loan of R825 000 from Thor Communicators which had not yet been repaid was admitted by Mr Andre Pieterse, the South African film magazine, in evidence given to Mr Justice Mostert on October 4

The loan was made to a company named Ma Afrika Teaters to establish a black film industry in South Africa

The original purpose of the loan had fallen through and the money was used as security for other loans during the filming in South Africa of "Golden Rendezvous."

Mr Pieterse also admitted he had been paid R10 000 by the Department of Information which he regarded as an honorarium for making himself available to serve on the board of Thor.

Referring to the proposed black film industry project, Mr Pieterse said his company had gone into partnership with a company, belonging

Had approval

At no time during his appointment as a director of Thor Communicators had money entrusted to him been used "for any project or projects without proper approval and knowledge of all authorising persons," the film magazine, Mr Andre Pieterse, said in a statement in Johannesburg last night. — Sapa.

However, before there could be real co-operation between them he had been informed by the then Minister of Bantu Affairs, Mr M C Botha, that he could depend on it that they had now reached the stage where they could go ahead with buildings.

Dr Eschel Rhoode and Dr Derys Rhooode of the Department of Information would be his contacts and any further representation should be channelled through them.

At this stage he reported to Dr Rhooode daily on the progress. He was also infor

Film Trust then acquired the rights to "Golden Rendezvous" which ran into problems because the main actor, Richard Harris, drank a bottle of vodka a day

At this stage Mr Pieterse persuaded Dr Rhoode that because he personally would be ruined and it would do the industry in South Africa great damage if there were financial problems, to allow him to use the R825 000 as security for loans from Netherlands Bank and Barclays Bank

In reply to a question by Judge Mostert, Mr Pieterse said the R825 000 was still owed to Thor Communicators

Commissioner "What are the chances of early payment?" Mr Pieterse: "Of early payment, none. Eventual payment, there is a reasonable chance."

Mr Pieterse said partial payment could already be



Director sues

Mr Ashley Lazarus, director of "Golden Rendezvous," the film mentioned in Department of Information disclosures yesterday, is suing Film Trust Overseas (Pty) Ltd for more than R40 000 in unpaid director's fees.

Mr Andre Pieterse, a director of Film Trust (Pty) Ltd is associated with Film Trust Overseas (Pty) Ltd.

The case is scheduled for the Cape Town Supreme Court on December 6.

Mr Lazarus said yesterday he had not been paid more than one third of his director's fees.

Mr Lazarus said Mr Pieterse denied him the right to edit the film

He said had he known of any connection between Mr Pieterse and the Department of Information he would have reconsidered his role in the film.

Rhodie's department or a special fund which had been formed for the pur-

made by Film Trust, had been sold overseas for about R1,6-million

made out of the author's rights but this would not be more than R100 000 or perhaps R200 000

No comment on drink link

Irish actor Richard Harris last night refused to comment about Mostert Commission evidence linking his drinking habits with an R825 000 loan of taxpayers' money towards the making of the film "Golden Rendezvous."

Mr Andre Pieterse, the South African film magnate, told Mr Justice Mostert that production of the film hit difficulties from the start because there were problems with the ship that was hired, and with the main, actor Richard Harris, "who drank a bottle of vodka a day"

Mr Harris, who is at present in Johannesburg for the shooting of his third film in South Africa in recent years, "Game for Vultures," last night would not make any comment

Miss Hazel Adair, the British producer of "Game for Vultures," said that during the present filming, Mr Harris had not had anything to drink "on or off the set"

"He is an extremely able, brilliant and very professional actor," said Miss Adair.

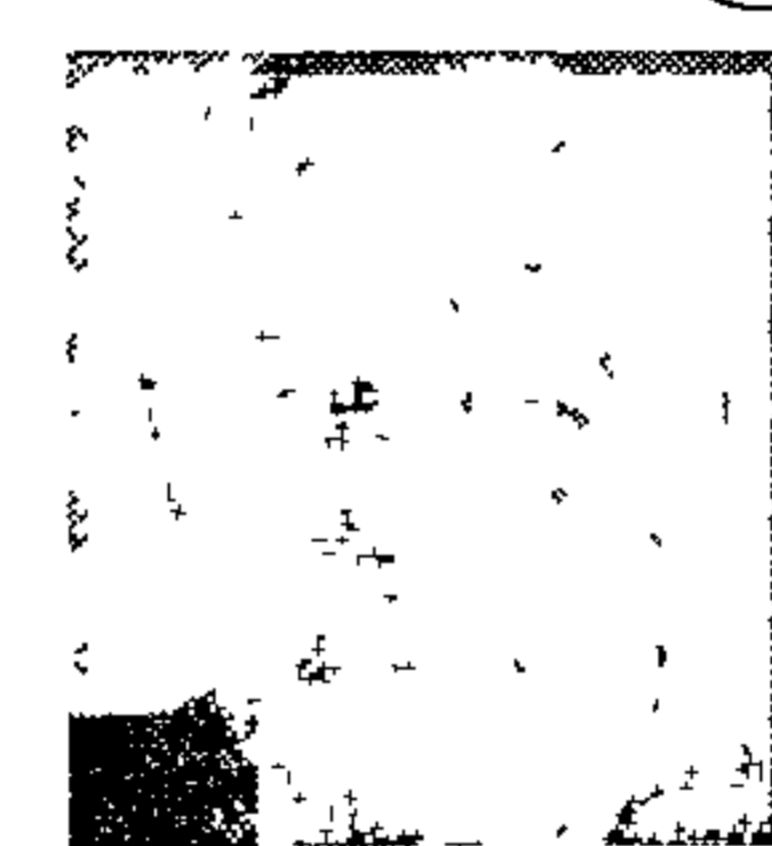
ACTOR RICHARD HARRIS

Why I fought cover-up

Advocate Retief van Rooyen, one of the key men in the Department of Information's Thor Communicators front organisation, explained today why he eventually decided to fight any possible cover-up of the information scandal.

"I got drawn into Thor Communicators by Dr Eschel Rhodie because I genuinely believed that I was acting in the interests of my country.

"However, when I became uneasy about certain transactions, I started asking more and more questions. I liked the answers I was getting less and less and when I finally realised that there was something seriously amiss,



MR VORSTER

I decided to act in what I thought was the country's best interests

"I reported to the then Prime Minister, Mr B J Vorster, who was shocked and who promised to act. When he resigned, I felt I should raise the question again because I believed the investigation was going too slowly and so I told certain Cabinet Ministers what I knew about the Department of Information"



MR RETIEF VAN ROOYEN

Mr van Rooyen refused to say who it was he saw.

Following these discussions, he was asked to testify to the Mostert Commission where he revealed everything he knew about the Department and about Thor Communicators

"Let me make this quite clear. Once I had the feeling that something was really wrong, I reported direct to highest com-

petent authorities all the facts together with all the information which I had reason to believe was correct

"I did this for two basic, simple reasons. (a) I believe that good government requires that the truth be known and, (b) because I believe there was just no way in which I was prepared to be associated with deals I had reason to query, on administrative and moral grounds

"Nor was I going to be involved in a cover-up under any circumstances whatsoever.

"When I was approached by the Commission to give evidence, I was under oath to tell the truth, the whole truth, as I knew it and nothing but the truth. I regarded it as my legal and moral duty to do it.

"The rest is on record"

Van Rooyen lifts cover on Thor Communicators

A description of how Thor Communicators came into existence as a front organisation for the Department of Information was given by Advocate Retief van Rooyen to the Mostert Commission on September 27 this year

Mr van Rooyen told the commission chairman, Mr Justice Mostert, that when he became involved it had been explained to him that he would be subject to the Official Secrets Act

He said, however, that the Department of Information's secret funds probably did not fall under the Act.

After General van den Bergh took over the evaluation of these projects he told Mr van Rooyen he was attached to the Bureau for State Security and matters dealt with by the Bureau fell under Official Secrets Act it would

Rooyen to respect the Act.

The judge pointed out that he had no powers to free Mr van Rooyen from the restraints of this Act, but he foresaw no problems in this connection.

About May 1976 Mr van Rooyen said, he was approached by Dr Eschel Rhodie, then Secretary for the Department of Information, who said what he wished to discuss was subject to the Official Secrets Act

"He told me that his department had a great number of secret projects which they had to execute. Examples given were films made for the department which the department could not distribute abroad, therefore they needed front organisations.

"They could not issue publications and so on. In other words they

front companies which acted for them. The directors read like a South African 'Who's Who'."

Mr Van Rooyen was asked if he would become a director of such a company. He would be paid R1 200 a year

He said the company was incorporated early in June, 1976. Co-directors appointed by Dr Rhodie were Oscar Hurwitz and Mr Andre Pieterse

"I may just also point out that right at the start it was indicated to me that I would not have insight or was not supposed to know of policy decisions made by the Department and the reasons why they did certain things or what the reasons or motivations were.

"In other words I actually had the role of a typist of post office and a name on a letterhead"

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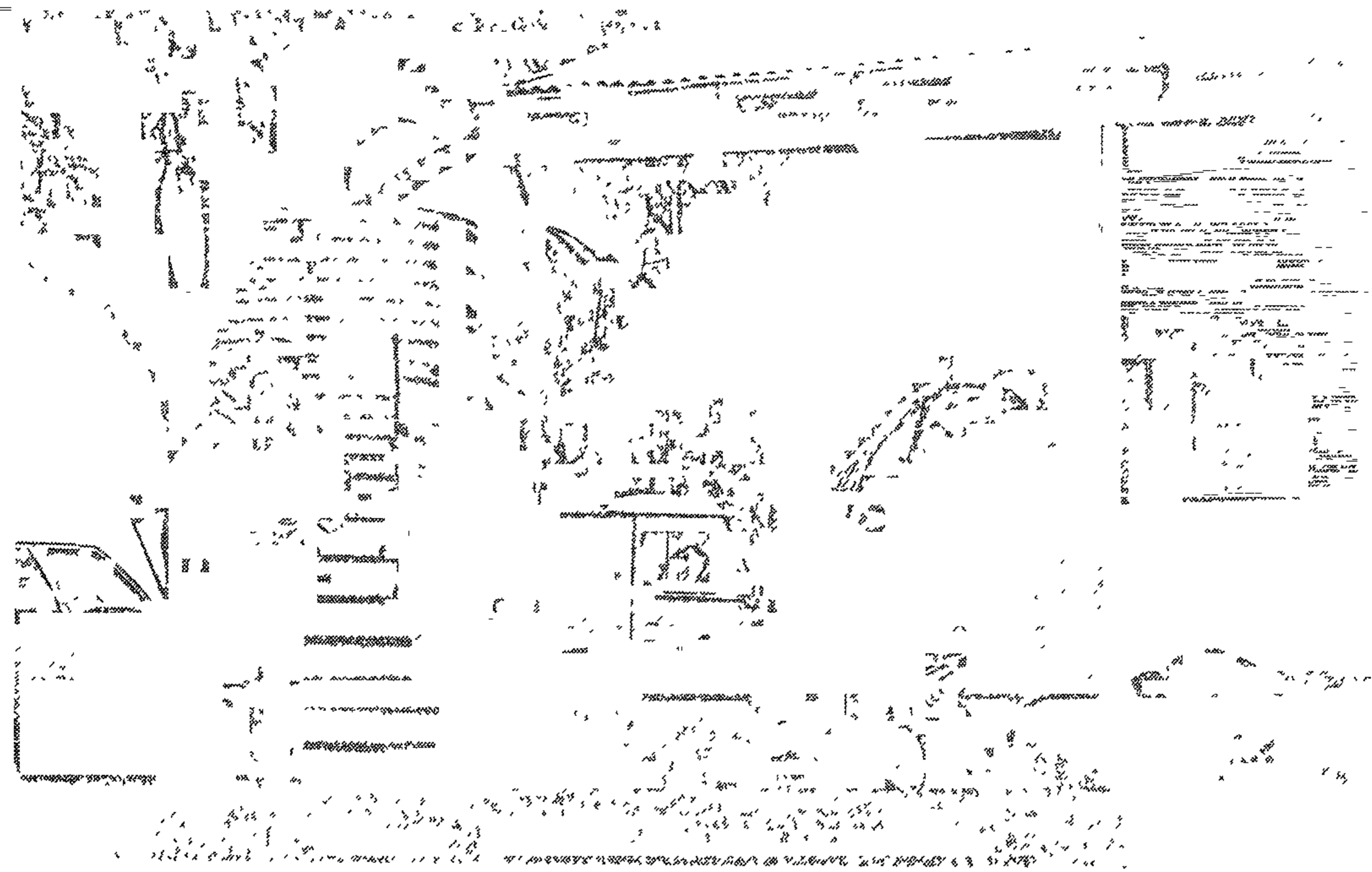
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Armed policemen with bloodhound tracker dogs set out from their post near Alldays in the Northern Transvaal during the search for the three terrorists — Picture Noel Watson

Hundreds quizzed on ambush

By Jan van Ree
Crime Reporter

Hundreds of people have been questioned by police in their search for the terrorist gang which ambushed a patrol in the northern Transvaal earlier this week

Since the ambush in which Sergeant Teunis Nel (34), was shot and wounded, police have been sending out patrols day and night to investigate reports of suspicious people being seen in the area

The patrols are

heavily armed with light and heavy machineguns, rifles, pump shotguns and side arms. They are also in constant radio contact with their headquarters

Depending on the area involved in a

search patrol is usually taken to the scene by helicopter. Each patrol also includes a tracker dog and handler

Reinforcements have been coming in at a steady pace to help the men who have been

searching since the attack on Sergeant Nel

The search is still being concentrated in one specific area but spotter aircraft were back in the air early this morning.

Van den Bergh vowed to silence scandal, judge told

'We didn't hide anything'

The Parliamentary Select Committee on Public Accounts, which probed the activities of the Department of Information earlier this year "had never

From Page 1

Mr Vorster to drop the "Minister concerned" and

by keeping quiet while they were also saying that Dr Mulder was directly lying. He said that he then told them that he

nicer" concerning a farewell party for Mr L. E. S. de Villiers, former Deputy Secretary for Information who left the

brother Dr Deneys Rhodde, Deputy Secretary of Information) I passed this advice on to Les de

natters would have dealt with.
ng these was the n of which Minister had been involved in tizen deal.

Graaff family interests was prepared to participate in a substantial extent in an offer to the Bailey interests for

fence, after consultation with the Controller and Auditor-General, having regard to the special

PM does not believe cash flow to Citizen

From page 1

Mulder, was prepared to give evidence before the judicial commission he had appointed

- Asked whether, if it were proved that State money had gone on financing a party political newspaper, he would have that money withdrawn from the newspaper, Mr Botha said he could only do so once the facts had been established through the judicial commission. He had to keep an open mind and there might be differing recommendations from the commission

Both the Prime Minister and the Minister of Finance, Senator Horwood, who was also at the Press conference, said they were not aware of an alleged

Cabinet committee which dealt with the channelling of secret funds for the Department of Information

Call to resign

The president of the Southern African Society of Journalists, Mr Jol Patten, has called on journalists employed by The Citizen to resign immediately

Mr Patten said today that evidence before the Mostert commission made it clear agents of the Government had been "playing the fool with the public and the free Press"

"Every pay cheque the (the journalists) receive must now be seen as tainted money," he said

Rhodie: no comment

Own Correspondent
TEL AVIV — Dr Eschel Rhodie, former Secretary for Information, and Mrs Rhodie, are due to leave Israel this weekend after about a week at the Plaza Hotel in Jerusalem

"This is a combination private and business trip," Dr Rhodie said today, but he refused to elaborate what the business aspect was "I am now a private citizen and my business affairs will remain my own"

As for the news from South Africa and the findings with regard to his

role as Secretary for Information and The Citizen newspaper, Dr Rhodie sounded firm

"I told the Press prior to leaving South Africa that I shall return by November 15, and by then I shall also decide if I want to comment in any way. So far I have not made any such decision and therefore I will not comment at this time"

He made no attempt to contact former friends at the Israeli Foreign Ministry, nor was he in touch with the South African Ambassador, his aides said today

A-G will first study report

Pretoria Bureau
The Attorney General, Mr J F. Botha said he

He said the evidence before Mr Justice Mos-

1, 10

This was said today by Mr H J D van der Walt, the committee's chairman, who said he wished to clarify its position in the light of evidence of corruption in the department released by Mr Justice Mostert in Pieteria this week

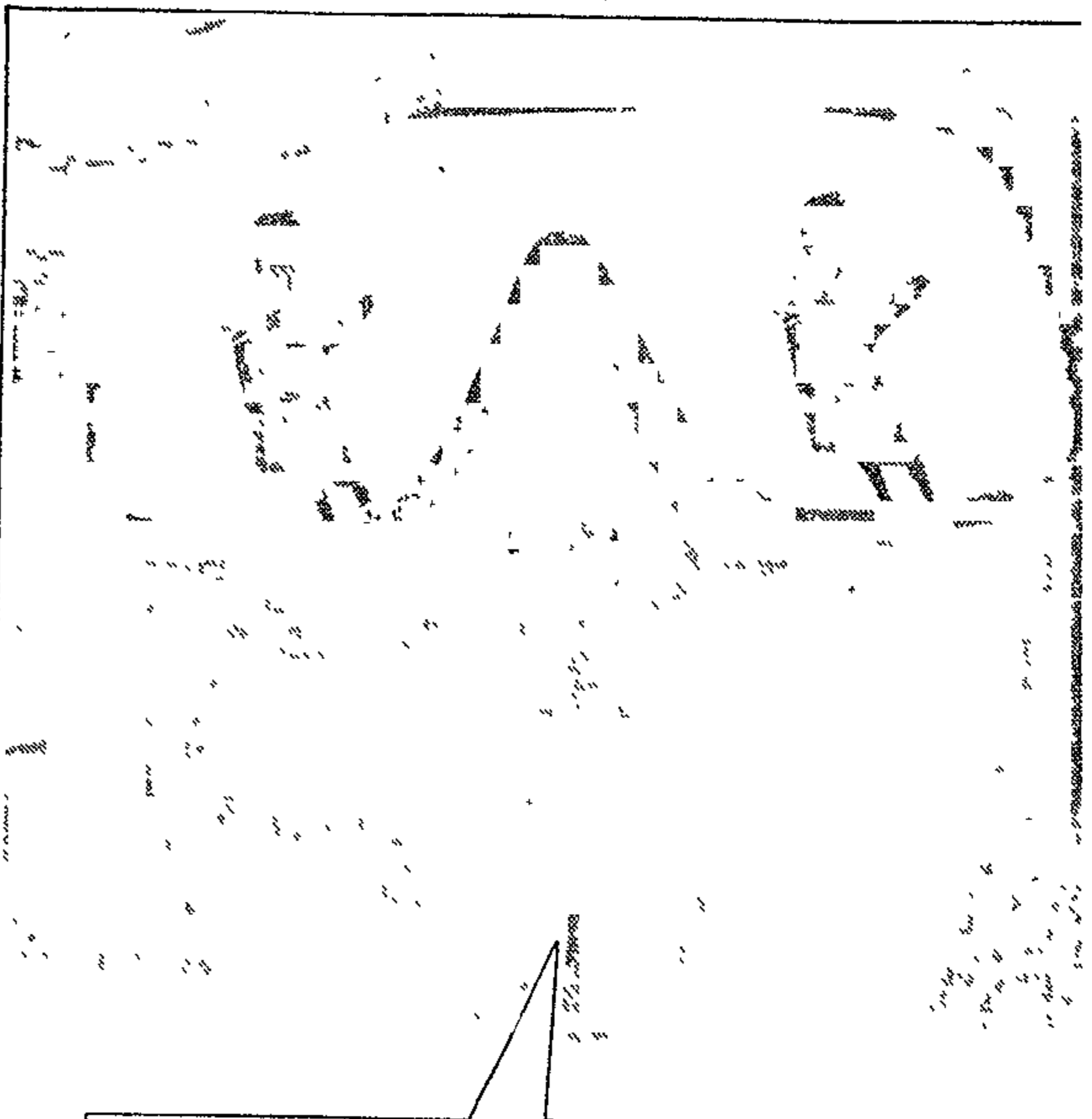
Mr van der Walt said the committee had dealt only with matters which appeared in the report of the Auditor General This report was the basis of the committee's agenda

Justice Mostert's statement and evidence gathered by the judge. He would then decide whether to prosecute and if so whom

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ner as a police doc

52 die in Mexico gas explosion

MEXICO CITY—An explosion caused by gas from a pipeline ripped a Mexican village apart on Wednesday, killing at least 52 people, of whom 15 were children. People, cars and animals were hurled into the air by the blast, which devastated 15 houses, said one eyewitness. The village of Zanchez Magallanes is in south east Mexico — Sapa-Reuter



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WELCOMED

The leader of the New Republic Party, Mr Vause Raw, welcomed the Prime Minister.

Mr Raw said he believed there were implications which went even beyond the extraordinary Information scandal.

"Just who is running South Africa? The Executive? or is the country being manipulated by faithless officials in the secret service?" he asked.

trailing interests in SAAN.

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future of the account

The Act provides that the auditor-general must accept the certificates of the Minister of Defence in regard to any expenditure from the Special Defence Account

Dr Eschel Rhoadie, the former Secretary for Information, admitted at a select committee hearing that secret funds had been made available to the Information Department, but refused to disclose the source

Audited government accounts indicate that no other appropriation could have been the source except other government secret funds

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Unrest in PE townships

Own Correspondent

PORT ELIZABETH — Renewed unrest flared up in Port Elizabeth's black townships since the weekend, after about 10 months of relative quiet. Police and bus company spokesmen in the city attribute the latest incidents to vandalism and crime than to political motivation

The Divisional Commissioner of Police in Port Elizabeth, Brigadier Johan de Kleik, said today that the latest incident was in the New Brighton township on yesterday afternoon, when a group of youths tried to set a bus on fire

Work scratched

The Star Bureau

LONDON — Workers at the Lucas engineering plant in Birmingham walked out when they spotted a dead flea — just one week after the factory had been fumigated. The management had to fumigate the area again before they would go back to work

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to ensure that Dr Eschel Rhoodie left the Department of Information, Mr Vorster replied that he was afraid that, if this happened "one devil would become two"

During their discussions, Mr Vorster told him that he could swallow everything but "not the newspaper" That money would have to come back

"I told him repeatedly that this thing would explode, that this thing would do tremendous damage and that there was only one way for him to act That was to simply take the necessary steps, clean up and explain to the public that he came across irregularities that he took the necessary steps, that because the matter was confidential he could not go into details and that the public should trust him," M van Rooyen said

Mr Vorster promised that the "cat's nest" would be cleaned out, but this did not happen before newspapers started with their campaign

General van den Bergh was appointed to do the evaluation and some time in the middle of 1978, Mr van Rooyen said he got a message that the general wanted to see him They made an appointment to meet at the general's son's flat in Walker Street, Pretoria

"General van den Bergh made it clear to me that he had arrived there only after carefully avoiding the possibility of being followed and he presented to me the legal adviser's opinion about the application of the Official Secrets Act

"He told me then that he had been to see the Prime Minister (Mr Vorster) and Dr Connie Mulder (Minister of Plural Relations and former Minister of Information) and he told them that he had actually intended retiring earlier but that he would save them"

"People were saying that the Prime Minister was misleading the people

would evaluate project for next two years if necessary

"He said that Mr Harry Schwarz (PFP Member of Parliament for ...ville) had been to speak to him and that he had led him up the garden path (om die bos gele

"He told me that he would see to it that the newspapers were told that this whole affair was now covered by the Official Secrets Act because he was now working for the Bureau for State Security on a contract basis and because an affair being handled by the bureau was covered by the Official Secret Act

"He would inform the newspaper editors that any further writing about this whole affair would be a contravention of the Official Secrets Act

"He also told me that he would begin at project Number One and that he would work through to the end If any inquiries came, he would say that he did not even know if there was such a project, that he was dealing with them one at a time In other words, he would drag the thing out for them until such time as it was dead"

Mr van Rooyen also told of an incident which he thought was "not too

United States public relations company

"I was invited because Les de Villiers came to me earlier and told me that they were stealing money from the secret funds left and right around him For instance, they gave him R10 000 and he used it for secret operations Later

"I was asked of him where the money was and he said he used it on the projects concerned But Dr Rhoodie is alleged to have then told him that he was stupid because the money was given to him

"In any case, Les de Villiers came to me and told me of his offer to go to America He said that he could not stand the whole situation any longer and that there would be a tremendous explosion

"He said that he felt that he should go but, on the other hand, he did not want to throw away his career in the Government service unless it was really necessary He asked me to speak to the Prime Minister and get his advice on this matter

"I did this, I went to the Prime Minister and the Prime Minister's advice was that Les de Villiers should put as much distance between himself and the Rhoodies (Dr Eschel Rhoodie and his

accept the position in America

"So I was already in contact with the Prime Minister before Les de Villiers decided to accept the position in America

"In any case, the day that the farewell party was being held, I had been to speak to the Prime Minister about the whole affair

"When I arrived at the party, I saw General van den Bergh, Dr Connie Mulder, and Dr Eschel Rhoodie standing together talking in a corner A few minutes later Les de Villiers came across to me He called me out and asked me what I had been doing now, what was happening, because he had just been warned that he should be very careful about talking to him (Van Rooyen) because he was gossiping to the Prime Minister

"In other words, my discussion with the Prime Minister that morning had already reached the ears that evening of Dr Mulder, Eschel Rhoodie and the general

"I asked Les de Villiers how this could possibly have happened and he said the general had spoken after speaking to the Prime Minister"

Appeal by new probe judge

The newly appointed chairman of the commission of inquiry into information, Mr Justice R P B Erasmus, said today he would be very strict on continued speculation about the affair

"The matter is now sub judice," he said, "and I want to appeal to the public to speculate as little as possible about it"

Mr Justice Erasmus was speaking from his home in Bloemfontein

The judge was a member of the Government

information service from 1942 to 1944

He was a journalist for a short time and later legal adviser to the Free State National Party

In 1936, he was first external Rhodes student He was a Rhodes Scholar from 1936 to 1939 and holds BA (Hons), MA and BSc degrees from Oxford

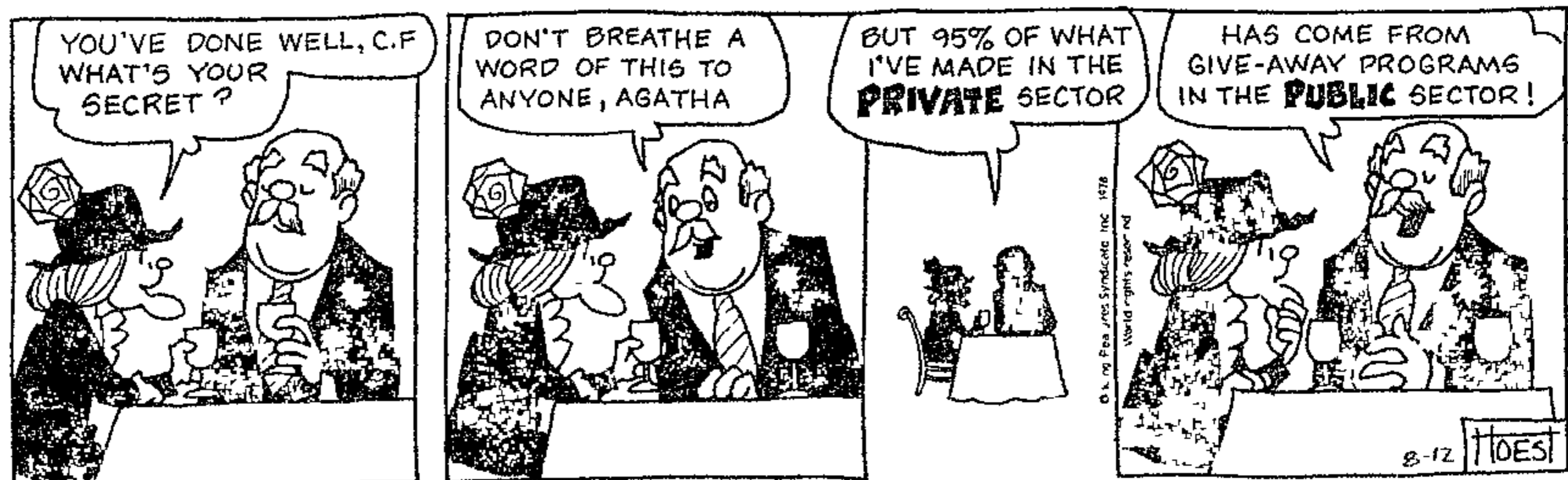
Mr Justice Erasmus was chairman of the Remuneration Commissions under the Medical Schemes Act in 1969, 1971 and 1974 In 1973 he was a member of the delimitations commis-

sions for South Africa and SWA/Namibia and in 1975 he was chairman of Commission on Industrial Health

He serves on the permanent legal commission of the Ned Geref Kerk's Free State synod

Mr G F Smalberger, who is to work with the judge, is known to prefer working with legislation of a highly technical nature

Mr A J (Braam) Lategan the Attorney-General of the Cape, the third member of the commission, like Mr Smalberger, graduated from Stellenbosch



Recall for judicial report

From page 1

Secretary of the Department of National Security. The committee will continue to investigate what projects of the department should continue, if irregularities had occurred in the past and the interests of the people could be protected in the future.

EVALUATED

had submitted an interim report saying that of 138 projects 74 had been evaluated and recommending that 26 be discontinued because their use had either been proved or could not be effectively reached in the future.

The committee said because it could not put witnesses under oath, or summoned witnesses, it asked to be relieved of investigating irregularities and use of State funds and other steps be taken to launch an investigation.

Prime Minister said he had appointed the judicial commission in the light of this recommendation.

ONLY THREE

Sessions of Parliament on December 7 will be the first such special sessions in nearly 40 years.

In the Union, only three sessions have been held. The first was in 1910, just before World War 1, the second in 1919 before the Treaty of Versailles and the third in 1940 before World War 2.

Opposition leader Bassem Basson, PFP spokesman on Information, said that from the report of the judicial commission matters would have to be dealt with.

Among these was the deal of which Ministers have been involved in the recent deal.

Millions of rands filtered through Defence

Millions of rands have been channelled through secret Defence funds to finance a number of non-military projects by other government departments, according to sources close to the operations.

'No hint of Govt cash'

Own Correspondent

CAPE TOWN — Sir de Villiers Graaff, former leader of the Opposition, said today that "at no time was it even hinted" that Government money was involved, when he was first approached to take part in a takeover bid for South African Associated Newspapers.

He said if information published today was correct, a "shameful attempt was made to exploit the good name of his family and himself." Sir de Villiers was reacting to some of the evidence released by Mr Justice Mostert.

In a statement issued in Cape Town today Sir de Villiers said "It is of course old news that I, as a director of Graaff Investments nominees on behalf of certain of the Graaff family interests, was prepared to participate in a substantial extent in an offer to the Bailey interests for

The total amount diverted for these projects in the past five years was about R28-million, the sources said.

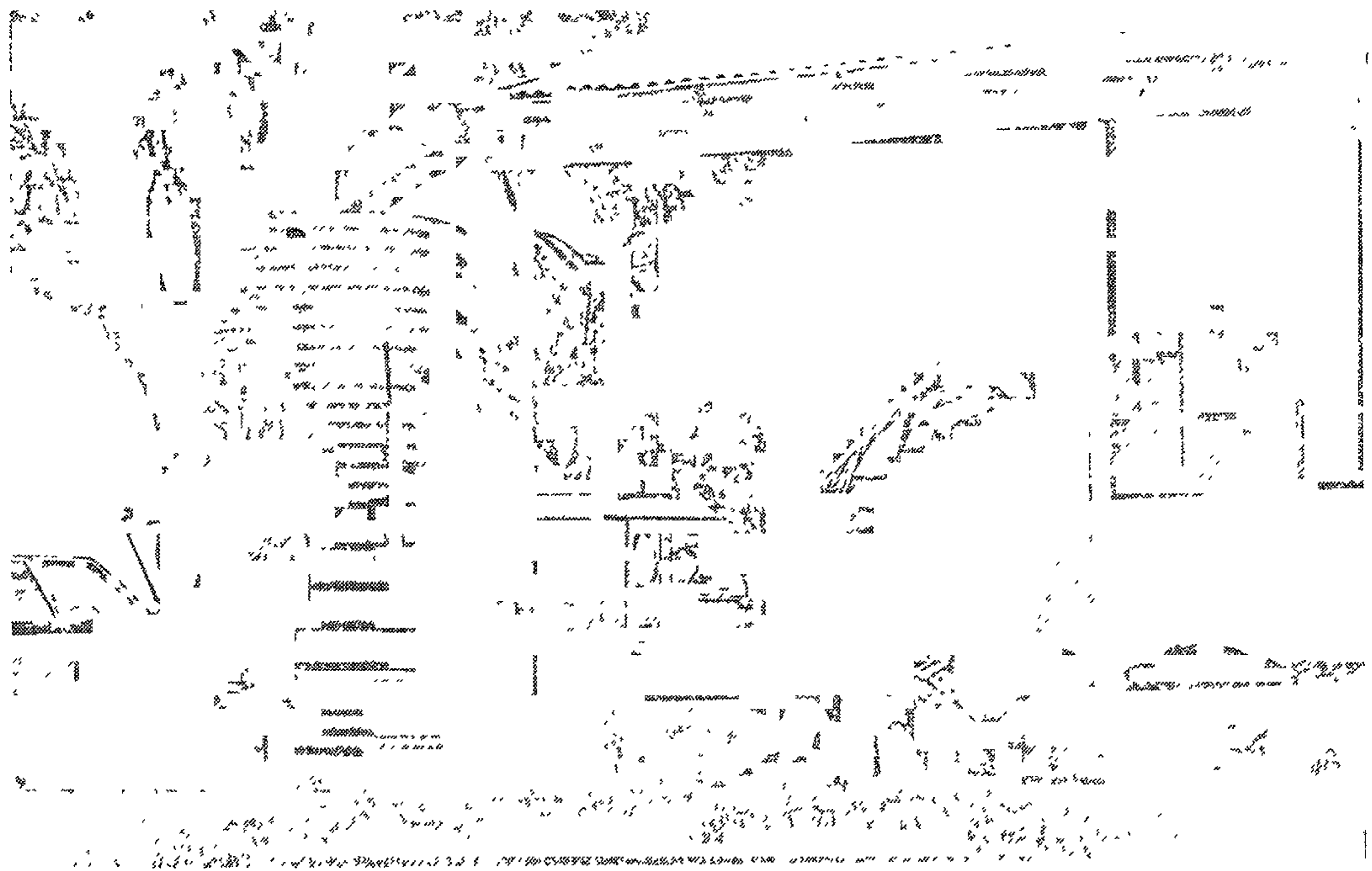
The money is said to have been channelled through the Special Defence Account (formerly the Defence Special Equipment Account) which forms part of the Defence Department budget approved by parliament.

CONDUIT

According to the sources, the conduit was through the Bureau for State Security (now Department of National Security).

At least one deposit, of 10-million US dollars (R7,8-million) was made in an account at the Union Bank in Switzerland, the sources said.

Provision is made in the Defence Special Equipment Act (Act 6 of 1974) for an audit of the secret defence funds by the auditor-general to the extent determined by the Minister of Finance acting in consultation with the Minister of Defence, after consultation with the Controller and Auditor-General, having regard to the special



Armed policemen with bloodhound tracker dogs set out from their post near Alldays in the Northern Transvaal during the search for the three terrorists — Picture Noel Watson

Hundreds quizzed on ambush

By Jan van Rec
Crime Reporter

Hundreds of people have been questioned by police in their search for the terrorist gang which ambushed a patrol in the northern Transvaal earlier this week

Since the ambush in which Sergeant Teunis Nel (34), was shot and wounded, police have been sending out patrols day and night to investigate reports of suspicious people being seen in the area

The patrols are

heavily armed with light and heavy machineguns, rifles, pump shotguns and side arms. They are also in constant radio contact with their headquarters

Depending on the area involved in a

search patrols are usually taken to the scene by helicopter. Each patrol also includes a tracker dog and handler

Reinforcements have been coming in at a steady pace to help the men who have been

searching since the attack on Sergeant Nel

The search is still being concentrated in one specific area but spotter aircraft were back in the air early this morning

Van den Bergh vowed to silence scandal, judge told

'We didn't hide anything'

From page 1

Mr Voister to drop the "Minister concerned" and

by keeping quiet while they were also saying that Dr Mulder was directly lying. He said that he then told them that he

nice" concerning a farewell party for Mr L E S de Villiers, former Deputy Secretary for Information who left the

brother Dr Deneys Rhoades, Deputy Secretary of Information). I passed this advice on to Les de

The Parliamentary Select Committee on Public Accounts, which probed the activities of the Department of Information earlier this year "had never

PM does not believe cash flow to Citizen

From page 1

Mulder, was prepared to give evidence before the judicial commission he had appointed

Asked whether, if it were proved that State money had gone on financing a party political newspaper, he would have that money withdrawn from the newspaper, Mr Botha said he could only do so once the facts had been established through the judicial commission. He had to keep an open mind and there might be differing recommendations from the commission.

Both the Prime Minister and the Minister of Finance, Senator Horwood, who was also at the Press conference, said they were not aware of an alleged

Cabinet committee which dealt with the channelling of secret funds for the payment of Information

Call to resign

The president of the Southern African Society of Journalists, Mr John Patten, has called on journalists employed by The Citizen to resign immediately.

Mr Patten said today that evidence before the Mostert commission made it clear agents of the Government had been "playing the fool with the public and the free Press".

"Every pay cheque the (the journalists) receive must now be seen as tainted money," he said.

Rhodie: no comment

Own Correspondent
TEL AVIV — Dr Eschel Rhodie, former Secretary for Information, and Mrs Rhodie, are due to leave Israel this weekend after about a week at the Plaza Hotel in Jerusalem.

"This is a combination private and business trip," Dr Rhodie said today, but he refused to elaborate what the business aspect was. "I am now a private citizen and my business affairs will remain my own."

As for the news from South Africa and the findings with regard to his

role as Secretary for Information and The Citizen newspaper, Dr Rhodie sounded firm.

"I told the Press prior to leaving South Africa that I shall return by November 15, and by then I shall also decide if I want to comment in any way. So far I have not made any such decision and therefore I will not comment at this time."

He made no attempt to contact former friends at the Israeli Foreign Ministry, nor was he in touch with the South African Ambassador, his aides said today.

A-G will first study report

Pretoria Bureau
The Attorney General, Mr J. F. Botha, said he

He said the evidence before Mr Justice Mos-



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THE INFORMATION FILE... THE INFORMATION FILE... THE INFO

Soured ambitions led to distrust and anger

Joint ambition soured to heated arguments, distrust and anger between Mr Louis Luyt, and Dr Eschel Rhodie — key figures in the launching of The Citizen.

This emerges from evidence given to Mr Justice Mostert by Mr Luyt, who gave several reasons for the break between himself and the former Secretary for Information.

"Dr Rhodie and I did not co-operate smoothly because he telephoned about the most trivial things. For example, if a book was not reviewed he telephoned me about it. He leaked certain things directly to the newspaper and caused lots of trouble for me. We clashed more and more."

Rhodie a James Bond, says Luyt

Bond, says Luyt

He also often said things which he denied a week later. An example of this, Mr Luyt said, was The Citizen's backing of the Grand Prix. A contract guaranteeing backing for three years was required. Dr Rhodie first said this was in order, but in the second year, he denied ever agreeing to this

"He spoke to me as if I was a hireling of his. I made it very clear to him in no uncertain terms that I did not work for him or Dr Mulder or anybody else, but that I did what I was doing because I was asked to do so and I received nothing for it. I would not allow him to speak to me as if I was one of his hirelings. I am not stating it softly — I

"I don't think anybody had addressed Rhodie like this in front of the Minister (Dr Connie Mulder) before, but I felt it had to be said because he simply got away with murder. Eventually relations between the men became so strained that Mr Luyt had instructed an adviser to act on his behalf "because I could no longer get on with Rhodie."

called him a James Bond, in fact, with all his mythical companies, this sort of thing

"I could never believe him (Dr Rhodie). I could not believe him and I did not believe him. He jumped around too much for me, so we had friction."

The leader of the New Republic Party, Mr Vause Raw, welcomed the Prime Minister.

Mr Raw said he believed there were implications which went even beyond the extraordinary Information scandal.

"Just who is running South Africa? The Executive? or is the country being manipulated by faithless officials in the secret service?" he asked.

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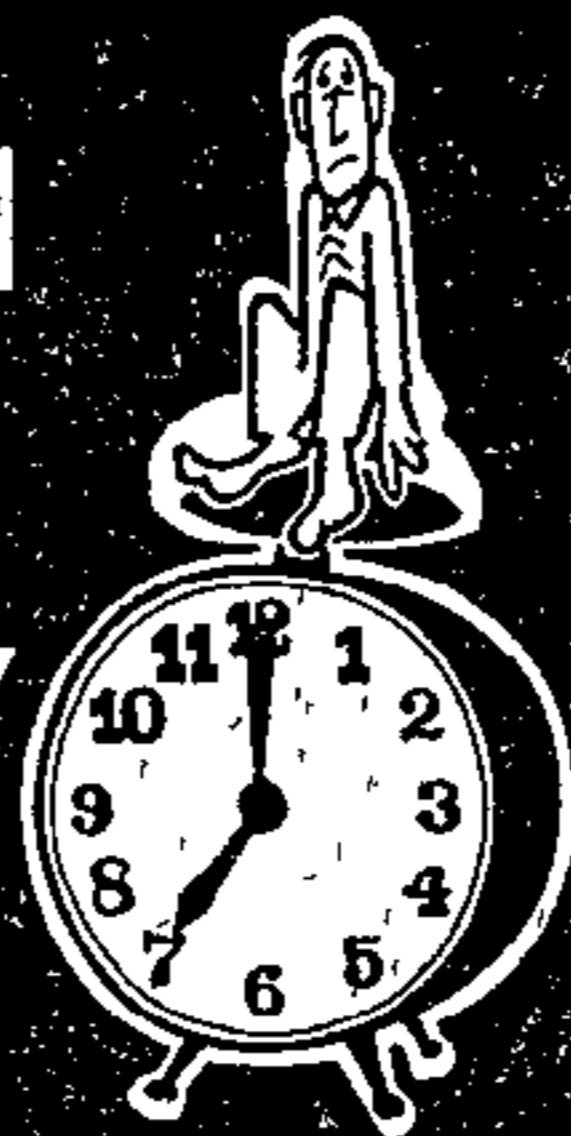
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Saturday
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Shoulder
Bacon** Including
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Beef Sausages** Including
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Unrest in PE townships

Own Correspondent

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LONDON — Workers at the Lucas engineering plant in Birmingham walked out when they spotted a dead flea — just one week after the factory had been fumigated. The management had to fumigate the area again before they would go back to work.

R12-m to prop up Citizen — lawyer

Pretoria Bureau

A R12-million loan was made from secret Information funds to prop up The Citizen, according to evidence given to the Mostert Commission by Advocate Retief van Rooyen.

His evidence provided corroboration for many earlier Press reports of alleged misuse of secret government funds.

He claimed Dr Eschel Rhodie asked him to become director of Thor Communicators, which would serve as one of the front organisations used by the Department of Information to carry out secret projects.

The total of R5-million was transferred from The Saurus, thought to be a front organisation for BOSS, via the Union Bank of Switzerland and Thor Communicators into Volkskas account in Bosman Street, Pretoria.

Another Thor transaction involved payment of about R1,5 million for a share in Mr Louis Luyt's aircraft, as well as R1-million loan to Mr Luyt as a shareholder in the aircraft.

Secret funds were used to purchase flats at Vaalhallia, Clifton, one of which was kept empty for the personal use of Dr Eschel Rhodie.

Film magnate Mr André Pieterse allegedly received R825 000 from secret funds for black cinemas which Mr van Rooyen understood was not used for that purpose.

Mr van Rooyen was asked to sign a contract for a house in Bantry Bay to be used by a "senior official" of the secret fund. Eventually Dr Rhodie bought the house in his own name.

Mr van Rooyen said he was shown a contract according to which Dr Rhodie loaned Mr Louis Luyt R12-million.

Louis Luyt . . . he wasn't paid.

Eschel Rhodie . . . was not believed.

FOUNDING OF A PAPER

The Department of Information played the leading role in efforts to take over South African Associated Newspapers and the establishment of the pro-Government newspaper The Citizen.

This emerges from evidence given to Mr Justice Mostert by the first proprietor of The Citizen, Mr Louis Luyt.

The Secretary of the now defunct Information Department, Dr Eschel Rhodie, had approached him about a possible takeover of SAAN. Dr Rhodie was said to have told Mr Luyt it was hoped to "use" him — especially his name — the fact that he was well off and that the amount needed for

Pact
to put
nothing
in
writing

When the newspaper was running at such a severe loss that Mr Luyt expressed fears to Mr de Villiers of having to close it down, he was told that

Loftus box blew cover

Pretoria Bureau

Dr Eschel Rhoodie "blew his cover" by sitting at Loftus Versfeld with his family in a private box marked "Thor Communicators"

The saga of the "secret" hokkie at Loftus in Pretoria was contained in evidence before the Moot Commission by a director of Thor, Mr Rietief van Rooyen, who claimed the company served as a front organisation for channelling the Department of Information's secret millions

Mr van Rooyen said he was asked in April 1977 to

sign a R8 000 contract extending over two years for the hire of the "hokkie" at Loftus on behalf of Thor

"I could not see why Information's secret fund should rent a public box before 60 000 spectators at Loftus Versfeld," Mr van Rooyen said

Dr Rhoodie explained to him that many people brought to South Africa with secret funds could not be placed on the Department's official guest list but they had to be entertained.

Thor directors were to get two season tickets each, to be surrendered if necessary to visitors Mr van Rooyen went to "have a look" at Loftus

"At the first game the words 'Department of Information' were visible above the door. I said to Dr Rhoodie 'What is this? You say you need a secret

hokkie. Now it reads 'Department of Information,' while the contract purports to be in the name of the front company

"You are in fact blowing your cover completely," Advocate van Rooyen told Dr Rhoodie.

The next week the Department's name had been replaced by "Thor Communicators"

"Who was sitting in the hokkie? Dr Rhoodie, Deneys Rhoodie the attorney, and a family member of Dr Rhoodie"

It looked like a "Rhoodie hokkie," Mr van Rooyen said

The advocate decided before finally refusing to sign the contract that he would "throw a stone into the bush"

He suggested to Dr Rhoodie that the Sunday Times was interested in a certain box at Loftus. Dr Deneys Rhoodie immediately

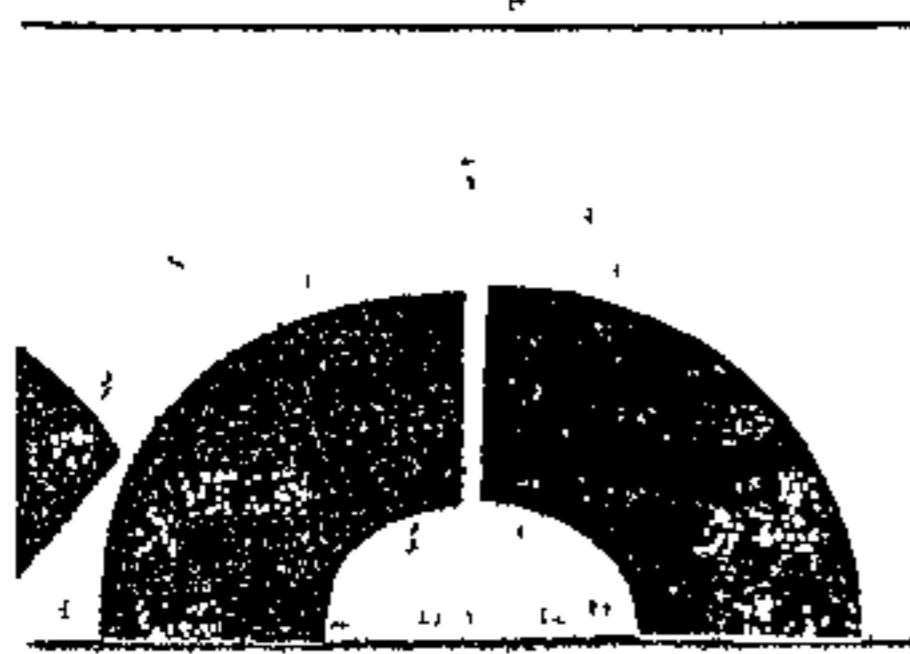
phoned to say that none of them would ever appear in the hokkie again for fear of being photographed "with telefoto lenses"

This confirmed for Mr van Rooyen that something was wrong and he told Dr Rhoodie he would not sign the contract.

Dr Rhoodie asked him to cancel the arrangements

"I arranged this with Eschel Rhoodie," he was told by Mr Robert Denton, secretary of the Northern Transvaal Rugby Union

"I have it in black and white He hired it It is a Department of Information hokkie or it is a private Rhoodie hokkie Whether he sits there or not . . . I am not interested in the company Thor Communicators, Dr Rhoodie owes this amount and he will have to pay," he said.



THE INFORMATION SCANDAL

ATTENTION GOVERNMENT
 THE RAND DAILY MAIL can today reveal facts that not only were millions of Rand in State funds secretly allocated by the Government to finance the Nationalist Party, The Citizen.

By MERVYN REES
 The Rand Daily Mail can today reveal facts that not only were millions of Rand in State funds secretly allocated by the Government to finance the Nationalist Party, The Citizen.

Money for

Daily Mail
 RAND DAILY MAIL
 PUBLISHED MONDAY OCTOBER 16, 1978
 PRICE 35c per copy
 SUBSCRIPTIONS: 12 months R5.00, 6 months R3.00, 3 months R1.50. Single copies 35c.

The RDM... Monday

FLOWER POWER
 Discoveries at the flower show in Durban and other parts of the country.

Stutterfords
 FADINGTON BEAR
 The Fadington Bear is a new breed of bear, developed by Stutterfords.

Daily Mail
 RAND DAILY MAIL
 PUBLISHED TUESDAY OCTOBER 17, 1978
 PRICE 35c per copy
 SUBSCRIPTIONS: 12 months R5.00, 6 months R3.00, 3 months R1.50. Single copies 35c.

Judge may act
 MR JUSTICE ANDERSON, who is presiding over the trial of the former Prime Minister, may make public evidence given to him by the witness in the case of the Department of Information.

Daily Mail
 Clean it up fast, Mr Botha

The RDM... Tuesday

Who cracked the

else His investigations have meant a total commitment, day in and day out, week and weekend. He has covered thousands of miles, spoken to hundreds of people.

For all that his efforts are paying off now, it was a year of tremendous frustration for Rees. The basic job of satisfaction that sustains journalists, the satisfaction of seeing one's stories in print, was completely absent. Whatever facts he might be gathering could not be published.

Moreover, since the "Mail" had recently been forced to retrench several members of its editorial staff, the time Rees was spending on his inquiries was becoming more and more difficult to justify.

Two main problems faced Rees in his investigations. By its nature, the whole operation was a cellular thing. The people he met and interviewed tended to have scraps of information, often small and scattered pieces in the broad jigsaw. Those who knew the full story were hardly likely to talk about it.

For months, it was difficult to see the whole picture. The jigsaw refused to grow from one point outwards. Until the Citizen angle began to develop.

The second problem was how he would be able to make public the information he was assembling. In Pretoria, particularly, Rees encountered a number of sources willing to disclose facts about the Department of Information.

Most of these were honest, dedicated civil servants who had become bitter about Dr Eschel Rhoodie, about his quicksilver rise to Secretary (against the recommendations of the Civil Service Commission), his Mercedes 450 sports car and his high living.

But the very basis on which these officials were prepared to talk to Rees was on the strictest understanding that he would never reveal their identity.

Months ago, Rees was able to arrive at a broad grasp of the Info scenario. Particularly, he could piece together the part involving The Citizen, as well as the R10-million out of Government funds which went towards a bid for the Washington Star. But he could write none of it while he was honour bound not to disclose his sources.

Nor did it help his morale that other reporters, notably Katzin, were publishing snippets of fact from the broad Info file — about the Rhodie Seychelles trip, the department's publishing contracts, the Thor connec-

RDM 259

3/11/78

tion. At an early stage in the investigations, the "Mail" had decided on a specific policy — which, in the phrase of the Editor, Alister Sparks, was to "go for the jugular" rather than make public disappointed bits and pieces of the scandal.

The "Mail" realised that by this policy it might not be the first newspaper to break the overall story, but Sparks was not unduly worried. Since the "Mail" was the main competitor of The Citizen, it might even carry greater credibility if the initial break came from another paper.

But that was slim philosophy for Mervyn Rees, sitting on the greatest scandal in his country's political history.

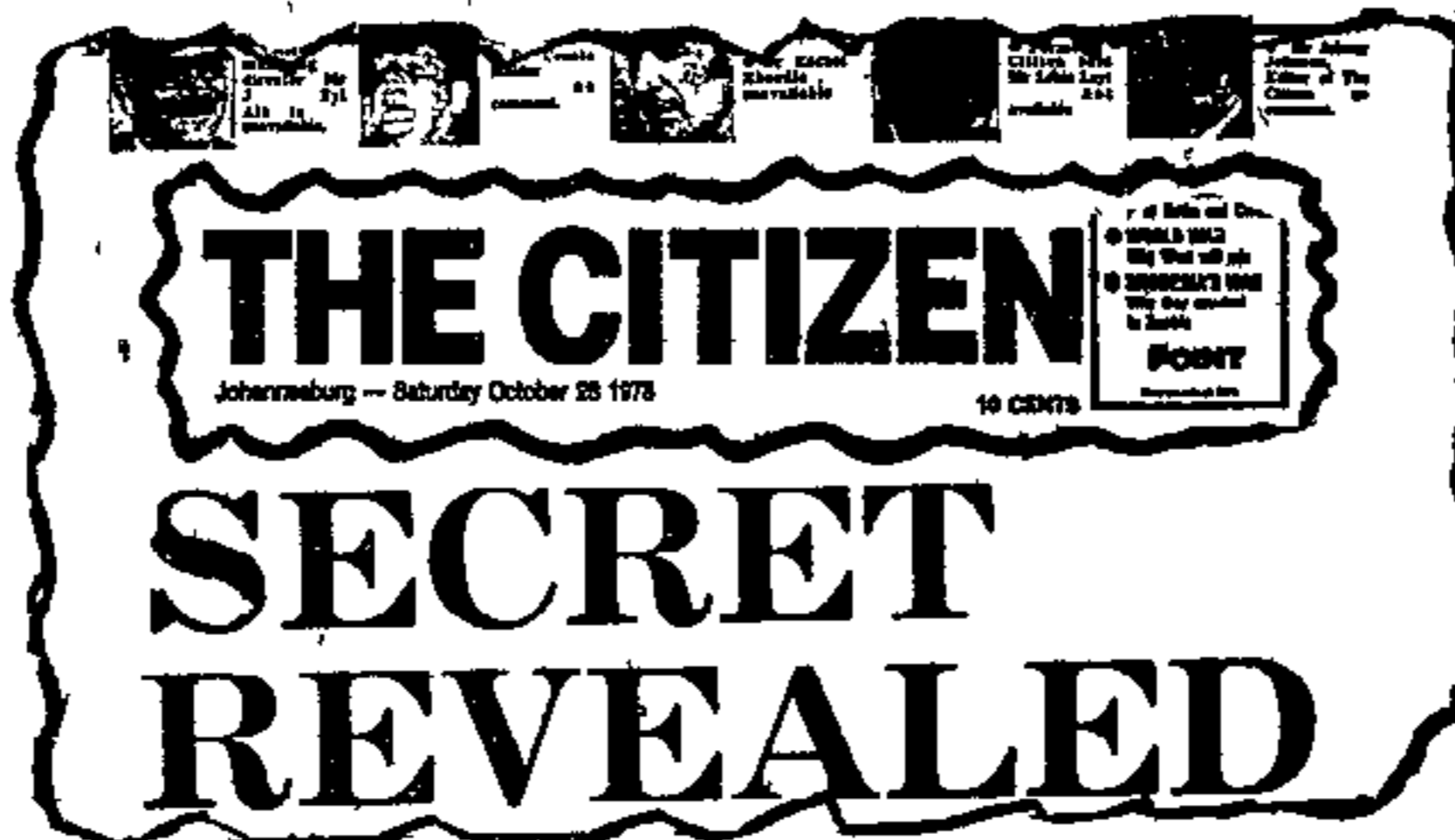
"It was absolutely soul-destroying," he says. "I knew what we had, but sometimes despaired that we would ever be able to blow it."

Rees' modus operandi at that time was to have a weekly meeting with the Editor and, in between, to submit a memorandum on every new significant development or discovery. Partly this was necessary because he could hardly hope to store all of it in his head. But in addition, the Editor reckoned, to write down this info-

INSIDE MAIL



KITT KATZIN
Sunday Express



The Sunday Express . . . October 29



MERVYN REES
Rand Daily Mail

The men

By JOHN RYAN

THE biggest story in South Africa's political history was basically broken by two newspapers — the Rand Daily Mail and the Sunday Express

Or, more specifically, by two reporters on those papers — Mervyn Rees of the "Mail" and Kitt Katzin of the Express

Other journalists at other stages were involved in trying to piece together The Citizen and Information Department scandal. At least two Afrikaans newspapers are known to have had investigative reporters probing various aspects, and the Sunday Times at one time delegated six men to the story

But it was the two one-man operations of Rees and Katzin, working intensely and relentlessly for longer than a year, which were eventually able to link together the segments of the scandal and bring it to the final stages of publication.

Two less similar characters it would be hard to find — even around the motley world of newsrooms

Rees is a soft-spoken operator whose strength as an investigator lies in a sort of low-key persuasiveness, coupled with an absolute integrity. This combination

allowed him to function for nearly 12 years as the "Mail's" crime reporter, to earn him the respect and confidence of dozens of police contacts and a bundle of scoops besides

Katzin's style is entirely more flamboyant. His bluff, almost casual personality, works as effectively over the telephone as it does in direct contact. Indeed, he is without doubt the country's top telephone reporter and uses the instrument almost exclusively for interviews. Katzin would say he gets around faster that way

What the two men have in common are a dogged energy and a well-developed scepticism. Both are past winners of the Stellenbosch Farmers' Winery award for enterprising journalism — Rees in 1969, Katzin last year. Both have been honorably mentioned several times in the competition

Mervyn Rees' involvement in the Department of Information probe began last October, when the first hint of a scandal involving the department and some of its top officials came to the notice of the "Mail" and other papers. The job of directing the inquiry fell to him as assistant to the Editor in charge of investigations

Since then, for a solid year, he has done nothing

Croc tears

SPARE us your crocodile tears, Mr Eglin.

Your party and its Press have tried to do a hatchet job on The Citizen.

So don't come with the great sob story that the Prime Minister owes it to The Citizen newspaper and the public to say categorically whether or not The Citizen is sponsored by secret Government funds.

There would never have been any suggestion that The Citizen had Government money behind it if it hadn't been for the PFP and its Press.

The Leftist, liberal PFP organ, the Rand Daily Mail, started the smear.

The Star took it up.

Your Mr Japie Basson repeated it in Parliament.

So did your Dr Zac de Beer.

And then you, the Leader of the Opposition and the PFP, gave the weight of your office to the speculation, and insinuation, and innuendo and false imaginings of your party and its Press.

Oh you are a lovely man, with all your talk of the Department of Information doing business with "strange and interlocking companies with the same people appearing in the top positions".

No doubt in time you will tell us of the "strange and interlocking companies with the same people appearing in top positions" of the powerful financial interests with which your party and Press are associated.

Or perhaps, on reconsideration, you'll stop your attempt at smear-by-association and accept that un-

Rotten smear

WE dismiss with contempt the rotten smear by the Left-wing Rand Daily Mail about the finances of The Citizen. The Rand Daily Mail and its associates have tried, ever since this newspaper was published, to destroy it by a whispering campaign of the most vicious kind.

They have failed.

The Citizen is not only alive and well but growing spectacularly as the sales graph on Page One shows.

The disgraceful attack on us proves one thing: That the Rand Daily Mail is unable to compete fairly against The Citizen, newspaper against newspaper, in a battle of newsworthiness, credibility and market acceptance.

It has resorted, instead, to the smear. But these dirty tactics will not halt The Citizen's success.

The Citizen will grow and grow and grow because, unlike the Rand Daily Mail, it is a newspaper which is South African, first and always, and reflects the mood and will of the people of this country at this critical point in South Africa's history.

The Citizen on May 4 this year

... the men who denied it

TREVOR BISSEKER

AS EARLY as May this year, suggestions that The Citizen was being secretly funded were hotly denied. We dismiss with contempt the rottee smear by the left-wing Rand Daily Mail about the finances of The Citizen, the newspaper stated on May 4, in response to a "Mail" editorial.

In the editorial, the "Mail" asked why the names of the shareholders who had bought the paper from Mr Louis Luyt were being kept secret.

On May 10, The Citizen wrote of "the political assassins of the PFP Press," who were trying to destroy The Citizen in the market place.

The same day, the Minister of Information, Dr Connie Mulder, said in the House of Assembly, in reply to a question from Mr Japie Basson, PFP Beaudenhout, "The Department of Information and the Government do not give funds to The Citizen."

In the same debate, Dr Mulder said his department neither owned nor ran any

newspaper in South Africa. He was not prepared to state which organisations were funded by his department and which were not, but he wanted to clear newspapers because of the allegations that had been made.

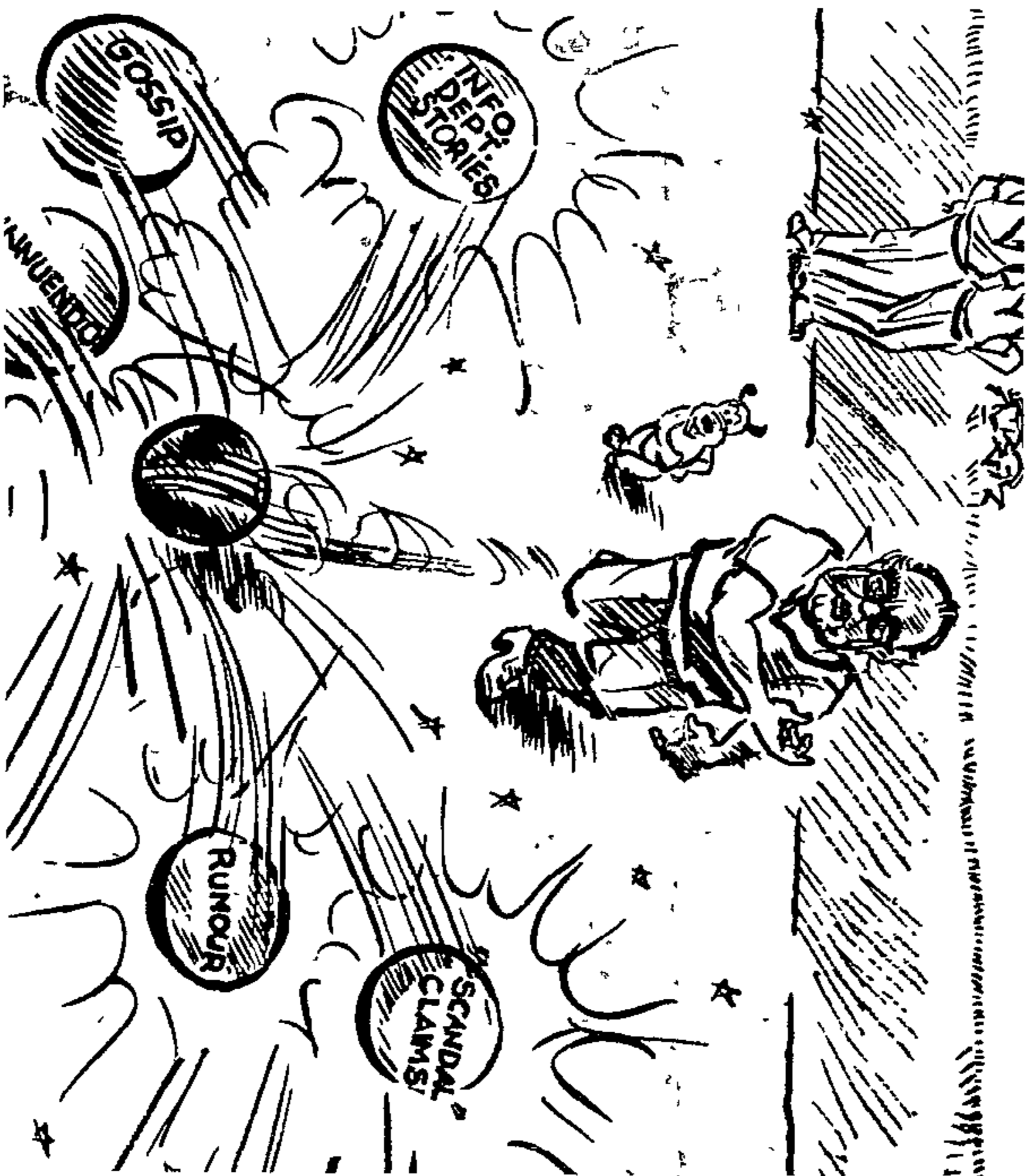
The Citizen stated Mr Basson in an editorial the next day for telling Parliament that many people believed The Citizen received secret financial support from the Government. It said there was no basis for the allegation.

"What a smear!" said The Citizen, "A smear that isn't backed by one solid fact, by one word of truth." Slammering into "the PFP Press", the newspaper added, "To their eternal shame, the 'Mail' and the other PFP newspapers will be remembered for the way they tried to smear a newspaper out of existence."

A few days later The Citizen told the Leader of the Opposition, Mr Colin Eglin, "don't come with the great sob story that the Prime Minister owes it to The Citizen newspaper and the public to say categorically whether or not The Citizen is sponsored by secret Government funds."

"There would never have been any suggestion that The Citizen had Government money behind it if it hadn't been for the PFP and its Press."

Last Sunday's categorical report in the Sunday Express that The Citizen had been funded by the Govern-



A Citizen cartoon of May 10 this year

chairman of The Citizen, and Mr Jan van Zyl Alberts, managing director, were not available to the "Mail". but in a joint statement published in their newspaper they said "The Citizen was bought and is conducted as an independent business venture, operated on our capital funds."

briefed certain Cabinet Ministers on currency dealings involving the department and made a statement to Mr Justice Mostert, declined to comment to the "Mail" apart from referring to a statement he had made several months before. This was that "neither Thor nor myself was the

That afternoon Die Vrederland asked in big headlines, "Who is lying 'over Information'?"

In a more calmly worded editorial on Tuesday, "The Citizen referred to 'the most outrageous allegations' and 'so-called revelations' in the 'Mail' and

published on Tuesday that he knew nothing about any missing R13-million (reported in the "Mail" on Monday) and he had never received a cent of Government money for The Citizen.

It was not clear, he said, whether the Rand Daily Mail report about missing millions referred to him.

"Depending on legal advice on whether it does refer to me, I will take legal action," he said.

Mr Luyt added he knew nothing about the Department of Information front organisation, Thor Communicators.

The most recent denial came yesterday from the American newspaper publisher, Mr John McGoff. Replying to the "Mail" report on Wednesday that he had received R10-million from the Department of Information to help his bid for the Washington Star, he said "It is utter nonsense." There was no truth whatsoever in the report.

Mr McGoff told The Star "If you guys want an enemy in this country, you're making one out of me. I'm sick and tired of being attacked by so-called friends from down there."

Mr Andre Pieterse could not be reached for comment on the "Mail" report yesterday that R800 000 of Department of Information money was used to help finance his film, "Golden

of influence in the world would ever be prepared to do anything for South Africa again."

After a meteoric rise to the top position in the Department of Information as a personal appointee of Dr. Mulder, Dr. Rhoadie began a new era of administration in the department in which many of the established routines were bent or even discarded.

The revelation of these irregularities by a Parliamentary Select Committee led to his premature retirement in July. Soon afterwards, an apparently unrepentant Dr. Rhoadie said he was not worried about broken administrative laws. He could not be expected to abide by the same rules as Government departments responsible for building bridges and planting trees.

If Marx's overran South Africa he did not want to tell them; you may have won — but my books still balance.

Dr. Rhoadie's contempt for established rules of play in state departments was well known. It brought him into conflict with the Department of Foreign Affairs where he was regarded as a gauche opportunist where the activities of the two departments overlapped.

His philosophy was summed up in a book he wrote in 1969 called "The Paper Curtain" which suggested a

lish-language Press, his argument centering on the conviction that foreign correspondents, who did not read Afrikaans, were fed a one-sided picture of South Africa which they relayed to their own newspapers.

Clearly, one of his main objectives would be to gain control of a pro-Government English-language newspaper — and in later years, as the Rand Daily Mail has revealed, he did so.

From the time the book was published Dr. Rhoadie was clearly marked as a man who could market South Africa.

He had prepared himself well. As a young Information Department representative he had made many influential contacts. Among them, in the mid-60s at The Hague, were Mr. Hubert G. Jussen, publisher of The Citizen and To The Point magazine, and Mr. Rétief van Rooyen, SC, who was in the legal team representing SA at the World Court action on South West Africa. Mr. Van Rooyen eventually became a director of Thor Communications, a front for the Department of Information's clandestine operations.

Later, in the United States he made contact with Mr. John McGoff, a conservative newspaper publisher from Michigan. Mr. McGoff was this week connected with

about the department's finances, called in the Auditor General, Dr. F. G. Barrie.

From that moment on the free-wheeling, free-spending, free-operating Dr. Rhoadie was gradually emerging from behind his Paper Curtain. The ambitious son of a prison warden, whose plans included a R15-million "fantasy palace" in Pretoria as headquarters for the department (which the Public Works Department refused to touch), saw his empire crumble around him in July.

But in his typical way he remained in the headlines, buying a car worth about R30 000 after his retirement as a pensioner at 44, and then threatening to sue newspapers for reporting it.

At the time one newspaper reported his personal fortune to be about R272 000. His pension is understood to be about R700 a month.

When Dr. Rhoadie returns he will find there are very few of his secrets still intact, particularly those involving public money. And he will be able to ponder further the remark of his now beleaguered boss, Dr. Mulder, who said when his protege retired that "seldom had there been such character assassination as by the Press in the case of Dr. Rhoadie."

The man who's used to getting his way...

ment brought a new spate of denials, though not by Government spokesmen who generally declined to comment.

The Citizen, in a front page editorial, hurled insults at the Sunday Express and its sister newspapers, and challenged the Express to prove its claims.

Info file still open, warned

'Mail' on eve of PM Poll

Staff Reporter

THE Rand Daily Mail warned in editorials before the election of Mr P W Botha as Prime Minister that the information file was far from closed.

On September 26, commenting on the "leak" of the Loot Reynders report to a Nationalist newspaper, the "Mail" said the key question was whether the "leak", which was apparently intended to clear Dr Connie Mulder's name, would influence members of the NP caucus in choosing the new Prime Minister.

"Obviously their worries that there might be more Department of Information scandal must be an important factor, otherwise the remarkable 'leak' would never have occurred. Will it now lull them into believing the matter is closed?"

But they stressed they could not make any statement on what took place before they bought the newspaper.

Mr Relief van Rooyen, a director of the Department of Information front organisation, Thor Communications, and the man who

grandfather, the godfather or the sugar daddy of 'The Citizen'.

The Citizen also published this comment, saying Mr Van Rooyen had denied in an interview that either he or Thor had put any money into the newspaper. The report was the subject of its news poster on Monday.

Sunday Express, and suggested the Government appoint a judicial commission before which the newspapers would have to substantiate their claims.

The former owner of The Citizen, Mr Louis Luyt, had not been available to the "Mail" for comment, but he told The Star in a report

Secret funds behind the Citizen

19/8
RAND DAILY MAIL

THE CONTINUED reluctance of the Citizen newspaper to disclose the identity of its South African owners is becoming curious and curiouser.

After repeated inquiries following Mr Louis Luyt's sudden sale of the paper in February, the Citizen eventually named a curious four-some of foreigners whom it said held 25% of the shares. They were Dr Hubert Jussen, a Dutch publisher, who is chairman, Dr Otto von Habsburg, said to be the legitimate emperor of Austria and his son, Mr David Hunders.

The Rand Daily Mail on May 3

"If so, we must tell them they are mistaken", said the editorial, which went on to mention the newspaper investigations which were continuing.

The "Mail" said it seemed wrong that the men choosing the new Prime

Minister should be doing so under any false impressions.

On September 27, after Mr Vorster's statement releasing the Reynders report and saying that a further investigation into the de-

partment was continuing, the "Mail" said Dr Mulder had not been given an unqualified clean bill of political health.

It was an amazing situation that on the eve of the election of a new Prime Minister, the main focus of attention had become the credibility of one of the major candidates.

The "Mail" raised questions about the comprehensiveness of the Reynders investigation, and pointed out that Mr Reynders passed no judgment on the application of the funds or on the "final expenditure of the payments which were made."

The editorial added, "So the books balance — but what was the money used for? The possibility of a political scandal arising from that has clearly not been eliminated."

"Rendezvous" The "Mail" made repeated attempts to get in touch with him, without success.

The Citizen again . . . talk of a hatchet job

FORCED CLOSURE

AUCTION SALE — OVER FOUR SESSIONS

31 RUDD ROAD, ILLOVO

DUE TO LARGE LOSSES SUSTAINED OVER A LENGTHY PERIOD AND AFTER A MEETING OF CREDITORS AND DIRECTORS, THE BUSINESS CONDUCTED AT

WILL CEASE TO OPERATE

Premises were to be vacated by the end of October but an extra four days grace was granted by kind permission of the new tenants — Messrs Ron's Hiring Service — to accommodate this urgent and last ditch sale. (Over 750 lots remaining from the sale which took place over the last week.)

NO RESERVE! NO RESERVE! NO RESERVE!

PAINTINGS: Over 250 works including Tinus and Gabriel De Jongh, Brigg, Jeanette Dykman, Boshoff, Koch, Herring, W. H. Coetzer, Oldert, Van Essche, Oerder, Kobeli, and hundreds more including overseas artists.

RUGS: Over 200 pieces — Afghans, Bokharas, Caucasians, Khellims, Runners, Shiraz, Silk Rugs, Qum, Abadeh, Hammadan, Ispahan, Keshan, Nain, Belouch, Yamout, Tabriz, plus dozens of others.

EMERALDS: Rings in 9 ct and 18 ct gold, Solitaires, Clusters, Eternity as well as a few gents' rings.

SILVER: Mainly Georgian and a few Victorian pieces, 4 piece Tea Set, Coffee Pot, Wine Ewer, Flatware, 3 piece Tea Set, a number of smalls, etc.

OVER FOUR SESSIONS

- 1st SESSION: Friday 3rd November at 10.30 a.m. PAINTINGS
- 2nd SESSION: Friday 3rd November at 2.30 p.m. RUGS
- 3rd SESSION: Friday 3rd November at 8.00 p.m (eve) PAINTINGS
- 4th SESSION: Saturday 4th November at 10.30 a.m. SILVER, RUGS, PAINTINGS AND EMERALDS

At 31 Rudd Road, Illovo (200 m off Corlett Drive robots at the Wanderers — opposite Thrupps).

NOW ON VIEW

Downfall of the Crown

By TONY STIRLING

FOUR years ago, Minister of Plural Relations Dr Connie Mulder was hailed as the "Crown Prince elect" of South African politics — the man most likely to succeed Mr John Vorster as Prime Minister. In the final analysis it was a behind-the-scenes drama involving a Pretoria advocate and two Cabinet Ministers that tipped the scales against the beefy Dr Mulder.

When the time came to choose a new Prime Minister, the Department of Information debacle had caused a stir, but certainly had in no way put Dr Mulder out of the running — mainly because of the powerful support given him as leader of the National Party in the Transvaal.

Advocate Pieter Retief "Rit" van Rooyen, the man said to be the Government's ear at the Turnhalle Conference and confidante for years of many in the senior echelons of government, was the vital link who provided first Mr Alwyn Schlabusch, Minister of the Interior, and then Mr Pk Botha, Minister of Foreign Affairs, with information that was to prove decisive in Dr Mulder's bid to become Prime Minister.

Mr Van Rooyen, as a director of Thor Communicators, a front company for the former Department of Information's secret operations, had found himself and his company at the centre of investigations being conducted by General Hendrik van

den Bergh, former head of the then Bureau for State Security and a BOSS auditor, Mr Lood Reynders.

As a prime mover behind the original but limited investigation conducted by the recently retired Auditor-General, Mr F G Barrie, Mr Van Rooyen was astounded when someone leaked a three paragraph report from Mr Reynders' investigation to Die Transvaler, a newspaper in the Peka group of which Dr Mulder is chairman. The report, although ambiguous, clearly conveyed that there had been no irregularities in the spending of secret funds by the Department of Information.

Both he and his company auditor, Mr Jan Strydom, had of necessity been close to the investigations being conducted by BOSS. In the course of that investigation, Mr Van Rooyen acquired knowledge of what he regarded as gross irregularities, but of which there had been not the slightest indication in the report of Mr Reynders, which was shortly afterwards made public in an announcement by Mr Vorster, then Prime Minister.

The race for the premiership was at that stage delicately poised, with Dr Mulder enjoying the theoretical edge because of his position as leader of the National Party in the Transvaal, which carries the biggest share of votes in the party caucus.

Mr Van Rooyen believed that the facts behind the expenditure of the secret funds

had to emerge and that he also had to give consideration to his own position as the one who had in the first instance gone to the highest authority and voiced unsubstantiated fears about the course of the funds.

Through personal acquaintance, he knew the Minister of the Interior, Mr Alwyn Schlabusch, to be a person of iron integrity and it was to him that he decided to go with his evidence, which was largely hearsay as it had arisen through the inquiries of persons other than himself.

I understand that Mr Van Rooyen believed that he had no other choice, as he felt bound by certain undertakings he had made when agreeing to become a director of the Department of Information's secret vehicle Thor, and which he considered made it ethically impossible for him to break his public silence.

In a frantic 24-hour period a few days prior to the election of the new Prime Minister on September 28, Mr Van Rooyen convinced Mr Schlabusch of the accuracy of his information, which was also revealed to Foreign Affairs Minister, Mr Pk Botha.

Significantly, Mr Schlabusch became the first Minister to publicly declare his support for the then Cape leader of the National Party, Mr P W Botha, and stated that he had asked his Free State colleagues to follow his lead.



Dr Connie Mulder . . . refused to budge.

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Prince'

The National Party caucus meeting of Wednesday, September 27, was a hectic one and was said to have lasted into the early hours of Thursday morning. Mr Pik Botha is said to have asked Dr Mulder to withdraw from the race — a demand which had also been made, and refused, a day earlier — and offered to do likewise.

Mr Botha warned the Transvaal party leader that if he did not withdraw, he would see to it that the Information investigation was pursued with vigour. Mr Botha also told Dr Mulder that he would throw the votes of his supporters behind Mr P W Botha.

But the incredibly tough-skinned Dr Mulder refused to budge and, as the events of the next day's voting revealed, would have stood a good chance of taking the premiership had it not been for the fact that all but two of the votes cast for the Mr Pik Botha in the first ballot went to Mr P W Botha in the second ballot.

And so Dr Mulder's dream of becoming "Crown Prince elected" was shattered. The dream had been carefully nurtured by years of image-building by his arch-lieutenant, Dr Eschel Rhoodie, former Secretary for Information, whose wife went to school with the wife of Mr Van Rooyen — the grey-haired, bespectacled and nervous member of the Pretoria Bar whose last-minute actions made one Prime Minister and almost certainly destroyed the making of another.



Mr Pik Botha ... "a vigorous investigation."

By HAMISH FRASER
Deputy Financial Editor

LOUIS LUYT is a free-wheeling, free-dealing, rumbustious sort of man whose adaptability to changing circumstances has been one of the characteristics of his high-profile and controversial business career.

So, the fact that Luyt's principles are also palpably adaptable — as the contrast in attitudes between the time of his speech to the Institute of Marketers (see inset quote) and the receipt of a Department of Information Injection shows — should probably come as no surprise.

It is also relevant in the light of yesterday's disclosures that Luyt is a marketing man, a persuasive, likeable bull of a salesman who, like, and is accustomed to, getting his own way.

Sadly, however, Mr Luyt has shown that in addition to possessing the strength of personality that is associated with top salesman, he has some of the character weaknesses which are equally prevalent in the breed.

The tendency, if not deliberately to mislead then certainly to avoid telling the whole truth when it might be inconvenient, is something which one has long suspected of Luyt and which has now been shown up.

A disregard for formality, captivating though it is at a beer-swill with the boys and there are few more diverting companions at such a do than Louis Luyt can be dangerous in the nitty-gritty of business — and there have been occasions when the man's entrepreneurial and marketing flair have been scuppered by his impetuosity.

Dre Vaderland blamed Luyt's failure to gain control of South African Associated Newspapers in 1975 on the clumsiness of his ne-

“We must certainly discourage the injection of too much State capital into our enterprises, which will eventually serve as a deterrent for a good sound business.” — Mr Louis Luyt in his acceptance speech at the Marketing Man of the Year Award in 1972.

He employed bull-at-the-gate sort of tactics which might have been successful in the fertiliser business, but were hardly designed to succeed with the ultra-conservative trustees of the Abe Bailey Estate, who then held the key to SAAN's control.

It is amusing, incidentally, to reflect that Sir De Villiers Graaff, leader of the Opposition for so long, associated himself in the SAAN bid, which has now been shown to have been Government-backed. Likeable though he is in his straightforward style of way, there are sides to Louis Luyt which are less

attractive. He has an arrogance which manifests itself unpleasantly when he is crossed. It might be forgivable if it showed only in his treatment of fools — which he suffers less than gladly. But it goes further than that. He can be rude, indeed crude, and cruel in argument if his adversary appears to be getting the better of him.

But perhaps there is some explanation, if not excuse, for his sometimes childish petulance. Louis Luyt comes from a family made poor by the Depression. His father was a labourer on the railways. “We really suffered some of the rich people looked down on us. They considered us outcasts.”

He recalls that as a barefoot schoolboy he was told to sit in the church gallery — not in the normal place downstairs. “This kind of thing had a great effect on me. I don't think I'd call it hate. It was more a question of showing those bastards that I could do it.”

And do it, he has. Stories are told of Luyt the young fertiliser salesman who met his sales quotas before they were set. He cannily recognised on his rounds of the Free State farms which he serviced for Fisons how powerful the Co-operatives were in the platteland.

And when the time came for him to make the breakthrough on his own, it was done with the backing of the Co-operatives. They are now the biggest shareholders in his quoted company, Triomf Fertilizer Investments, and

have also lent the company R7-million. Luyt's credibility has been in question for the past three years. But with the improvement in recent months of phosphoric acid prices, his and Triomf's ratings have been improving and Jeremiahs who had earlier been saying Triomf could not survive were beginning to change their minds.

Yesterday's disclosures about the funding of Triomf reverses that, however. Sentrale Landboubedoringsmaatskappy, the Lichtenburg Co-operative which has nearly 50% of Triomf's shares and is a huge creditor of the company, must be concerned at the turn of events.

So too must AECL, which owns 49% of Triomf's major investment, the phosphoric acid plant at Richards Bay.

Neither is prepared to comment at this stage, but there is no doubt that if they feel their reputations can suffer from yesterday's disclosure, pressures will be put on Luyt to resign from Triomf.

Sentrale Landboubedoringsmaatskappy has two Nationalist senators as members and Mr Alwyn Schlebusch, Minister of the Interior, has had close connections with the Co-operative. If noses have to be kept clean — and seen to be kept clean — Luyt will probably have to go. It's been a long haul from 50c a day as a railway clerk. The more daunting task now for Luyt will be to survive.



Mr Louis Luyt
Flamboyant magnate

Dr Eschel Rhoodie — and his flamboyant cloak and dagger

By DENNIS GORDON

THE FAMOUS two-finger sign a confidant Dr Eschel Rhoodie defiantly directed at a Press photographer, and indirectly at the newspaper's readers, when his Department of Information secret activities first came under the spotlight, seems more than any other single gesture to illustrate his character.

He is a go-getter, contemptuous of less aggressively motivated people. His vision of a secretly financed covert network to promote South Africa abroad was vigorously pursued. But in the light of yesterday's revelations his unconventional methods spawned a labyrinth of underhand dealings and corruption.

Dr Connie Mulder, his boss as Minister of Information and also a close business and personal friend, said on Dr Rhoodie's his enforced retirement as Secretary of Information earlier this year that he had achieved a great deal and had carried out his duties with "altruism, drive and enthusiasm".

Those actions have now brought Dr Mulder to a crisis point in his own career, and probably cost him the premiership.

Dr Rhoodie is out of the country as the controversy over his department's secret activities break with the fury of a highveld thunderstorm. Three months ago he said Press revelations into the department's secret activities had only scratched the surface.

He said on television: "If these things were to be made public it would make a fantastic newspaper and political story but no person or organisation in a position



"Dr Rhoodie . . . Dr Rhoodie! just a couple of questions please . . ." was the way Die Vaderland depicted Dr Rhoodie's overseas departure.

Dr Rhoodie! just a couple of questions please . . . " was the way Die Vaderland depicted Dr Rhoodie's overseas departure. broad strategy of unconventional methods to change international condemnation of South Africa's race policies. Many of the actions he carried out when he did eventually become Secretary for Information, at the age of 39 and over the heads of established colleagues, were outlined in the book. Significantly the book dealt scathingly with the Eng-

secret department funds amounting to R10-million earmarked for the purchase of the Washington Star newspaper.

At home he became a friend of Mr Louis Luyt, the fertiliser magnate, who played such a prominent role in his plan to launch The Citizen newspaper with R12-million of secret funds from Information.

Through his unconventional methods, largely covert, Dr Rhoodie and selected Government figures reportedly gained access to the top decision-makers in the United States, including vice President Gerald Ford, Senator Edward Kennedy and politicians and military leaders.

But the fruits of clandestine activity are hard to measure. One newspaper source suggests that Dr Rhoodie's wheeler-dealing was not more effective in reaching high places than the direct approach of the former South African Ambassador to the United Nations, Mr Pik Botha.

Back in 1971 from foreign postings, Dr Rhoodie moved into an office next door to his Minister's and worked on a special assignment. A local edition of To The Point was launched soon afterwards and Dr Rhoodie left to become an assistant, an appointment colleagues regarded as a temporary sure enough, within six months in 1972, Dr Rhoodie was appointed Secretary for Information by Dr Mulder despite objections from the Public Service Commission that he lacked administrative experience.

Things began to go wrong for Dr Rhoodie last year when Mr J F Waldeck, a career public servant worried

The full details from Luyt:

THIS is a verbatim report of testimony given under oath by Mr Louis Luyt and Mr P F du Preez on October 4, this year, to Judge Mostert. The translation is direct and has not been altered.

JUDGE: Mr Luyt, will you start from the beginning? I think the best is if you give us a chronological or rather let us start with the newspaper 'The Citizen', and then give us in the order that it happened. If the things that you now, with reference to the documents now before me, and can I ask you to please talk into the microphone.

LUYT: I cannot give the precise date, but I went to look at a test match with my plane, with guests, and among others General Van den Bergh was also one of the guests and Rhoadie and Iso Piet Koortjof, but General Den Bergh told me he was going to ...

LUYT. We decided there on the manner how to do the thing and it was decided to approach Frans Cronje, who was then a director of SAAN, and whom I knew well and with whom I banked to hear how we must start, and whether he thought there was a possibility. He saw us immediately, but I went with Hill Samuel's managing director

Van Zyl Alberts did not accompany us. They felt that it would not be right if he went along. I think he was reasonably unknown and Frans Cronje also did not know him. At Frans Cronje's, Hill Samuel asked whether I would be in the position to do the transaction, and Dr Cronje said that I had already done many transactions with Nedbank and if I start something, then it went through, and then they were

WALAN & DU PREEZ
222 PICTORICK STREET
RIVROB
PO BOX 419
HEERENBURG 7124

LOUIS LUYT, JUS A LITIS LUYT EN ESCHEL RHOODIE

Louis Luyt van hetsoldaat 81, Saronoid, Johannesburg, onderneem hieraan, in full vir 'n lening van R12 miljoen van Eschel Rhoadie

(a) vir die opreiking van 'n Engelsalige dagblad in Johannesburg, 'The Citizen', (thema genoem die blad) en sul.

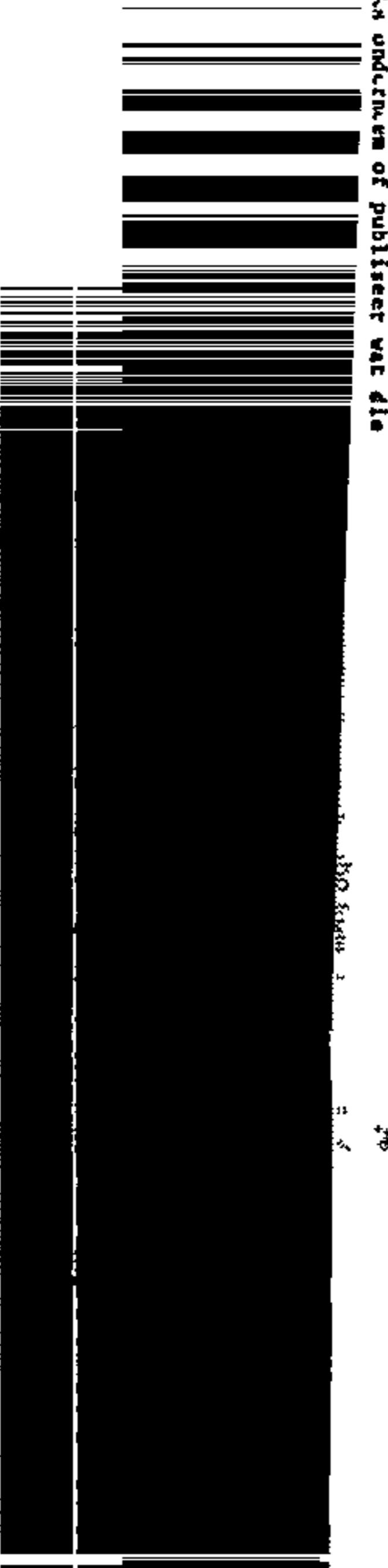
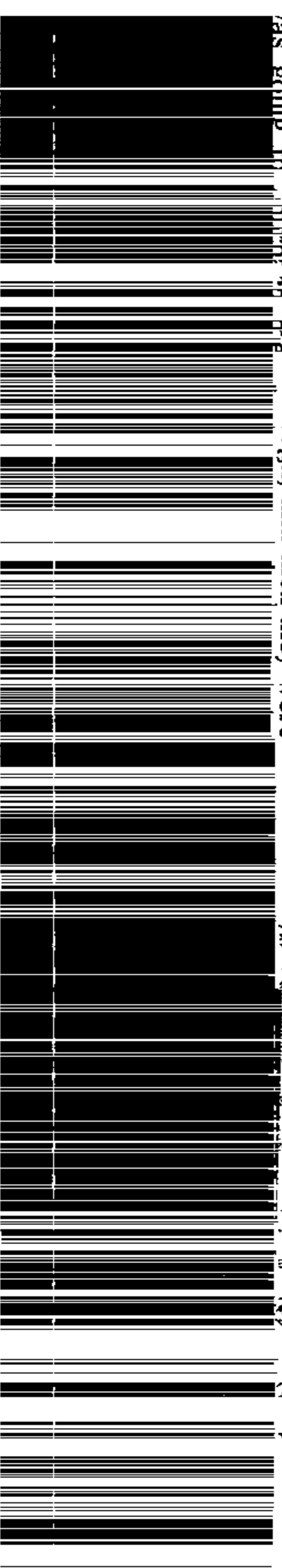
(b) 'n alteen klimaat of as houer van die meerderheidsaandeel van 'A Today' (Johannesburg) of as Voortreker van die Direksie van The Citizen toestaan en uitvoering see aan die redaksionele en administratiewe filelyne vir The Citizen soos in paragraaf (d) uiteengesette.

(c) sal geen verandering in hierdie filelyne aanbring sonder die skriftelike toestemming van Patrick Rhoadie van Inhammentraal 450, Pretoria nie of, in die geval van 'n dood of sike van Berys Gout Rhoadie van Dakenbergryla in 180, Vicerkloofpark, Pretoria of, in die geval van hude voorgesomsde se dood en siekte van I F S de Villiers, Banketstraat 135, Waterkloof, Pretoria

(d) die naam van genoemde blad mag nie verander word sias (ii) die blad sal niks onderneem of publiseer wac die politieke sake of ekonomiese sake van die blanke bevolking van die Republiek van Suid-Afrika (ISA) in kwit stel nie.

(iii) die blad sal nie kommunale in enige vorm goedpraat of sy daerby lings bevoord nie.

(v) die sal niks onderneem of publiseer wac die



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THE SAURUS

Bitter row in Pretoria

By Mervyn Rees

AN UNPRECEDENTED row broke out yesterday between Mr Justice Anton Mostert and the Prime Minister, Mr P W Botha, over his decision to make public evidence given to him on the Department of Information scandal.

Judge Mostert, who sits on the Natal bench and left the Transvaal a few years ago after being appointed as one of South Africa's youngest judges, was called to the Union Buildings yesterday for a meeting with Mr Botha after he said he was considering making public the evidence given to him.

Before going into the meeting, Judge Mostert looked relaxed as he joked with the Minister of Finance, Senator Owen Horwood, who attended the meeting with him.

About 45 minutes later, Judge Mostert came out alone — looking pale and angry. It is understood that Mr Botha and he had a major row when it was suggested that he continue his commission in secret.

Later, when Judge Mostert

released the evidence at a Press conference, he said in a prepared statement: "I have taken cognisance of the Prime Minister's appeal on television and in the Press.

"Coming as it does from the Prime Minister, the appeal is entitled to serious consideration. But that does not release me from the duty of examining the cogency of the Prime Minister's arguments.

"I have endeavoured to discover what particular interest of the State is furthered by suppression, albeit temporary, rather than disclosure of the evidence.

"I have been able to find none."

After the judge's Press conference and after some afternoon newspapers had published the evidence, Mr Botha issued a note to media editors through the South African Press Association warning that the evidence could not be published because of gazetted regulations forbidding this.

Last night Judge Mostert said the regulations referred to by Mr Botha did

not preclude making the evidence public because the regulations were designed to prevent publication or dissemination of the evidence or information of the commission by a third person and were not intended to refer to publication by the commission.

On its nightly television news broadcasts, the SABC last night chose to ignore the details of one of the biggest news stories of the year — the disclosures of evidence by Judge Mostert over the misuse of Department of Information money — because, according to a spokesman for the SABC, the company was unsure if the law permitted it.

"We gave our reasons for not using the story during the broadcast," Mr Retief Uys said last night. "A proper explanation was given concerning the situation. The commission's report according to the law must first be heard by the State President. There is a procedure laid down and we felt that the procedure should be followed in this case."

why did he try to stop him from disclosing the evidence — with, if we read the judge correctly, "emotional appeals unsupported by valid considerations"?

Finally, why did Mr Botha go to such extraordinary lengths last night to try to stop the media from publishing this information about corruption in the Government? Like Judge Mostert, we have refused to yield to this pressure. We cannot believe that it can possibly be in South Africa's interests to suppress news of corruption.

This was a grievous misjudgement on Mr Botha's part. We can only hope it is not too late, that he will yet recover himself and come to realise that the only way is to complete the cleansing exercise — cover-up and all.

Mostert that 'the evidence given before me and other information at my disposal show an improper application of taxpayers' money running into millions of rands... moreover, there are indications of corruption (in the wider sense of the word) relating to public funds' will send a shudder through the nation.

"The evidence that public funds have been used to finance The Citizen in spite of denials in Parliament at Cabinet level will cause millions of South Africans to question the integrity and credibility of the Government," he said.

He asked what could be done to undo some of the damage. He felt that if there had been corruption then the law enforcement agencies should carry out their duties without fear or favour of any individual concerned.

A responsibility also rested on the shoulders of the Prime Minister, Mr Botha, to dismiss from office everyone who may be responsible for this "disgraceful situation". — Sapa.

Mulder mum

Political Staff
BY late last night, Dr Connie Mulder had still not commented on the Mostert report disclosures. A member of his family contacted at his Pretoria home said Dr Mulder and his wife had gone out for the evening.

(in the wider sense of the word) relating to public funds" and evidence of "improper application of taxpayers' money running into millions of rands."

By releasing the evidence he was contributing to a "clean administration".

Mr Luyt and his auditor, Mr Petrus Fourie du Preez, told Judge Mostert under oath that Mr Luyt had initially been approached at a meeting attended by Dr Mulder, General Van Den Berg, Dr Rhoadie, Mr Les Zyl Alberts (present owner of The Citizen) and Mr Du Preez to start The Citizen newspaper with secret funds from the Department of Information.

Mr Luyt said: "I was told that the Prime Minister had chosen me because I was not leftist or rightist — I was not in politics and I took a moderate line."

Evidence was that:
● A total of R12-million for the founding of The Citizen was originally loaned to Mr Luyt in terms of an agreement with Dr Rhoadie. This money reached Mr Luyt after going through a Swiss bank called "Thesaurus". The amount later became R13-million.

● Mr Luyt put the money into Triomf with the intention of financing The Citizen out of the interest. But there was a major difference of agreement over

□ To Page 4

MR JUSTICE Mostert has not finished with the Department of Information. He said yesterday that he would still be gathering evidence as well as getting off-the-record informants to make sworn statements before him.

There is a strong possibility that he will be making more public statements — he said he was considering commenting on the Reynders' report in the light of evidence and information before him.

Mr Loot Reynders, who was the special investigator appointed by Mr Voster when he was Prime Minister to investigate Department of Information funds, delivered a three-paragraph report which was made pub-

lic shortly before the new Prime Minister, Mr P W Botha, was elected.

Mr Reynders is now a member of the Kemp Commission which is investigating and evaluating Department of Information secret projects for Mr Botha.

According to evidence made public by Judge Mostert yesterday, both Mr Kemp and Mr Reynders refused to give sworn statements to him — saying they were bound by the Official Secrets Act.

They also said they would have to get permission from the Prime Minister before they could do so. It is understood that Mr Botha has ignored requests by Judge Mostert to allow the men to testify.

The full disclosure — See Pages 2-5, 12-15.

Eschel gets away from it all

By MERVYN REES

AS MR Justice Mostert's Department of Information bombshell burst on South Africa yesterday, the architect of the Government's secret projects, Dr Eschel Rhoadie, was holidaying overseas with his wife, Katie.

But the Rand Daily Mail knew of his secret departure before he left — and the countries on his itiner-

ary: Israel, Holland and the United States.

Some of the cities he will visit are also known to the 'Mail', but attempts to contact him yesterday were unsuccessful.

A domestic at the Rhoadie home in Menlo Park, Pretoria, said last night that they had left on Sunday and were due back on November 18. He did not know where they had gone.

MR Harry Oppenheimer, chairman of the Anglo American Corporation, yesterday relinquished chairmanship of the executive committee of the board. He will be succeeded by Anglo's deputy chairman, Mr Gavin Rilly.
● See Page 16

Kallie fight

ON December 8, Kallie Knoetze will become South Africa's second boxer to fight in Madison Square Garden, New York, but his opponent remains a secret.
● See Back Page

Zambia raid

RHODESIA has again made a lightning air strike on guerrilla bases of Joshua Nkomo inside Zambia.
● See Page 7



ESCHEL RHOADIE... away from it all

RAND
Daily Mail
Clean up

SO IT'S OUT in the open at last

All the lies and the misappropriations and the dishonesty have been exposed

Yesterday's disclosures came as a massive vindication of all this newspaper has published. It was an even greater day for the judiciary. Every legal man should swell with pride at the courage Mr Justice Mostert showed in resisting the Prime Minister's pressure to silence him and acting according to what he saw to be his duty, in the highest interests of his country.

Thus, in the midst of all this sordid mess, at least the status of both the independent Press and the independent judiciary has been enhanced.

And thanks to these two vital institutions in our society, South Africa may now be saved from the skids of corruption which would have carried it to its destruction like some latter-day Roman Empire.

Now that these revelations are out, the clean-up can begin.

There must be swift action to prosecute all those who, on the evidence, may have been guilty of criminal conversion of public money.

The deceitful enterprises which were launched as a fraud upon the public must be closed down. The taxpayers' money must be paid back. Public officials who have betrayed their positions of trust must be removed from office. Especially Dr Connie Mulder, who so patently misled Parliament when he gave it a bald-faced assurance last May 10 that "the Department of Information and the Government do not give funds to The Citizen".

But all that is only the beginning. Exposure of the corruption is only the half of it. The other, more important, half is to expose the extent of the cover-up.

As we have noted before, it was not the Watergate break-in itself which had such devastating consequences in the United States so much as the cover-up by top Government people right to the President.

How far has our cover-up gone?

Clearly it must have been widespread. If newspapers could find all this out, many people in Government must have known it too.

Many awesome questions present themselves in this respect. Why was General Hendrik van den Bergh, a key figure in some of the conspiracies, himself appointed to investigate them?

And then another BOSS investigator, Mr Loot Reynders, issued that three-paragraph report saying he could find nothing wrong. Yet we know now that, in Judge Mostert's words, there was the misappropriation of millions of taxpayers' money.

The implications of this make one shudder.

But most depressing of all is that Mr P W Botha, who had a great chance to emerge as Mr Clean from this sordid business — in effect to become the Gerald Ford of South Africa — associated himself with the cover-up yesterday with his attempts to prevent disclosure of the facts.

He had pledged himself on the day he was elected "to uphold honest public administration". It sounded so encouraging, especially to those of us who knew the behind-the-scenes facts.

It would have been so easy, as Mr Colin Eglin pointed out, for him simply to have confirmed or denied the allegations we and the Sunday Express had published. The facts were available to him — from Judge Mostert for one. Why did he not do so?

And yesterday, when Judge Mostert called on him,

By MERVYN REES

SOUTH AFRICA'S biggest political bombshell burst yesterday when Mr Justice Anton Mostert made public startling evidence which has confirmed reports in the Rand Daily Mail and Sunday Express of massive misuse of public money through Department of Information secret funds.

Judge Mostert released evidence which shows, beyond doubt that The Citizen newspaper was financed out of State funds.

And in evidence under oath, Mr Louis Luyt named the former Prime Minister, Mr Vorster, the Minister of Plural Relations, Dr Connie Mulder, and General Hendrik van den Bergh, former head of the Bureau of State Security, as key figures in the secret project to finance the newspaper.

A sad day for SA, says Eglin

DURBAN. — Millions of South Africans will question the integrity and credibility of the Government now that they know public funds were used to finance The Citizen in spite of denials in Parliament at Cabinet level, Mr Colin Eglin, the Leader of the Opposition, said last night.

Commenting on the disclosures by Mr Justice Mostert, Mr Eglin said. "This is a sad day for South Africa, relieved only by the integrity of Mr Justice Mostert who upheld the best traditions of the South African judiciary, and the courage and tenacity of the free Press.



MR EGLIN
... action needed.

"The statement by Judge

This was in direct conflict with public denials on the issue made by Mr Luyt, Dr Mulder and General Van Den Bergh who was appointed by Mr Vorster, then Prime Minister, to investigate secret projects of the Department of Information.

Mr Luyt also said that before The Citizen project he had agreed to head a bid to take over South African Associated Newspapers with State money.

Included in the evidence was an agreement marked "Most Secret" — typed on Department of Information note paper — in which Dr Eschel Rhodie lent Mr Luyt R12 000 000 to finance The Citizen.

The document also contained an editorial charter setting out political policies which could only be changed with Dr Rhodie's written permission.

This was all revealed at a Press conference in Pretoria yesterday shortly after Judge Mostert had been involved in a stormy meeting with the Prime Minister, Mr P W Botha, at Union buildings.

Mr Botha tried to stop the judge from making public the evidence relating to the use of Department of Information funds given before his one-man commission into exchange control contraventions.

Judge Mostert said in a statement that there were "indications of corruption



Mr Justice Mostert at yesterday's Press conference. Picture: DANIE COETZER

**Mostert inquiry
is not complete**

**Mr O
quits top
chair**



JUDGE MOSTERT and Senafor Horwood arriving at the Union Buildings in Pretoria yesterday for a meeting with the Prime Minister.

Judge tells why he's revealing 'corruption'

PRETORIA — Mr. Justice Anton Mostert, chairman of the one-man commi

Information scandal

Thor director tells of R12m

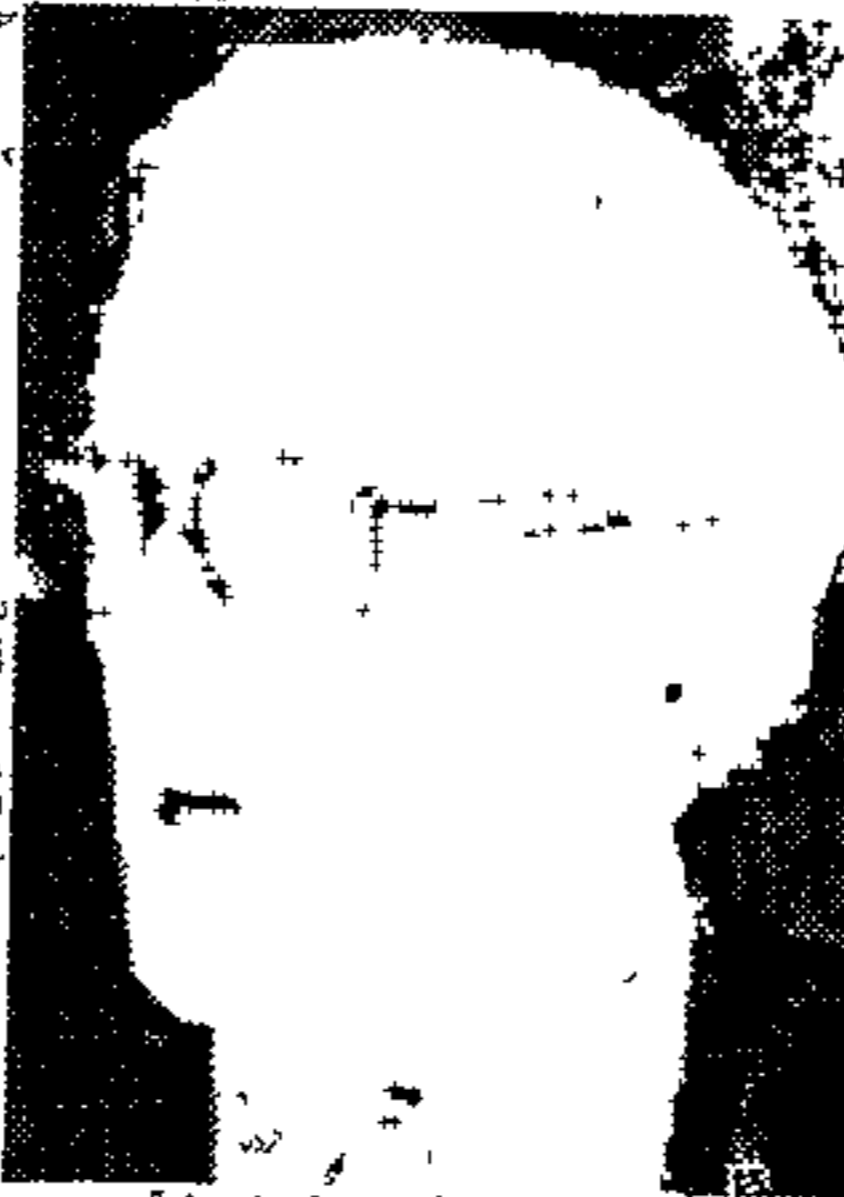
PRETORIA — Mr. Retief van Rooyen, an advocate and a director of Thor Communicators, described in evidence before the Mostert Commission of Inquiry into exchange control contraventions how he first heard about a loan of R12 million from Dr. Eschel Rhoodie to Mr. Louis Luyt.

Mr. van Rooyen said about September or October 1977 he had been visited by Dr. Rhoodie, who was accompanied by a Mr. McGoff

Dr. Rhoodie told him that Mr. McGoff was going to take over the Citizen from Mr. Louis Luyt

“But Mr. McGoff still wanted to talk about the problems that might be connected with the take-over and in this regard Dr. Rhoodie mentioned to me that there were problems in connection with the financing given to Mr. Louis Luyt.

I was shown contracts. The first contract was a document which read ‘I, Eschel Mostert Rhoodie hereby lend to Louis Luyt



MR. Retief van Rooyen — “unthinkable to use tax money.”

questioning by the commissioner, Mr. van Rooyen said

“I mean, we never talked about anything else than the Department of Information’s secret fund. So the R12 million was lent to Mr. Louis Luyt, who sunk it and now there are problems.”

“He himself now also wants to sell the newspaper but he cannot repay the R12 million.”

Impossible

They therefore now want to hear from me how they can get this R12 million back for, after all, it is impossible for Dr. Eschel Rhoodie to serve summons on Mr. Louis Luyt for the

the amount of R12 million.

"As far as I can remember there was no reference to any security or the conditions of repayment or anything like that," Mr van Rooyen said.

Shortages

"A second document, also an agreement, between Dr. Rhoadie and Mr. Luyt, covered the so-called editorial policy of the Citizen and I think also provided that the Department of Information, via Dr. Rhoadie, would have control over the approach and so forth of the newspaper.

"Both these contracts were

drawn up by a person who I understood to be Mr. Louis Luyt's attorney in Johannesburg.

"I was then told the assumption, the oral agreement between Dr. Rhoadie and Mr. Louis Luyt, was that the R12 million will be deposited in fixed investment and that the interest will be used to supplement the shortages of the Citizen.

"But contrary to the oral agreement Mr. Louis Luyt had gone and sunk the amount of R12 million in his own companies, the phosphor plant and Troimf and/or other companies," Mr. van Rooyen said.

In reply to further

repayment of an amount of R12 million because, Dr. Rhoadie said, everybody will then know that Dr. Eschel Rhoadie does not have R12 million to lend. It is our fund, it is the secret fund."

Mr. van Rooyen said his advice to Mr. John McGoff was to stay out of it because it was also stated that the Citizen was losing R400 000 per month and that one way or another this would have to reach Mr. John McGoff from the Department of Information's secret fund month after month.

Advice

"My advice to him was to stay out. I personally want nothing to do with this whole thing. I regard it as completely contrary to good Government that taxpayers' money be used for an internal project which may serve party political interests.

"I said to all of them it is unthinkable that you use the tax money of the shareholders and editor of the Rand Daily Mail to create competition in a secret manner.

"In other words I want nothing to do with the whole Citizen story, they must count me out and my advice to Mr. John McGoff is — stay away," Mr. Rooyen said — (Sapa.)

Pieterse admits R825 000 loan

PRETORIA — South African film magnate Andre Pieterse has admitted in evidence before Mr. Justice Anton Mostert, that he had received a loan of R825 000 from the Department of Information, and that it is still outstanding.

He hoped to begin repayments within the next six months, but they would probably not amount to more than R100 000 or possibly R200 000.

Mr. Pieterse said the loan was made to a company named M. A. Afrika Theatre (Pty) Ltd, in terms of a loan agreement between the company and Thor Com-municators.

Mr. Pieterse explained that as far back as 1970, he and his companies had

drawn up plans for a Black film industry in South Africa. He discussed this project with various Cabinet Ministers, serving and retired, and after a number of meetings, which included department heads, it was decided in 1976 to go ahead with the plans.

It was pointed out to him, however, that it would be difficult and dangerous for the State to favour one company exclusively, because of the various facets involved — building theatres, making ideological films and the distribution of international films acceptable for Black people.

Two companies

He was asked to discuss the development of these

representations, or negotiations. I should conduct through that channel, as a special committee had been set up to speed this project.

"It was then also on the recommendation of Dr. Eschel or Dr. Deneys Rhoadie — I am no longer certain which — that I entered into the relationship with Mr. van Zyl Alberts."

Daily reports

It emerged from the negotiations with Finansbank that the bank was prepared, on behalf of financiers, to look at the project, but on the assurance that the companies would provide funds from their own sources and other conditions. It was agreed that the companies would provide

name of Alfeskor Plaza."

"This was a partnership account for Films Trust Plaza and Alfeskor Theatres, because Mr. van Zyl Alberts, on his side, had undertaken to provide a similar amount for the development of the project.

At that stage Mr. van Zyl said he could only make R375 000 available because the balance of his funds were on long-term investment and the project did not require the full amount immediately. It was agreed that he could later, as they needed funds, make his money available.

Came to dead end

Shortly after this, all negotiations with the various departments, such as West

Judge's orders

Mercury Reporter

MR. JUSTICE Anton W. Mostert of the Natal Supreme Court was appointed by the Minister of Finance, Senator Owen Horwood as a one-man commission of inquiry to investigate malpractices in Exchange Control in December, 1977.

Senator Horwood also appointed the Judge to look at methods for combating them and report on any Exchange Control taxation and other implications which might result from his probe.

When he announced the commission, the minister said he regarded the step as being of the utmost importance, particularly in view of the increasing degree to which exchange reserves were being detrimentally affected by irregular transactions.

sion of inquiry into contraventions of Exchange Control regulations, announced here yesterday that he had decided to put the evidence before him at the disposal of the Press, so as to inform the public.

He was doing this, he told the Press, as he regarded it in the public interest. Evidence placed before him so far indicated there was misappropriation of millions of the taxpayers' money.

The evidence also revealed the existence of corruption in the wide sense of the word.

In view of these considerations, he had carefully considered a request by the Prime Minister, Mr. P. W. Botha, not to disclose evidence at this stage, but he felt that by disclosing the evidence he could make a contribution towards a "clean" administration

Discretion

Mr. Justice Mostert said in terms of the Commissions Act, the presiding officer had discretion to decide whether it would be in the public interest to release evidence to which the public had a right.

"The evidence given before me and other information at my disposal show the improper application of taxpayers' money running into millions of rands; moreover there are indications from the same sources of corruption — in the wider sense of that word — relating to public funds.

"In such matters the public interest is paramount and is usually best served by frank disclosure. Only reasons of great cogency will cause suppression of secrecy to be preferred to disclosure. I do not find such cogency will cause suppression of secrecy to be valid considerations.

"I have, therefore, decided to make the evidence available to the Press. In doing so, I believe I have made a contribution to a "clean" administration," Mr. Justice Mostert

make the testimonies deposed before my commission and which had a bearing on the affairs of the erstwhile Department of Information, available for publication.

"This request raises two issues:

- "Whether, in law, I have the power to allow the Press access to the testimonies; and

- "Whether I should exercise any discretion I may have in favour of such disclosure, assuming that I have that power.

Section

"The legal position is governed by Section IV of the Commissions Act, No. 8, of 1947 which reads: "All the evidence and addresses heard by a commission shall be heard in public provided that the chairman of the commission may, in his discretion, exclude from the place where such evidence is to be given or such address is to be delivered, any class of persons or all persons whose presence at the hearing of such evidence or address is, in his opinion not necessary or desirable."

"At the time of the deposition, I did not exercise the power vested in me by the proviso contained in Section IV. The meetings at which the depositions were taken must therefore be regarded as public meetings for the purpose of Section IV.

"It follows as a necessary consequence that evidence taken at a public meeting is available for public inspections, unless I exercise the provisional powers now, assuming that I can do so at this late stage. I shall assume for the time being I have discretion to withhold publication of the evidence. The question is: Should I do so?

"I have taken cognisance of the Prime

Black theatres with Mr. Jan van Zyl Alberts. After a number of meetings, they decided that as Mr. van Zyl Alberts already had far advanced plans for certain Black films and a Black newsreel service, they would set up two companies — Film Trust Plaza and Alfskor Theatres.

M. A. Afrika and Mr. van Zyl Alberts' company, Alfskor Beleggings, each had a 50 percent share in Film Trust Plaza, and each had a 50 percent share in Alfskor Theatres.

At this stage, a budget was prepared for building theatres over a number of years, and this budget was discussed with a number of reliable people, among them Mr. Piet Liebenberg of Finansbank.

"I have left something important out. Before there was actual co-operation between Mr. van Zyl Alberts and myself, I was informed by the then Minister of Bantu Affairs, Mr. M. C. Botha, that I could accept that we had now reached the point where we could really go ahead with the building, and Dr. Eschel Rhoodie and Dr. Deneys Rhoadie of the Department of Information were my contacts in this connection. Any further

about 25 percent of the funds.

At that stage there were daily reports back to Dr. Rhoodie on the progress being made, and it was decided to help him — Mr. Pieterse — financially, because he had made it clear that on his return from the United States, where he had been a salaried man, he did not have funds available to finance this type of project.

Loan agreement

A little later he was informed that Dr. Rhoodie's department, either from its own funds or from a special fund that had been created for this purpose, would advance him R825 000 in the first year, and there would be further contributions as expansion of the project demanded.

A loan agreement was then drawn up between M. A. Afrika, Theatres and Dr. Communicators, which Dr. Rhoodie had named as the body that would be responsible for the money.

"The R825 000 was paid in — I recall from Volkskas, Pretoria, to Barclays Bank, Carlton Centre branch, Johannesburg, and a special account was opened in the

Rand, Bantu Affairs, East Rand Bantu Affairs and even the Department of Bantu Affairs itself, ran into a dead end. No further progress could be made.

"Appointments we had made earlier were cancelled, we were informed that the Government had again ordered a special investigation of this specific project and its establishment, and from month to month we sat and waited with a large staff and great costs for the project to go ahead." — (Sapa.)

Mr. Pieterse said they were able to persuade international producer Euan Lloyd that South Africa could make this sort of film, notwithstanding the fact that its budget ran at R11 000 000.

Golden Rendezvous was in its final stage of planning in November 1976, and contractors had been signed for most of the overseas stars who would appear in it, and for importing international technicians to support the South African technicians.

Then he was informed that as a result of the great loss that Trust Bank had suffered following Glen Amis' insolvency, they were unfortunately not in a position to discount the contracts.

said. This is the text of Mr. Justice Mostert's statement. "I have been asked by the public Press to

After 'Lollipop' came 'Golden Rendezvous' . . .

PRETORIA — Mr. Andre Pieterse also gave evidence about Film Trust, a company he said he set up in 1970, after he had resigned from Ster.

He said that from 1970 to 1974, while he was vice-president of MGM, his brother, Philo, managed the company, which acquired certain film rights, including the selling rights of Jamie Uys's *Beautiful People* and *Dirtie*.

An affiliate of Film Trust made *Lollipop*, and the three films were sold overseas and the proceeds R4 900 000 from all three were returned to South Africa.

"I mention this only because it is important when I discuss *Golden Rendezvous*." He bought the book from MGM when he left the company and made it available

Minister's appeal on television and in the Press. Coming as it does from the Prime Minister, the appeal is entitled to serious consideration.

"But that does not release me from the duty of examining the cogency of the Prime Minister's arguments.

"I have endeavoured to discover what particular interest of the State is furthered by suppression, albeit temporary, rather than disclosure of the evidence. I have been able to find none.

"The evidence given before me and other information at my disposal show the improper application of taxpayers' money running into millions of rands; moreover, there are indications from the same sources of corruption — in the wider sense of the word — relating to public funds. In such matters the public interest is paramount and is usually best served by frank disclosure. Only reasons of great cogency will cause suppression or secrecy to be preferred to disclosure. I do not find such cogency in emotional appeals unsupported by valid considerations.

"I have, therefore, decided to make the evidence available to the Press. In doing so I believe that I have made a contribution to a 'clean' administration." — (Sapa.)

State cash a bad idea Luyt told market men

Mercury Correspondent
JOHANNESBURG — "We must certainly discourage the injection of too much State capital into our enterprises, which will eventually serve as a deterrent for a good, sound business," said Mr. Louis Luyt in his acceptance speech at the "Marketing Man of the Year" award in 1972.

Mr. Luyt is a free-wheeling, free-dealing, rumbustious sort of man whose adaptability to changing circumstances has been one of the characteristics of a high-profile and controversial business career.

He is a marketing man, a persuasive, likeable bull of a salesman who likes, and is accustomed to, getting his own way.

Sadly, however, Mr. Luyt has shown that in addition to possessing the strength of personality that is associated with top salesmen, he has some of the character weaknesses which are equally prevalent in the breed.

Danger

A disregard for formality, captivated though it is at a beer-swill with the boys and there are few more diverting companions at such a do than Mr. Luyt — can be dangerous in the nitty-gritty of business and there have been occasions when the man's entire entrepreneurial and marketing flair have been usurped by his impetuosity.

Vaderland blamed his

failure to gain control of South African Associated Newspapers in 1975 on the clumsiness of his negotiations.

He employed bull-at-the-gate sort of tactics which might have been successful in the fertiliser business, but were hardly designed to succeed with the ultra-conservative trustees of the Abe Bailey estate, who then held the key to Saan's control.

Div's part

It is amusing, incidentally, to reflect that Sir de Villiers Graff, Leader of the Opposition for so long, associated himself in a bid which has now been shown to have been Government-

backed.

Mr. Luyt comes from a family made poor by the depression. His father was a labourer on the railways.

Stories are told of Mr. Luyt, the young, fertiliser salesman who met his sales quotas before they were set. He cannily recognised on his rounds of the Free State farms which he serviced for Fisons how powerful the co-operators were in the Plateland.

When the time came for him to make the break on his own it was done with the backing of the co-operators. They are now the biggest shareholders in his quoted company, Trionf Fertilizer Investments, and have also lent the company R7 000 000.



MR. Louis Luyt . . . likes to get his own way.



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+ LASTING VALUE
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Rolls

DR. ESCHHEL Rhoodie in defiant mood when approached by photographer Danie Coetzer and reporter Kitt Katzin — both of the Sunday Express — during a tennis match in Pretoria in the first week of May this year.

Lonrho chief's daughter in hospital

Mercury Correspondent

LONDON — Beautiful Kitty Percy, 22-year-old daughter of Lonrho chief Mr. Gerald Percy and his South African born ex-wife, the former Jennifer Home-Ring of Johannesburg, is in hospital after falling from the ledge of a window in the second floor flat of her

boyfriend, financier John Bentley.

Kitty, elder daughter of the Percys, is now in Milders hospital where she is said not to be badly injured.

Mr. Bentley has been interviewed by the police and a Scotland Yard spokesman said yesterday: "We are satisfied there is no question

sued after Salisbury lunchtime shoppers had seen air force jets screaming overhead. The attack was mounted exactly two weeks after the first ever raids deep into

reports from Zambia at the time put Zaira losses higher than 2 000 dead. No casualty figures were released by combined operations headquarters for yesterday's strike but Zam-

British missile and anti-aircraft system.

Rhodesian bombers and fighter-bombers screamed over the Zambezi River shortly after 2 p.m. to attack the camp with what a communiqué said was pinpoint accuracy.

Yesterday's attack was launched as a result of information obtained from captured terrorists.

In Lusaka it was claimed the Rhodesian bombers made three separate raids and strafed the camp which "houses about 10,000 girls and women with babies who have fled from Rhodesia." Red Cross ambulances were seen ferrying the dead and wounded

of foul play." Kitty fell from the flat in Churzon Street, Mayfair, and landed on the balcony below.

Mr. Bentley said she was sitting on the window-sill with a glass of champagne in her hand when she slipped.

At first it was thought she had broken both ankles but now they say she has strained the back of one leg

and an ankle.

Bentley and Kitty have been living together for more than a year.

Last year she was badly injured when Bentley's car crashed in Spain. He vehemently denied reports yesterday that she had tried to commit suicide and said: "We love each other very much."

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THE COUNTERS DISCOUNTERS



KEN DACOMB

SHIRLEY WHITE

Prime Minister's warning

WITHIN hours of Mr. Justice Mostert releasing the evidence which he had heard, the Prime Minister's Office warned that publishing it could mean a R200 fine or six months' jail.

It was pointed out that certain regulations were in force which applied to the commission.

They were published in the Government Gazette on May 26, 1978.

Regulation No. 12 reads that "no person shall publish in any manner whatsoever or communicate to any other person any proceedings of the commission or any information furnished to the commission or any part of any such proceedings or information or suffer or permit any other person to have access to any records in the possession or custody of the commission or any officer or any person referred to in Regulation 4



PRIME Minister Mr. P. W. Botha . . . quickly in with a warning to the Press.

(1) except in the performance of his duties in connection with the functions of the commission or any order of a competent Court."

Regulation No. 13 in the same Government Gazette

states that "no person shall, except in so far as shall be necessary in the execution of the terms of reference of the commission publish or furnish to any other person the report of the commission or a copy or part thereof until the State President has released the report for publication or until the report has been laid on the tables of the Senate and the House of Assembly."

Regulation No. 15 reads: "Any person who contravenes any provision of Regulations 8 (B), 12, 13 or 14 or willfully hinders, resists or obstructs the chairman of any officer in the exercise of any power referred to in Regulation 10 shall be guilty of an offence and liable on conviction to a fine not exceeding R200 or imprisonment for a period not exceeding six months." — (Sapa.)

Rhodesian raid on Zambia terror base

Mercury Correspondent

SALISBURY — Rhodesian Air Force aircraft yesterday carried out a surprise attack on another terrorist base of Mr. Joshua Nkomo's Zipra forces in Zambia.

Rhodesian military headquarters in Salisbury reported the raid within half an hour of the Rhodesian aircraft returning to base.

All the aircraft involved were back by 3 p.m. The communique was is-

Zambian territory against Zipra terrorists.

Other strikes followed within hours with ground troops lifted in by helicopter. Rhodesian security forces claimed more than 500 terrorists killed although

brian reports indicated they could have been extensive. The attack on what Zambian reports said was Victoria camp, reputedly housing 3 000 youths in training, was carried out in spite of the recent installation of a

Praise for Judge and free Press

Mercury Reporter
MILLIONS of South Africans will question the integrity and credibility of the Government now they know that public funds were used to finance the Citizen in spite of denials in Parliament at Cabinet level, said Mr. Collin Eglin, Leader of the Opposition, in Durban last night.

Commenting on the disclosures by Judge Anton Mostert, Mr. Eglin said: "This is a sad day for South Africa, relieved only by the integrity of Mr. Justice Mostert who upheld the best traditions of the South African Judiciary, and the courage and tenacity of the free Press.

"South Africans of all political parties are entitled to feel angry and sore and badly let down.

"The statement by Judge Mostert that 'the evidence given before me and other information at my disposal show an im-

proper application of taxpayers' money running into millions of rands. Moreover there are indications of corruption (in the wider sense of the word) relating to public funds' will send a shudder through the nation.

Evidence

"The evidence that public funds have been used to finance the Citizen in spite of denials in Parliament at Cabinet level will cause millions of South Africans to question the integrity and credibility of the Government.

"The good name of South Africa has been undermined in the eyes of the world."

He asked what could be done to undo some of the damage.

He felt that if there had been corruption then the law enforcement agencies must carry out their duties without fear or favour of any individual concerned.

A responsibility also rested on the shoulders of the new Prime Minister, Mr. P. W. Botha, to dismiss from office every person who may be responsible for this "disgraceful situation."

Voters

"If he is not prepared to do so, he should go to the voters of the country on this issue."

He said that in these difficult days South Africa could not afford to have a Government which might, in any way, be tainted by a legacy of corruption or deception from the past.

"Of one thing I am certain and that is that had the evidence released by Judge Mostert and his statement on corruption been available to the voters at the time of the election in November last year, the election result would have been a very different one."



MR. Collin Eglin . . . "a sad day for South Africa."

But we would sooner be in the company of Mr. Justice Mostert, concerned for truth in public life, than those who might feel intimidated by such a penalty when, as the worthy judge has stated, the interests of "clean" government are at stake.

The truth is that our present Nationalist Government faces the biggest scandal in our political history. The question is what is the Prime Minister going to do about it?

The integrity of the Government is at stake not only because of what has emerged, but because of the denials in Parliament of the former Minister of Information, now Minister of Plural Relations, Dr. Connie Mulder, that such things had ever taken place. And the rot runs deeper.

If the smell of corruption is not to linger, eating away at our international credibility and our own self respect, then Mr. P. W. Botha must act immediately. Dr. Mulder, along with any others involved, must go. In addition, the people of South Africa are entitled to an honest accounting before a special session of Parliament at the earliest moment — not next year.

Blustering statements and the decapitation of a few scapegoats will not be nearly enough to banish the stench of this sort of misdeemeanour from the noses of decent men and women.

Since the Citizen was launched in September, 1976, the Government — and especially the former Minister of Information, Dr. Connie Mulder — have strenuously denied they had any part in the newspaper's financing.

But in his evidence to Mr. Justice Mostert, Mr. Luyt named Dr. Mulder, General Hendrik van den Bergh, former head of the Bureau for State Security, Dr. Rhoadie, his brother, Dr. Deneys Rhoadie, and Mr. Les de Villiers — both former senior Information Department officials — as the men behind the Citizen.

He also told the Judge that Dr. Eschel Rhoadie behaved "like a James Bond" and that he had been unable to believe him in their dealings over the Citizen.

Row

And on one occasion, he said, he had had a row with Dr. Rhoadie over his conduct in front of Dr. Mulder at a Holiday Inn when, he claimed, he was not "a hireling."

He said he doubted if Dr. Mulder had ever heard Dr. Rhoadie spoken to like that. First approach for him to launch the Citizen, he said, came from General van den Bergh.

It was mooted when he flew the general and other guests to a test match in his private BAC 111 — a plane he later had to sell to shore up the Citizen's sagging finances.

He also spoke of an early

Deneys Rhoadie (above): Nothing to say last night. Below: General van den Bergh, named as the man who made the approach.



morning meeting in the Burgerspark Hotel, Pretoria — where the Big Five Foreign Ministers stayed during the South West Africa summit — when the final decision to launch the newspaper was taken.

One of those there was Mr. Jan van Zyl Alberts, present managing director of the Citizen, who told those present he did not think Mr. Luyt was the right man for the job.

But General van den Berg had backed him.

Mr. Luyt also said Dr. Eschel Rhoadie was the man behind the bid to take over South African Associated Newspapers, but "they

to disclose any of the evidence given to him.

Interest

But the Judge said he regarded the disclosure as being in the public interest.

In view of these considerations, he had carefully considered the request by the Prime Minister, not to disclose but he felt that by disclosing the evidence he could make a contribution towards a "clean" administration.

Mr. Justice Mostert said in terms of the Commission Act, the presiding officer had discretion to decide whether it would be in the public interest to release evidence to which the public had a right.

"In such matters the public interest is paramount; 'I have, therefore, decided to make the evidence available to the Press. In doing so, I believe I have made a contribution to a 'clean' administration."

Nothing

Last night Mr. Luyt said he knew nothing about the documents released by Mr. Justice Mostert.

Asked whether he knew anything about a reference to a cheque for R6 000 000 one of the documents said was made out to him, Mr. Luyt said: "I am saying I know nothing."

Shown a copy of the contract for setting up the Citizen, Mr. Luyt said he was busy with his legal advisers and would make a statement after conferring with them.

"Obviously I have to make a statement now."

A spokesman for Dr. Connie Mulder, said the minister "had no comments to make whatsoever."



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Information
scandal . . .
Pages 2, 6, 7 and 10

A terrible stench

SOUTH AFRICA owes a deep debt of gratitude to Mr. Justice Mostert. It is not just that he has demonstrated a basic truth — that our judiciary deserves its reputation of being independent, impartial, courageous and above the pettiness of life. It is that his actions were dictated by another equally valued principle — public interest — which at times like this is paramount.

And what more justified circumstances than when it is established on oath, before a judge of the Supreme Court, that people in high office have lied about misappropriating millions of rands of taxpayers' money, used it for party political ends, and compounded their deceit by pretending that all "was in the interests of South Africa?"

Was South Africa ever likely to come tumbling down or be seriously threatened without a newspaper like the Citizen? That is absurd.

What is equally absurd is the reaction of the South African Broadcasting Corporation, also Government-funded, in limiting its reports simply to the bald announcement that Mr. Justice Mostert had released the evidence given before him without saying what it contained.

We are not unmindful of the provisions of the Commissions Act — and other regulations — which contains a penalty of a fine of R200 (or six months' imprisonment) for commenting on or publishing facts placed before a judicial commission before that commission's findings have been released by the State President.

Mercury
Correspondent

JOHANNESBURG — Mr. Justice Anton Mostert, the Natal Judge sitting as a one-man commission into contraventions of exchange control regulations, yesterday disclosed evidence of a R12 million loan masterminded by the former Secretary of Information, Dr. Eschel Rhoodie, to Mr. Louis Luyt to launch the Citizen newspaper.

It was part of the evidence to the Judge which led him to declare, in spite of a plea from the Prime Minister, Mr. P. W. Botha, that it showed misappropriation of millions of rands of taxpayers' money and corruption "in the widest sense of the word."

A transcript of the evidence given by Mr. Luyt and his auditor, unravelled the mystery of the money behind the Citizen. It came from the Department of Information and was sent to Mr. Luyt through Zurich.

Named

I got R12m off Rhoodie for Citizen says Luyt



wanted to use me, particularly my name.

It was the failure of this bid, which led to the appearance of the Citizen.

He said too that Dr. Mulder had told him he would not lose a cent.

Yesterday's day of drama in the mounting information scandal — which led last night to demands for the recall of Parliament — began when Mr. Justice Mostert went to see the Prime Minister.

Mr. Botha asked him not

The State funded the Citizen

Continued from Page 2

ven if they were right — which they were not — here was a contract to lend me money to me, which is I think the contract was only shown to the Minister that morning, because he was not fully aware of its contents

I have digressed a little but after the loan was concluded I got busy and found that the newspaper cost much more than any of is ever dreamt — and the more we sold, the more expensive it became

Du Preez mentioned that he higher the circulation, he higher the costs We got a very good printing contract from Marius Jooster but in spite of that it became more expensive

You are always behind with your advertisements, and you also carry your ledger

I then told Les de Villiers that I would lose my estate in the process and that I would rather close down the paper He then told me no, they must take it over again Information must take it back

His words were that they had many projects losing more in a year than it and it was worth the trouble for the country to have a newspaper like The Citizen, which gave the other side of the picture Dr Rhoadie and I met

Luyt — be held in trust for them, and it held thus LUYT. I was now with

COMMISSIONER: You made the point that the company showed a loss because the circulation was bigger than expected I might just mention that they had not asked me for a balance sheet before that

That was the first time that they asked for a balance sheet. Never before had a bank asked me for a balance sheet for a loan, except after the Citizen had been established

I was then asked for a balance sheet for the first time — and I

JUDGE: The company that served as the vehicle for housing the Citizen was the company SA Today?

LUYT. That is correct

JUDGE: When was that company established?

DU PREEZ: It was long ago The company's name was International Fertilizers It was an existing dormant company that Mr Luyt

JUDGE: The name was changed to SA Today?

DU PREEZ: That name was decided on at a meeting at the Burgerspark Hotel And I received orders to change the name of the company to SA Today and they gave me instructions that the company should be called the 'Citizen'

much so that he also often said things that he immediately denied a week later One example, if I saw mention it to you, Dr Koorhof phoned me to ask if I would be interested I might just mention that over the years, long before the Department of Information appeared on the scene, I donated about R1-million to sport and if anyone wanted money, they came to me Dr Koorhof

JUDGE: The stadium at RAU?

LUYT: That I donated to them, as you are aware And Dr Koorhof phoned me, but I just did not see my way clear for the R220 000 that was necessary there, but I said to Rhoadie "what do we do?" and he said it was a brilliant idea to launch the Citizen Then I said "but they want a three-year contract" Then he said that was all right and for the first year the money was paid The second year he denied that he ever said three years, and this upset me terribly It also led to all these things being put on paper The fact that he could do a turnaround like that, and that we had more and more clauses and, for example, if the loss for the month was a little bigger or the cash ran short, he contemplated, and the more we tried to explain and prove to him that your income went up — which is clearly there — the income was greater than

LUYT: Yes, Mr Van Huyssteen and them had my shares, this was the control of that whole group, I also did financing at one stage There was a shortage of money, and I had to make use of my overdrawn account to finance SA Today or rather Citizen, at one stage as much as R2,7 million

DU PREEZ: I may perhaps just mention to explain the thing Dr Mulder said this money which was with Mr Luyt was a "pool", that "pool" may never be touched These were his words on several occasions, in other words, this money was invested on a fixed basis which he called a "pool" That money may not be touched Any losses and other things had to be financed from other funds.

LUYT: That R12-million I guaranteed, my estate guaranteed it to them, and it was also accepted that losses would be made good from overdrawn accounts and so on, but at one stage Dr Rhoadie simply ran short of money, and I couldn't close the paper, and I had to finance, and one stage, unfortunately this must come in there, I am sorry that I

DU PREEZ: A mortgage of a part of Mr Luyt's plane to be able to get a R1-million loan, from them, but they knew that this — any man could have seen how much money the company would need the Citizen

JUDGE: As whose shares did you see them?

LUYT: I saw them as Information's

DU PREEZ: But they saw it like that as well, because at one stage they asked, they questioned at one stage whether the stuff should not be lodged with them

JUDGE: Who were the auditors of SA Today at that stage?

DU PREEZ: Me

JUDGE: Are you still?

DU PREEZ: I am still there.

JUDGE: Who are now the shareholders in SA Today?

DU PREEZ: Van Zyl Alberts

JUDGE: And on the same basis?

DU PREEZ: On the same basis. The shares are still with me.

JUDGE: Who do you regard today as the shareholder in SA Today?

DU PREEZ: Van Zyl Alberts

JUDGE: As nominee or in his own right?

DU PREEZ: In his own right, because I have no cause to believe otherwise.

DU PREEZ: I can only mention that those documents are most secret

COMMISSIONER: Please continue

DU PREEZ: In other words, he then agreed that Mr Luyt conclude the transaction with Mr Alberts That's why I said I can't say that Mr Alberts acted on their behalf if you would look at the next document, he took over certain liabilities, and according to 29 they said after the negotiations that this was also a specific liability which Mr Luyt (accepted) in the first contract and for which Mr Alberts would accept responsibility Then they said he would take it over himself, after which he wrote that letter — and the contract was concluded, No 30 You asked whether he gave permission You will see right at the back — the very last page, Page 9 — I had him sign Here I must mention, we are not legal men, but these contracts were basically drawn up by us

COMMISSIONER: Whose signature is this?

DU PREEZ: Rhoadie.

COMMISSIONER: Is that his signature on Page 9?

DU PREEZ: That's his signature where he gave permission that that thing may be sold We come back to that page later on, after another document Perhaps I should mention it now that No 34 when this contract was originally signed

COMMISSIONER: Is that also Rhoadie?

DU PREEZ: No, they did

DU PREEZ: No, they did

DU PREEZ: No, they did

day the Prime Minister retired.

COMMISSIONER: Do Reynolds or Kemp possess any documents of which you have no copies?

DU PREEZ: Nothing that has anything to do with us

COMMISSIONER: I mean, of the things you gave them?

LUYT: I gave nothing to Kemp He asked for it, but I decided against it I spoke to him long before his appointment to this position and he told me then that he would like copies, but I decided no

DU PREEZ: I only gave him these blank things which I never got back signed

LUYT: Then the repayment of the R12 000 000, or R10 000 000

DU PREEZ: R10 118 000

LUYT: Because they had said they would bear the loss, which I think is only right In fact, I was so disgusted that I instructed Mr Du Preez to go back to them and tell them I want to return the lot and would bear the loss myself, but on the previous contract For me to pay back the money now is the same as when I had an overdraft at 12,5% and lent at 8% They then said the Treasury said they could accept the original contract because 3% was too low. That's what Rhoadie signed I then asked what was acceptable but Mr Du Preez could probably tell you what transpired as I was not present.

DU PREEZ: I said right from the beginning that the principle must be — that there must be a "pool", and that this pool may not be touched Just the interest from it should be used — everybody thought, when the budgets were originally presented, it was enough money to carry the company, but the budgets came to appear ridiculous but the principle remained that money should not be touched, so the running losses of the Citizen was the overdrawn account

JUDGE: I see, the thought was then, the R12 000 000 is lent to Luyt who in turn lends it to Throm

DU PREEZ: To prove his creditworthiness

JUDGE: To prove his creditworthiness, otherwise the interest on it — is then used to cover the running costs of the thing

DU PREEZ: It was just not enough That is why they had to pay in money and organise overdrafts to see this thing through

JUDGE: I know of R12 000 000 but now there is talk of R10 000 000 Where does the difference come in

DU PREEZ: It was an additional R1 000 000 Then an additional R1 000 000 was loaned with the aeroplane as security that Mr Luyt gave on his shares, that made it R13 000 000, and then subtracted from that was the evaluation loss

JUDGE: The interest loss?

DU PREEZ: The interest loss that he suffered on this loan He now pays 12,5% interest, on which he has a loan of 2%, so it is the loss that they made good, the difference, and that — on that money that we

there is are no problems with it, it had its own auditors and these auditors that the transactions going through, everything, and then they came with that story, and immediately, I think a week after that story, the thing came into the newspaper that Dr Rhoadie had said Throm was a front company of the Department of Information

LUYT: I then refused to allow that thing to go through, because I also said that the contractual rights in my limited knowledge, that I concluded with Rhoadie, No 9, was from Eschel Mostert Rhoadie, and if I now paid Throm back I have a problem with this contract I insisted that I gave the money back to him How he fixed it up with the Department I could not care He then gave us a bank account — I gave them cheques

DU PREEZ: I think we are now running too far ahead

JUDGE: Good let us go on just as you planned

DU PREEZ: That was the suggestion at this stage I think the negotiation was basically to establish an interest rate The interest rate was established at 8%, averaged over the term of the loan

JUDGE: Why 8% if 12% was originally agreed upon?

DU PREEZ: The contract originally said 3% The contract determined the interest rate that would be valid on a Swiss loan You saw that Throm's letter It was a Swiss loan that would be valid on that day That loan would be interest free for the first two years May I refer to No 9? Page 2 No

LUYT: We have the proof

LUYT: We have the proof

LUYT: We have the proof

LUYT: We have the proof

LUYT: We have the proof

LUYT: We have the proof

LUYT: We have the proof

LUYT: We have the proof

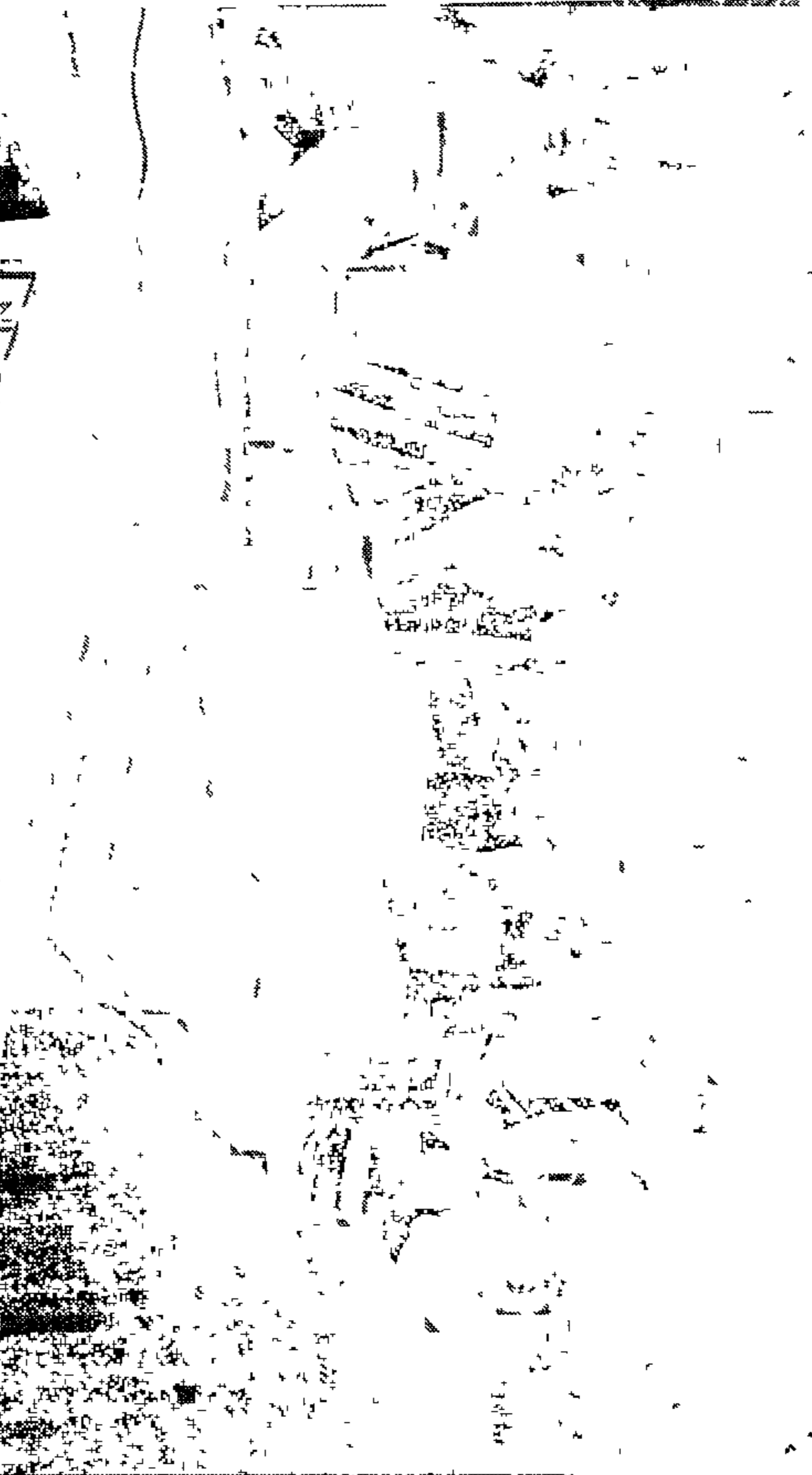
Luyt says BOSS chief conceived SAAN bid

Staff Reporter

GENERAL Hendrik van den Berg, former head of the Bureau for State Security, conceived the idea of the bid by fertiliser magnate, Mr Louis Luyt, to take over South African Associated Newspapers late in 1976.

This was said by Mr Luyt in evidence given to the one-man Mostert Commission in his evidence. Mr Luyt said he had been approached by General Van den Berg at a cricket Test match.

Mr Luyt had flown people, including General Van den Berg, Dr Eschel Rhoadie, the former Secretary for Information, and the Minister of Sport Dr Piet



Mr Justice Mostert faces reporters and television cameramen in Pretoria yesterday, when he released evidence given to him about the Department of Information scandal

Picture DANIE COETZER

Truth of Info secret dealings revealed at last

this, because Dr Rhoadie

From Page 1

Waldeck praises the Press

Staff Reporter

MR J "Wally" Waldeck, the Department of Information's axed chief of administrative services, last night praised the Press for its investigations into the Information scandal.

And he said he believed that his premature retirement from the department had prompted newspapers to continue their probes.

Pieterse admits Info loan is still outstanding

THE South African film magnate, Mr Andre Pieterse, has admitted in evidence before Mr Justice Anton Mostert, who is conducting a one-man commission of inquiry investigating exchange control contraventions, that he had received a loan of R825 000 from the now defunct Department of Information — and that the loan was still outstanding.

He said he hoped to begin repayments within the next six months, but they would probably amount to not more than R100 000 or possibly R200 000.

Luyt tells of State's role in the Citizen

paid, everything went into the Citizen

JUDGE In contradiction with this

LUYT Totally in contradiction

JUDGE But why — if you have an interest-free loan, why pay 12.5%?

LUYT Just to come back, you will remember, originally the thing would have been 100% mine, just the interest, then I said I am going to close it, because I could not take those terrible losses. Then I continued to pay the 12.5% interest

thing on the budgets which were drawn up by all the judges. "So that I do it in my own name?"

Luyt In my own name, and it was a very short time, then I saw no, I will have to close it,

ment You must now repay R12 million to the people."

Luyt: "Yes, less the interest loss."

Judge "What is the interest loss?"

LUYT: "It is about — you

company and Thor Communications.

He explained that as far back as 1970, he and his companies had drawn up plans for a black film industry in South Africa.

He discussed this project with various Cabinet Ministers, serving and retired, and after a number of meetings, which included departmental heads, it was decided in 1976 to go ahead with the plans.

It was pointed out to him, however, that it would be difficult and dangerous for the State to favour one company exclusively, because of the various facets involved — the building of theatres, the making of ideological films and the

ger one. The aeroplane was used more by the Government Department possibly than myself. The people that used it are among other the Defence Force, they used it for example to the MP's.

to the MP's. \$0 fly to Angola, Minister Muller, Foreign Affairs, in Africa, and he had a Swazi registration.

The Bureau used him, and Information used him, because he could fly easily without problems, without South African registration, and it was then decided that Information

accepted that we had now reached the point where we

50% of the plane

With a loan of 17 000 000 francs you must produce a balance sheet

They insisted and I said no! I cannot produce a balance sheet So we lost that loan

DU PREEZ: The previous year they had informed Mr Luyt that they would renew the loan without any difficulty, but as a result of the English-language newspaper's founding they refused to do it

LUYT: Unless I produced a balance sheet I know why they asked for it, because SAAN also banked with Standard Bank

And not only that, there is quite a lot of influence from various sides, otherwise I cannot see why they insisted on it

Before that they never asked me for a balance sheet No bank has ever asked me for a balance sheet to acquire a loan, except after the founding of The Citizen

COMMISSIONER: The company which served as vehicle for the accommodation of The Citizen is SA Today?

LUYT: That is correct **COMMISSIONER:** When was that company started?

DU PREEZ: It was started long ago The name of the company was International Fertilizers It was the existing dormant company which Mr Luyt

COMMISSIONER: The name was changed to SA Today?

DU PREEZ: That name was decided on at a meeting at the Burgerspark Hotel and I was instructed to change the name of the company to SA Today

dertaking that I must finance the company, must a contractual obligation we had, and that is why money was brought in but when this loan ceased, I told Rhoodie and then that I could not carry this loss of interest I could not give a balance sheet unless I blew the whole thing, then I did not expect to lose. Then they said — without saying very much — they said "no", they did not expect me to lose a cent.

DU PREEZ: Right at the beginning Dr Mulder said — with the understanding that Mr Luyt would carry on with this thing — he was given an undertaking, in my presence, that Mr Luyt must not lose a cent in this transaction Those were his specific words

LUYT: He said it, Dr Mulder said, it but they I worked without reimbursement I also said I was doing it because I had been told it was for my country and because it was the Prime Minister who had asked. I said "good", and my people worked without reimbursement, and we even used some of Triomf's facilities that cost a lot of money, without reimbursement, because we felt it was a good thing, and because the Prime Minister supposedly, according to them, wanted it My association with Dr Rhoodie did not go smoothly because he phoned over the smallest little thing For example, if a book was not discussed, he would phone me about it; he leaked certain things directly to a newspaper and he made it very difficult for

it mildly Actually I called him a James Bond — with all his mythical companies and that sort of thing It was then decided that if the newspaper was sold — which made me smile, because I knew there was no buyer We met again in Dr Mulder's office

DU PREEZ: If I may perhaps just interrupt, the plane transaction was now between these

JUDGE: Let us handle the plane transaction separately, then we start again from the beginning

DU PREEZ: May I just mention one point to you, something that was perhaps missed there There was at one stage — there was a shortage of financing, and Mr Luyt was then told to get overdraft facilities at Volkskas, which he then did, but on his personal guarantee. He then personally signed guarantee and mortgaged some of his shares. You will see number 11, the document there; shows where he mortgaged his shares

LUYT: Those shares mean control of Triomf If they were sold today it would be R35-million. That is what African Explosives were willing to pay last year.

DU PREEZ: I may perhaps just mention further that Mr Luyt also signed guarantee for the Perskor contract, which Mr Jooste insisted upon

LUYT: He wanted my personal guarantee, which I gave

DU PREEZ: In other words, Mr Luyt was financially absolutely linked with the whole story, to let the

mis altercation, when I told him straight out

JUDGE: Before the television?

LUYT: This is before the programme, when I told him straight out — I will tell you what I told him — "You are a James Bond and you don't talk to me like that, I hire guys like you, I don't work for them, and I don't work for Dr Mulder, and I am doing these things for nothing for you."

Then already it was finished — I don't think anybody had talked to Rhoodie like that in front of the Minister before, but I felt it had to be said because he simply got away with murder, and after that I was invited by ATV to come and put South Africa's case, which I did not get much time for, and Rhoodie then said amongst other things he had nothing to do with it, and he is absolutely right, and he had nothing to do with it, and then he dressed me down, and I answered on that, and my answer was that in England it wasn't like in South Africa where you get a chance to study what they are going to ask you; there they sit, 35 who are against the country, against you, and they simply shout you down, and I said I sat looking pretty on SA television, and then Mr Van Zyl Alberts came to Mr Du Preez and said no, after this thing they think we should sell the shares as soon as possible We then again

JUDGE: At that stage, in whose name were the shares in SA Today?

LUYT: In my name, in trust with him

JUDGE: You never saw

you believe him?

DU PREEZ: Believed whom?

COMMISSIONER: Mr Van Zyl Alberts?

DU PREEZ: No, today I don't believe him.

COMMISSIONER: Whose shares do you think they are today?

DU PREEZ: I think they belong to the Department of Information, because he cannot give me a definite answer Every time I ask it's a long story to get an answer

LUYT: The takeover was effected, again without legal people We just had to put out heads together to draw up a contract because, as I said, I could not even approach my lawyer Then came the repayment of the loan, of which I have the contract, and they refused to talk to him further, because I gave Mr Du Preez power of attorney to negotiate on my behalf, and to sign, because I could not get with Rhoodie any more We were then told that the Treasury could accept 3% interest

DU PREEZ: Perhaps only the contract — it is there, No 30, with the documents Look, Mr Luyt could not sign that contract with Mr Alberts because he acted a nominee Now I want to draw your attention to No 28, the document, in which Dr Rhoodie excluded certain clauses of the agreement with Mr Luyt, in other words, where he authorised him to sell You might look at it

COMMISSIONER: I would like to have the originals You may have them back afterwards, but I particu-

that the paper would again fall into their sphere of influence.

But in the meantime the money was invested, fixed meanwhile.

COMMISSIONER: With Triomf?

LUYT: With Triomf.

COMMISSIONER: In other words, the money was lent to Triomf?

LUYT: By me, and the permission and agreement of all the gentlemen you mentioned just now?

COMMISSIONER: With the permission and agreement of all the gentlemen you mentioned just now?

LUYT: Originally they denied it, as I said, but later Van Zyl Alberts admitted that they had said it was so.

DU PREEZ: I may just mention that at one stage it was demanded from Mr Luyt that he appoint people at The Citizen and conclude contracts.

Everybody queried whether he had the money, the means, to do it. For that reason I was requested to issue a certificate that he did have the money in his personal capacity.

I therefore issued the certificate on the grounds of the loan agreement which existed.

LUYT: They then decided to take it over again, and we kept on managing the newspaper without compensation.

Meanwhile a foreign loan of just over 17 000 000 francs was due for renewal and the bank — Standard Bank — asked me for a balance sheet and I could not give them one.

DU PREEZ could not sign it. There was no problem with the loan but von Knor

there were three shares issued to Mr Luyt — that I must place the shares in a trust for them and they were kept like that.

LUYT: I was then at

JUDGE: So it was that Mr Van Zyl Alberts was the man who admitted, after the other denied it, and De Villiers, that the R12 000 000 now — now the company got underway. You made the point that the company showed a loss because the turnover was higher than was expected.

LUYT: Yes. The loss became bigger every time.

DU PREEZ: I could just have mentioned that that R12 000 000 loan was then confirmed by a letter from The SA's Controlling Officer from Zuylich. The letter is also there.

JUDGE: Do you know whose signature this is?

DU PREEZ: I have no idea. The thing was given to me.

LUYT: They flew specialy to go and fetch it from Switzerland.

DU PREEZ: I know that that document was destroyed by them, from their side, because at one stage they asked me if I could present them with a copy of that document.

LUYT: They also asked me, but I had kept it. In fact I kept everything. What happened then, is that this Swiss loan that I had, at a very low rate.

JUDGE: The other loan from Standard Bank. If you say "I", then that is Triomf?

LUYT: No, it was personal. You know, I had an un-

your costs also went up, the less he understood it and he continually said that Mr Van Zyl Alberts with To the Point — they were always on budget.

DU PREEZ: One can just mention that monthly budgets were presented to them. The company was handled on an orderly basis and management accounts were drawn up every month and were available on the 15th of the month. That stuff was handed from Mr Luyt to them, via me, every month. If there was any problem, any questioning of costs, they had the right to come back to me and I would give them the necessary answers.

LUYT: They never had any problems because it was, like, our handling of Triomf, which had a R300 000 000 turnover, so that such was the handling of SA Today. For each thing there was documentary evidence, everything, but I just felt that Dr Rhoadie and I, we could not go on like this. In fact at one stage I lost my temper the evening that Dr Mulder was present and Van Zyl Alberts and Rhoadie at the Holiday Inn where he talked to me as if I was his hiring, but I let him understand very clearly — in no uncertain language — that I did not work for him or Dr Mulder or for anybody else, but that I did it because I was asked to do it without reimbursement, and that I would not allow him to come and talk to me as though I was one of his hirings. Now I'm putting

zen, and at this meeting Mr Luyt has referred to at the Holiday Inn — I think it was in April, I'm not sure — we warned them that that money would be needed, and they then promised the money would come in in June. Then August came. I think the first money only started to come in in September.

LUYT: This is another instance. The other instance is a machine we had to buy; one of these "computers" for the typesetting work, I am now, not so well-informed, which I had to finance out of my own pocket, which was only paid back after the so-called transaction, — as you said "safe" — when Rhoadie also said go ahead, R165 000, but the money was not paid, and not to look a fool and not to look in the eyes of my own people like a man who could not make a decision, I had to finance it, a personal cheque.

It was later repaid to me, but in the meantime I had appeared on a television programme in London, which Dr Rhoadie did not have, much good to say about.

JUDGE: Before that television situation, were you and Rhoadie good friends? Was there already friction at that stage?

LUYT: There was friction. I could never believe him. I couldn't believe him, and I did not believe him, he jumped around too much for me, so we did have friction, and I believe we had

did you believe that information was in reality the owner?

DU PREEZ: That is correct.

JUDGE: Then they were transferred by Mr Luyt to Van Zyl Alberts?

DU PREEZ: With a purchase contract, yes, that he bought them in his own name, yes.

JUDGE: For how large a sum?

DU PREEZ: He bought at a nominal price.

COMMISSIONER: You said Van Zyl Alberts is owner in his own right of the shares in SA Today, or do you think he is a nominee of

DU PREEZ: Are you asking what I think or do you want facts?

COMMISSIONER: What is your impression?

DU PREEZ: He told me repeatedly that if he bought these shares in his own right, the other people would have nothing to do with it.

COMMISSIONER: Did Rhoadie agree to this?

DU PREEZ: To the sale? Yes, he signed an addendum to the contract that he could buy the shares in his own right. But for me it created the impression that these other people had nothing to do with it; in other words you are asking me what my attitude is towards Mr Luyt, because I handled Mr Luyt's personal affairs.

COMMISSIONER: Did

contract was signed on the 14th of February when it was sold at a higher figure. The net assets which Alberts bought appeared to be higher, and I insisted that he sign this thing so that Mr. Alberts could get the great benefit I had great trouble getting the thing out of him — this document I mentioned — and it was only handed over in the presence of Mr. Reynders. They would then have it signed for me, but he did not return. I then went to see Mr. Kemp and he took the stuff and said he would see to it that it was signed. Mr. Reynders returned it duly signed to me on the

DU PREEZ: They sent me to Cape Town for an appointment with Dr. Mulder. I discussed the matter with him according to the original contract — that is, the original loan He said no, we could not start at that point. We must start with the "pool" to which he had agreed. That was R10 118 000, and all we had to do was to agree on a reasonable interest, he said. He was in a great hurry. He had to address the Senate, and he called Rhoadie, with whom I had further discussions. We talked about the principles to settle the matter. While we were talking General Van den Bergh

ferred and lent to Triomf it stayed here till this thing was finished. LUYT: The money was lent to me, not to Triomf. JUDGE: You then lent it to Triomf? LUYT: Yes, I lent it to Triomf and I paid them interest of 12.5%, actually — according to the contract it would have been 3%, but we had gone back again. JUDGE: At the moment when it was decided — and it was decided by everybody — that you will transfer your shares to Van Zyl, Alberts, were you still indebted to them, the R10 000 000? Still? LUYT: Still. JUDGE: What was that money used for? Which money was then used to run the Citizen?

back and say good, we start with R13 000 000 at an interest rate as originally laid down in the contract, and Mr. Luyt pays back according to the contract. Then Dr. Mulder said, not at all, we start with R10 118 000 — start on that figure and that was how the money would be paid back. LUYT: I refused to accept this. It is Thor Communicators that — DU PREEZ: May I just say further that when that thing was negotiated Thor had not been revealed. These people said the whole time that Thor was one company nobody knew about. This was — they further said that this company was —

was not acceptable to the Treasury. JUDGE: What did the Treasury have to do with this thing? DU PREEZ: They alleged Minister Horwood was on the Committee and they must justify the thing with him. LUYT: We were not present. That is the story that they gave us. JUDGE: But this is interest free for the first two years? DU PREEZ: Yes. What happened then was, Mr. Luyt paid 12.5% throughout. On that money on which 12.5% interest was

Continued on Page 4

Editor of The Citizen refuses to talk

Staff Reporter

THE editor of the Citizen newspaper, M A "Johnny" Johnson, refused to issue a statement to or see reporters who called at his Doornfontein offices yesterday.

Reporters were left milling around in the lobby on the eleventh floor of the Nedbank East City home of the Citizen for several hours waiting to see Mr Johnson

They were not even allowed inside the confines of the Citizen's newsroom. A huge iron grille kept unwanted visitors out and security men were posted at the entrance.

A Rand Daily Mail reporter and photographer were asked to leave the premises immediately by the Citizen assistant editor, Ralph Cohen

When asked if he or Johnson had anything to say on yesterday's revelations about the Citizen, Cohen ordered the security guard to remove the reporters

"The editor or anyone else has nothing to say to you", he snapped.

Yesterday the editorial staff of the Citizen issued a statement signed by 39 journalists emphasising they had no knowledge of any agreement or charter signed by the founder of the paper, Mr Louis Luyt. The statement said the Citizen staff strongly resented any attack on their professional integrity and wished to stress they had no knowledge of any agreement between the paper and a Government department

The statement also said there was no precondition of loyalty to certain policies to joining the Citizen

They wished to point out that as professionals of long standing they undertook their work unfettered by any political restraints

The atmosphere in the Citizen newsroom was described as tense by several staffers. "We just do not know what is going on or what is going to happen to the paper. A lot of us feel we have been sold down the river," one reporter said



Dr Connie Mulder, a year ago, was at the pinnacle of his career. Yesterday, his political power crumbling around him, he was seen to be sweating profusely as he entered the Department of Plural Relations headquarters in Pretoria

Citizen journalists deny signing charter

THE following statement was issued last night on behalf of 39 members of the editorial staff of The Citizen — reporters, photographers and sub-editors

"We emphasise that we had no knowledge whatsoever of any charter binding us to a particular editorial policy

"We deny that any member of the staff was made to sign such a document or asked to abide by any specific directives — or to support the policy of any political party

"We strongly reject any reflection on our profession-

al integrity and stress that we had no knowledge — direct or indirect — of any negotiations which may have taken place when this newspaper was founded

"We are certain that if the signing of such a charter or the adherence thereto was a precondition of service, none of the undersigned would have joined The Citizen.

"As journalists of long-standing we affirm our dedication to the principles of independent journalism, unfettered by political restraints" — Sapa

Nobody gave me orders — Spring

MR MARTIN Spring, the first editor of The Citizen, denied last night that Dr Eschel Rhoodie or any other person had ever given him instructions on the newspaper's editorial content

Mr Spring, whose editorship ended two weeks after the paper was launched, issued the following statement

"In connection with reports published today about evidence laid before the Mostert commission about the establishment of The Citizen newspaper, which I feel might cast doubt on my professional integrity, I wish to make the following clear

"My contract with South Africa Today Pty, publishers of The Citizen, stated 'The company employs the employee as its chief editor of The Citizen. The employee shall have full control over the editorial content of The Citizen'

"This contract was signed by the then managing director of the company, Mr Philip Clarke, and witnessed by Mr Louis Luyt

"At no time did Dr Eschel Rhoodie or any other person issue instructions to me on what The Citizen should or should not contain, and if they had, I would of course have refused such instructions

"Obviously I discussed the content of the paper from time to time with Mr Luyt and Mr Clarke, but at no time during my editorship did either of them issue any instructions as decisions over content were clearly my prerogative, both in terms of my contract and professional tradition" — Sapa

SABC hit

MR JOEL Mervis, MPC for Orange Grove and former editor of the Sunday Times, last night slammed the SABC for stopping broadcasts of news on Mr Justice Mostert's disclosures

Their "so-called legal reason" for not broadcasting the details was "an ingenious strategy for suppressing some highly uncomfortable and embarrassing news," he said



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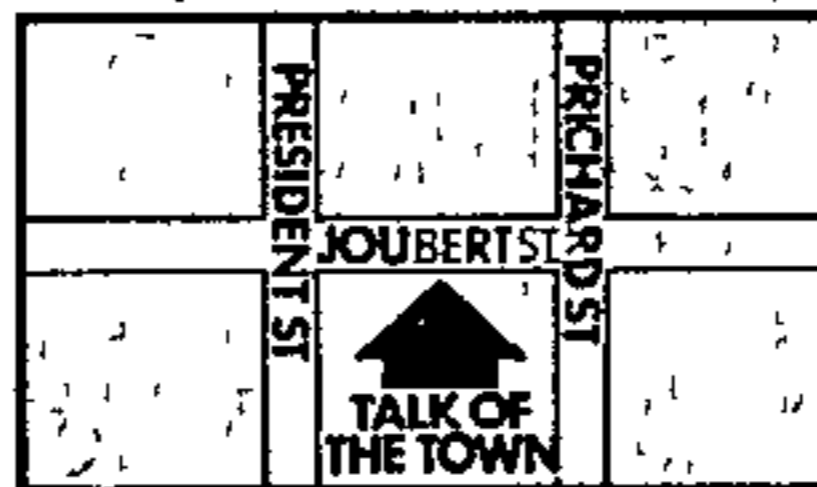
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THE INFORMATION SCANDAL

Cabinet rocking in Nat crossfire

By MARTIN SCHNEIDER
and HELEN ZILLE

THE INFANT administration of the Prime Minister, Mr P W Botha, was reeling last night in the crossfire of rival National Party factions as loyal lieutenants of those named by the Mostert report rallied with counter-salvoes at other Cabinet Ministers.

Evidence of a bitter National Party in-fight surfaced within hours of Mr Justice Mostert's disclosures, which involved the Transvaal Nationalist leader and one-time "crown prince" of the party, Dr Connie Mulder, the former head of the Bureau for State Security, General Hendrik van den Bergh, and Dr Eschel Rhodie, former Secretary of Dr Mulder's disbanded Department of Information.

But by late last night, Dr Mulder was refusing to comment on whether or not he would resign.

As first reports of the disclosures filtered through to Nationalist Ministers,

deputy Ministers, MPs and public servants yesterday afternoon, sources close to Dr Mulder said they feared he would be used as a scapegoat to allow other top Nationalists to avoid blame.

"First they tried to make Eschel Rhodie the scapegoat," a Mulder associate said. "Now it is Dr Mulder. The question will have to be asked: How much did the present Prime Minister know?"

Within two hours of the issuing of the Mostert report, the Prime Minister made a statement which, against the background of his interview with the judge yesterday morning, indicated that he had done his best to persuade Mr Justice Mostert not to reveal his findings at this stage.

The full text of Mr Botha's statement reads: "I have no comment on Judge Mostert's action. If the Judge thinks that his disclosure falls within his brief, he must act according to his own judgment."

An addendum to the

statement reads: "At the request of the media, the Department of the Prime Minister pointed out that when a commission is appointed by the State President, the report of the commission is in the first place laid before the State President."

"The Government then decides how such a report must be dealt with."

Mr Justice Mostert's statement, after his meeting with the Prime Minister at the Union Building in Pretoria yesterday morning, made clear that he turned down the request to keep his findings from the Press because he could find no evidence that immediate disclosure would affect the interests of the State.

Last night there was considerable speculation in political circles about the possible course of events following the disclosures.

Most Nationalists were agreed that Dr Mulder

would attempt to ensure that he was not the only

They acknowledged there would be strong pressure on Dr Mulder to resign, intensifying the struggle for power and position in the party.

If Dr Mulder is forced to resign his Cabinet post and the Transvaal Party leadership, a bitter struggle could develop between party conservatives, led by Dr Andries Treurnicht, and "verligtes" under the Minister of Foreign Affairs, Mr Pik Botha, and the Minister of Labour, Mr Fanie Botha, to instal their men in the strongest position under the Prime Minister.

As speculation mounted among MPs and officials milling in the corridors of Dr Mulder's office seeking further details of the allegations, a perspiring Dr Mulder arrived for a 1.30 pm meeting on the Government's "five-year plan" for urban blacks.

Dr Mulder waved away waiting Pressmen, saying he would make a comment "in my own time."

From top to the edge of political oblivion

Raw calls on PM to act on scandal

By PATRICK LAURENCE

A YEAR ago Dr Connie Mulder was riding high as the Transvaal leader of the National Party, the key man in a secret propaganda war in defence of South Africa and the heir apparent to the then Prime Minister, Mr Vorster

Today he is shattered politically. He is still Transvaal NP leader, but his propaganda machine has fallen apart to bring him to the edge of political oblivion and he has been beaten in the battle to succeed Mr Vorster

Ironically, the now defunct Department of Information which caused his fall was also the portfolio which helped hoist him to all but the pinnacle of power within the NP

His appointment to the Cabinet came via the Information portfolio when he was made Minister of Information, Social Welfare and Pensions and Emigration in 1968, 10 years after he first entered Parliament

Significant, in retrospect, were his appointments as assistant information officer of the NP in 1966 and, about 18 months later, chief information officer of the NP

But it would be inaccurate to see Dr Mulder's earlier political years purely in terms of his role as information officer or Minister of Information. One of his chief attractions to the NP rank and file was his charisma as an ideologue

In those days he was seen as a successor to Dr Hendrik Verwoerd, the man who provided the supreme rationale for NP policy in the form of the philosophy of separate development

Born 53 years ago, Dr Mulder was very much a product of Potchefstroom, where he went to school and, later, university. Even when he obtained a doctor-

ate from the University of the Witwatersrand, his interest in his Afrikaner people persisted

The theme of his thesis was the influence of the Bible on the character formation of the Afrikaner

But after he became Minister of Information and particularly after secret funds were put at the disposal of the department for his counter-propaganda against attacks against South Africa from within and without, Dr Mulder's image began to change

The consistent ideologue gave birth to the sophisticated propagandist.

The young, good-looking and ambitious Dr Eschel Rhoadie, whom Dr Mulder chose as his Secretary for Information, introduced him into a James Bondish world, where money seemed able to buy anything, including friends in high places

Dr Mulder saw it in different terms — as a war fought on behalf of South Africa in which the stakes were survival and the means no different from those used by the nation's enemies

"We had to use unorthodox methods because the onslaught on us, and the people launching those onslaughts on us, recognise no rules of any kind," he told Parliament

Referring to the limitless funds and the amorality of the enemies, he said "We must try to outsmart and neutralise those people. With this goal in mind our department began to perform certain tasks"

In the Cabinet reshuffle announced by Mr Vorster earlier this year, Dr Mulder was appointed as successor to Mr M C Botha, Minister of Bantu Administration and Development

Dr Mulder was cast in a role for which his ideologi-

cal penchant was better suited and he immediately set about reshaping the portfolio

He renamed it the Department of Plural Relations to stress that its policies were not based on race, but on the ethnic and cultural plurality of South Africa

If the new title seemed ponderously pompous and Dr Mulder grandiose with his talk about making Soweto the most beautiful city in Africa, Dr Mulder brought one quality to his new portfolio which Mr Botha lacked — politeness

His style was more acceptable, even if the underlying policies were fundamentally unchanged, and in some respects he displayed an open-mindedness which his predecessor lacked

One indication of his greater flexibility was his willingness to meet Dr Ntatho Motlana, the chairman of the Soweto Committee of Ten, whom Mr Botha had refused to talk to and the Minister of Justice, Mr J T Kruger, had interned

There was, however, an element of real politics in the new portfolio which had a touch of the old Information Department style

Plural Relations' men were involved in quid pro quo bargaining with Soweto leaders — Dr Motlana's release from detention in return for their participation in Soweto Community Council elections

With more than 100 black townships accepting the community council system in the first months of Dr Mulder's new role as Minister of Plural Relations, the scene was set for interesting developments

Then the information scandal was reopened with devastating consequences for Dr Mulder's political career

DURBAN. — The leader of the New Republic Party, Mr Vause Raw, has called on the Prime Minister to appoint a judicial inquiry into the facts released to the Press by Mr Justice Anton Mostert yesterday, and to convene a special session of Parliament to receive the commission's report

The commission should be given a time limit of three weeks in which to submit its report, he said

"In placing the public interest above any other consideration, Mr Justice Mostert has acted in the finest tradition of a free and independent judiciary, and has added lustre to the already high reputation of the South African Bench," Mr Raw said.

He said the incredible revelations regarding the alleged massive misuse of the taxpayers' money for a newspaper to support the National Party, and for other purposes, was the worst scandal South Africa had ever experienced

The Prime Minister's pledge, on assuming office, of a clean administration, made it imperative that he take those two immediate steps so that the Government could be called to account before the highest council of the land in the name of the people of South Africa, Mr Raw said

In Cape Town, the leader of the South Africa Party, Mr John Wiley, said yesterday he would rather not comment on the revelations of Mr Justice Mostert

"I would prefer to see the full statement and to wait for the Prime Minister's Committee's report before I comment," he said — Sapa

Govt owes explanation — Phatudi

'No comment' is general reaction

By MARTIN SCHNEIDER
AND HELEN ZILLE

By ZWELAKHE SISULU

THE Government owed South Africa an explanation on the scandal surrounding the funding of The Citizen by the now defunct Department of Information, the Chief Minister of Lebowa, Dr Cedric Phatudi, said yesterday.

Dr Phatudi described the whole incident surrounding the department as unbelievable and morally wrong.

"One wonders why it was done in the first place. If the Government liked the idea of funding and subsidising a newspaper, then they may as well have done it with all the other newspapers," Dr Phatudi said.

Although he did not have enough information, he said, the little he had read had convinced him that "the Government owes an explanation".

The head of the African Bank, Mr Sam Motsuenyane, said the Government had tried and failed to buy the support of English-speaking South Africans.

"This goes to illustrate the imperfections of government," he said.

"This is the sort of episode that could bring down a government in a country like the United States. I don't know if this could happen in South Africa."

The misuse of taxpayer's money, Mr Motsuenyane said, was indefensible and should be viewed seriously.

SABC

There were indications that millions of rands of taxpayers' money had been misappropriated.

"Mr Justice Mostert said the evidence pointed to corruption in the widest sense of the word."

APART from the brief statement by the Prime Minister, Mr P W Botha, Cabinet Ministers were last night either tight-lipped or unavailable for comment on the latest revelation in the Department of Information.

● The Minister of Foreign Affairs, Mr Pik Botha, said, via his secretary, that he did not wish to make any comment.

● The Minister of the Interior and Nationalist Free State leader, Mr Alwyn Schlabusch, was not available because, according to his secretary, he was visiting his constituency.

● Dr Piet Koornhof, Minister of Sport and National Education, was unavailable for the same reason.

● Mr J T Kruger, Minister of Justice, Police and Prisons, was at a Cape Town hotel and could not be contacted.

● Senator Owen Horwood, Minister of Finance, was "unavailable and will be for the whole afternoon," according to a spokesman in his office.

● A spokesman for the Minister of Economic Af-

fairs, Mr Chris Heunis, said the Minister was travelling in the country but promised to attempt to trace him for comment.

● The Minister of Indian Affairs, Mr Marais Steyn, was "not in town today".

● Mr Braam Raubenheimer, Minister of Forestry and Water Affairs, was "officially unavailable". Asked where he could be contacted, a spokesman at his office said the question was "unreasonable".

● The Minister of Education and of Training, Mr Willem Cruywagen, had no comment to make.

● Mr Hennie Smit, Minister of Coloured Affairs, was at a meeting yesterday afternoon and unavailable for comment.

● There was no reply at the listed telephone number for the offices of the Minister of Health, Dr Schalk van der Merwe.

● The Minister of Labour and of Mines, Mr S P (Fanie) Botha, was also not available yesterday.

● Mr S L Muller, Minister of Transport, and Mr Louis le Grange, Minister of Tourism and Immigration, could not be contacted.

Govt should resign immediately — prof

By GERALD REILLY
Pretoria Bureau

THE clear duty of the Government after yesterday's shocking revelations by Mr Justice Mostert was to resign, the head of the Department of Political Science at the University of South Africa, Professor Willem Kleynhans, said yesterday.

A new election should be urgently called to determine the effect of the revelations of corruption and misuse of taxpayers' money on the electorate.

"Had these revelations been made before the November 30 election last

virtually be said that the present government is in office under false pretences."

Prof Kleynhans said the fact that Mr Vorster, the leader of the government under which the acts were committed, was now State President, created an untenable position.

He said Mr Vorster was faced with the alternative of renouncing his privileges and immunities he enjoyed under the Constitution or he could resign to give his account of the happenings revealed by Mr Justice Mostert.

The Ministers responsible, those who acquiesced in the improper application of

Judge Mostert: dynamic, volatile

Own Correspondent

DURBAN — Mr Justice Anton Mostert is a dynamic, independent and volatile man who is highly regarded in legal circles

Born in Johannesburg 47 years ago, he studied law at the University of the Witwatersrand, winning the Transvaal Law Society award — the first of many academic prizes to go his way — when he was 18

He practised as an attorney in Johannesburg for 12 years, before he was admitted to the Bar. He took Silk in 1972 and was appointed a judge only two years later. He was one of the youngest men to take such high office

Vorster silent

THE STATE President and former Prime Minister, Mr B J Vorster, had not commented on the Mostert report by late last night

A spokesman at his office said "I do not hold out much hope that he will be

Judge praised

MARITZBURG. — The Natal Witness yesterday praised the Maritzburg judge, Mr Justice Mostert, for his decision to disclose evidence heard before his one-man commission of inquiry. The Witness said

"Judge Anton Mostert has elected to take his stand on those corner-stones of a free and open society, the man in the street's right to know and to be told how his taxes have been spent

"It must have taken great personal courage and a keen perception of where national interest really lies in the whole sorry Department of Information saga to put the interests of the ordinary citizen before those of the Prime Minister." — Sapa

Press control

CONFIRMATION that The Citizen was launched by official circles gave an insight into the way the Government was doing its best to control the Press, the president of the Writers' Association of South Africa, Mr Zwelakhe Sisulu, said last night

Mr Sisulu said in a statement that the Government was doing its best to control the newspaper world and manipulate public opinion

The intention was to provide greater scope for the Government propaganda machine

"No self-respecting black newspaperman or newspaper would sink that low as to toe the Government line," the statement said — Sapa

No details of report, says

SABC Radio news announced on its six o'clock bulletin last night it would not broadcast details of the statement by Mr Justice Anton Mostert regarding evidence submitted to him in his commission of inquiry

"The SABC has decided not to broadcast the statement at this stage as the proclamation pertaining to the appointment of this commission prohibits the publication of information submitted to the commis-

said

The SABC, in its English and Afrikaans news headlines at four o'clock, broadcast only a summary of the statement by Mr Justice Mostert, in which the judge said he would be making

Information scandal

Judge Mostert is a legal 'dynamo'

Court Reporter

MR. JUSTICE Anton Mostert is a dynamic, independent and volatile man who is highly regarded in South African legal circles.

Born in Johannesburg 47 years ago, the judge studied law at the University of the Witwatersrand, winning the Transvaal Law Society award — the first of many academic prizes when he was 18.

He practised as an attorney in Johannesburg for 12 years before being admitted to the Bar. He took silk in 1972 and was appointed a judge only two years later — one of the youngest men to take the office.

Mr. Justice Mostert was seconded to the Natal Bench in February last year and now lives in Pietermaritzburg with his wife, Joan.

ANNOUNCEMENT BY THE SOUTH AFRICAN- INDIAN OCEAN ISLANDS CONFERENCE

(Red Tariff Section II A & B)

The full member lines of the Red Tariff Section IIA & B wish to advise that they will be implementing a general freight rate increase of between 12½% and 15% as from 1 January 1979. They regret that this action has become necessary but is due to continually rising costs incurred since the last freight rate increase in January 1978.

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Correspondent

JOHANNESBURG —
This is the evidence given to Mr. Justice Anton Mostert by Mr. Louis Luyt and Mr. P. F. du Preez.

Judge: Mr. Luyt, will you start from the beginning? I think the best is if you give us a chronological — or rather let us start with the newspaper, the Citizen, and then give us in the order that it happened, all the things that you know, with reference to the documents now before me.

Luyt: I cannot give the precise date, but I went to look at a Test match with my plane, with guests, and among others General van den Bergh, was also one of the guests, and Rhodie and also Piet Koornhof, but General van den Bergh told me, he was going to approach me because he needed me. I said: Sure, but I did not know what it was about.

Rhodie approach

Thereafter I was approached by Dr. Rhodie and he declared that they were in the process of taking over SAAN and that they wanted to use me, especially my name, and the fact that I was reasonably wealthy, and that the amount named for the shares was within my means. They had then already bought shares through Mr. van Zyl Alberts.

Mr van Zyl Alberts thereafter came to me and asked me to accompany him to Hill Samuel, whom they were to use as the bankers to complete the transactions.

He also told me that he had two foreign partners, McGoff and Axel Springer, and that the balance of the money would naturally come from Information. He also asked me whether I would be personally interested, in the event that they buy SAAN, in buying shares, and I said yes, up to an amount of R1 000 000.

Proof wanted

We then went to Hill Samuel, and there Hill Samuel insisted on proof — financial proof that we are able, or rather whether Mr. van Zyl Alberts, who had

Tuyt tells how the got cash for Citizen

that he thought we could get the shares at a price of R2,50.

Offer of R2,50

The share price at the time, if I'm correct, was about R1,90 and he thought that an offer of R2,50 would do it. He also said that he would have to telephone the chairman, McPherson, to say that we had been with him; in other words, it would immediately be out that there had been an offer.

From there we went to Slater of Star, Argus, and I also told him that I was going to make an offer and asked whether he would possibly be interested from his side to sell, and he said that he would not give me an answer at that moment.

It then came out that the Baileys Trust and another trust company had the ac-

and we did an analysis of the balance sheets. At the same time we brought out a second one, where we say at what share price the profit would be justified.

Luyt: I am sorry, I have naturally forgotten, but that is so. I asked Mr. du Preez to do that for me. A Press conference was organised for me to talk to the people over the so-called take-over and there I was placed under cross-fire — the SAAN people as well as Argus people and other English newspapers — and I was asked what would happen if I did not succeed with the take-over.

Judge: Whose idea was it to print the paper if the bid did not succeed? Did the idea originate with you, or was it Rhodie's idea?

Luyt: No, it is, but I cannot say whether it was my idea or any — it came through during the discus-

and a costing

Serious problems

Du Preez: At that stage the discussion was about — I advised Mr Luyt completely against going into this thing, because I saw from a financial point of view that he would run into serious problems because he had to use large-scale foreign financing in his concern, and I knew that this newspaper would damage him severely, and he also put it like that to them that morning.

Luyt: I was told that the Prime Minister had chosen me to do this because I was not Leftist or Rightist — that I was not in politics and that I went in a moderate direction, and it was also said that it should not be a pro-Government paper, or appear to be a pro-Government paper.

already started negotiations with them, would be able to buy the shares.

He could not produce the proof, and then they asked him for the foreign partners, he said that they asked that their names should not be mentioned.

Then I showed them a cheque of a little over R6 000 000 that was paid to me for shares bought from Samuel and that placed Hill Samuel in a position to say. Good, in that case we can go ahead.

Judge Just to interrupt, Mr du Preez, if you want to add anything you must not hesitate to interrupt so that the evidence it unfolds is in its logical and chronological sequence

How to do it

Luyt. We decided there on the manner how to do the thing and it was decided to approach Frans Cronje, who was then a director of SAAN, and whom I knew well and with whom I banked, and to hear how we must start, and whether he thought there was a possibility.

He saw us immediately, but I went with Hill Samuel's managing director. Van Zyl Alberts did not accompany us. They felt that it would not be right if he went along. I think he was reasonably unknown and Frans Cronje also did not know him.

At Frans Cronje's, Hill Samuel asked whether I would be in the position to do the transaction, and Dr. Cronje said that I had already done many transactions with Nedbank and I start something, then it went through, and then they went further established and he said

tual control of the company, and that if one could get them, the 51 percent would be reasonably easily reachable with those that Alberts had already bought.

Took the lead

I then took the lead. I found that Van Zyl Alberts, although a qualified auditor, did not have much business acumen, and I then not that I had so much myself, but I felt that it was probably the best that I do it myself.

Sorry, but I must also tell you, in between I also talked to Rhoodie, and the proposal was made to me that to make things look very good we must bring into the transaction a man like Graaff, who was proposed by Frans Cronje, and that I at the same time must tell him — to hear whether he would invest in a SAAN take-over, what I had done.

Frans Cronje phoned Graaff and he said he would like to talk and he declared himself prepared to invest a 1 000 000 shares — to advance R1 000 000 to buy shares.

Could not accept

From there Graaff and I negotiated with the Bailey Trust. They wanted a while and then said: No, they could not accept the offer, and then I negotiated further with them alone, and increased the offer, and they again said: No, they were not interested.

Du Preez: If I may interrupt at that stage we were asked to produce a report

sions that there was a possibility.

Judge: Was there already such a discussion at that stage?

Luyt: If we did not succeed, then we could . . .

Judge: Then you start your own newspaper?

Luyt. That is correct.

Du Preez: I just want to add to what you now mentioned, that at that stage R6 000 000 had been placed in a trust account. If you look at the documents, proof had to be supplied that the money was actually available.

Put in trust

Luyt: We put it in a trust. We discussed it a bit, and Mr du Preez and I also thought a bit, and we thought of establishing a new printing press. This would have been tremendously expensive, and we then told the Information people and the general and all the people who were involved with it, that we thought, if we were to start a newspaper, we should go to an existing newspaper group and ask for tenders to print the paper. When this failed, a meeting was called at Mr Les de Villiers's house. I think you have the date. Do you perhaps have the date, when we were with them?

Du Preez: December 4, 1975, 135 Banket Street, Waterkloof. It was at 7.30 in the morning.

Luyt: And present was Dr. Eschel, Rhoodie, Dr. Conne Mulder, General van den Bergh, Mr. Les de Villiers, Mr. du Preez and myself. There we then discussed the establishment of a new paper, and Mr. van Zyl Alberts presented a budget

I then undertook to talk to people like Beeld and Marius Jooste of Perskor about the printing of the paper Mr. Jooste was not very acceptable, although Dr Mulder was on the board, because they thought he talked too easily.

I then went to see Mr Jooste and I found him the best of the two groups, and Mr. Jooste even went so far as to have a budget worked out for me about how he saw the costs of such a paper, and moreover, I also mentioned to him that I would go to the Beeld group and he said that was all right, and he was — his tender was lower, and it was decided to go ahead with a newspaper in the Burgerspark Hotel, after these things were submitted. Am I right?

Not right man

Du Preez: I cannot remember whether the meeting in the Burgerspark Hotel — I think the Burgerspark meeting was before this one.

Luyt: No, the Burgerspark meeting was before the one of Les de Villiers. This was the day that — Mr. Van Zyl Alberts said there he did not think I was the right man to start the newspaper, and then I said I agreed with him; I want to propose that he do it himself.

I think Mr. Van Zyl Alberts was brought under the impression that he would become the head of the SAAN group, and when the new paper had to be started, he thought he had to do that too, which we said was right, but once again General Van Den Bergh adopted a very firm attitude and said: No, Mr. Van Zyl Alberts was not the right man, and

in the Carlton Hotel, I think it was April 7, I am not sure of the date . . .

Du Preez: The date of the contract is April 7, yes, 1976.

Luyt: As you can also see here, Dr Rhoodie and I entered into a contract whereby they lent the money to me at 3 percent interest, interest-free for the first two years. Of course, we worked as hard as possible to make a success of this newspaper, and — then the burden was on me, but after a few months I told Les de Villiers I was afraid . . .

Judge: At this stage when the contract was signed, did you already have R12 million available?

Luyt: On trust, yes.

Judge: When you say on trust, at which bank was this?

Du Preez: If you would perhaps just look back in the documentation, it was at Nedbank.

Judge: In a special account?

Judge: The company that served as the vehicle for housing the Citizen was the company S.A. Today?

Luyt: That is correct.

Du Preez: That name was decided on at the meeting at the Burgerspark Hotel and I received orders to change the name of the company and they gave me instructions — three shares were issued to Luyt, that I must place the existing shares in a trust and keep it for them, and it was kept for them like that.

Letter from Zurich

Luyt: I am now at Judge: It was that Mr. van Zyl Alberts was the man

Dr Rhoodie's and my co-operation did not go well, because he phoned over the smallest little thing, and when a book for example was not reserved he phoned me about it. He leaked certain things direct to a newspaper and he made it very difficult for me, and we clashed more and more. We really clashed at that stage, so much so that — also he often said things that he denied immediately a week later. One example, if I may mention it to you, is the Grand Prix, when Dr. Koorhof phoned me to ask if I would not be interested if I might just mention that I donated through the years long before the Department of Information appeared on the scene, about R1 000 000 to sport, and if anybody wanted money, then they came to me

Du Preez: The stadium at RAU?

Luyt: That I donated to them, as you are aware, and Dr. Koorhof phoned me, and I just did not see the way clear for the R220 000 that was necessary, but I told Rhoodie: What do we do? and he said it was brilliant idea to launch the Citizen.

Then I said but they want a three-year contract, then he said that was right, and the money for the first year was paid, the second year, then he denied that he ever said three years, and this upset me terribly.

Judge: The stadium at RAU?

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It also led to all these things being placed on paper, the fact that he could turnabout like that, and we had more and more clashes, and for example, if — the

control of Triomf. If they were sold today it would be R35 million. That is what African Explosives were willing to pay last year.

Du Preez: I may perhaps just mention to explain the thing. Dr. Mulder said this money which was with Mr. Luyt was a pool that may never be touched. These were his words on several occasions. In other words, this money was invested on a fixed basis which he called a pool that may be not be touched. Any losses and other things had to be financed from other funds

'My plane'

Luyt. That R12 million I guaranteed, my estate guaranteed it to them, and it was also accepted that losses would be made good from overdrawn accounts and so on, but at one stage Dr Rhoodie simply ran short of money, and I couldn't close the paper, and I had to finance, and my plane I even had to at one stage . . .

This is another instance — a machine we had to buy, one of these "computers" for the typesetting work, I am now not so well-informed, which I had to finance out of my own pocket, which was only paid back after the so-called transaction — as you said "sale" — when Rhoodie also said go ahead, R165 000, but the money was not paid, and not to look in the eyes of my own people like a man who could not make a decision, I had to finance it, a personal cheque.

It was later repaid to me, but in the meantime I had appeared on a television programme in London, which Dr. Rhoodie did not

advised me against it.

Anglo inquiry

Du Preez: I may just mention that one of the reasons why I said Mr Alberts was not acceptable was that he and Professor Hoek had done an investigation into the Anglo American group in earlier years and at that stage he was quite closely tied to the Government Mention was also made of his connection with To The Point, and then they felt he was not the right man.

Luyt: That day I offered to give them R6 000 000 back to them, and to give all the work we had done to them for gratis, and that they could then either leave it or continue as they wished, but they said: No, we had to go ahead, and we should start the paper as soon as possible to counteract the Rand Daily Mail.

We worked out budgets... but we were unfortunately completely raw, and we calculated that we could come through on the basis of interest on R12 million per year, and it was decided that R12 million would be advanced to me to invest, and then the interest would be applied to finance the paper.

Out 5 000 percent

You know, then there was speculation, and I went to Dr. Rhodie — now I am a little too fast, I must return. We started working and we then found out that we — where Mr. Alberts had been out by 5 000 percent. We ourselves were 1 000 percent out as far as the costs were concerned. We did not know it was so tremendous.

At the same time problems started to arise about where the money was coming from. I approached Dr. Rhodie and told him here are big problems, and we would have to do something about it, and I made a suggestion to him that we do this newspaper on the basis of a business transaction, in other words, that they withdraw, that they lend the money to me and that I would then do it, then we could look the world in the face and say there is no Government money in it, because it is a loan to me and then I do it myself, and I pay it back to them, and he said this was fine, and I had a contract drawn up by Mr. Laurie Perreira without any names put in, a so-called overseas loan, which I — and

that admitted, after the other denied it, and De Villiers, that the R12 million — now the company got underway.

Du Preez: I can just mention that R12 million loan was then confirmed by a letter from Theasaurus Continental from Zurich.

Judge: Whose signature is this?

Du Preez: I have no idea. The thing was given to me.

Luyt: They flew specially to go and fetch it in Switzerland

Du Preez: I know that that that document was destroyed by them, from their side, because at a stage they asked me if I could not present them with a copy of that document.

'I kept everything'

Luyt: They also asked me, but I kept it. In fact, I kept everything. What happened then is that this Swiss loan that I had at a very low rate...

Judge: The other loan from Standard Bank. If you say "I" then it is Triomf?

Luyt: No, it was personal. You know, I had an undertaking that I must finance the company, finance Triomf. It goes back to a contractual obligation that we had and that is why money was brought in, but when this loan ceased, I told Rhodie and them that I could not carry this loss of rent. I could not give a balance sheet unless I blew the whole thing. Then they said no, without saying very much, that they did not expect me to lose a cent.

Du Preez: Right from the beginning Dr. Mulder said with the understanding that Mr. Luyt would not lose with this thing... he was given an undertaking where I was present, when he said Mr. Luyt may not lose a cent in this transaction. Those were his specific words.

Prime Minister

Luyt: He said it; Dr. Mulder said it but — I worked without reimbursement. I also said I did it — because it was said to me it was for my country, and because it was the Prime Minister who had asked, that I said: Good, and my people worked without reimbursement, and we even used some of Triomf's facilities that cost a lot of money, without reimbursement, because we felt it was a good thing, and because the Prime Minister supposedly, according to them, wanted it

loss of the money was a little bigger or the cash ran short, he complained, and the more we tried to explain, and prove to him that your income went up, what is clearer, the income is greater than the budget, but your costs also go up, the less he understood it and he continually said that Mr. van Zyl Alberts with To The Point — they were always on budget

"Lost my temper"

I lost my temper that evening at the Holiday Inn, where Dr. Mulder was present and Van Zyl Alberts and Rhodie, and he talked to me as if I was his hireling; but I let him understand very clearly — in no uncertain language — that I did not work for him or Dr. Mulder or for anybody else, but that I did it because I was asked to do it without reimbursement, and that I will not allow him to come and talk to me as though I was one of his hirelings.

I now put it softly — I called him a James Bond actually with all his mythical companies and that sort of thing. It was then decided that it would probably be better if the newspaper was sold, which made me smile, because I knew there was no buyer. We met again in Dr. Mulder's office.

Overdraft facilities

Du Preez: May I just mention one point to you, something that was perhaps missed there. There was at one stage — there was a shortage of financing, and Mr. Luyt was then told to get overdraft facilities at Volkskas, which he then did, but on his personal guarantee. He then personally signed guarantee and mortgaged some of his shares.

Luyt: Those shares mean

have much good to say about.

'I didn't believe him'

Judge: Before that television situation, were you and Rhodie good friends? Was there already friction at that stage?

Luyt: There was friction. I could never believe him. I couldn't believe him, and I did not believe him. He jumped around too much for me...

This is before the programme, when I told him straight out — I will tell you what I told him — You are a James Bond and you don't talk to me like that, I hire guys like you, I don't work for them, and I don't work for Dr. Mulder and I am doing these things for nothing for you.

I don't think anybody had talked to Rhodie like that in front of the minister before, but I felt it had to be said because he simply got away with murder...

Judge: At that stage, in whose name were the shares in South Africa Today?

Luyt: In my name, in trust with him

Judge: You never saw them as your shares?

Luyt: No.

Judge: As whose shares did you see them?

Luyt: I saw them as Information.

Judge: Who were the auditors of S.A. Today at that stage?

Du Preez: Me

Judge: Who are now the shareholders in S.A. Today?

Du Preez: Van Zyl Alberts.

Judge: And on the same basis?

Du Preez: On the same basis. The shares are still with me.

Judge: Who do you regard today as the shareholder in S.A. Today?

Du Preez: Van Zyl Alberts.

Advertising will continue

JOHANNESBURG — Major companies buying advertising space in the Citizen are to continue supporting the newspaper for business reasons, financial spokesmen said yesterday.

As the controversy over the Citizen grew yesterday businessmen were reluctant to become involved. They said they could not let politics stand in the way of

reaching the consumers.

A spokesman for an overseas airline advertising European flights and holidays in the Citizen said: "We are an airline not a political organisation."

General Motors also held the same view. "We only want to sell cars. We do not deal in politics. We buy our advertisements on circulation," a spokesman said.

Pieterse tells of film loan

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Continued from Page 6

They, in turn, sold the script, with two others which included Wilbur Smith's When the Lion Feeds, to an American, Milt Oken.

Oken paid 300 000 dollars for them and his money came to South Africa. The rights were made over to Oken until such time as when the company was established in Holland to which he would convey the rights.

"We applied through the channels in South Africa to obtain a 50 per cent share in the Holland company, and at the time of the application we made the whole transaction concerning the sale of the three scripts public. We went ahead with the preparations for the production of Golden Rendezvous and the rights were sold in some 32 countries throughout the world on condition that delivery was made by a certain date and that the film had certain stars in the main roles.

"The sales figure totalled some R2 500 000. These contracts were given to the Trust Bank as security for their discounting in order to finance most of the production costs of Golden Rendezvous which at that stage ran at about 3 400 000 dollars.

"Because the Bantu film project had landed on the rocks—or so it appeared to us—we went ahead actively with the manufacture of this film."

Mr Pieterse said they were able to persuade international producer Euan Lloyd that South Africa could make this sort of film, notwithstanding the fact that its budget ran at R11 000 000. They also arranged for him to contact certain Information and Defence people so that he could have all the help and support he needed to make "this great picture here in South Africa."

Golden Rendezvous was in its final stage of planning in November, 1976 and contracts had been signed for most of the overseas stars who would appear in it and for importing international technicians to

support the South African technicians.

Then Mr Haaines Prins of Trust Acceptance Bank informed him that as a result of the great loss that Trust Bank had suffered as a result of Glen Anil's insolvency, they were unfortunately not in a position to discount the contracts.

"This greatly embarrassed me because I was faced with the prospect of cancelling the film, which would have meant our company could have been sued for millions for non-delivery by the people who had bought it, and in addition we had the international stars and technicians under contract and we had to pay.

"Another consideration was my own reputation and that of our film industry in South Africa which would have suffered a great setback if so great a project was cancelled."

He went to America and through their partner, Milt Oken, arranged for contracts to be discounted by the Chemical Bank, but under very difficult circumstances.

The bank demanded a high insurance premium and a totally British technical team and this meant rebudgetting the film. It cost more than one million dollars to meet those demands completely.

"But we could at least continue. As the film had already been sold to a number of countries in the world—and these countries usually represent about 50 per cent—it was easy for us to accept and we planned accordingly that we would immediately go ahead with the manufacture of the film."

They knew there would be a budget shortage because, to satisfy Chemical Bank they had to assume greater costs, but "we reckoned we would be able to obtain a buyer for the American rights."

Mr Pieterse said produc-

tion started.

But in the first week problems occurred that meant it was virtually impossible for him to leave the film location. There were problems with the ship that was hired and with the main actor, Richard Harris, "who drank a bottle of vodka a day."

"Instead of being able to hand over production to my team and to go overseas to arrange further financing, I was compelled to serve there on a day-to-day basis. Eventually I went to Dr Rhodie and explained my position.

This was in February, 1977.

"I explained to him the situation—the fact that I would be personally ruined, that our industry could be badly damaged, and I talked him into employing that R825 000—which at that stage was on fixed deposit with Barclays Bank—to allow me to employ it as security for the production loan which Netherlands Bank in Johannesburg and Barclays Bank respectively would make available.

"I was convinced, and I put it to him, that this sum would not be called because the film was properly insured against completion and when we had completed it, we were certain that the foreign and American rights would be sold for at least enough money to meet the obligations of production, then this R825 000 would serve only as security till that time.

"Unfortunately for me the production got further out of hand and the film far exceeded the budget."

Towards the end of 1977 he informed Dr Rhodie of the delay with the completion of the film and the spiralling costs.

Dr Rhodie asked him to do everything in his power to ensure that the R825 000 being employed as security was not called by the banks.

He gave the assurance because he was convinced he could sell the film to any of the big companies.

After many months he eventually sold part rights to the Time-Life organisation for R525 000, but this was payable only over a certain period because they only wanted delivery in 1982.

Judge Mostert To be brief, the R825 000 is still owed by you or your company?

Mr Pieterse: It is still owing.

Judge Mostert To?

Mr Pieterse To Thor Communicators

What are the possibilities of early repayment?—Of early repayment—none. Eventual repayment—a reasonable chance.

If ever repayment takes place, when is the earliest this will occur?—Some contributions can come from the royalties of the film.

Just give me a date? What is the earliest?—The earliest—certain payments can be made, I would say, in all probability within six months, but it will certainly not be more than R100 000 or possibly R200 000, and the eventual revenue of the film depends on its success in the United States.

At the outset of his evidence, Mr Pieterse said he had received R10 000 from the Department of Information as an honorarium. This was for making his name available as a director of Thor, for attending certain meetings and for meeting certain people. His costs he estimated at between R4 000 and R5 000—SAPA.

These enclosures have been made in various ways - by or by less obvious, but just as effective barriers or grouping of plants. The Directors have seen but worrying position over this, and have felt obliged the interests of all members to retain the open-plan. It is not possible to consider the individual merits without appearing invidious, and therefore, it seems the members generally, to insist that the regulation Members are returned that no walls, fences or other allowed on their property without the prior consent and the Divisional Council. The common area must be enjoyment of all members. No full enclosures of any sort can be permitted, and all which have been made must be completely opened up. Barriers or obstructions

REPAIR WORK LIGHTS

For a glorious few weeks after the repair work on the lights had been completed

3 /

2 /

Dear Forest Glade,

Half a year has passed been, and is, happeni

1. COMPOSITION OF THE

We have sadly had and G.C. Bunn from Mrs. Mary Greenha A.S.M., was elected was co-opted as a following:-

Mrs. Mary Greenha J.O. Read (Vice-Ch A. Fook - Hse. No D.S. Roberts - Hs G.L.R. Burns - Hs E.S. Monk - Hse. 1

They will be glad them if you have 1 like discussed at

2. FINANCIALS

Since the increases and to use the fur raised for that D houses. Thus no 1 satisfactory, thou to maintain this. books, budgets etc

3. PROBLEMS WITH ENCL

The Directors have have been enclosing the common area with to it. If allowed to co- whole open-plan concept of Forest Glade, and it also between neighbours.

These enclosures have been made in various ways - by or by less obvious, but just as effective barriers or grouping of plants. The Directors have seen but worrying position over this, and have felt obliged the interests of all members to retain the open-plan. It is not possible to consider the individual merits without appearing invidious, and therefore, it seems the members generally, to insist that the regulation Members are returned that no walls, fences or other allowed on their property without the prior consent and the Divisional Council. The common area must be enjoyment of all members. No full enclosures of any sort can be permitted, and all which have been made must be completely opened up. Barriers or obstructions

Rain is not enough

259 FM 3/11/79

South Africa is a big, thirsty land. Its farms, its industries, its homes — all want more and more water. But there is not enough.

The days of freely available water are drawing to an end. Burgeoning demands mean that SA's needs will overtake its assured yield within 30 years, warns Water Affairs Minister Braam Raubenheimer.

That timescale may not sound very ominous. But the Reef industrial area must already pump water from Natal. With a 6% annual growth rate in water demand in the region, industrialists will soon have to seek further afield — and that means pumping water further, an inordinately costly procedure.

Dam sites are becoming increasingly difficult to find, and prohibitively expensive to develop. In the 1978-79 Water Affairs' budget of R170m, R106m is earmarked for capital costs of water development. Raubenheimer estimates that no less than R18 000m will be needed in the next 20 years for this purpose. Costs of a dam can climb by as much as 270% before its completion, as with that at Pongola Poort.

The R490m Orange River scheme is nearing completion, with R454m already

spent. A total of 58 government schemes are under construction, including the half-completed, R94m, Tugela-Vaal scheme.

None of SA's major cities is located on



Raubenheimer . . . water is a costly thing

a river; indeed, the Reef is a watershed. 75% of SA's runoff is derived from only 33% of its land area.

"The problem is not so much a shortage of water, as inefficient use of what we have, and rising costs of energy to make water available, either by reclaiming or by pumping over long distances," says Professor Desmond Midgley, director of the Hydrological Research Unit at Wits.

Re-use of water without purifying it is the first priority. "Dirty water can often be used constructively for other purposes, like conveyance or initial cleansing, cutting water consumption by half," argues Midgley.

Next comes reclamation of contaminated water. CSIR research has shown that 50% of urban and industrial needs can be met from reclaimed water. "It is essential that the percentage recovered for re-use be pushed by half in the next 25 years," reported the Commission of Inquiry into Water Matters of 1970. Midgley adds that water reclamation is essential to prevent pollution.

The drawback is that reclamation processes use up a lot of energy. However, the cost of pumping water is fast approaching recycling prices. To recycle a cubic metre of water costs 10c-20c,

SEPTEMBER, 1978.

Dear Forest Glader,

Half a year has passed since our last A.G.M., and you may like to know what has been, and is, happening in the Association.

1. COMPOSITION OF THE BOARD

We have sadly had to accept the resignations of R.A. Provan, R.S. Rumbelow and G.C. Eum from the Board.

Mrs. Mary Greenhalgh, who was co-opted to the Board immediately after the A.G.M., was elected as Chairman, J.O. Read as Vice-Chairman, and Mr. E.S. Monk was co-opted as a Director. The Board of Directors now comprises the following:-

- Mrs. Mary Greenhalgh (Chairman) - Hse No. 81 (Hamlet 2) Tel. 723719
- J.O. Read (Vice-Chairman) - Hse No. 58 (Hamlet 3) Tel. 724726
- A. Fox - Hse. No. 44 (Hamlet 4) Tel. 721718
- D.S. Roberts - Hse. No. 1 (non resident) Tel. (Office) 432086
- G.L.R. Burne - Hse. No. 30 (Hamlet 4) Tel. 729994
- E.S. Monk - Hse. No. 39 (Hamlet 4) Tel. 723946

They will be glad to help you if they can, so please feel free to contact them if you have problems about your house or the estate or matters you would like discussed at a Board Meeting.

2. FINANCES

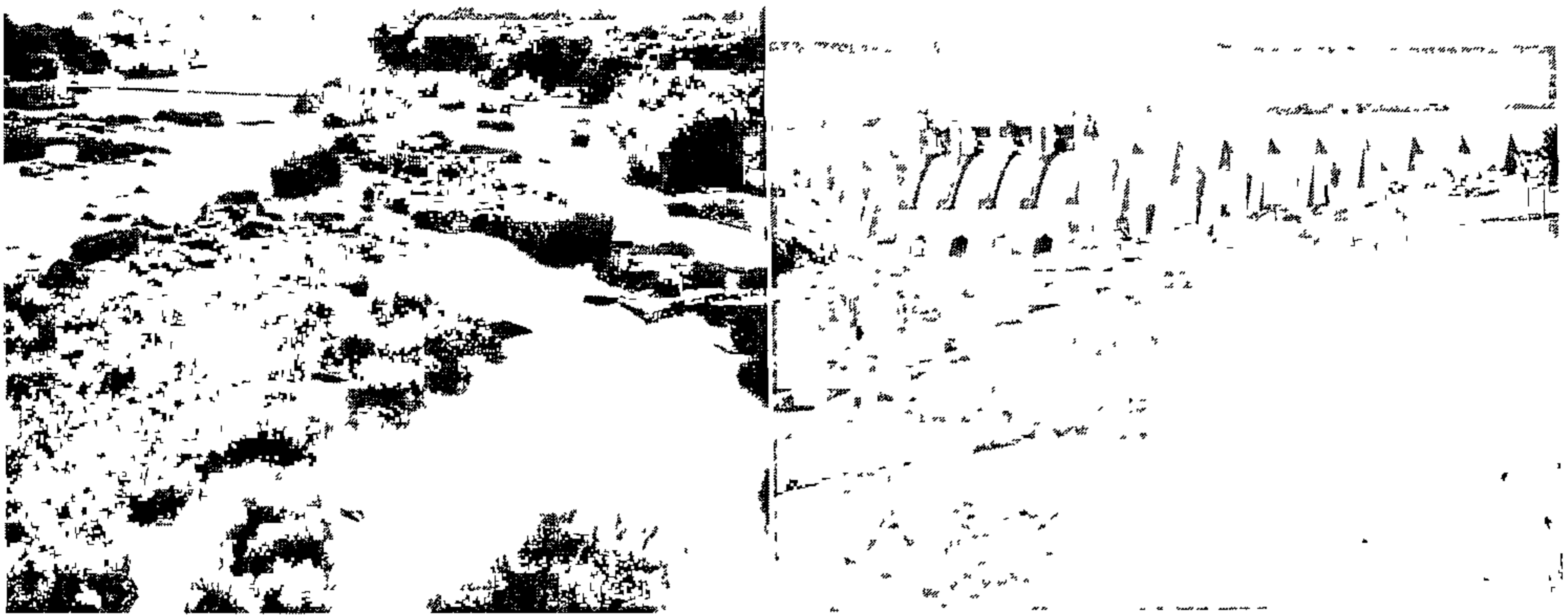
Since the increases in the monthly levy, we have managed to meet our commitments and to use the funds coming from the extra levy of R5.00 per month per house raised for that purpose, for the gradual painting of the exterior walls of the houses. Thus so far this year the finances of the Association have been satisfactory, though constant control of expenditure has still to be exercised to maintain this. If anyone wishes to have further details about this, the books, budgets etc., are available at the Secretary's house - No. 44.

3. PROBLEMS WITH ENCLOSURES

The Directors have had their attention drawn to the fact that some members have been enclosing their own property and in a few cases, enclosing parts of the common area with private eris, so appearing to stave a claim of ownership to it. If allowed to continue this enclosing wall gradually undermines the whole open-plan concept of Forest Glade, and it also can cause illfeeling between neighbours.

These enclosures have been made in various ways - by walls, fences or hedges, or by less obvious, but just as effective barriers made from careful landscaping or grouping of plants. The Directors have been put into a very difficult and worrying position over this, and have felt obliged to conclude that it is in the interests of all members to retain the open-plan scheme for Forest Glade. It is not possible to consider the individual merits of the various cases without appearing invidious, and therefore, it seems in the best interests of the members generally, to insist that the regulations should be complied with.

Members are reminded that no walls, fences or other external erections are allowed on their property without the prior consent of the Board of Directors and the Divisional Council. The common area must be kept open for the use and enjoyment of all members. No full enclosures of any sort can be permitted, and all which have been made must be completely opened up. Barriers or obstructions



The Vaal (left) and Witbank dams . . . storing a commodity

which is close to the price of fresh water in certain areas

In the face of escalating water prices, the importance of recycling is gaining a foothold in industrial corporations. Several, including Sasol, already have internal recycling schemes. A paper mill in Springs functions wholly on reclaimed sewerage water. Windhoek has a world-renowned purification plant, turning sewerage water back into drinking water.

Another aim should be to save on the amount of water consumed. Here, farmers have some belt-tightening to do. The 1970 water report estimated that a 25% saving on irrigation water should reduce SA's consumption by nearly 9m cubic metres by the year 2000. This is not impossible, as has been shown by Israeli agriculturists, who reduced their consumption by 33% between 1960 and 1970.

To get this message across, Raubenheimer has been twisting farmers' arms — by raising water tariffs, gradually and at varying rates throughout the country. Unlike industrial users, farmers have hitherto paid only nominal rates for water. In most areas, these do not even cover operating costs, in some, they contribute less than 15%. Last year, the Department of Water Affairs ran up a deficit of R7m on maintenance of irrigation schemes, so hiking agricultural tariffs will help spread the payments burden more equitably, from the point of view of industrialists.

The target, Raubenheimer tells the *FM*, is that on all new schemes, rates should cover full maintenance costs, as well as contribute to capital costs. On pre-1970 schemes, rates are gradually being raised. So far, only seven out of 75 schemes are self-sufficient, and Raubenheimer estimates that, in some cases,

prices will rise by up to 300%

Farmers, naturally, are not pleased with this. "With an average profit margin of only 6.4%, farmers cannot take any further increases," says Bushy Meiring, chairman of the Water Affairs Committee of the Transvaal Agricultural Union. While he admits that more water could be saved, he believes that the high costs of pumping, and of electricity, are sufficient to prevent extravagant water usage.

"Farmers will oppose any attempt to make them cover capital costs of irrigation schemes. Only a gradual increase to eventually cover operating costs will be

acceptable," he asserts.

But Raubenheimer is adamant. "There is no justification for low water tariffs," he told the Free State Agricultural Union last month. "In a free economy, the price of a commodity must be determined by supply and demand."

Even with better use of present supplies, other sources of fresh water must be created. One is the sea. Desalinated water could serve coastal industrial centres from Cape Town to Richards Bay. But the economically viable use of desalinated water is a long way off yet. An experimental plant, opened in May this year at Swakopmund in SWA/Namibia, is producing desalinated water at about R4,70/m³. A bigger project (likely if the Swakopmund experiment succeeds) could probably scale the price down to about R1,25/m³, which is closer to a practical figure. But even R1,25 is prohibitive for the agricultural cost structure. So desalinated water will be scheduled for industrial use.

Then there is cloud-seeding, which can, on overseas evidence, increase rainfall by as much as 20%. Midgley, however, doubts its practicability. Meanwhile, results of an experiment being conducted in Bethlehem by the Water Research Commission and the Weather Bureau remain inconclusive.

There remains water from neighbouring states, with whom negotiations have been proceeding for at least 10 years. Plans for a Lesotho scheme, long a political football, are still on the cards, but Raubenheimer will only say the present scheme has become too small.

In Frank Herbert's novel *Dune*, water is a symbol of enormous wealth — to be treasured as much as conserved. Practical South Africans may be a long way from treasuring water, but it is certainly time for them to conserve it.



Drought . . . the ghastly alternative

ANNESBURG —
With Africa's
biggest political
bombshell burst
yesterday when Mr
Justice Anton
Mostert made public
artling evidence
which has confirmed
press reports of
massive misuse of
public money
through Department
of Information
secret funds.

Judge Mostert said in a

statement that there were
"indications of corruption
(in the wider sense of the
word) relating to public
funds" and evidence of
"improper application of
taxpayers' money running
into millions of rands."

He said that by releas-
ing the evidence he was
making a contribution to a
"clean administration."

Judge Mostert released
evidence which shows
beyond doubt that The
Citizen was financed out
of state funds.

And in evidence under-
oath, Mr Louis Luyt nam-

ed the former Prime
Minister, Mr John Vorster,
the Minister of Plural
Relations, Dr Connie
Mulder, and Gen Hendrik
van den Bergh, former
head of Boss, as key
figures in the secret pro-
ject to finance The Citizen
newspaper with state
funds.

Mostert report pages 4, 5, 6, 7

This was in direct con-
flict with public denials on
the issue made by Mr
Luyt, Dr Mulder and Gen
Van den Bergh, who was
appointed by Mr Vorster,
then Prime Minister, to in-
vestigate Department of
Information secret pro-
jects.

Mr Luyt also said that
before The Citizen project
he had agreed to head a
bid to take over South
African Associated New-
spapers with state money.

Included in the
evidence was an agree-
ment marked "most
secret" — typed on
Department of Informa-
tion note paper — in
which Dr Eschel Rhoodie
lent Mr Luyt R12 million
to finance The Citizen.

The document also con-
tained an editorial charter
setting out political
policies which could only
be changed with Dr
Rhoodie's written per-
mission.

This was revealed at a
press conference in
Pretoria shortly after
Judge Mostert had been
involved in a stormy
meeting with the Prime
Minister, Mr P. W. Botha,
at the Union Buildings.

Mr Botha tried to stop
the judge from making
public the evidence
relating to the use of
Department of Informa-
tion funds given before his
one-man commission into
exchange control con-

Part of the secret document.

CONVENTIONS

Mr Luyt and his auditor, Mr Petrus Fourie du Preez, told Judge Mostert under oath that Mr Luyt had initially been approached at a meeting attended by Dr Mulder, Gen Van den Bergh, Dr Rhodie, Mr Les de Villiers and Mr Jan van Zyl Alberts (present owner of The Citizen) and Mr Du Preez to start The Citizen newspaper with secret funds from the Department of Information

Mr Luyt said: "I was told that the Prime Minister had chosen me to do this because of the fact that I was not leftist or rightist — I was not in politics and I took a moderate line."

Mr Luyt put the money into Triomf with the inten-

tion of financing The Citizen out of the interest. But there was a major difference of agreement over this, because Dr Rhodie later claimed that the money was supposed to have gone into a pool

Dr Rhodie, according to Advocate Retief van Rooyen's evidence, said there was trouble over The Citizen because Mr Luyt had the money tied up in Triomf and he could hardly sue him for it because people would realise that Dr Rhodie could not possibly have had R12 million to lend.

The Citizen proved more costly than estimated and the interest from the R13 million was not enough

A loan of R12,7 million was raised overseas by Mr Luyt in conjunction with

the Department of Information in a bid to meet the heavy demands of The Citizen

Mr Luyt also sold half his interest in his personal jet to Mr Oscar Hurwitz through Thor Communicators, an Information Department "front". He bought this on behalf of the Department of Information for R1 million which then went to The Citizen.

Finally Mr Luyt sold The Citizen to Mr Van zyl Alberts. Mr Du Preez, when questioned by Judge Mostert, said he believed The Citizen shares that had been held by Mr Luyt were still those of the Department of Information. "Every time I ask Van Zyl Alberts about this, it's a long story to get an answer"

This meant that Mr Luyt had to pay back about R13 million. Instead of the original R13 million plus interest. According to an agreement drawn up, in what was said in evidence to be Dr Rhodie's handwriting, Mr Luyt has been let off paying back R2,9 million.

There was no evidence that any of the money had been paid back and according to the agreement the first instalment was due on March 2, 1979.

Another startling aspect to the evidence was the refusal of Mr Koos Kemp and Mr L Reynders of the Department of National Security to give evidence before Judge Mostert because they said they were bound by the Official Secrets Act — DDC

FRONT PAGE OPINION

In the public interest

Mr Justice Anton Mostert decided yesterday against the opposition of the Prime Minister, Mr P.W. Botha, to release evidence he had collected pointing to misappropriation of taxpayers' money through government channels and to corruption.

The Daily Dispatch, along with several other newspapers, decided yesterday also to release the evidence despite a statement from the Prime Minister's office that the evidence should not be published until released by the State President.

Our decision was based on the same reasoning as the judge's — that it is in the public interest to do so and that the public has a right to the information

We have today devoted considerable space to serving the public interest in this way, unlike state-run media like SABC's radio and television services which announced last night that the proclamation pertaining to the appointment of the Mostert Commission

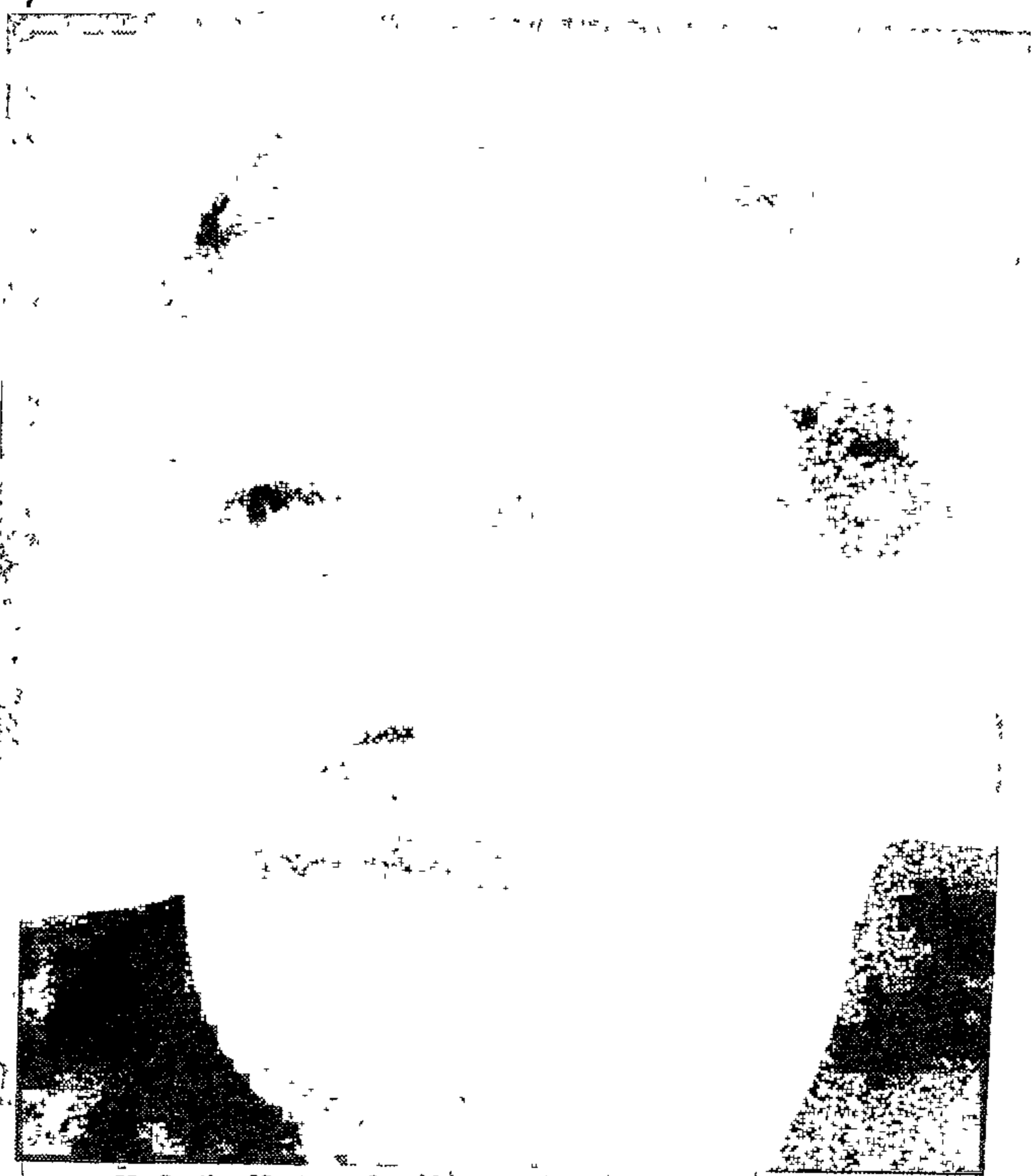
prohibited publication of any evidence at this stage.

The judge, however, maintains that in terms of the Commissions Act he had the right to release the evidence.

The evidence is damning. It substantiates the revelations that have been appearing in independent English-language newspapers and confronts the Government with its greatest ever crisis of confidence and trust.

The State President, Mr Vorster, who was Prime Minister when the scandal first broke, said at the time that he accepted full responsibility for the way in which Department of Information funds were allocated.

Let him shoulder that responsibility now and advise the Prime Minister that instead of trying to suppress what has already been revealed he should concentrate his energies on cleaning up the mess as suggested in our second editorial on Page 16 of this issue



Mr Justice Mostert who released evidence on The Citizen yesterday.

Four pages inside on political bombshell

FORM GUIDE

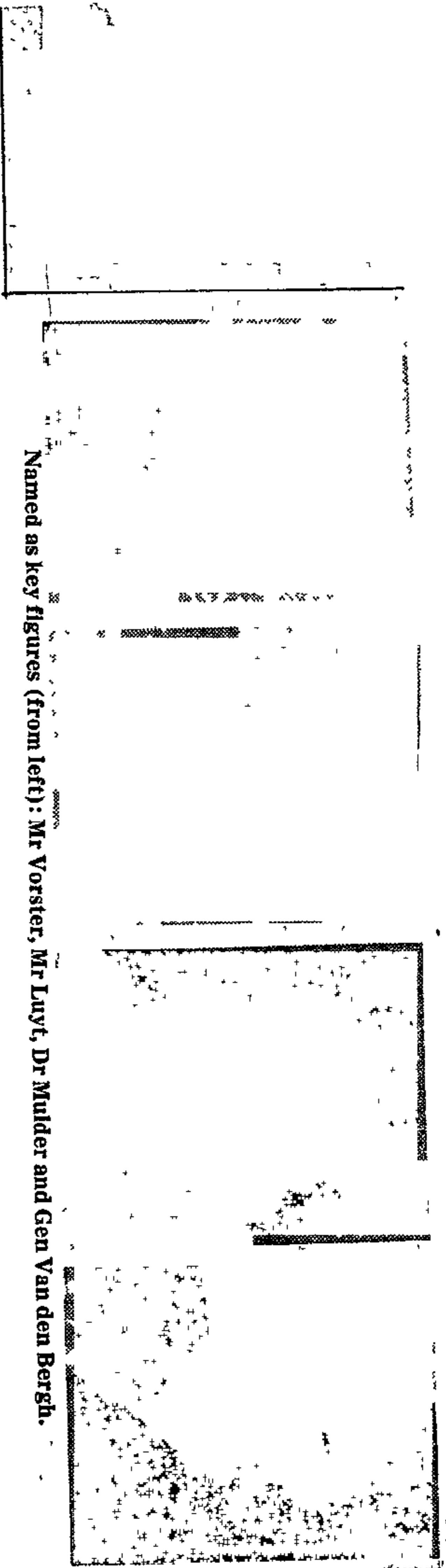
For Saturday's
meetings at
CLAIRWOOD
GERMISTON
See page 27

Farming 8
Shares 10
TV, radio 18
Ships, aircraft 19
Weather, tides 19
Classified 20-26

Judge Mostert: There are indications of corruption in relation to public funds.

Evidence: "Most secret" agreement to lend Louis Luyt R12 million to finance The Citizen.

MOSTERT ON



Named as key figures (from left): Mr Vorster, Mr Luyt, Dr Mulder and Gen Van den Bergh.

The Prime Minister: He tried yesterday to stop Judge Mostert from releasing the evidence.

Secret funds: Department of Information money for The Citizen was paid into Triomf.

3/11/78

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AA

CORRUPTION

The rise and fall of Rhoodie-style Info

How a Govt department set up its own paper

By Kevin Stocks
I want to say at once that the Department of Information in South Africa and operates no newspaper in South Africa. We have nothing to do with them." — Dr Connie Mulder, then Minister of Information, speaking in Parliament on May 10, 1978.

It is necessary to go back to 1971 when Dr Connie Mulder had already been Minister of Information for about three years.

that was to bring the whole information structure tumbling down. Newspapers were still digging and their efforts led to this week's incredible sequence of headlines.

Dr Mulder's statement during the information debate in the House of Assembly was reported in The Citizen the next day as were two parallel statements by others.

November 1975. Fertiger makes an offer to buy control of South African associated news-papers.

Monday. Rand Daily Mail reports that millions of rands intended for The Citizen had allegedly been used for a private company.

Louis Luyt, first proprietor of The Citizen, categorically deny the Government ever had one cent in The Citizen.

September 1976 to mid-1975 Politicians, journalists and diplomats gradually become aware of a new and restless presence both in South Africa and abroad.

Tuesday. The Star says the Department of Information might have backed an attempt by American publisher John McGuff to buy the Washington Star.

Hubert G Jussen, chairman of The Citizen controlling company: "There is no Government money in The Citizen and I will sue anybody who suggests there is."

January 1976 to September 1976. Run in to publication of The Citizen Editorial staff hired, Mr Martin Spring, former editor of the Financial Gazette, is appointed editor of The Citizen.

Wednesday. Judge Mostert sees Prime Minister and then calls a press conference at which he reveals his evidence about the Department of Information and the political repercussions begin.

To trace the genesis of those statements, and to understand how the whole Department of Information scandal came about,

September 1976. First issue of The Citizen under the editorship of Mr Spring. After 14 issues, Mr Spring is replaced by Mr M A (Johnny) Johnson.

Friday. Sunday Express reveals that Mr Mulder, Dr Rhoodie denied the trip had been official. April 16. Express reveals Department of Information had paid R210 000 to a private travel firm.

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Direct

Defiant Mulder comes out fighting

Back on PM

RETORTA — A scene between the Prime Minister and Mr. Justice Anton Mostert at their meeting in Pretoria on Thursday was described yesterday by Minister of Finance Senator Owen Horwood.

The interview ended when Mr. Justice Mostert informed Mr. Botha that there was no point in pursuing the interview and "he turned on his heel and walked out."

Senator Horwood said: "The Prime Minister had asked Senator Horwood to give yesterday morning's press conference an account of what had transpired between himself and Judge Mostert."

Senator Horwood said: "I was present when the Judge saw the Prime Minister in his office. The Judge said there were two matters in particular to which he wished to refer."

"The first was his request that Mr. Kemp and Mr. Leynders and Mr. Fourie of the former Department of Information should appear before his commission and give evidence."

Explained

Prime Minister explained

he cannot take his inquiry any further, I will ask him immediately to make arrangements to enable you to obtain the information you require."

"At that point Judge Mostert jumped up and informed the Prime Minister that this was the first occasion that a Prime Minister had attempted to prescribe to a judge how he should go about his work."

"He made it plain that there was no point in pursuing the interview and he turned on his heel and walked out," Senator Horwood said.

Evidence

The Prime Minister was asked why the Judge could not be given the evidence immediately. Mr. Botha replied that he had explained some aspects of the problem to the Judge.

"I told him that I would directly take steps to see

DR. CONNIE MULDER, embattled former Minister of Information, came out fighting yesterday in the face of a judicial commission of inquiry into his old department and a special sitting of Parliament to debate the issue.

Rejecting growing demands for his resignation after the release by Mr. Justice Anton Mostert of evidence of "corruption in the wider sense of the word" in the now-defunct department, he said: "I will not rest until my own good name is fully and honourably restored."

With his political career in jeopardy, the once-Crown Prince of the National Party has said he is ready to give evidence before the judicial commission appointed yesterday by the Prime Minister, Mr. P. W. Botha, to go into the whole Information affair.

ORMANDE POLLOK
Political Correspondent

was the only way in which the allegations of corruption and misuse of public money could be properly investigated.

The shock waves caused by the release of the evidence could lead to the State President, Mr. John Vorster, being called to give evidence before the inquiry.

Protocol

As former Prime Minister he figures prominently in the evidence concerning early plans to establish the Citizen.

In terms of protocol he cannot enter a public controversy without Cabinet approval and can therefore not make any statements concerning

He had stated at one stage he was aware public funds were being channelled to the Citizen.

"I was aware of it naturally," he had said according to a tape recording. Questioned further Mr. Botha said he had never made the statement.

The conference was immediately stopped while an official replayed a tape recording which confirmed Mr. Botha had, in fact, made the statement.

Mr. Botha then explained he had been aware of the fact that money had been voted for the Department of Information for secret projects.

But he added: "At no stage did I know that money"



4 | 11 | 78 (259)

...reported very carefully... he had not been able to see... the Judge earlier... He had been in office only five weeks and he was able to give a very full account of the immense pressure of work. But he was glad to be able to discuss these matters. The Judge also said that as commissioner he had to make up his own mind whether he made any, or all of the evidence given to him public. The Prime Minister explained why he had not been able immediately to deal with these requests to arrange for certain officials to appear before the Judge. He gave this assurance to the Judge. As soon as Mr. Pretorius reports to me that...

...what can be done to ascertain the facts because I cannot judge what to take as a next step unless I have the facts available, Mr. Botha said. Then I said do not publish the one-sided information you have, I promised that the moment the Pretorius Committee reports to me, I will make available the chairman of that commission to co-operate with you to complete your work.

Reference

“Was this not fair?” Asked about the future of the Mostert Commission, Senator Horwood said it would continue with its work. (Sapa.)

Mr. Botha announced the three-man commission would report on the allegations by December 6 and that Parliament would be recalled for a special session — only the fourth time in the country’s history — to debate the matter next day.

Praise

Mr. Justice Mostert has been praised nationwide for releasing evidence given to his inquiry into foreign exchange contraventions about R12 million to fund the Citizen and other secret operations conducted by the former department under its ex-secretary, Dr. Eschel Rhoodie.

While Opposition leaders welcomed the news of the judicial inquiry and the special sitting of Parliament, Dr. Mulder said that he had told the Prime Minister it

But it is thought his own personal position will be made public at some stage. The Prime Minister told a Press conference yesterday that he did not know anything about public money being used for the Citizen but that he would be against the principle of it.

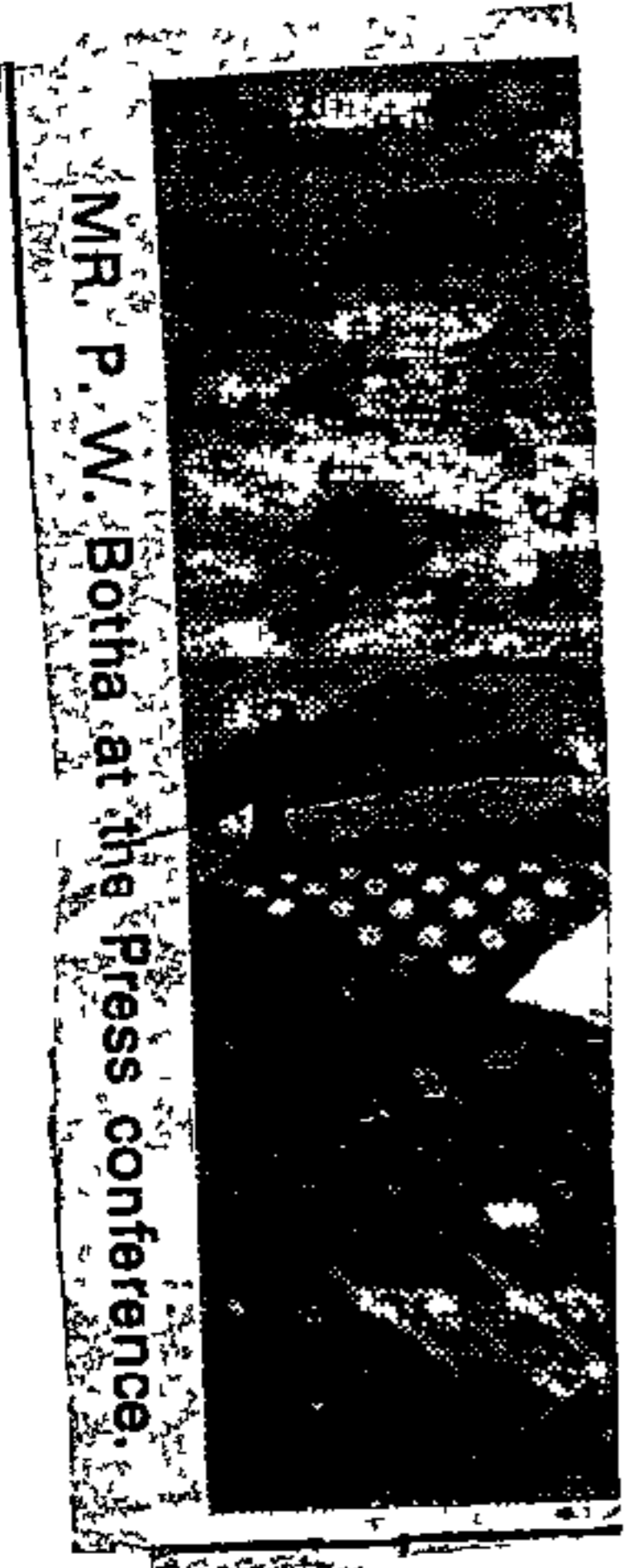
He referred to the Citizen as a “party political” newspaper.

It was revealed at the same conference by Senator Owen Horwood, Minister of Finance, that earlier indications of a clash between Mr. Botha and Judge Mostert about the release of the evidence were correct.

Mr. Justice Mostert concluded his interview with the Premier by walking out on him.

During the Press conference Mr. Botha changed his reply to a key question:

in any form. Mr. Botha clearly indicated he was not prepared to accept evidence from the Mostert commission until other parties in the controversy had given sides of the story. See also Page 9



MR. P. W. Botha at the Press conference.

Why Miss Cambridge's name is Mud

Benefited from the presence there of Miss Maude Moorhead, for 54 years and continues to benefit from her interest and association with the schools.

The young Maude Moorhead entered the Sub Standard A class, at Cambridge School, in her 15th year, in 1915.

Her mother had taught at Cambridge as a young woman, (she had cycled to work from her home, Caister House, in St. James Road). Miss Murray was her name, daughter of Alfred Everett Murray, who was a land surveyor in East London.

She met and married Percy Moorhead, a young and surveyor, who worked for her father.

Therefore when Maude Moorhead began her association with Cambridge schools, her parents, Mr and Mrs Percy Moorhead were living in Moorhead Street, Cambridge. Mr Moorhead was the mayor of Cambridge and was to serve sixteen years as Chairman of the Divisional Council.

On the death of her father in 1950, Miss Moorhead moved to Caister Cottage.

Except for the five years she spent at Rhodes University, (where she achieved a Bachelor of Arts Degree in English

and History, a Higher Education Diploma and an Art Diploma), and the first three months of her teaching life, when she taught on the West Bank, she has spent her entire life in Cambridge and most of it as an important and much loved member of Cambridge Schools.

"Cambridge was my first and only permanent job," she says proudly.

"I came to Cambridge in Sub A, the same year as Headmaster, Mr Robert Burdon Martin and, as he was there for 20 years, he was still the headmaster when I came back in 1982, as a teacher."

Miss Moorhead served under five headmasters in all Mr R Burdon Martin, 1932 — 1935, Capt R C H Hart, 1936 — 1943; Mr T B Scott, 1944 — 1963; Mr F A Steborger, 1963 — 1969 and Mr N M Paterson, 1969 — during which year she retired. And, the present head of Cambridge High School, Mr A Viljoen, was a pupil of hers.

How she had come to teach standard fives and sixes, when her qualifications equipped her, particularly, to deal with older children, has a simple and typical explanation.

"Well," she said, "in spite of my five years at university, I was lucky to be chosen from about 40 applicants, to teach



Miss Maude Moorhead 54 years at Cambridge Schools.

English and a spot of Latin, to standards five and six — and I never left them. I found I liked teaching younger children.

And, what about her philosophy of teaching?

"Oh," she laughed, "rather like Burd's (a nickname for Mr Burdon Martin) — no rewards, no punishments. He refused to use the cane; there were no prize-givings at Cambridge while he was head there

"I never ever sent anyone to the head, I feel that sending children to the head means you can't cope as a teacher. "I think punishments

are stupid. I always told them — "If you co-operate with me, I'll co-operate with you." It seemed to work — just a few months ago I met a former pupil, from long ago, in a shop, and he quoted that maxim to me.

"I didn't believe in setting much homework either. I feel it is cruel to burden a struggling child with more struggling at home, every day of his life

"In the first week of every year I used to make a promise to me to do 20 minutes of arithmetic homework, daily, whether it was set or not.

"That way," she said, and the infectious laugh broke out again, "the clever child did as much homework as the dumb ones."

At the word, dedication, she simply laughed. "I wasn't a dedicated teacher," she said, "I liked the children I taught — and I always treated them as if they were grown ups. They seemed to like that

On a bureau near her favourite chair, there is an array of photos of parents and babies and children. "Nieces and nephews?" was a natural question.

"Many of them are great-nieces and nephews," said a proud Maude Moorhead. "It

used to be pictures of weddings, now it's babies I display.

Clearly she is everybody's favourite aunt and the signs of the love which is given her from family and friends are evident in her charming front room. As well as the framed photographs, there are mementos everywhere.

Anecdotes are inspired by pictures on the walls too. "There's my Sidney Carter," she said, pointing to a familiar watercolour. "I bought that with my first month's salary, which was six pounds, and I've never been able to afford another.

"I won that one for a bob (ten cents)," she explained, referring to an Elaine Savage floral watercolour.

In another corner there is an oil painting of the ruin of the original Caister Castle — and that hangs above a framed photograph of Miss Moorhead, teacher, with three of the five headmasters under which she served.

To almost everybody she knows, Maude Moorhead is, known as Mud — and for that she blames her first teacher in 1915. "She was Miss McKay," she explained, "a wee Scots body with a broad

Scott's tongue. Maude was pronounced Mod and I guess, soon became Mud and Cambridge, her other great interest has been the theatre.

Not as a performer, but as a producer at school, where she produced the annual variety show, Over To You, for thirteen years (1956 — 1969); as a helper at the Guild Theatre for Dramatic productions, and as an author and lyricist.

She wrote the annual pantomimes for local production in 1957 (Sleeping Beauty), 1961 (The Water Babies, which to her knowledge was a world premiere of that story as a pantomime), and The Queen of Hearts in 1969. "Nothing is as satisfying as having your own words come back at you, especially in song," she recalled with a smile.

These days Maude Moorhead spends much of her time writing. Lying on her desk was the manuscript of — The History of Cambridge — the first fifty years. She is still involved. On her wall a hand-painted plaque — 60 Glorious Years — obviously a gesture of appreciation, given her sometime.

But, in pride of place, in the corner of her bedroom, is the evidence of the most wonderful gesture of appreciation of them all — a colour television set on a trolley. It was presented to her several weeks ago — a pre-

sent to a beloved and fondly remembered teacher, from hundreds of her former pupils.

Donations to the television fund came from all over the country, with heart-warming messages of love and affection

"I am moved by the heart-warming thoughts that went into the project," she said humbly, "but what really touches my heart is that most of the pupils I taught, I taught for one year only, and then some of them performed in the Over To You shows — and that's all. It isn't as if I taught them for several consecutive years."

Such was her power as a teacher. — SHIRLEY SMITH

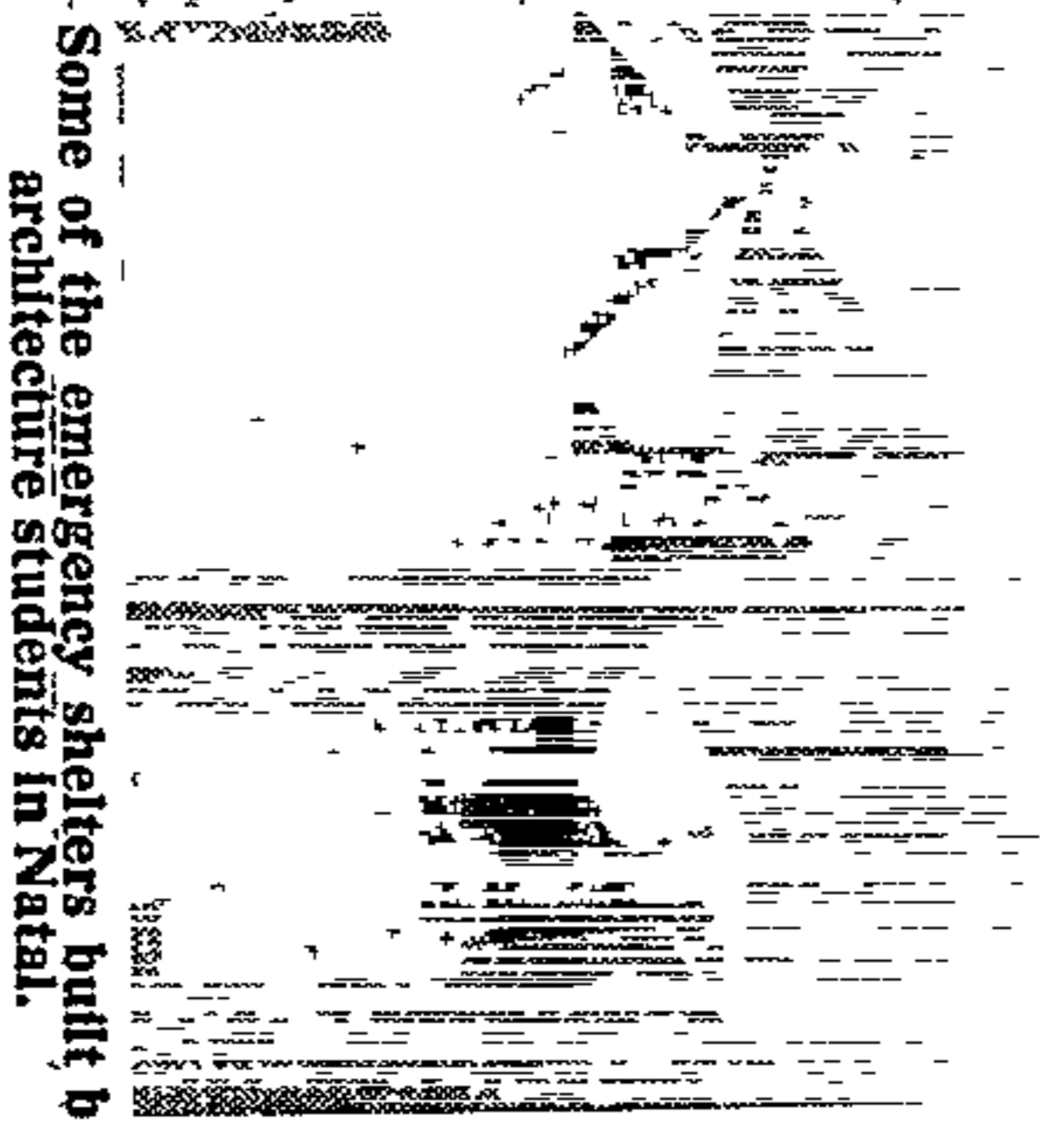
LETTERS TO THE EDITOR

Ill-treated

While South Africans say they want peace and friendship with their neighbours of black states yet they ill-treat blacks inside the country.

Our people are pushed around, denied rights as citizens of South Africa and even the roofs over their heads are demolished.

D. E. Ntambule, Ncambedlane Farm, Um-tata



Some of the emergency shelters built by architecture students in Natal.

From our files

November 4, 1928: The new jobbing premises of the Daily Dispatch are nearing completion. The new two-storey building adjacent to the present newspaper office displays both solidity and strength and has an imposing entrance in Cambridge Street. Sir Charles Crewe and his co-directors are to be warmly congratulated on their enterprise.

November 4, 1948: Work has started on a hospital at Butterworth which will cost £160 000. It will be a handsome modern building which will dominate the Western slopes of the town. Initially it will have 72 beds but if future expansion continues as expected it will eventually have 500.

Tailpiece

"Few women have knowledge of parliamentary law." "You don't know my wife. She's been speaker of the house for twenty-five years."

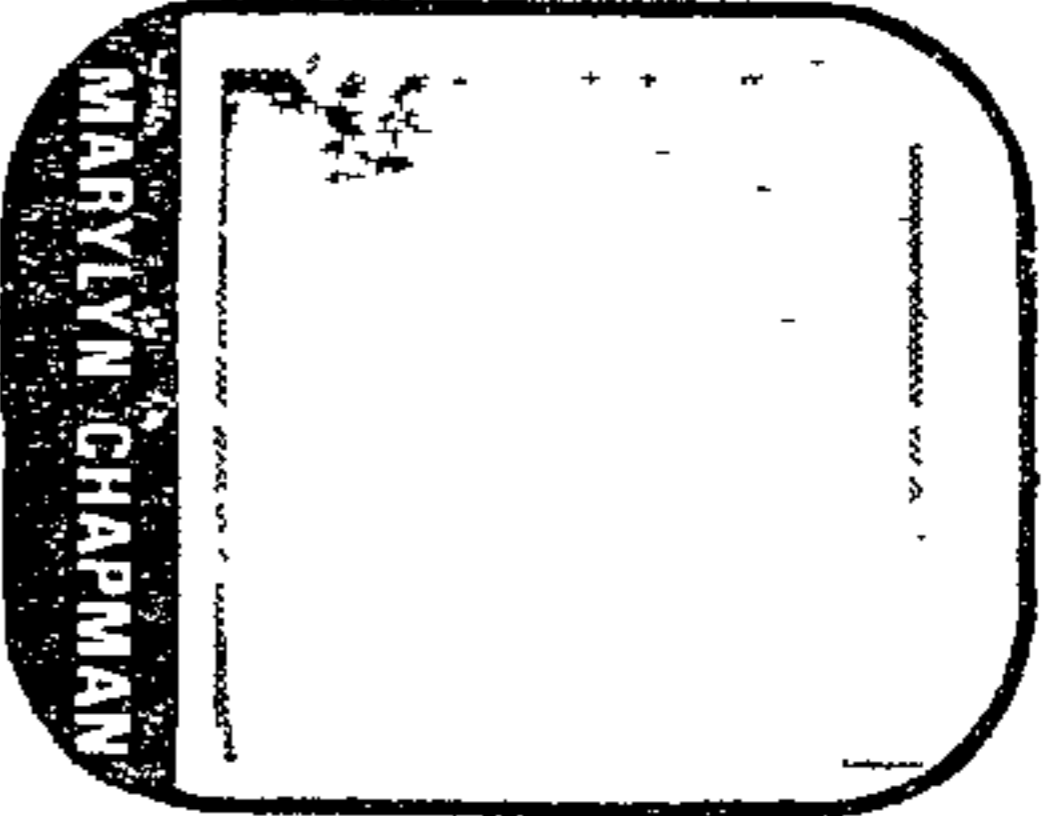
Health guide in the stars

moon exactly two days before Elvira's attack, and the new moon (and eclipse) exactly two days before Bing's attack. On the other hand, this could all be one glimpse of a cosmic pattern that affects all of us, in our lives and in our health. If such a pattern exists - and the evidence is stronger than you might suspect - then the key to its understanding may be astrology.

So writes James Vogh in his new book *The Cosmic Factor* - Health and Astrology, published by Granada, and retailing here at R13.05 (plus tax).

Whether you have any faith in astrology or not, there is a stunning truth to the character analysis it presents.

Take Cancer alone (P.G. was born June 22). His problem is moodiness, and as the sign suggests, a hard-shelled creature with a soft inside, and unpredictable as a sudden tide, or his sudden moods. His sensitivity turns in-



MARILYN CHAPMAN

ward, and he becomes touchy, easily slighted and ready to take offence at nothing. But he is imaginative - perhaps too much so - and tends to take life seriously.

Then my own sign, Aquarius. Progressive, original thinkers are Aquarians, but not easy to know, and almost certainly idealists. And on the

negative side, unconventional to no good purpose, tactless and rebellious and not always tolerant of the opinions of others. How well I recognise myself.

And there's A.N. of the Gemini sign, the skilled debater with a talkative nature who knows how to bluff. He's nervous and quick moving - so much so that he's always putting his neck or shoulders out of joint because of some awkward, sudden jerk.

A relative born on January 14 shows all the classic Capricorn traits - industrious and methodical, but tending to the puritanical and drab and worrying far too much about his health.

If you believe there is truth in astrological personality assessment, then you will find a wealth of interest in *The Cosmic Factor*. Vogh describes and explains biorhythms,

the diseases your sign is heir to, and the herbs and minerals which will keep you well.

Scientists ridiculed the idea of a cosmic factor - until they themselves began to find evidence for it. Space probes showed the planets to be "alive," pulsating with electromagnetic energy. Their radiation reaches even to the Earth, and their movements weave a complex energy pattern over its surface, unique at every point in time, unique at every place.

Recent serious research and psychic discoveries behind the Iron Curtain reveal that an entire new dimension exists involving forces and non-physical phenomena. That the next millennium will see man seriously studying what was once considered superstition even sorcery, is without doubt, for even

very healthy sign, and he'll probably live to a ripe old age - fussing about his health.

This week I was guest of the East London branch of the International Toastmistress Club at their bewitching Halloween dinner.

Over a menu which included fried bat wings and warm snakes' venom, we listened to light and bright public speaking by members and visitors - among whom was the Mayor, Elsie Kemp.

The Toastmistress Club is a non-profit, educational organisation dedicated to the development of the total person. The training includes learning how to call meetings to order, protocol, leadership, and of course practise in public speaking.

Now for anyone involved in committees, management meetings or just school or club activities, these are invaluable

assets to command. But more important the Toastmistress Clubs offer women all over the world the chance to get out of the negative, non-assertive attitudes which characterised pre-11b thinking.

Although there is a Toastmasters Club, Toastmistress is open to both sexes, and the girls were going before the men. Ernestine White began the organisation in the US in 1938. Before she died at a comparatively young age, she had persuaded her husband to launch the International Toastmasters Clubs, of which we also have a branch in East London.

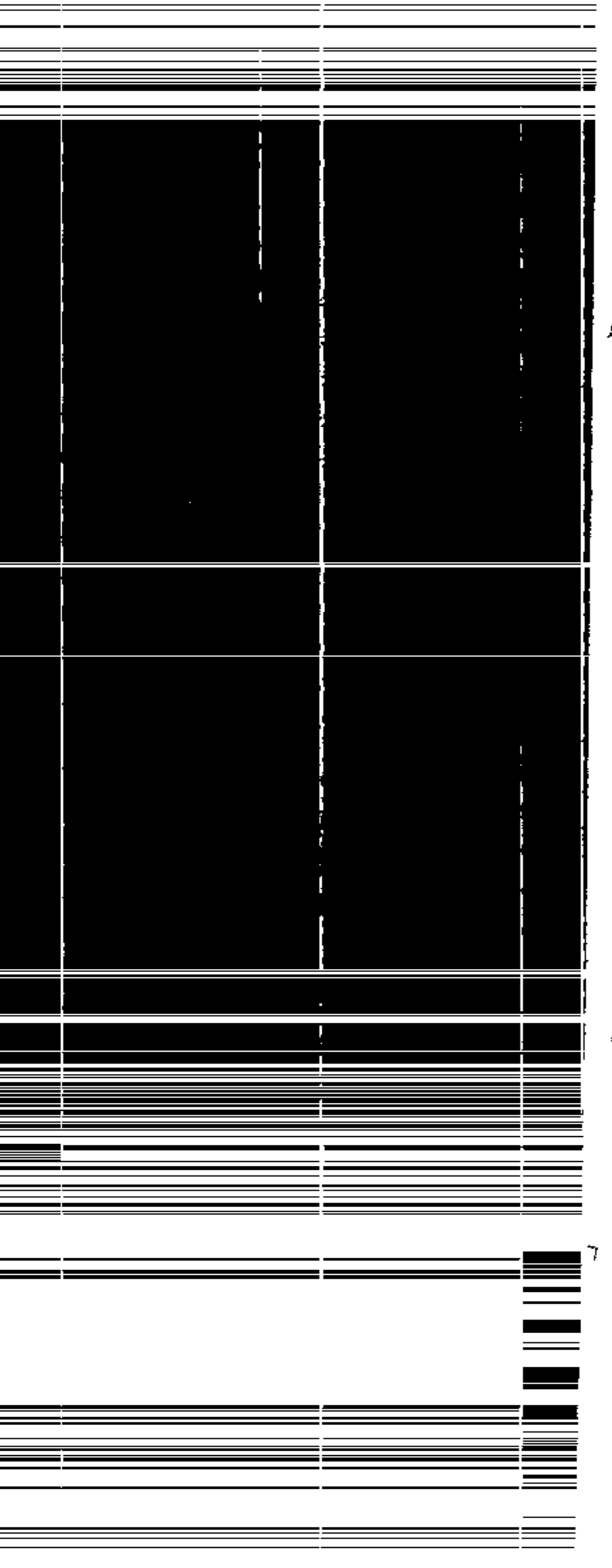
Both clubs are to be congratulated on one point - having mastered the art of keeping their talks short. If only more public figures, those invited to open art exhibitions in particular, would understand that rambling on and on at a captive audience is physical and mental cruelty.

Serious project

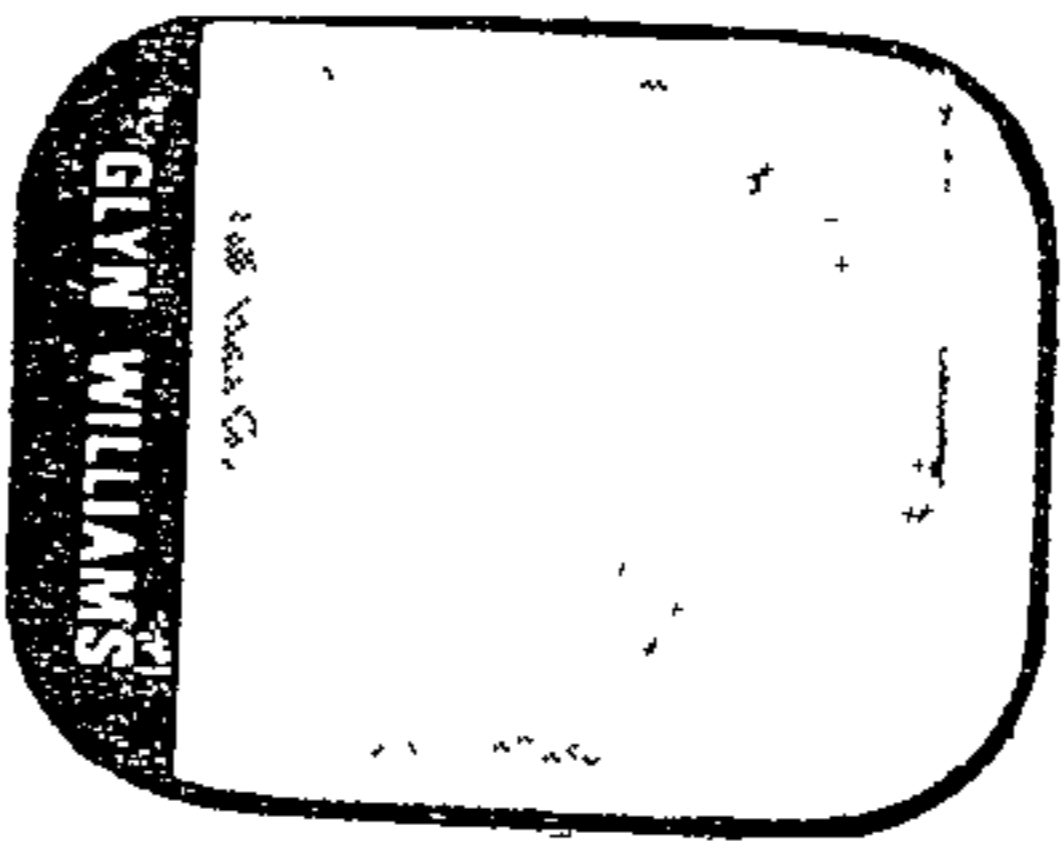
No, they are not the latest in summer clothes for Eskimos but the results of a serious project by first-year architecture students at the University of Natal in Durban. They were told to build out of hardboard an emergency shelter in which two people could live for a reasonable period.

The hardboard was donated by the manufacturers and the students spent four working days in designing an building an assortment of 14 ingenious shelters.

"The idea was to visualise an area which had been hit by flood, fire or cyclon leaving large numbers of people roofless," says Mr Errol Haathof who was studio manager on the project. The shelters had to be portable by two people, easy to assemble, sturdy and reasonably weather proof. Fixings had to be kept to a minimum.



All Blacks seem happy — so far



GLYN WILLIAMS

of all was in 1905 when the first All Blacks (as opposed to the Maoris) played 33 and won 32, going down 0-3 to Wales.

If they remember this in Wales — they will show you the exact spot at Arms Park where the ball was dotted down for the only try — they will certainly revere Munster's win against the All Blacks this week.

It was the New Zealanders' first tour defeat, after some most convincing wins, and the first win by an Irish side against any All Black team.

So the 12-0 score goes down in history, though it

was not entirely unexpected.

Records show that touring teams are at their most vulnerable in mid-week early on after they have cruised through the opening matches. It happened in 1963-64 at Newport (0-3) and the All Blacks never lost another game.

Just as Newport had spotted the All Blacks weaknesses so did Munster Newport, in those days, had a tigerish, highly mobile pack, and a flyhalf of great talent, David Watkins, whose grubber kicks through the Kiwi backline were frequently devastating. Munster, too, are noted

for their fiery, fast forwards with undoubted courage and, like Newport, had a considerable flyhalf in Tony Ward, who dropped two goals and converted a try.

This, too, might be the All Blacks' only defeat. Clem Thomas, former international, is already on record as saying they are going to be extraordinary — difficult to beat with an excellent captain in Graham Mourie.

The tour manager, Russ Thomas, might well be one of the first of a new generation of such executives. He is sharp-witted, extrovert, and general manager of one of the biggest food

businesses in New Zealand, and generally a contrast to past touring controllers. Assistant manager is Jack Gleeson, reportedly somewhat more intense.

And these Kiwis have been running the ball behind the scrum. Whether they will continue this open rugby after the Munster defeat remains to be seen. You will have noticed that Russ Thomas said after the match: "We must not allow ourselves to be disrupted and must drive forward with more authority and conviction."

Had an item sent in headed: "Executive elected", which was obviously startling. What he really meant to say was: "Executive elected."

The changing face of East London: it does. Walked into a city might-spot once noted for its pleasant formality and found the big switch — fewer ties and jackets and a younger element, with no cover charge. Still trying to decide whether I really like it.

Another place, trying to move up not down, has banned denim. Overseas fashion trends are more

Got out of a rut, because of visitors. Went to Gonubie Saturday and relaxed by its fine, undestinated river lagoon — but the sea has further ripped into the beach nearest to the main road making access even more difficult.

But where have all the fishermen gone? Saw not one and the coastline from Gonubie towards East London was deserted on a fine, if somewhat windy afternoon.

Sunday a braai for visitors at Nahoon River, a popular spot much abused. We retrieve all our litter and take it back home. But many others obviously do not — thoughtless, selfish and decidedly lazy.

It is our world to enjoy, not use as a dustbin.

EDITORIAL OPINION

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Nothing more inhumane

East London has, by its decision to ask for the removal of about 900 squatters from municipal property, aligned itself with the forces whose unceasing efforts to remove Crossroads and other squatter camps in the so-called "white" areas of the Cape have distressed the world.

The City Council has, in effect, backed the Government policy of moving people from their homes here they "illegally" live with their miles — and where they have work.

There can be no law more inhumane than one which forbids a man live with his family, none more unjust than one which declares him a criminal for doing so, which sanctions his arrest, "deportation" and the destruction of his home because he is come from a depressed area to work and survive.

The East London City Council this week not only abrogated its responsibility for the squatters but it also added the problem of their removal to a body whose high-handed attitude and insensitive regard for human suffering was shown last month in the first wave of squatter arrests and family burning.

The Council does have its hands tied. Officials of the East Cape Ad-

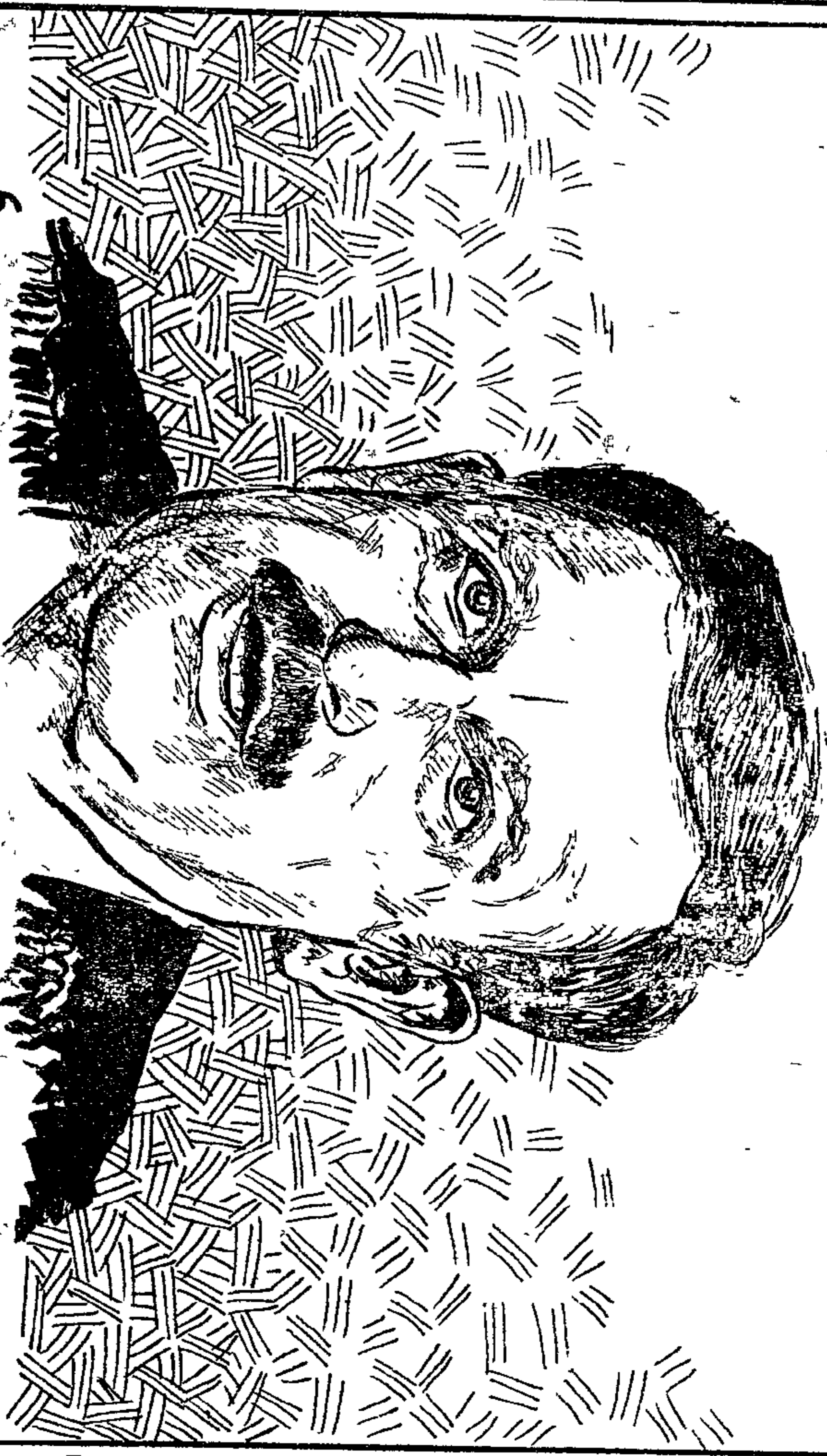
ministration Board can legally arrest and demolish shanty homes on council land without even consulting the council, but this should be no reason for the council to side with the board, no reason for it to willingly request the board to continue with its destruction of homes.

Seven city councillors placed themselves on record against inviting the board to act because they saw these removals causing more human suffering while not contributing one iota to the overall squatter problem, the critical shortage of decent homes throughout the country and the chronic rate of unemployment.

All credit to them for their stand, but it will be to East London's international disgrace that their voice of sanity did not prevail.

Administration boards and councils in all parts of "white" South Africa are attempting to clear their own areas of squatters, shunting people to places where they have no work and no income. To survive, these unfortunate people will surely drift back to the urban areas — and squat somewhere else.

It is time they realised that the only way in which to solve the problem of illegal squatters is to recognise that they are South Africans, just like the rest of us.



I have endeavoured to discover what particular interest of the State is furthered by suppression, albeit temporary, rather than disclosure of the evidence. I have been able to discover none.

— Mr Justice Mustert



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Mostert broke law — Nat MP

PRETORIA — Mr Justice Anton Mostert had infringed the Commissions Act in not reporting to the State President before making public his findings on the alleged misuse of public funds by the Department of Information, the chairman of the Nationalist parliamentary study group on justice, Mr Thomas Langley, said here yesterday.

Mr Langley, the MP for Waterkloof, said the Commissions Act, No 8 of 1947, clearly stipulated that nobody was allowed to divulge the findings of a commission appointed by the Government before they had been given to the State President.

"If a commissioner, who was also a Member of Parliament, had exceeded his terms of office and appeared before Mr Justice Mostert for doing so, one wonders what that honourable gentleman's criticism and ruling would have been?" Mr Langley, an advocate, asked.

He said Mr Justice Mostert, at the completion of his investigations, should have weighed up objectively all the evidence and then submitted his report to the State President.

"Any evidence not relevant to his instructions could have been in a separate private report to the State President or to the Attorney-General," Mr Langley said. — SAPA.

Rhodie angry but Waldeck is smiling

INFORMATION SCANDAL

Graaff: I never knew public cash was used

CAPE TOWN — The former leader of the United Party, Sir De Villiers Graaff, said here yesterday there had been no hint of Government funds being involved in the take-over bid for SAAN to which he was invited on behalf of Mr Louis Luyt.

"If the information published yesterday is correct then it is clear that in inviting me to participate in the SAAN takeover bid a shameful attempt was made to exploit the good name and reputation of my family and myself."

Sir De Villiers was reacting to Mr Justice Mostert's disclosures published yesterday.

It was old news that he was prepared to participate on behalf of certain Graaff family interests in

an offer for a controlling interest in SAAN. Graaff interests were to be represented on the board of SAAN and any decisions affecting editorial policy or any further change of control or sale of any of the group's newspapers would have to be by unanimous agreement of the board. Graaff minority interests could therefore block any attempt to divert SAAN to some other partisan interest.

"In plain language this meant that if I had not intervened, SAAN could conceivably become pro-Nat, but with me it could not. These conditions were acceptable to Mr Luyt."

"When approached by Dr Cronje, chairman of the Nedbank on behalf of Mr Luyt, to participate in this venture I was informed he was a model customer and well able to find the funds necessary for the bid."

Sir De Villiers insisted in the discussions that followed that there should be interests involved with some expertise in running newspapers, as it was clear to him that SAAN

was financially vulnerable. He was then told of participation by Mr Springer and Mr McGoff, experts in handling successful publications against the TV challenge.

"At no time was it even hinted that any Government money was involved nor indeed that Mr Luyt really needed substantial outside financial support."

"Naturally had there been any suggestion of the Department of Information or any other Government department being directly or indirectly involved I would not only never have considered participation but would without question have immediately raised the matter in Parliament."

Although he had acted in his personal capacity as a director of one of his family companies, he reported fully to his caucus, Sir De Villiers said.

"Neither I nor any of my family interests was party to Mr Luyt's later efforts to start a new newspaper so I have no knowledge of either the finances involved nor how it was raised." — SAPA

JOHANNESBURG. — A wry smile lit the face of Mr Wally Waldeck, the Department of Information's axed chief of administrative services, as he responded to the news of Mr Justice Anton Mostert's decision to make the evidence of his commission of inquiry available to the press in the interests of a "clean administration."

Speaking from his home in Pretoria, where he has lived in premature retirement since last May, Mr Waldeck said:

"Indirectly, the circumstances surrounding my premature retirement from the Department of Information may have influenced the investigation into various matters, inter alia The Citizen, by the newspapers concerned.

"These were matters I had nothing to do with and all credit must go to the newspapers concerned for the incredible results which crowned the investigations," he said.

While the Department of Information bombshell was bursting in South Africa, one of the central figures, Dr Eschel Rhoodie and his wife, Katie, were holidaying in Jerusalem.

Contacted by a

reporter, Dr Rhoodie slammed down the telephone. Phoned again, he said "I am not going to speak to you. You are wasting your time and money."

A servant at the Rhoodie home in Pretoria, said they had left on Sunday and were expected back on November 18.

They are reported to be visiting Israel, Holland and United States.

Dr Denys Rhoodie, brother of Dr Eschel Rhoodie, and a former senior official at the now defunct Department of Information, refused to comment on the Mostert revelations.

"I have nothing to say to you. Thanks a lot for calling," he said.

General H J van den Bergh, another central figure in the drama also refused to comment.

"I have nothing to say. Everything I did while I was Secretary for Security Intelligence, and while I was conducting the investigation was secret. I am not allowed to talk about it.

"If I am released from my oath of secrecy, which can only be done if parliament changes the law, then I will give you an interview." — SAPA

Citizen editor denies control

JOHANNESBURG — The editor of The Citizen, Mr Johnny Johnson has emphatically denied that the editorial staff of the paper had had to abide by any editorial charter or that the policy of the paper had been subject to the control of Dr Eschel Rhoodie or any other person but himself, the editor.

In a front page editorial statement, Mr Johnson said:

"I was appointed editor-in-chief two weeks after The Citizen came on the streets.

"I do not know of any loans which the then proprietor, Mr Louis Luyt, received from the Department of Information, nor do I have any knowledge of Government funds having been made available in any manner or form.

"I have been assured by the present proprietors that the money which they used to buy The Citizen from Mr Luyt is their own and that of members of their consortium.

"This newspaper's policy has been set by me — and by me alone.

"I have never received, or taken, instructions from Mr Luyt or anyone else, including the present proprietors, about the policy I should follow.

"The suggestion that this newspaper under my editorship was used to further the aims of the Government is completely false.

"At all times, my staff and I have followed the highest standards of journalistic independence and integrity.

"The success of The Citizen has been due to its fair and balanced reporting and pro-South African views.

"The fact that it has established itself so rapidly in the market is due to the professionalism and dedication of its staff.

"I am desperately sad that The Citizen, so full of promise and high achievement, should now be the centre of so much controversy.

"I can assure readers that my staff and I have made it our honest endeavour to present a newspaper which is bright, informative and in keeping with the ideals which we all hold so dear.

"This is not a pro-government newspaper, as the wolfpack seeking its blood would have it.

"It is, and always has been, a very South African newspaper, fair and honest and whatever the future may hold, I am proud, very proud, to be its editor." — SAPA

Resign, SASJ tells reporters

JOHANNESBURG — The Southern African Society of Journalists yesterday called on journalists employed by The Citizen to resign and said "every pay cheque they receive must now be seen as tainted money."

In a press statement, the President of the SASJ, Mr John Patten, said evidence released by the Mostert Commission "made it clear that agents of the Government have been playing the fool with the public and the free press by establishing a newspaper with taxpayers' money... while denying that the Government was in any way involved."

The position of journalists on The Citizen had become untenable, Mr Patten said. They had been the "unwitting pawns of a nefarious plot to manipulate public opinion under false colours."

The full text of the statement is:

"Evidence released by the Mostert Commission makes it clear that agents of the Government have been playing the fool with the public and the free press by establishing a newspaper with taxpayers' money and under policy control at high Government level while denying that the Government was in any way involved.

"Now the real situation has been exposed, the

position of journalists on The Citizen has become completely untenable. They have been the unwitting pawns of a nefarious plot to manipulate public opinion under false colours. Every pay cheque they receive must now be seen as tainted money.

"I call on the journalists employed on The Citizen to give notice forthwith of their resignation from that newspaper. Such action is essential to the maintenance of journalism's image in South Africa.

"Journalists in South Africa's free press cannot allow themselves to be regarded as lackeys of the Government. Accepting the statement of 39 members of The Citizen's staff that they had no knowledge of the charter binding them to a political policy and accepting their affirmation to the principles of independent journalism unfettered by political restraints, nevertheless there now remains only one course open to them in the light of the revealed facts — they must resign.

"The SASJ cannot let these revelations pass without expressing its strongest condemnation of the fact that the Government has allowed public funds to be used in a way so damaging to the proud reputation of the country and its free press." — SAPA

Raw welcomes PM's statement

CAPE TOWN — The leader of the New Republic Party, Mr Vause Raw, yesterday welcomed the Prime Minister's decision to reconvene Parliament next month following disclosure by Mr Justice Anton Mostert of evidence showing misuse of public funds.

"The Prime Minister's reaction in setting up a judicial inquiry and reconvening Parliament is exactly what I appealed to him to do immediately the evidence broke," Mr Raw said in a statement.

"Just who is running South Africa? Is it the executive or is the country being manipulated by

faceless officials in the secret service?

"If the head of the former Bureau of State Security can be involved in the establishment of a newspaper with millions of taxpayers' money for the purpose of converting English-speaking citizens to vote for the National Party, what else do they manipulate and who pulls the strings?" Mr Raw said.

Mr John Wiley, leader of the South African Party, said yesterday that the evidence given to the Mostert Commission, indicating possible corruption and theft of secret funds, was disgraceful and intolerable. — SAPA.

Staff were unaware

JOHANNESBURG — At no time was the financial staff of The Citizen aware of the true source of funds used to launch the newspaper, The Citizen's financial manager, Mr J. de Groot, said yesterday.

He added: "On behalf of the financial staff of The Citizen, I categorically state that at no time were we aware of the true source of the funds which were used to launch and operate The Citizen.

"The moneys entrusted to us have been and are administered to the highest possible standards of efficiency and professional conduct and are subject to regular audit. This statement is made to protect the integrity of the financial staff." — SAPA.

Van Rooyen tells about Thor's start

PRETORIA — The formation of the "front" company, Thor Communicators, was graphically described by Advocate Retief van Rooyen in his evidence before the Mostert Commission.

He also said he had gained the impression that Thesaurus — the Switzerland-based company through which funds were channelled to South Africa — "was a front company for the Bureau for State Security".

And he revealed that the former head of Boss, General Hendrik van den Bergh, had warned him that the secret projects of the former Department of Information were covered by the Official Secrets Act on the grounds that all "issues dealt with by the bureau fell under the act".

Mr Van Rooyen said. "During or around May, 1976, Dr Eschel Rhodie, then Secretary of the Department of Information, came to me and told me he wanted to talk to me confidentially, and I had to realise what he was going to tell me was in his view subject to the Official Secrets Act

"He told me his department had a large number of secret projects which they had to execute. Examples he mentioned were that they could not distribute films made on behalf of the department overseas. They needed front organisations.

"They could not issue publications, etc. In other words, they had a whole series of front organisations acting for them

"Their directors read like a South African

'Who's who' and because of my links with international law in The Hague cases, they felt that I would be a suitable person both from a security point viewpoint as well as a status viewpoint, to act as one of their directors of a front company which they were still intending to establish and would I be prepared to help

"As far as aspects are concerned which could have relevance for this commission, at one stage during October, 1976 I was back from the Turnhalle and in Pretoria, and I was contacted by the Standard Bank and told a sum of 3,5 million dollars had come in and what should they do about it. Should they convert this into rands or must they hold it. What was the intention.

"Until then I had not heard anything at all about such a sum being on its way or anything regarding the transaction. I then contacted Dr Rhodie and said 3,5 million dollars had arrived in the Standard Bank, what had to be done about it. He then said it had to be converted into rands and paid into an account at the Bosman Street Branch of Volkskas," he said.

Mr Van Rooyen transferred the money but was asked for his Reserve Bank authorisation. He contacted Dr Rhodie about this and eventually authorisation arrived from the lawyers.

The amount totalled R3 053 000.

"At that stage there was no documentation whatsoever which could indicate what the nature or origin of the transaction was, but it came from Thesaurus Kontinentale, Effektengesellschaft in

Switzerland"

Judge Mostert "Was that the first time you heard that name, the name of Thesaurus?"

Mr Van Rooyen "Yes, in about the middle of 1977, after I had started asking questions for totally different reasons, over diverse aspects of what had been described to the firm by the department, I also began making enquiries about what exactly Thesaurus was, and what went on in that regard. I did not get a clear answer because firstly I was told that . . ."

Judge Mostert "To whom was the question directed?"

Mr Van Rooyen "It was Dr Rhodie — firstly because these were now policy aspects. I think I talked to Mr Les de Villiers, but my recollection is not so good in this regard, and somewhere I got the impression, it may have been from Mr De Villiers, that Thesaurus was a front company for the Bureau of State Security, and that it was therefore a transfer of funds from one state department to another

"Whether this was really so, it was merely an impression I got, based on hearsay . . ."

He also told Judge Mostert about General Van den Bergh's warning about the Official Secrets Act because "I just don't want them to drop on me like a ton of bricks and say that I am contravening the act"

Judge Mostert replied that he had no powers of indemnity nor could he say whether it was subject to the act, but he did not foresee problems in this regard. — DDC

Mr Kemp "Because I don't know what you are talking about

Judge Mostert "But you will find out what I am talking about. Please ask Mr Reynders to come in

(Mr Reynders was sworn in)

Judge Mostert: You are aware that the equivalent of an amount of dollars 5-million was transferred from the Union Bank of Switzerland to the account of the company Thor Communicators in a bank account here in Pretoria in September 1976? Are you aware of this?

Mr Reynders I am aware of amounts

Judge Mostert "But that particular amount?"

Mr Reynders "No, that I can't say

Judge Mostert "Is this the first time you hear of it?"

Mr Reynders (inaudible)

Judge Mostert "Are you refusing to answer the question?"

Mr Reynders "In the circumstances I can do nothing else, unless I first get the permission of the Prime Minister to answer the questions you want me to.

Judge Mostert "Can you get this permission?"

Mr Reynders. "Only by contacting him directly — DDC

Protest meeting

DURBAN — The Progressive Federal Party and the New Republic Party have called a joint public meeting in the City Hall here on Wednesday to protest against corruption

The speakers will be Mr Graham McIntosh, PFP provincial leader and his NRP counterpart, Sen Warwick Webber. — SAPA.

Boss men refused to answer Mostert unless PM agreed

PRETORIA — Two Bureau for State Security officials, Mr Koos Kemp and Mr Lood Reynders, refused to answer any questions about the Government's secret projects when they appeared before the Mostert Commission.

They both told Mr Justice Anton Mostert that they could not reply to his questions unless they got permission from the Prime Minister.

The key question now with the investigations of the Erasmus Commission which was appointed yesterday is whether the Prime Minister, Mr Botha, will give Boss (now called the Department of National Security — Dons) officials permission to answer questions about the secret projects.

If the Boss officials are not given permission to give evidence, the Erasmus Commission could well find itself in the same position as the Mostert Commission, which failed to get the answers it required.

Mr Kemp, who appeared before the commission first, was the man who succeeded General Hendrik van den Bergh as head of the inquiry appointed to evaluate the secret projects of the former Department of Information, while Mr Reynders was appointed to investigate alleged irregularities in the Department.

In the evidence, Judge Mostert said "I must tell you that, as you know, I am investigating matters concerning exchange control affects the Department of Information. And a certain period this commission has been investigating a transaction, and the transactions flowing from it, all part of and within the framework of the terms of reference of this commission, which state that the commission is authorised to investigate exchange control malpractices and all matters flowing from it

At a certain stage certain facts came to the knowledge of the commission, and I was given certain assurances by your predecessor, General Van den Bergh. It seems to me now that those assurances were not correct and that there are still things that need to be investigated.

It actually has to do with this, now I have again come into possession of some information in the meantime, which puts me on the track of further inquiries that must be made. Mr Reynders has that information at his disposal, and I asked him this morning — or at least I asked him this afternoon — if he would visit me and give me that information.

He then agreed to do this and he should have been here at 5 this afternoon. He telephoned me back soon afterwards and said that — I don't know whether I understood him correctly — but the gist of the talk is that you forbade him from giving me the information, and that you work directly under the Prime Minister and that you will report to the Prime Minister, or something similar.

Now what I want to know Mr Kemp is your attitude.

Mr Kemp the situation I found myself in is one that I am bound by the investigation I began, through the Official Secrets Act, and without the necessary authority cannot inform anyone of facts connected with the investigation I began, and this applies equally to Mr Reynders, who is also a member of the Bureau of State Security. Judge Mostert: Is that the answer?

Mr Kemp: That is the only answer that I have at this stage.

Judge Mostert: In other words, you are using the Bureau of State Security and the Official Secrets Act to withhold information needed by this commission.

Mr Kemp: No, I am not using it for that. I am only telling you in what way I and those working under me are bound by it.

Judge Mostert: Are you saying that the Prime Minister, already in January, agreed that your Bureau would be helpful to this commission in all it did? I want you to think carefully over that question, because there is a second one.

Mr Kemp: I am not aware of the Prime Minister's instruction. I am aware of the instruction that I got from General Van den Bergh to be helpful to you.

Judge Mostert: Now I can tell you, it was the Prime Minister's instruction, and as a result of it, directly as a result of it, General Van den Bergh instructed you to be helpful to this commission where you possibly can. In the light of this what is your attitude now?

Mr Kemp: When I received that instruction I was a member of the Bureau of State Security during which I could undertake an investigation in connection with and could use the Bureau's resources to obtain the information that you need. Since then my position, or the circumstances in which I find myself, have changed completely.

Judge Mostert: Why?

Mr Kemp: Because I am now directed by the investigation of this evaluation of the secret projects of the Department of Information, or the former department.

Judge Mostert: Even still as a member of the

Mr Kemp: As a member of the Bureau of State Security.

Judge Mostert: I can then accept it, as your answer, that you refuse to give me information that I need?

Mr Kemp: Let me put it to you like this.

Judge Mostert: No, don't put it to me in any other way. Please give me

the facts.

Mr Kemp: I want to give you the facts as they are. I was instructed to undertake a secret evaluation investigation in connection with projects falling under the Official Secrets Act.

Judge Mostert: You are evading my question. Please answer it. I put it to you again. Are you refusing to make available to this commission information at the disposal of Mr Reynders?

Mr Kemp: I am not refusing to furnish the information, on condition that I get the authority to do so, and that authority I only get from the Prime Minister.

Judge Mostert: That is not the question. The question is a simple one. Mr Reynders had the information at his disposal, do you refuse that Mr Reynders put that information at the disposal of this commission? That is the simple question, and in that regard there is either a yes answer or a no answer.

Mr Kemp: I am sorry, it is not for me just a no or a yes answer.

Judge Mostert: What is your answer?

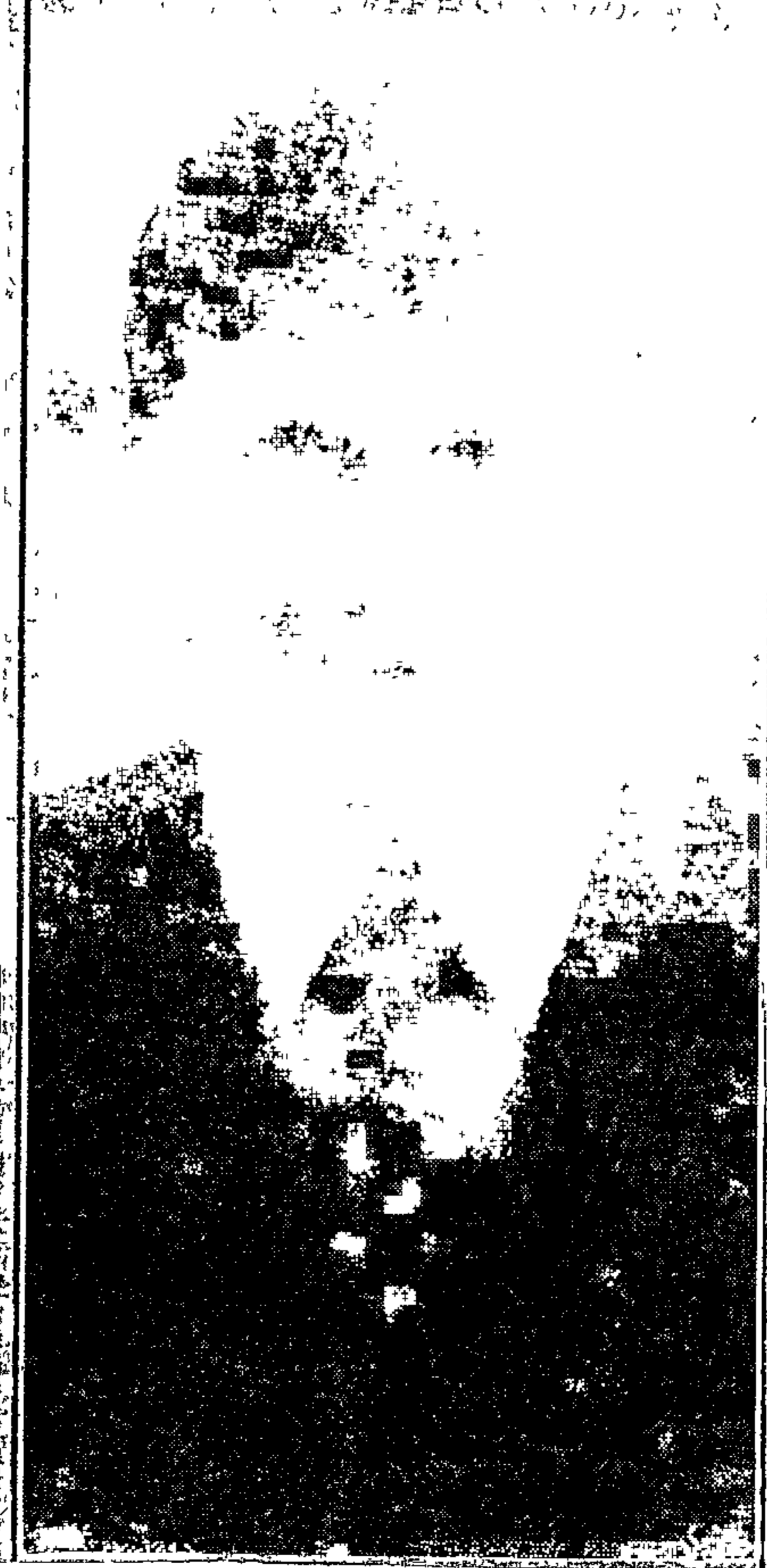
Mr Kemp: The proposition you are making to me that he actually has information at his disposal, that I don't know. If the information which you say he has at his disposal concerns the secret projects, then I am bound by the Official Secrets Act.

Judge Mostert: Will you just sit there while I question Mr Reynders, and then you can decide what he can or can't answer. Does that suit you?

Mr Kemp: I think it is an unreasonable request.

Judge Mostert: Why?

The judge who defied the PM



There is a particular irony about the fact that Judge Anton Mostert's one-man commission of inquiry into exchange control contraventions has its offices in Abattoir House. "Not a bad name for a hatchet man," mused a journalist who had just attended the judge's bombshell Department of Information press conference.

The irony of the name would not be lost on Judge Mostert — a man who has a catholic sense of humour.

One of his favourite legal anecdotes is the story about the advocate who bribed the foreman of a jury to ensure that his client, charged with murder, would only be found guilty of culpable homicide. "What took you so long?" the advocate asked the foreman after the jury had deliberated for several hours. "Well," said the foreman, "they all said he was not guilty and it took me a devil of a long time to persuade them to accept a culpable homicide verdict."

After Thursday's press conference, he asked of the SABC-TV crew: "Do you think I'm any kind of replacement for Tony Randall's Judge Franklin?" I'm sure too the judge, who took some time to accommodate the crew's needs for lighting and seating, saw the irony that at the end of it all, the SABC decided that what he had to say could be illegal and canned the press conference for Thursday night's newscasts.

A marvellous sense of humour is only one facet of this multi-faceted man. Some of the other hats he wears include gourmet chef, fighter pilot, art connoisseur and farmer.

Perhaps fighter pilot is not quite correct. He's certainly qualified as one, but according to a close friend they stopped the Korean War before he could get into it.

"Anton was most upset," the friend said. "He was spoiling for a fight."

There's nothing wrong, however, about saying that Judge Mostert is a fighter. After all, he was the student who threatened the University of the Witwatersrand with a Supreme Court action interdict because it had ruled that all students were automatically affiliated to Nusas.

The university gave way and student Mostert pioneered the way for conservative unions being formed on the campus.

Advocate Mostert was also involved in several fights. One of his specialities at the bar was actions against Dr Connie Mulder's censor board.

One of his great triumphs on this battle front was the legal fight to ensure that South Africans could see Des and Dawn Lindberg's "Godspell."

He organised one of the most incredible inspections in loco this country has witnessed to do this. He invited the judge to attend the first night performance to decide whether the musical could go public.

"The atmosphere was electric," a friend said yesterday. "Anton achieved what he set out to do — have a couple of thousand jurors all cheering the production with the judge looking on."

Judge Mostert had humble beginnings as the youngest member of a family of 11 struggling to make ends meet on a Swartruggens farm during the depression. In the circumstances his father was unable to make a success of farming, and the Mostert family moved into Johannesburg's southern suburbs.

He matriculated at the age of 16 and articled as an attorney. While practising as an attorney he became SAAF fighter pilot with the intention of flying in the Korean War. But after missing out on that one, he finally reached the bar through night study.

At the age of 44 he was appointed a judge on the Transvaal bench — arguably the youngest man to do so. Judge Mostert's fighting quality ensured that he didn't stay long in the Transvaal. According to a fellow judge, he joined the Natal bench after "something of a tiff with the judicial hierarchy in the Transvaal."

This "tiff" almost turned him away from the bench, as he had been offered a comfortable chair at Rand Afrikaans University. He was then offered an appointment to the Natal bench and in the Mostert style he took a quick decision to take it because he and his wife liked the look of Pietermaritzburg as they passed through the town after a holiday on the Natal coast.

He was then given the one-man commission of inquiry into exchange control contraventions.

Let's box it out

— Amin

NAIROBI. — Uganda's President Idi Amin suggested yesterday that the Tanzanian-Ugandan border war be settled by a boxing match between himself and Tanzanian President Julius Nyerere and refereed by none other than Muhammed Ali.

Mr Bob Astles, an Englishman who has lived for years in Uganda and handles Pres Amin's public relations, said the President, a hulking former heavyweight boxing champion of Uganda, offered to fight Pres Nyerere with one arm tied behind his back and weights on his legs so the Tanzanian "would have a sporting chance".

Mr Astles said Pres Amin made the remarks after returning from the battlefield in Tanzania, where Uganda has annexed 1 800 sq km of Tanzanian soil.

He said the challenge, made while Pres Amin was shooting baskets on his basketball court, was in response to "Nyerere's refusal to get to a round table for talks on the dispute".

Mr Astles said Pres Amin was asked why he was exer-

cising after working all night

"The President said he was keeping fit so he can challenge Nyerere in a boxing match and we can fight it out there rather than have soldiers loose their lives on the battlefield

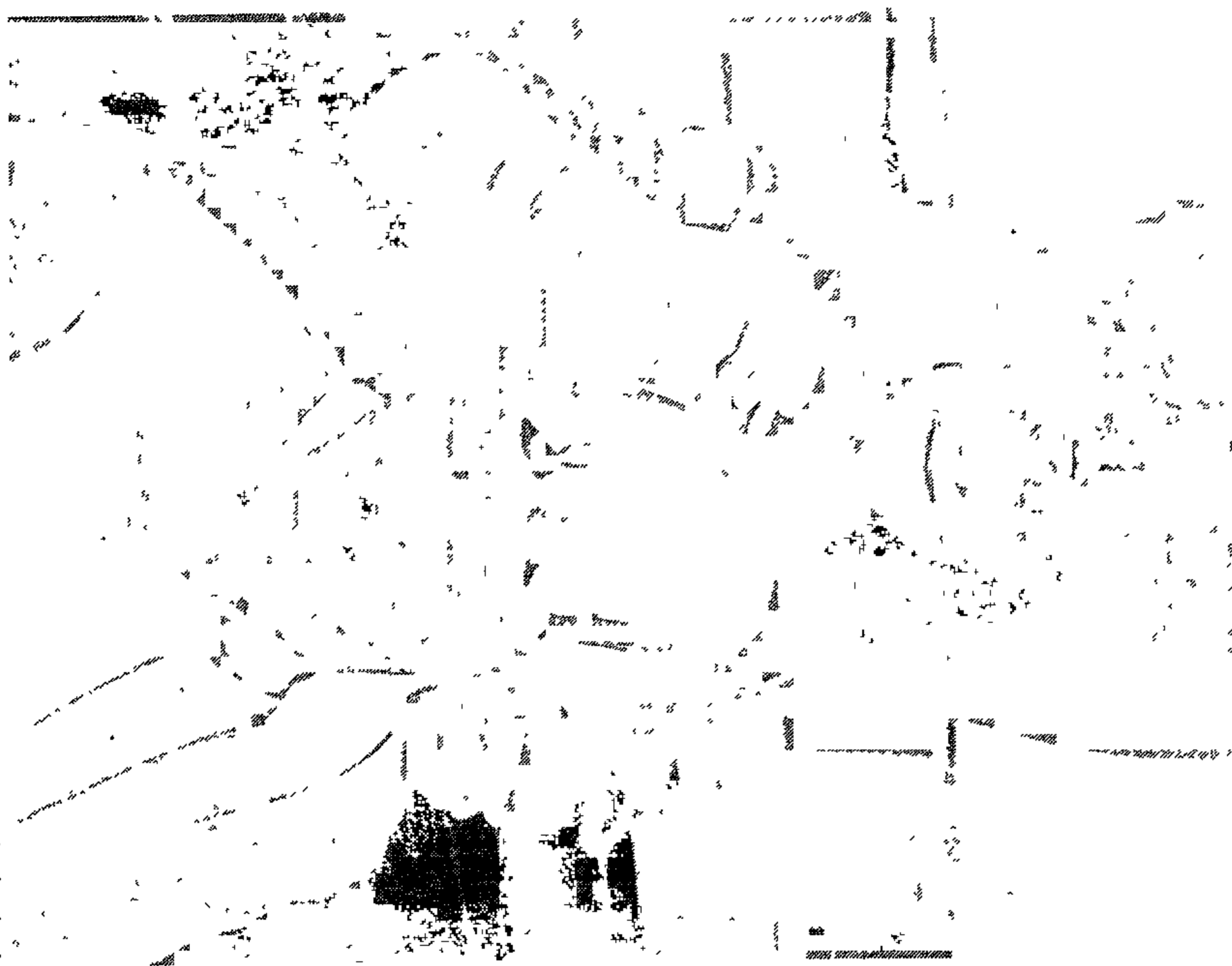
"We have a saying in Uganda: 'When two elephants fight, only the grass suffers'," Mr Astles quoted the President as saying

He said Pres Amin suggested "jokingly" that the referee for the fight should be world heavyweight champion Muhammed Ali.

Meanwhile, British officials have declined to comment on a Ugandan suggestion that the British Prime Minister, Mr James Callaghan, help mediate in the border dispute.

Mr Astles told reporters in Nairobi by telephone from Kampala yesterday "The President has worked with Mr Callaghan before and finds him a person devoted to the problems of Africa and a person he can understand and work with"

British officials in Nairobi said that no mediation



Actor Robert Sinclair supplies the pate as Hilary Rosen, a student at the London Royal College of Art, introduces a new form of art at this week's launch party for Granby's, a new restaurant named after the Marquis of Granby, at the Royal Horseguards Hotel in London.

Hardline Arabs set up R9 350m fund

BAGHDAD — Arab leaders have approved a R9,350-million fund to counter the Egyptian-Israeli peace plan, sources at the Arab Foreign Ministers' conference in Baghdad reported yesterday.

The approved amount was R1 700-million more than proposed by the hardline Nasser regime to strengthen the military front against Israel and try to lure President Anwar Sa-

rect access to the deliberations at the Presidential Palace, could not immediately confirm whether the money would be an annual allotment or a one-lump investment in the confrontation fund.

The delegates had not yet determined how much each country would give, other than to establish the general principle that the richest states would give the most to the joint collection.

off yesterday to pray in a Baghdad mosque before starting their second round of difficult talks, aimed at countering the Camp David peace accords.

Meanwhile, buoyed by a three-hour meeting with the US Secretary of State, Mr. Cyrus Vance, in New York, the Israeli Prime Minister, Mr. Menachem Begin, said yesterday he was convinced Egypt and Israel could sign

Admiral cleared

BONN — West German Admiral Horst Weng has been cleared of Press allegations that he made extreme Rightwing and anti-Semitic remarks in an officers' mess, a West German Ministry of Defence spokesman said in Bonn yesterday.

The spokesman said official investigators had found no evidence to back up allegations in the Hamburg Stern magazine that the admiral had called Austrian Chancellor Mr. Bruno Kreisky "a socialist pig and a Jew who should have been gassed by Hitler."

been received.

Britain broke off diplomatic relations with Uganda in July 1976 after President Amin expelled several British diplomats from Kampala.

Latest reports from the border war area say the situation is static with Ugandan troops dug in along the northern bank of the Kagera River in Tanzania and holding the only bridge across it at the town of Kyaka.

Pres Nyerere yesterday vowed in public to "remove this snake from our house."

Informed sources in Dar es Salaam said the government was considering general mobilisation and had already begun command

claim: "We have already had calls from two people who say they are willing to die"

Their horrific plan is to have the victim's head chopped off on stage by an automatic guillotine for what they call a real grisly climax to "the most violent show in Britain".

But West Midlands police, not amused by the group's plan, said an investigation into the group's activities was already under way.

A police spokesman said this week "They could face 14 years in prison if they went ahead."

Dominica's freedom a bit of a squeeze

ROSEAU — Half the 70 000 population of Dominica overflowed the Windsor Park cricket ground in Roseau on Thursday night to celebrate the Caribbean island's freedom.

As the Union Jack fluttered down for the last time to be replaced by the Sisserou Parrot, the new emblem of the Commonwealth of Dominica, people crowded to within feet of the flagpole.

Earlier, police had been forced to bring in dogs to clear a space in front of the podium where Princess Margaret, representing Queen Elizabeth, handed over the new constitution to the Prime Minister, Mr Patrick John.

Unfortunately, the crowd, most of whom could not see or hear what was going on, lost interest when Mr John spoke. — Sapa-Reuter

Fish 'wasn't ill-treated'

CARDIFF. — Two British actors were cleared yesterday of ill-treating a goldfish which was left flapping on stage when its bowl was smashed in the climax of a play in Cardiff this week.

Dismissing the charge, the magistrate said it had not been proved satisfactorily that the fish had felt pain.

On three occasions, members of the audience had

rushed on stage to rescue the fish, said Mr Roy Gee, a member of the Royal Society for the Protection of Cruelty to Animals.

Mr Gee said that once, when attempting a rescue, he found a piece of carrot shaped like a fish lying among broken pieces of the glass bowl, but on another occasion the fish had been real.

"At first, I thought the fish was dead. Then I saw it

flip about on the stage and I leapt from my seat and went to the rescue." He put it in a plastic bag filled with water.

Actors Stewart Cox and Nigel Watson denied ill-treating the fish during "The Last Temptation", performed at the Chapter Arts Centre in Cardiff.

The whole idea of the play was to make people concerned, the court was told. — Sapa-Reuter.

Kenya loan

WASHINGTON — The World Bank has approved a \$7-million loan to Kenya to help finance a geothermal engineering project.

The World Bank said the loan would be for 10 years with a standard 7.35% interest rate. — Sapa-Reuter.

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of information to provide us with all the information after I appointed this committee as Prime Minister.

Qu: Has he submitted any reports to you in the meanwhile?

PM: I have just quoted from one of the reports. Didn't you listen?

Qu: But was that from the Minister of Information?

PM: No, I said the committee submitted a report

recommendations about this, and recommendations which the committee finds advisable, should be made as soon as possible to the Government. I did not shirk my responsibility.

Qu: It is one thing to make sure that the State's funds are protected and safe where they are at present resting. But it is another to state specifically that you will immediately have those funds with-

immediately took steps to see what can be done to ascertain the facts, because I cannot judge what to do to take as a next step unless I have the facts available. That was the intention of the committee I've appointed under the chairmanship of Mr Pretorius. Then I said to him don't publish one-sided information you have. I promised you that the moment this committee reports to me, and I was at that stage already aware of the fact that I was going to have a report, I said I would make available the chairman of this committee, namely the Secretary of the Treasury, to co-operate with you to complete your work. Wasn't this fair? Is there anybody who would like, while you are prepared to judge, to tell me is this fair or isn't it?

Qu: Do you hope to have the report of the commission when Parliament is recalled on December 7?

PM: I have asked the commission to report to me before December 6. I shall ask the commission to start immediately with their work. I am just as eager as you that this matter should be cleared up for the sake of South Africa's good name, for the sake of the promise I made to the country and which I intend keeping. But then I also want a reasonable opportunity

REMINDER

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voted for defence purposes were allotted to the Department of Information

Qu: You would say that as a matter of fact and not as your belief?

PM: I would say that as a matter of fact

Qu: Were you aware that funds were in fact being channelled into The Citizen?

PM: I was aware of it, naturally

Qu: Would you care to give some form of rationalisation for that course of action?

PM: Because it had been stated in my statement I made on October 31 that South Africa is dealing with a total threat that goes against its existence and against the maintenance of orderly government and civilised standards in the country I was all in favour of doing everything possible to maintain orderly government and civilised standards and to enable the department concerned to inform overseas public opinion as far as possible about South Africa's interests

Qu: In that event, if you believe so strongly that the course you have taken was correct, why was it necessary to do it in such a furtive way with documents stamped strictly confidential?

PM: But my dear friend, it is quite obvious, if you would only start thinking in the course of the fight of a country like South Africa against enemies who are trying everything in their power to undermine the security of the State, surely, like other countries, South Africa is entitled to make use of secret weapons to put its case right through the world. And do you deny that other countries also do it?

do so

Qu: Do you have any comment on that?

PM: If it is proved that funds have been made available, contrary to the regulations laid down by the Treasury, and contrary to what you as a Cabinet member, then I say I reject it, and I don't agree to it

Qu: What do you, as Prime Minister, feel about a Member of your Cabinet apparently misleading Parliament by saying that Government funds were not channelled to The Citizen when obviously they were?

PM: I have called Parliament together after I have had the opportunity to establish the facts. I am not going to judge that issue on one-sided evidence

Qu: What assurances can you give right now that the monies that are still owing from Mr Louis Luyt — the proprietor of The Citizen at the time — will be recovered on behalf of the taxpayer?

PM: You will be able, Mr Katzin, to come and bring your evidence to the commission. We have appointed a committee to look into the matter. Will The Citizen continue to be published till the report of the judicial commission is published?

PM: I don't own The Citizen

Qu: It will, in other words, be published as far as you know?

PM: Well, you can approach the owners

Qu: Will any attempt be made to reinstate Mr Waldeck, the former head of administrative services of the old Department of Information?

PM: He is out of the Civil Service, and we have established a new department. And I don't know what has

that Government funds were made available to the Department of Information. Let us test what I said.

(At this stage the Press conference was stopped while a tape recording was replayed. The recording confirmed Mr Botha had said he was aware The Citizen was receiving public funds)

PM: I said that I was aware that money was voted for purposes of the Information Department to take its share in combating the overseas threat to South Africa. I said to my mind these funds were used for the purposes for which they were voted, to fight the total threat by providing the necessary information and taking the necessary steps, albeit secret steps, to combat that threat. But I want to state it here specifically that at no stage as Minister of Defence or as a Member of the Cabinet did I know that money was allotted to The Citizen in any form as alleged. Is that clear?

Qu: Quite clear. Mr Prime Minister, may I ask when did you first become aware of the fact that vast sums of money had been allocated to The Citizen?

PM: I became aware of rumours last year after Parliament had discussion on this matter, and after investigations had been instigated

Qu: Did you express any concern at the time?

PM: I expressed concern over the years that money must be used for the purposes that it was allotted for

Qu: Have you asked your Minister of Information for the facts on this matter, and what reply has he given to you?

PM: I asked my Minister

judge because I have not been able to control and to establish the real facts about the case. And I am not prepared to judge on one-sided evidence

Qu: But the principle is clear that you don't believe it is correct?

PM: I reject such a principle. I believe that in a democratic state it should not be done. But I am going to establish the facts

Qu: Mr Prime Minister, I am sure we all welcome that assurance. In the event of the facts proving that money is in a party-political newspaper, will you take immediate steps to have that money recalled?

PM: I will do what I have already announced. And it is rather strange to me that you apparently did not listen to what I said

Qu: We are asking for more specific assurances

PM: I said in my statement on October 25 that the instruction to the committee remains unaltered, namely to establish which projects of the former Department of Information must be carried on with, to establish how many of the projects should be carried on, which of these projects should immediately be ended and whether there were any irregularities or any benefiting of individuals, or institutions and, if so, how the State's interests could be safeguarded. You see, it is very easy to write an article in your paper, but I carry the responsibility to make sure that the funds must be guaranteed and protected. How the assets of the State that had been applied for these projects should be safeguarded — that was what I stated on October 25. And also that

Qu: May we ask the Minister of Finance whether he agrees with the principle that public funds should be channelled to a private-business newspaper?

Senator Howrood: I completely associate myself with the very clear statement that the Prime Minister has made on this. I am in complete agreement with him

Qu: Mr Prime Minister, what assurances can you offer that no more additional money would be channelled to The Citizen while the commission of inquiry is in progress?

PM: You take it for granted that money is channelled to The Citizen. I prefer that you deliver your evidence to this commission. We have just announced. And then you can also tell them how you feel. State money, it's true, should be protected

Qu: I have very definite feelings about that, sir

PM: Then you have the opportunity now to go to this commission.

Qu: Why could you not accede to the judge's request that evidence should be provided for him immediately, and why did it have to wait till after they have reported?

PM: I'll tell you. It is a very fair question and I'll gladly reply to it. I explained to Mr Justice Mosfert a few aspects of my problem. Firstly, I told him that I was overwhelmed with work since I took office, and that I could not see him at an earlier date. It was just not possible. Secondly, I told him that I

THE INFORMATION SCANDAL

PW faces the Press

259 R.D.M.
4/11/58

Over Citizen cash

Staff Reporter

THE Prime Minister, Mr Botha, yesterday held a Press conference in the Union Buildings, Pretoria. A transcript of the proceedings follows.

Qu: Do you have any comment on the evidence which Mr Justice Mostert released yesterday?

PM: As far as I am concerned I cannot judge, as a reasonable man, on witnesses' evidence without that evidence having been weighed and the other side given the opportunity to present their case.

Qu: We have information that the money that helped to finance The Citizen (newspaper) came from the special equipment fund of the Defence Fund. Were you yourself aware that money was being used in this way?

PM: I was aware that money was provided by vote of Parliament for the purposes of the Information Department. But no funds

Qu: In view of the Government financing of a domestic newspaper like The Citizen, has this been necessary to counter the war being waged by our enemies overseas?

PM: If it is proved, which has not yet been done — you have evidence, but not evidence which has been weighed by a proper judge. But if it is true that in our democratic society funds made available to fight South Africa's enemies in other parts of the world, that those funds were used to subsidise a party/political paper in South Africa, I will not agree with it.

Qu: Do you have any comment on the fact that Dr Mulder told Parliament that funds were not channelled to The Citizen whereas in fact

PM: That is a question you can ask Dr Mulder when you meet him.

Qu: We have attempted to do so.

PM: You are welcome to intentions are. You can ask him.

Qu: You say you are not prepared to comment on one-sided evidence with regard to Dr Mulder having misled Parliament. But you said you yourself knew that money was being channelled.

PM: Let's stick to the facts. I said I am not prepared to decide on one-sided evidence about The Citizen. I did not refer in this respect to Dr Mulder. What's your question?

Qu: My question, sir, is that Dr Mulder told Parliament that Government funds were not channelled to The Citizen. You have told us, sir, that you were aware that they were?

PM: No. When did I say so?

Qu: Sir, you told me that I said the Government funds were channelled to The Citizen.

PM: I emphatically deny that. I said the Government funds were channelled to The Citizen.

Qu: Has he confirmed to you that there is money in The Citizen?

PM: The Minister of Information is prepared to give evidence before the judicial committee which I have just announced.

Qu: Regarding the principle of the matter, do you believe that public funds should be allocated to a private newspaper?

PM: Didn't you listen when I replied to that question only a minute ago when I said that I believed it is right for a state to use public money in the fight for the security and the rights of the country in this threat against us. Secondly, I said that I believed it is right to have secret methods as in the case of other countries in the world who make use of methods like this. But I should be used for a purpose like this, as alleged, but I continued by saying that I cannot at this stage

drawn, because they are in the wrong place?

PM: I can only do so if I have established the facts. And that is what the whole purpose of my appointment of this judicial commission is.

Qu: Yes sir, I think we are now on the same wavelength. Therefore, once you have established the facts — the facts are that the money is there — will you then immediately take steps to have that money withdrawn?

PM: Will you kindly allow me to tell you that there might be different recommendations to deal with. And I will have to keep an open mind to see which of those alternatives will be the most acceptable to the Government, because I must consult with my colleagues. And I now want to say another thing, that the Minister of Finance, who sits next to me, was not aware of any money allocated to The Citizen.

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See Page 2

Kid. 4/11/78 (259)

New Info inquiry starts next week

By CHUCK MITCHELL

THE newly appointed three-man Commission of Inquiry into the Department of Information's misuse of public funds is expected to convene for the first time early next week in Pretoria, Mr Justice Rudolph Phillip Erasmus, the chairman of the commission said last night.

Speaking from his Bloemfontein home Mr Justice Erasmus said he would have to wait and see what the mandate from the State president would be before he could comment on what guidelines the commission would use in its investigation.

By MERVYN REES

A DEATH threat was made yesterday of the life of Mr James "Wally" Waldeck, one of the key figures in the Department of Information future — and the man who was prematurely retired earlier this year.

The death threat was made in a telephone call to his wife, Mrs Neel Waldeck, at their Waterkloof, Pretoria, home yesterday afternoon.

The chilling call — made by a man — was simple. "Tell that Waldeck from Information that he is going to die very quickly and easily."

The caller then rang off Mrs Waldeck said she thought the caller made the death threat in a "put on" English accent. She believes he may have been a foreigner.

Mrs Waldeck was shocked and upset about the call and immediately told her husband, who then informed an official from the Department of National Security.

"I'm taking the threat very seriously. The necessary precautions have been taken," said Mr Waldeck, former chief of administrative services of the now-defunct department.

He said he would report the matter to the police today and would take other steps to protect his wife and family.

"It is the first call of that nature that we have received and it has made my wife very upset and nervous," said Mr Waldeck. He said he requested the

Former

Info man

Waldeck

gets death

threat

in newspapers yesterday reacting to Mr Justice Mosset's decision to disclose evidence placed before his one-man commission of inquiry into exchange control contraventions.

"My wife and I have been through a sticky time since my premature retirement and this call does not help anybody," he added.

The 59-year-old former civil servant, with an unblemished 40-year career and merit A ratings for his work, was told bluntly in May that his services were no longer required because the department — now known as the Bureau of National and International Communications — was to be restructured.

His retraining followed a Parliamentary select committee report which severely criticised the department and the former Secretary for Information, Dr Eschel Rhoodie, for failing to exercise financial control and proper planning.

It was widely believed at the time that Mr Waldeck was pushed out for drawing the Auditor-General's attention to irregularities in the

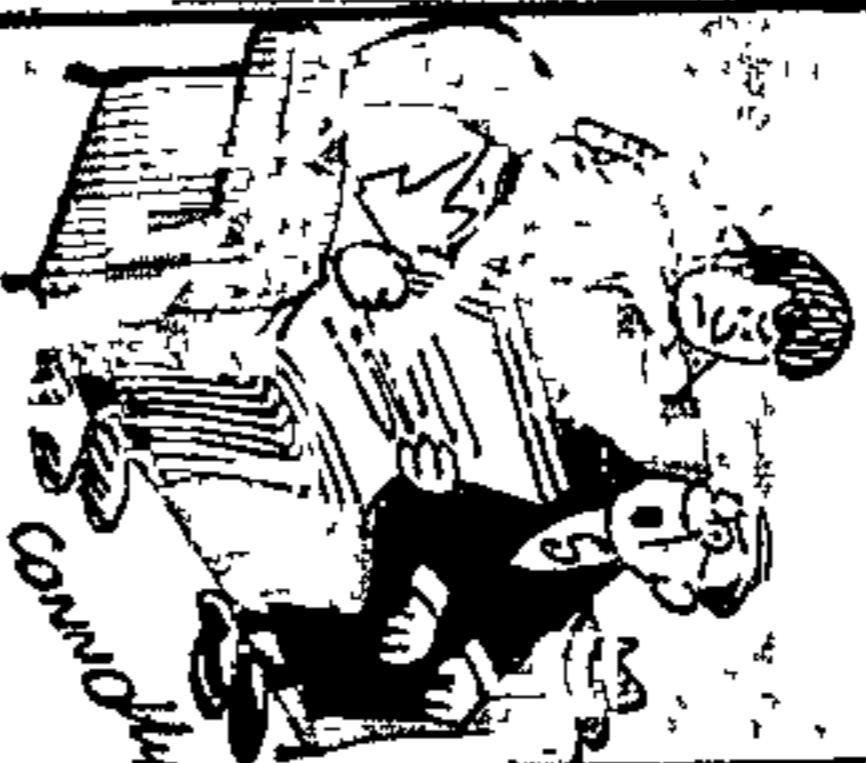


Ree J. V. F. J. J. F. Rasmus's four children are lawyers. His son Jan is the chief public prosecutor in Bloemfontein. The other two members of the commission are Mr. G. F. Smalberger, of Pretoria and the Attorney General of the Cape, Mr. A. J. 'Braam' Lategan.

The appointment of the commission was announced in a statement issued by the premier.

□ To Page 2

Breakfast Quip



"Now perhaps we have seen the last of the big spenders of taxpayers' money."

CFR 365384

the interests of South Africa. When the survival of my country is at stake, no rules count."

He had asked the Prime Minister to call a judicial inquiry because South Africa had heard only "one side of the story."

If the judicial inquiry showed that anyone had enriched themselves or been guilty of corruption, the law would have to take its course, he said.

Mr. Justice Mostert's statement had made a "farce" of the audit report issued by Mr. Reynders shortly before the election for the premiership.

By GEOFF DALGLISH
Chief Reporter

THREE senior journalists of The Citizen resigned yesterday in the wake of Mr. Justice Mostert's disclosures of evidence of the financing of the newspaper out of State funds.

They are the news editor,

Mr. Justice Mostert was also asked to comment on reports in political circles that he had given information available to him at the time to the then Prime Minister, Mr. Vorster, and whether he had repeatedly tried unsuccessfully on several occasions to see the new Prime Minister, Mr. Botha.

The judge replied: "I have no comment to make at this stage. At the appropriate time, the facts as I have them, will be made public."

Describing the meeting between Mr. Justice Mostert and Mr. Botha the previous

judge he would ask Mr. A. J. Pretorius, Secretary to the Treasury, and now chairman of the investigating committee, to make any information available to the judge as soon as the Pretorius Committee could take its work no further.

Judge Mostert made it plain there was no point in pursuing the interview, Senator Horwood said.

"He jumped up and informed the Prime Minister this was the first occasion that a Prime Minister had attempted to prescribe to a judge. He turned on his heel and walked out."

Mr. Marshall Wilson, former deputy news editor and specialist writer, Mr. David Jackson, and reporter, Mr. Chris Olckers.

Last night Mr. Wilson said: "To be pro-South Africa is one thing, but to be involved in an alleged cover-up is another. Judge

Mostert's revelations came as a shock to me and I felt that as a professional journalist I couldn't carry on.

"It's really a very personal thing. I decided to resign, but said to my staff that it was up to them to decide what they would do. Now I'm just going to take

now is to win from Sind and Even Grand.

Rain

forecast

CLUDY and drizzly weather conditions are expected over the Witwatersrand today, according to the Weather Bureau in Pretoria. Cold air is moving from the southeast and will result in a snap of cool and rainy weather which might clear up tomorrow. It will rain steadily over Johannesburg.

Senior journalists quit Citizen

some time to think about my position. I have nothing specific planned as yet."

All three were among the 39 reporters, photographers and sub-editors who issued a statement on Thursday night in which they denied that they had signed an editorial charter as a precondition of service.

"At present I only know what I have read in the Press", Mr Justice Erasmus said. "I have spoken to the other members of the commission by telephone and we are all eager to get started in our work. We only have one month before we must report to the State President and that does not leave us much time," he said.

Meanwhile a proclamation summoning Parliament to meet on December 7 this year was published in a special Government Gazette printed last night.

BERNARDI WESSELS reports that although the proclamation does not say so, a special session to debate the findings of the Erasmus Commission of Inquiry to alleged irregularities in the now defunct Department of Information is expected to sit for two days, possibly three.

It is many years since Parliament has been specially summoned in mid-recess to either for a special session of this nature. The last summoning of Parliament was about a month ago when the new State President, Mr B J Vorster, was elected by Parliament sitting as an electoral college. Mr Justice Erasmus said he viewed the commission as a "challenging and very important job."

"There will be no hiding of any facts at we may uncover during the course of the investigation. I am sure we will be turning the late night oil," he said.

Mr Justice Erasmus was a Rhodes scholar from 1936 to 1939 and holds BA, A and BSc degrees from Oxford. He has worked on several commissions during his legal career including the Delimitations Commission for South Africa and SWA/Natalia in 1975 and the Commission on Industrial Health in the same year. He has also served as chief legal adviser to the Free State National

The Prime Minister, Mr P W Botha, announcing the appointment of a Judicial Commission of Inquiry into the Department of Information at yesterday's Press briefing in Pretoria.

Mulder prompted judicial inquiry

BY HELEN ZILLE

Political Correspondent

DR CONNIE Mulder, the former Minister of the defunct Department of Information, was yesterday still doggedly refusing to resign and was bracing himself for the fight for his political life.

Dr Mulder — named as a key figure in setting up The Citizen — yesterday said he had played a leading behind-the-scenes role in Mr P W Botha's decision to call a judicial commission of inquiry into all aspects of the scandal.

Once the findings of the inquiry were known he would make a decision about his political future and leave it to the public to decide, Dr Mulder said.

"I will not rest before my own good name is fully restored."

Mulder said all his

Commission fails to fit the bill—Eglin

Own Correspondent

CAPE TOWN — The leader of the Opposition, Mr Colin Eglin, said yesterday, the judicial commission appointed by the Prime Minister to investigate spending by the former Department of Information was an unsatisfactory substitute for a Parliamentary commission. "The issue that should be

investigated is the use of funds voted for by Parliament," he said in a statement.

"This should be done by a Parliamentary commission representative of all political parties."

"In view of the fact that it is the activities of the Government itself that are

Mostert silent

Staff Reporter

Mr Justice Anton Mostert yesterday said he would not be making any further statements in the near future unless he was "driven to do so."

He was commenting on Senator Owen, Horwood's account of what transpired at the meeting between the judge and the Prime Minister, Mr P W Botha, shortly before the judge made public the evidence given to him about the Department

being investigated, I would have expected the Prime Minister to have consulted the Opposition on the composition of the commission of inquiry and on its terms of reference."

Mr Eglin described the commission's terms of reference, limited to activities of the disbanded department, as too narrow

Always on the mark

LAST Saturday The Punters Friend was on the mark in the jackpot netting the R44 dividend for a R9 permutation.

This afternoon the R40 000 November Handicap at Germiston is the big race in the country.

The Punters Friend's selection, Markcain, was withdrawn from the race yesterday. The selection

259
6/11/78

The irony behind launched the Info

THERE is a particular irony about the fact that Judge Anton Mostert's one-man commission of inquiry into exchange control contraventions has its offices in Abat-tor House — "Not a bad name for a hatchet man," mused a journalist who had just attended the judge's bombshell Department of Information Press conference.

The irony of the name, one feels sure, would not be lost on Judge Mostert — a man who has Catholic sense of humour

One of his favourite legal anecdotes is the story about the advocate who bribed the foreman of a jury to ensure that his client, charged with murder, would only be found guilty of culpable homicide

"What took you so long?" the advocate asked the foreman after the jury had deliberated for several hours. "Well," said the foreman, "they all said he was not guilty and it took me a devil of a long time to persuade them to accept a culpable homicide verdict."

After Thursday's Press conference, he asked of the SABC-TV crew "Do you think I'm any kind of replacement for Tony Randall's Judge Franklin?"

I'm sure too that the judge, who took some time to accommodate the crew's needs for lighting, seating etc, saw the irony that at the end of it all the SABC decided that what he had to say could be illegal and canned the Press conference for Thursday night's newscasts

A marvellous sense of humour is only one facet of this multi-faceted man. Some of the other hats he wears include those of a gourmet chef, fighter pilot, art connoisseur and a farmer

Perhaps fighter pilot is

the friend said "He was spoiling for a fight"

There's nothing wrong, however, about saying that Judge Mostert is a fighter. After all, he was the student who threatened the University of the Witwatersrand with a Supreme Court action interdict because it had ruled that all students were automatically affiliated to Nusas

The university gave way and student Mostert pioneered the way for conservative unions being formed on the campus

Advocate Mostert was also involved in several fights. One of his specialties at the Bar was actions against Dr Connie Mulder's censor board (Judge Mostert's life seems to be full of ironies)

One of his great triumphs on this battlefield was the legal fight to ensure that South Africans could see Des and Dawn Lindberg's "Godspell"

A colleague at the Bar at the time said yesterday "The Godspell action was Anton at his best. He organised one of the most incredible inspections in loco this country has witnessed"

"The judge agreed, at Anton's instance, to attend the first night performance to decide whether the musical could go public or not"

"The atmosphere was electric. Anton achieved what he set out to do — have a couple of thousand jurors all cheering the production with the judge looking on"

Last night, Dawn Lindberg said this of him "We thought he was just the greatest"

"We regard him as a vital and far-thinking person. I remember that he was lively in court and he had a sharp wit and a strong way of putting across his case"

"I think it was through the way that he put his case

banned production was given a public showing for the sake of the judge

"I will never forget that night as long as I live. About 1 000 people turned up at the Wits Great Hall and there, in the middle of it all, was the judge and his retinue sitting sternly through the show, though the judge's wife was seen clapping"

"The banning was lifted and Des and I firmly believe that it was Mr Mostert's lucid and strong case that got us through"

"We have been following his career with admiration ever since"

Judge Mostert had humble beginnings as the youngest member of a family of 11 struggling to make ends meet on a Swartruggens farm during the depression

In the circumstances, his father was unable to make a success of farming and the Mostert family moved into Johannesburg's southern suburbs

He matriculated at the age of 16 and articled as an attorney

While practising as an attorney he became a SAAF fighter pilot with the intention of flying in the Korean War. But after missing out on that one, he finally reached the Bar through night study

At the age of 44 he was appointed a judge on the Transvaal Bench — arguably the youngest man to do so

Judge Mostert's fighting quality ensured that he didn't stay long in the Transvaal. According to a fellow judge, he joined the Natal Bench after "something of a tiff with the judicial hierarchy in the Transvaal"

This "tiff" almost turned him away from the Bench, as he had been offered a comfortable chair at Rand Afrikaans University.

passed through the town after a holiday on the Natal coast

He was then given the one-man commission of inquiry into exchange control contraventions

This was the beginning of what has become probably the greatest internal controversy South Africa has known

While nobody knows precisely at what stage Judge Mostert got into the Department of Information area — and the judge has not yet indicated what led him into this field — it is common cause that his terms of reference were so wide that it allowed him to gather evidence and information on the movement of secret Information Department funds

The gathering of this information and evidence has not been routine, according to people working in Maritzburg's "Palace of Justice"

Clerks, secretaries, telephonists and judges have all pitched in to allow the judge time to handle the extraordinary demands made on him by his investigations into Department of Information transactions

Judge Mostert commutes between his commission duties and the his formal bench duties so much that he has become something of a maverick. In fact, it's another Mostert irony that the man who has become a key figure in this country's greatest controversy doesn't even have a name plate above his door

Actually, he doesn't even have his own chambers yet. But, as a Supreme Court clerk put it yesterday, this is not such a bad thing because the judge "can change telephones all the time"

About his decision to go against the Prime Minister's demand that he continue his inquiries in secret,

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Gazetted yesterday. A Government notice said:

□ From Page 1

"The commission's terms of reference are as follows. To inquire into and recommend on —

"(a) Any irregularities or unlawful gaining of advantage by individuals or bodies or the misappropriation of public funds by the former Department of Information and/or any person who was connected with that Department;

"(b) The methods and malpractices which were employed in connection with any irregularities or gaining of advantage or any misappropriation which you may find;

"(c) Steps to be taken to put an end to such practices as well as any action against any person or persons who were involved in such actions and

"(d) Any matters relat-

ing to (a), (b) and (c) above

"The Commission has been requested to report to the State President before 6 December 1978."

MARTIN SCHNEIDER reported from Pretoria yesterday that the Prime Minister and the Minister of Finance said yesterday they would be opposed to the channelling of public funds from the Government to the English Nationalist newspaper, The Citizen.

Mr Botha was asked whether he accepted in principle that public funds could be given by the Government to The Citizen.

He replied: "If it is true that in our democratic society, funds made available to fight South Africa's enemies in other parts of the world — that those funds were used to subsidise a

party political paper in South Africa, I will not agree with it."

Earlier during the conference, Mr Botha stated at one stage he was aware public funds were being channelled to The Citizen.

"I was aware of it naturally," he had said, according to a tape recording of the Press conference.

Questioned further, Mr Botha said he had never made the statement.

A tape recording was replayed which confirmed Mr Botha had made the statement.

Mr Botha then explained he had been aware of the fact that money had been voted for the Department of Information for secret projects.

But he added: "At no stage did I know that money was allocated to The Citizen in any form."

● See Pages 3,5

Three-man Info probe gets the go-ahead

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Public confidence in leaders shaken by Info scandal, says Die Vaderland

not quite correct. He's certainly qualified as one, but according to a close friend, they stopped the Korean War before he could get into it.

He was then ordered an appointment to the Natal Bench and in the Mostert style he took a quick decision to take it because he and his wife liked the look of Maritzburg as they

people are asking why did he do it?

The answer must surely lie in his own explanation. "In such matters the public interest is paramount and is usually served best by frank disclosure."

Judge Mostert has made South Africa a better place by putting this philosophy into practice.

PUBLIC confidence in highly placed leaders has been shaken to the core by the Information Department affair, the Johannesburg Daily, Die Vaderland, commented today on its front page.

Bergh, as key figures in a secret project which financed The Citizen newspaper from State funds

parliamentary democracy. "The scandal has come at an inopportune time for the new Prime Minister, Mr P. W. Botha, who in his inauguration speech pledged the country to an honest administration free of corruption.

matter of expenditure of public money is a crucial element in the worst scandal to hit this land since Union."

ter's commission of inquiry is continuing and the Pretorius-Kemp Commission is to publish interim reports.

The newspaper said the evidence so far was a serious reflection on the Government and affected top Cabinet Ministers and trusted officials.

"This incredible state of affairs means that top people in Government were apparently instrumental in secretly using taxpayers' money to set up an English-speaking newspaper for purely political purposes and in deceiving the public into believing that the operation was undertaken by private enterprise.

But the longer the evidence stands officially unrefuted, the more the whole debacle will reflect on the rest of the Cabinet and on the country's administration as a whole.

"The implications of the actions of Judge Anton Mootert and the evidence he has released are so great that they may take time for the public to absorb.

One thing is certain. This festering sore in South Africa's public life must be rooted out without sparing any person's name, position, status of personal relationship. Where necessary legal steps must not be ruled out.

Here are extracts from various editorials published yesterday.

"The reason for the extreme secrecy was plain. Firstly, the legitimate allocation of funds for this purpose would have required parliamentary approval and, therefore, a public airing.

"If other Ministers and senior officials had knowledge of illegal or underhand activities and kept silent about them, they, too, must share responsibility.

"The STAR: "The implications of the actions of Judge Anton Mootert and the evidence he has released are so great that they may take time for the public to absorb.

"There is no time for parrying and protection. Naturally the commissions of inquiry must continue their course and be completed. But there are allegations and evidence for which there certainly can be no waiting until the final reports are laid before Parliament.

DIE VADERLAND: "It is a day of sorrow for the National Party, for the Government and particularly for every Nationalist."

"As will also emerge later from the finer details of the Information affairs, public confidence in highly placed leaders, both inside and outside politics, has been shaken to the core.

"It is unavoidable that

"This form of deception on the grand scale, the dishonest covering up of sores in the body politic to protect top people usually leads

"Here is an open-and-shut case where the interests of the public and of clean administration transcend those of formalities and technical legal points.

This will reflect on the Government itself. We cannot escape this fact.

EVENING POST:

"At last, the truth is about the great Information scandal and the subsequent desperate attempts by people in high places at a cover-up. An independent and trusted judge, Mr Justice Mostert, has courageously released concrete evidence of improper application of taxpayers' money running into millions of rand and of corruption relating to public funds."

"In evidence under oath, Mr Louis Luyt has named the former Prime Minister, Mr Vorster, the Minister of Plural Relations and former Information Minister, Dr Mulder, and the former head of the Bureau for State Security, General Van den

had become known that the newspaper had been established by the Government.

"This shameful disregard for parliamentary procedure and arrogant insensitivity to public opinion and the public's right to know is equalled only by the demands by Dr Mulder, Mr Luyt and General Van den Bergh that any such thing had happened. And, in the light of the evidence before Mr Justice Mostert, the appointment of General Van den Bergh to investigate Department of Information secret projects is staggering.

"The position of Dr Mulder has, of course, become quite untenable. Indeed, it is amazing that he has managed to cling to his position in the Cabinet for so long.

"Even if Dr Mulder should continue to deny responsibility — and to do this he would have to refute the sworn evidence of his friend, Mr Luyt, there are already too many nails in his political coffin.

"As the Minister at the time he must accept responsibility for the Department of Information's stealthy and murky dealings whether or not he was directly involved Ministerial responsibility and answerability is a crucial tenet of

to act

"As far as Dr Mulder is concerned, he can assist the Prime Minister by tendering his resignation forthwith. This is the very least expected of him."

DIAMOND FIELDS ADVERTISER:

"The Government stands in disgrace today following the disclosures by Mr Justice Mostert of corruption and of the misappropriation of millions of rands of taxpayers' money. The scandal is on a scale unprecedented in our history and demands tough and immediate action."

THE ARGUS:

"The Prime Minister, Mr P W Botha, has decided to appoint a judicial commission to inquire into allegations of malpractices in the defunct Department of Information.

"At last he has taken appropriate action urged on him once again in the main leading article in this newspaper today.

The Prime Minister is recalling Parliament to receive the Commission's findings and this within little more than a month. It is commendably speedy action and will place the issue where it belongs in the hands of Parliament whose by-passing in the

to the downfall of governments. Modern history shows it happening in America, Britain, France — even totalitarian Russia. It will not happen here."

THE DAILY NEWS:

"South Africans will be dismayed to learn of the massive misuse of public funds. Democratic government is a contract between the people and those whom they choose to govern and a basic rule of the contract is that the public's money should be spent openly and for the public good.

"What has happened in South Africa is that under the cloak of national security vast sums have been mis-spent by individuals who thought nothing of lying to their heads off to cover up these operations.

"In the process they have betrayed the trust placed in them by Parliament and the people. It is a stunning example of abuse of power."

DIE VOLKSBLAD:

"What more will emerge? The public is now waiting with great alarm as yesterday's revelations through evidence on the misappropriation of public funds and of corruption in the former Department of Information are only the beginning." Mr Justice Anton Mos-

"For this reason the Volksblad yesterday did not hesitate to publish the Mos-ter report in a special edition."

BEELD:

"Those responsible for the plot on our national life must pay. Immediate withdrawal from public life presumably will certainly not be enough, but it is an essential first requirement."

Beeld added "The justification was the credo that no rules were valid in war, that it should not be said that your books balanced while the Marxists had taken over. It is monstrous reasoning which has now contaminated a good government." — Sapa and Political Staff.

MATTER OF FACT

A caption to a picture in yesterday's Rand Daily Mail of the Minister of Finance, Senator Owen Horwood, described him as "third man in special Cabinet committee." This was totally incorrect. The error arose out of a misreading of the evidence given to the Mostert commission by Mr P F du Preez in which he referred to Senator Horwood.

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(257)

RAND DAILY MAIL, Saturday, Nov 4, 1978.

the man who bombshell



INFORMATION SCANDAL

PM faces the press

PRETORIA — The Prime Minister, Mr P. W. Botha, held a press conference at the Union Buildings yesterday with editors and political correspondents of South African newspapers. His replies to some of the questions were:

Q: Do you have any comment on the evidence which Mr Justice Mostert released yesterday?

PM: As far as I am concerned I cannot judge, as a reasonable man, on witnesses' evidence without that evidence having been weighed and the other side given the opportunity to present their case.

Q: We have information that the money that helped to finance The Citizen came from the Special Equipment Fund of the Defence Fund. Were you yourself aware that money was being used in this way?

PM: I was aware that money was provided by vote of Parliament for the purposes of the Information Department, but no funds voted for defence purposes were allotted to the Department of Information.

Q: You would say that as a matter of fact and not as your belief?

PM: I would say that as a matter of fact.

Q: Were you aware that funds were in fact being channelled into The Citizen?

PM: I was aware of it, naturally.

Q: Would you care to give some form of rationalisation for that course of action?

PM: Because it had been stated in my statement I made on October 31, that South Africa is dealing with a total threat that goes against its existence and against the maintenance of orderly government and civilised standards in the country. I was all in favour of doing everything possible to

Government funds were not channelled to The Citizen when obviously they were?

PM: I have called Parliament together after I have had the opportunity to establish the facts. I am not going to judge that issue on one-sided evidence.

Q: What assurances can you give right now that the monies that are still owing from Mr Louis Luyt — the proprietor of The Citizen at the time — will be recovered on behalf of the taxpayer?

PM: You will be able, Mr Katzin, to come and bring your evidence to the commission we have appointed.

Q: Will The Citizen continue to be published till the report of the judicial commission is published?

PM: I don't own The Citizen.

Q: It will in other words be published as far as you know?

PM: Well you can approach the owners.

Q: Will any attempt be made to reinstate Mr Waldeck, the former head of the administrative services of the old Department of Information?

PM: He is out of the civil service, and we have established a new department. And I don't know what his intentions are. You can ask him.

Q: You say you are not prepared to comment on one-sided evidence with regard to Dr Mulder having misled Parliament. But you said you yourself knew that money was being channelled . . .

PM: Let's stick to the facts. I said I am not prepared to decide on one-sided evidence about The Citizen. I did not refer in this respect to Dr Mulder. What's your question?

Q: My question, sir, is that Dr Mulder told Parliament that government funds were not channelled to The Citizen. You have told us, sir, that you were aware that they were?

maintain orderly government and civilised standards and to enable the department concerned to inform overseas public opinion as far as possible about South Africa's interests.

Q: In that event, if you believe so strongly that the course you have taken was correct, why was it necessary to do it in such a furtive way, with documents stamped strictly confidential?

PM: But my dear friend, it is quite obvious, if you would only start thinking. In the course of the fight of a country like South Africa against enemies who are trying everything in their power to undermine the security of the state, surely, like other countries, South Africa is entitled to make use of secret weapons to put its case right through the world. And do you deny that other countries also do it?

Q: In view of the Government financing of a domestic newspaper like The Citizen, has this been necessary to counter the war being waged by our enemies overseas?

PM: If it is proved, which has not yet been done — you have evidence, but not evidence which has been weighed by a proper judge. But if it is true that in our democratic society funds made available to fight South Africa's enemies in other parts of the world, that those funds were used to subsidise a party political paper in South Africa, I will not agree with it.

Q: Do you have any comment on the fact that Dr Mulder told Parliament that funds were not channelled to The Citizen whereas in fact . . .

PM: That is a question you can ask Dr Mulder when you meet him.

Q: We have attempted to do so.

PM: You are welcome to do so.

Q: Do you have any comment on that?

PM: If it is proved that funds have been made available, contrary to the regulations laid down by the Treasury, and contrary what you as a cabinet knew, then I say I reject it, and don't agree to it.

Q: What do you, as Prime Minister, feel about a member of your cabinet apparently misleading Parliament by saying that

PM: No. When did I say so.

Q: Sir, you told me . . .

PM: I emphatically deny that I said the government funds were channelled to The Citizen.

Q: You said you were aware . . .

PM: I said I was aware that government funds were made available to the Department of Information. Let us test what I said . . . (The press conference was then stopped while a tape recording was replayed which confirmed Mr Botha had said he was aware The Citizen was receiving public funds.)

PM: I said that I was aware that money was voted for purposes of the Information Department to take its share in combating the overseas threat to South Africa. I said to my mind these funds were used for the purposes for which they were voted, to fight the total threat by providing the necessary information and taking the necessary steps, albeit secret steps, to combat that threat.

But I want to state it here specifically that at no stage as Minister of Defence, or as a member of the Cabinet did I know that money was allotted to The Citizen in any form as alleged.

Is that clear?

Q: Quite clear, Mr Prime Minister, may I ask when did you first become aware of the fact that vast sums of money had been allocated to The Citizen?

PM: I became aware of rumours last year after Parliament had discussion on this matter and after investigation had been instigated.

Q: Did you express any concern at the time?

PM: I expressed concern over the years that money must be used for the purposes that it was allotted for.

Q: Have you asked your Minister of Information for the facts on this matter, and what reply has he given to you?

PM: I asked my Minister of Information to provide us with all the information after I appointed this committee as Prime Minister.

Q: Has he submitted any reports to you in the meanwhile?

PM: I have just quoted from one of the reports. Didn't you listen.

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Botha quizzed

From page 6

Q: But was that from the Minister of Information?

PM: No, I said the committee submitted a report.

Q: Has he confirmed to you that there is money in *The Citizen*?

PM: The Minister of Information is prepared to give evidence before the judicial committee which I have just announced.

Q: Regarding the principle of the matter, do you believe that public funds should be allocated to a private newspaper?

PM: Didn't you listen when I replied to that question only a minute ago when I said that I believed it is right for a state to use public money in the fight for the security and the rights of the country in this threat against us. Secondly, I said that I believed it is right to have secret methods as in the case of other countries in the world who make use of methods like this. But I thirdly said that I cannot agree that public funds should be used for a purpose like this, as alleged but I continued by saying that I cannot at this stage judge because I have not been able to control and to establish the real facts about the case. And I am not prepared to judge on one-sided evidence.

Q: But the principle is clear that you don't believe it is correct?

PM: I reject such a principle. I believe that in a democratic state it should not be done. But I am going to establish the facts.

Q: Mr Prime Minister, I am sure we all welcome that assurance. In the event of the facts proving that money is in a party political newspaper, will you take immediate steps to have that money recalled?

PM: I will do what I have already announced. And it is rather strange to me that you apparently did not listen to what I said.

Q: We are asking for more specific assurances.

PM: I said in my statement on October 25 that the instruction to the committee remains unaltered, namely to establish which projects of the former Department of Information must be carried on with, to establish how many of the projects should be carried on; which of these projects

there might be different recommendations to deal with. And I will have to keep an open mind to see which of those alternatives will be the most acceptable to the government, because I must consult with my colleagues.

Q: Mr Prime Minister, what assurances can you offer that no more additional money would be channelled to *The Citizen* while the commission of inquiry is in progress?

PM: You take it for granted that money is channelled to *The Citizen*. I prefer that you deliver your evidence to this commission we have just announced. And then you can also tell them how you feel state money, if it's true, should be protected.

Q: Do you hope to have the report of the commission when Parliament is recalled on December 7?

PM: I have asked the commission to report to me before December 6. I shall ask the commission to start immediately with their work. I am just as eager as you that this matter should be cleared up for the sake of South Africa's good name, for the sake of the promise I made to the country and which I intend keeping. But then I also want a reasonable opportunity.

Q: Would you mind clarifying just one issue I think we have dealt with this already, but I would appreciate the time to go over it again. When did you first become aware that funds were being channelled to *The Citizen*?

PM: You are trying to put a question to me for which you want to lead me to admit that funds are being channelled to *The Citizen*. And I say there is evidence that that is the case, but it has not been proved.

Q: My question was when were you aware that funds might have been channelled into *The Citizen*?

PM: When that statement was referred to in Parliament.

Q: The interim report you have, will that be released?

PM: You are a responsible editor of a responsible paper. You ought to know that the state, if it deals with secret projects, has certain responsibilities towards the people who co-operate with those secret projects. Do you want that I should make

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should immediately be ended and whether there were any irregularities or any benefiting of individuals, or institutions and, if so, how the state's interests should be safeguarded. You see, it is very easy to write an article in your paper, but I carry the responsibility to make sure that the funds must be guaranteed and protected.

How the assets of the state that had been applied for these projects should be safeguarded, that was what I stated on October 25.

And also that recommendations about this, and recommendations which the committee find advisable, should be made as soon as possible to the Government. I did not shirk my responsibility.

Q: It is one thing to make sure that the state's funds are protected and safe where they are at present resting. But it is another to state specifically that you will immediately have those funds withdrawn, because they are in the wrong place?

PM: I can only do so if I have established the facts. And that is what the whole purpose of my appointment of this judicial commission is.

Q: Yes sir, I think we are now on the same wavelength. Therefore, once you have established the facts — the facts are that the money is there — will you then immediately take steps to have that money withdrawn?

PM: Will you kindly allow me to tell you that

South Africa's position impossible by making that report public.

Q: I asked whether it would be made. I did not demand that it be made public.

PM: Then the answer is no.

Q: Coming back to The Citizen. Am I correct in saying that you are not convinced by evidence given by Mr Luyt and the signed agreement and other documents given to the press yesterday? Do you not regard this as conclusive evidence?

PM: Is that the procedure the courts of law follow in this country? I thought evidence is led before a court, then surely the opposite side should be given the opportunity. Dr Mulder, and Dr Rhodie have not been given the opportunity before a judge to give their evidence.

Q: Are you not convinced?

PM: I will be convinced when I receive the reports of the two committees — firstly the Pretorius committee dealing with certain specific matters, firstly the continuation of certain projects and secondly, whether there should be certain projects and thirdly whether there should be steps to safeguard money of the state.

In the second instance, I will be satisfied after receiving the report from the judicial commission with Judge Erasmus telling me what the findings are. Until then I, as a responsible person, must not judge and prejudge.

— DDC

Mulder to fight for career

JOHANNESBURG — Dr Connie Mulder, former Minister of the Department of Information, was still doggedly refusing to resign yesterday and braced himself for a fight to the bitter end for his political life.

He told yesterday how he played a leading behind-the-scenes roll in the calling of a judicial commission of inquiry to investigate all aspects of the scandal.

He said he would make a decision about his political future when the commission's findings were made known and he would leave it to the public to decide.

"I will not rest before my own good name in regard to alleged corruption, misappropriation, self-enrichment and self-advancement is fully restored," he said.

Clearly stunned by the implications for his future of the allegations in the Mostert report, Dr Mulder made it

clear the stunning revelations had not touched on many other secret projects of the now disbanded Department of Information.

Replying to calls for his immediate resignation, Dr Mulder said all his actions had been guided by the interests of South Africa.

"When the survival of my country is at stake, no rules count," he said.

Referring to a statement by Mr L. S. Reynders, during the height of the premiership race, clearing Dr Mulder from suspicion in the rumours concerning the Department of Information, he said that the Mostert statement had made a "farce of Mr Reynders' audit report" — DDC

PRETORIA — A death threat was made yesterday on the life of Mr James "Wally" Waldeck, one of the key figures in the Department of Information revelations — and the man who was prematurely retired earlier this year.

The threat was made in a telephone call to his wife at home here yesterday afternoon.

The chilling threat — made by a man — was simply "Tell that Waldeck from Information that he is going to die very quickly and easily."

Waldeck death threat

The caller then rang off.

Mrs Waldeck, who was shocked and upset, immediately told her husband who then informed an official from the Department of National Security.

He related the timing of

the threat with the events of the last few weeks.

The 59-year-old former civil servant, with an unblemished 40-year career and merit ratings for his work, was told bluntly and simply in May that his services were no longer required because the department was to be restructured.

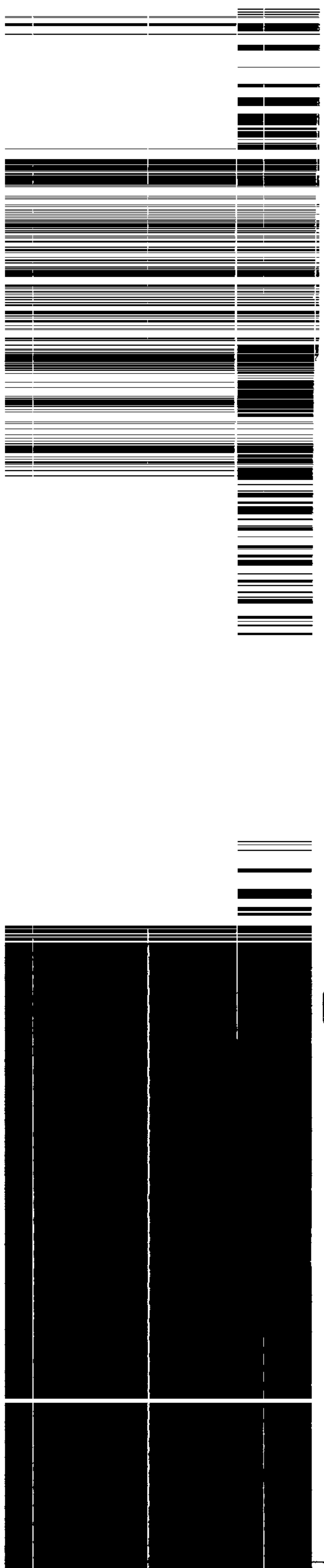
It was widely believed at the time that Mr Waldeck was pushed out for drawing the attention of the Auditor-General to irregularities in the Department of Information — DDC

Three-man probe



DR MULDER . . . vows to clear name.

H/1178 (259) MD



In the open

The appointment of a judicial commission of inquiry, the recall of Parliament...

Things are at last moving, to re-establish public confidence in South Africa's administration.

Heads would roll, said Dr Mulder in Parliament last year when the scandal first broke round his people in the former Department of Information.

Indeed, indeed! Especially now that a lot of the evidence is being dragged out into the open.

And a good thing it will be if the corridors of power are cleared of those who have been corrupted by it.

But even a judicial commission of inquiry might not be able to do its work effectively if men like Mr Koois Kemp, of Boss, are allowed to refuse to give evidence, as happened in regard to the Mostert Commission.

Everything must come out now and there must be no obstacles to people clearing their consciences of things they know.

South Africa looks to its new Prime Minister, Mr P. W. Botha, to ensure this.

Dr Mulder said yesterday he believed the whole truth should be told now. So do we.

PRETORIA — The Prime Minister, Mr P. W. Botha, yesterday announced a judicial commission of inquiry to investigate the former Information Department's affairs.

Parliament will be recalled for a special sitting on December 7.

Mr Botha said "At that sitting in Parliament I will put the Government's position for consideration and decision."

The commission, headed by Mr Justice Erasmus, will be required to report to the State President by December 6.

The other members of the commission are Mr A. J. Lategan, the Attorney-General of the Cape, and Mr G. F. Smalberger, chief State legal adviser.

The terms of reference are to investigate and report on any irregularities or benefit of individuals or parties, or misappropriation of funds by the former Department of Information.

Secondly, on methods and practices that were followed in cases where misappropriation of funds occurred to make recommendations on steps that must be taken to prevent similar occurrences, and any related matters.

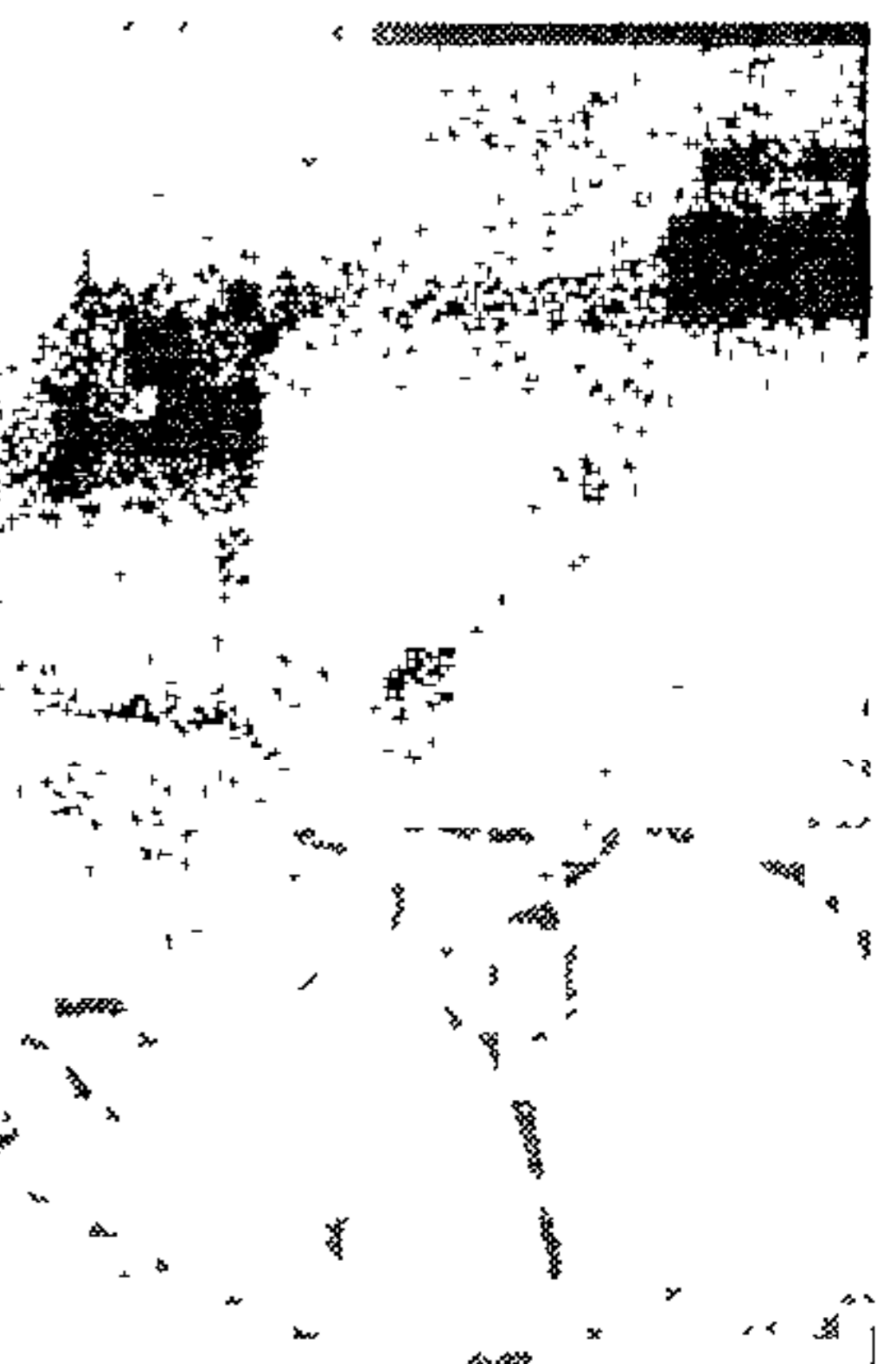
The Prime Minister said the first time he became aware of rumours that Government money had been channelled to The Citizen was when the matter was raised in Parliament.

In reply to a question he said: "At no stage as Minister of Defence or as a member of the Cabinet did I know that money was allocated to The Citizen in any form as alleged."

Mr Botha also stated he did not know of any alleged three-man Cabinet committee.

The Minister of Finance, Sen Horwood, who was also present at yesterday's press conference, said he too knew nothing of such a committee.

In reply to another question, Mr Botha said: "I was aware that money was voted by Parliament for the purposes of the Department of Information. But no funds were allocated to the Department of Information."



The Prime Minister, Mr P. W. Botha, at his press conference yesterday

Mostert clash with PM

PRETORIA — The Prime Minister and the Minister of Finance said yesterday they would be opposed to the channelling of public funds to the English Nationalist newspaper, The Citizen.

Their revealing

for the purposes of the Department of Information. But no funds were allocated to the Department of Information.

"If it is true that in our democratic society funds made available to fight South Africa's enemies in other parts of the world were used to subsidise a party political newspaper in South Africa, I will not agree with it."

Botha corrects himself

Mulder, the Transvaal Nationalist leader and former Minister of Information, that he should repay only R10 000 000.

Mr Luyt said he had been approached to establish The Citizen by Dr Mulder, Dr Eschel Rhoodie, former

Earlier, the Prime Minister said "I accept this challenge with all the implications and I shall look the country squarely in the face. I hope I can appeal to the South African media to conduct themselves in such a way that orderly government is ensured."

Asked whether The Citizen would continue to be published, Mr Botha said "I do not own The Citizen."

Questioned further, Mr Botha said he had never made the statement.

The press conference was immediately stopped while an official replayed a tape recording which confirmed Mr Botha had in fact made the statement.

General's denial

PRETORIA — The retired secretary for National Security, Gen H van den Bergh said last night he is referring allegations to certain newspapers, to legal advisers.

Gen Van den Bergh id "I deny most strongly that I have had a part in alleged

Mulder/Rhoodie/Van den Bergh machinations, in so far as The Citizen is concerned, and that I was also the initiator of the whole Citizen affair" and what followed thereafter.

"Not only is this allegation totally contrary to the facts, but extremely heinous" — SAPA.

PRETORIA — The Minister of Finance Sen Horwood, disclosed yesterday that Mr Justice Mostert had accused Mr P. W. Botha, of being the first Prime Minister to attempt to prescribe to a judge

Describing the meeting between Judge Mostert and Mr Botha the previous day, Sen Horwood said the judge had "turned on his heel and walked out" after the Prime Minister had refused to authorise Mr J. Kemp's immediate appearance before the commission

Mr Kemp, an official of the Department of National Security, has been investigating alleged irregularities and evaluating its secret projects

The Prime Minister told the judge he would ask Mr A. J. Pretorius, Secretary to the Treasury, and now chairman of the investigating committee, to make any information available to the judge as soon as the Pretorius Committee could take its work no further.

"Judge Mostert made it plain there was no point in pursuing the interview," Sen Horwood said

"He jumped up and informed the Prime Minister this was the first occasion that a Prime Minister had attempted to prescribe to a judge. He turned on his heel and walked out." — DDC.

conference came after the founder of the newspaper, Mr Louis Luyt, had told the Mostert Commission he had received R13 million from the Department of Information

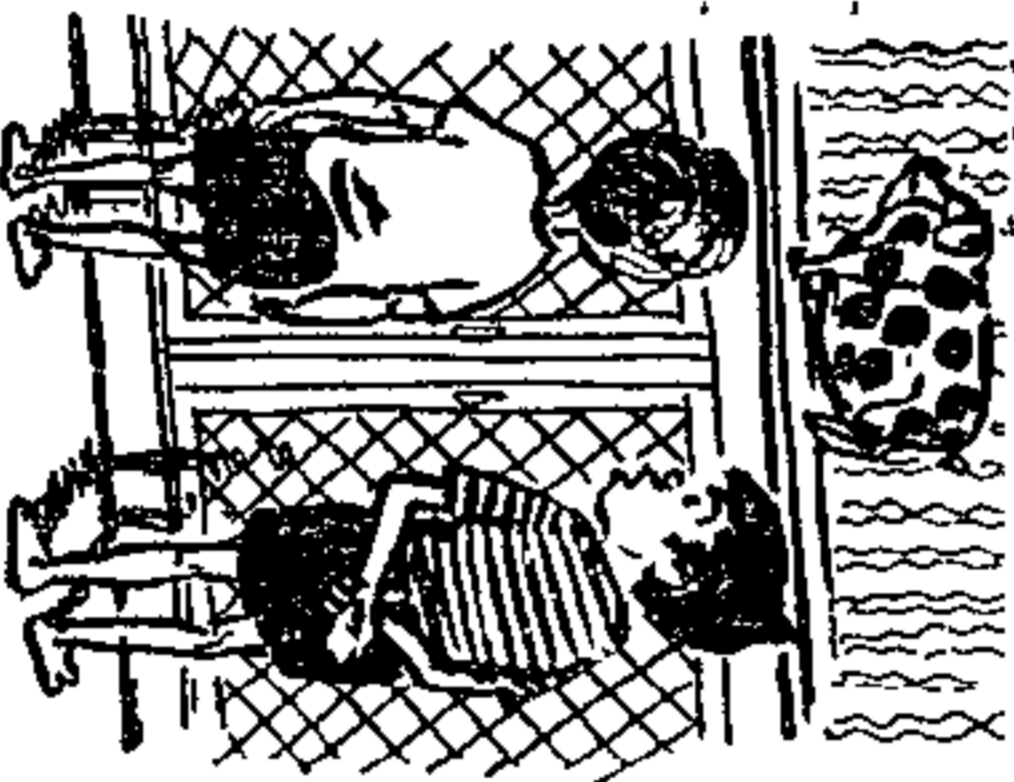
Mr Luyt explained that when he sold The Citizen it was agreed at a meeting attended by Dr Connie

Journalists

JOHANNESBURG — A journalist employed by the SABC Radio Today programme walked out on his job yesterday

Mr Julian Potter was protesting at the SABC's failure to broadcast

QUICK QUIP



"Secret fundr ..."

Secretary for Information, and Gen Hendrik van den Berg, former head of Boss

walk out

They were acting with the knowledge of the former Prime Minister, Mr Vorster, according to Mr Luyt's evidence to the Mostert Commission. The statements, yesterday

INFORMATION SCANDAL

Pages 6, 7, 15

Earlier during the conference, Mr Botha said at one stage he was aware public funds were being channelled to The Citizen

Mr Botha then explained he had been aware of the fact that money had been voted for the Department of Information for secret projects

Eglin: terms too narrow

CAPE TOWN — The Leader of the Opposition, Mr Colin Eglin, yesterday described the judicial commission which is to investigate spending by the former Department of Information as an unsatisfactory substitute for a parliamentary commission.

"The issue that should be investigated is the use of funds voted for by Parliament," he said in a statement

"This should be done by a parliamentary commission representative of all

political parties. "In view of the fact that it is the activities of the government itself that are being investigated, I would have expected the Prime Minister to have consulted the opposition on the composition of the commission of inquiry and on its terms of reference."

Mr Eglin described the commission's terms of reference, limited to activities of the former Department of Information, as too narrow

— DDC

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I want my good name restored, says Mulder

JOHANNESBURG — Dr. Connie Mulder said yesterday it was in the interests of the Government, the nation and a clean administration that the full facts concerning the use of secret funds by the now defunct Information Department be made public.

Dr. Mulder, now minister of plural relations and development, told the Vaderland in an interview that he had told the Prime Minister, Mr. P. W. Botha, that the only way in which allegations and evidence of alleged corruption and misuse of public funds could be properly investigated was by a judicial commission of inquiry.

"For months now, South Africa has heard one side of the story. The time has now come for me to insist in the interests of the Government, the nation and a clean administration, that the full facts come out and that my personal role be put before the public so they can judge for themselves," Dr. Mulder said.

Good name

"I will not rest until my own good name is

people had enriched themselves or acted corruptly, the law should take its course.

"I will consider my political position when the report is made public," Dr. Mulder said.

"The inquiry must cover all secret projects which until now have in one or other way been implicated."

In all his actions in the Information Department he had applied only two principles. The interest of South Africa and that no rules applied when the continued existence of the country was at stake.

"This attitude was necessary because the efforts to bring down the country were made regardless of the interests of the people. The department in my view stood in the front line in the battle."

INTERVIEWS

Judicial Commission
on Government
in South Africa

was 1110

4/11/78

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fully and honourably restored with regard to alleged corruption, misuse of public funds, self-enrichment and self-benefit, and I also believe that the whole truth with regard to other co-workers in South Africa's global propaganda battle against its enemies must be cleared up."

Dr Mulder, the former Minister of Information, said none of the numerous inquiries set up since August last year had been able to provide satisfactory findings. It was in the interests of the people connected with the matter that the intrigue surrounding the work of his former department be finally resolved.

If the judicial inquiry showed any of the

Mr. Vorster

He had referred the Prime Minister to a statement by the former Prime Minister, Mr Vorster, that any evidence that funds had been used for personal gain by any person would be forwarded to the Attorney-General.

Mr. Vorster had also stated that the funds made available to the Information Department to combat the psychological and propaganda onslaught had been channelled through other departments and that since 1972 certificates had been provided certifying that funds already provided had been properly used.

'He broke law' claim

PRETORIA — Mr. Justice Anton Mostert had infringed the Commissions Act in not reporting to the State President before making public his findings on the alleged misuse of public funds by the Department of Information, the chairman of the parliamentary study group on justice, Mr. Thomas Langley, said here yesterday.

Mr. Langley, MP for Waterkloof, said the Act clearly stipulated that nobody was allowed to divulge the findings of a commission appointed by the Government before they had been given to the State President.

He said the Judge, at the completion of his investigations, should have objectively weighed up all the evidence and then submitted his report to the State President.

"Any evidence not relevant to his instructions could have been in a separate private report to the State



Mr. Justice Mostert

"On September 19 Mr Lood Reynders, who was appointed by Mr Vorster as special investigator, reported that he had covered the spending of secret funds from April 1, 1973, to March 31, 1978.

"In his opinion books had been properly kept of all income and expenditure during this period and in the broad view he took, no misappropriation had come to light."

Dr. Mulder said he had been shocked by Mr Justice Anton Mostert's announcement concerning evidence which indicated misappropriation of millions of rands of taxpayers' money and that the Judge apparently found evidence of corruption in the wider sense of the word.

Mockery

"Mr Justice Mostert's announcement makes a mockery of Mr. Reynders's audit report.

"For that reason I told the Prime Minister that a judicial inquiry would be the only manner in which all allegations and evidence concerning alleged corruption and misappropriation could be thoroughly investigated and tested against the principles of South African law and the system of cross-examination."

CRISIS OVER PROSRIAM
TO ADDRESS THE
SOUTH AFRICA
GOVERNMENT CRISIS

LONDON — Some of the headlines from newspapers here on the scandal in South Africa. The story was the lead in some newspapers, and was the main item on the BBC's news. — (Cablecast)

Information scandal hits U.K.

Mercury Correspondent

LONDON — The Information Department scandal hit the headlines in Britain in a big way yesterday.

The disclosures by Judge Mostert made the main front-page story in The Times under the headline, "Judge defies Government on corruption in South Africa."

The Financial Times reports the story under the headline, "South Africa Government crisis," and the Guardian has a front-page report, "Judge defies Botha."

The scandal also led the BBC's news bulletins yesterday morning, and television programmes intended to devote considerable attention to it.

Mr. Justice Anton Mostert's name has become known overnight to millions of Britons. His insistence on disclosing the evidence has boosted faith in the South African judiciary considerably here.

Although no newspapers comment editorially on the disclosures, observers who have been following the unfolding of the scandal closely are fulsome in their praise of the South African Press, and particularly the Rand Daily Mail and Sunday Express.

They say the Judge's action and the investigative reporting by the Press have shown the resiliency of these two institutions in South Africa in spite of official pressures.

It has been widely reported here that the Prime Minister,

Mr. Botha, is not implicated in this — or any other — scandal, but Mr. Botha has done his reputation no good here by trying to prevent publication of the evidence submitted to Mr. Justice Mostert.

There is considerable speculation on Mr. Vorster's position. Dr. Mulder, it is suggested, could retire, General van den Bergh has already retired, and the Rhoddie brothers have left the scene.

But Mr. Vorster has only just been elected State President.

President or to the Attorney-General," Mr. Langley said.

Mr. Justice Mostert said on Thursday that Regulation 12 was designed to prevent publication or dissemination of the evidence or information of the commission by a third person.

"It does not refer, and was not intended to refer to publication by the commission, that much is plain from the language of the regulation."

In any event, the commission's powers of publication are governed by Section 17 of the Act and must be taken to be paramount."

Regulation 13 refers to the commission's report but what was published was not the commission's report, but evidence taken before the commission.

The commission's report on this aspect of the matter will be submitted to the appropriate minister for transmission to the State President and will be available for publication if the State President, so deems

S.A.'s fourth

special

session

Political Correspondent

CAPE TOWN — The special session of Parliament announced yesterday by the Prime Minister, Mr. P. W. Botha, to discuss the information row will be only the fourth of its kind in the country's history.

The first was from September 9 to September 14, 1914 to debate South Africa's entry to World War

The second came five years later to ratify the Versailles Peace Treaty with Parliament meeting from September 5 to 17.

The third special sitting 20 years later was from September 2 to 5 1939 to extend the life of the Senate because of the grave war situation.

However, that weekend Germany invaded Poland the Britain declared war on September 3.

General Smuts introduced an amendment proposing that South Africa join the allied cause in the war. His motion was carried by 80-67.

Mr. Justice Mostert must also show which evidence among that which he made public definitely indicated corruption of misappropriation by the Department of Information.

"It is in the interests of the integrity of the Government as a whole that the matter must be cleared up." — (Sapa)

Calling Judge Mostert

Mercury Bureau

PIETERMARITZBURG — The switchboard at the Supreme Court here was flooded with calls for Mr Justice Mostert yesterday.

Shortly after his disclosures about the defunct Department of Information appeared in morning newspapers, the telephone at the Supreme Court began ringing, an official said.

The Judge was not available for comment, but was expected back in Natal late yesterday.

Senator Warwick Webber, Natal leader of the New Republic Party in a telegram to the Judge, said, "Please accept my congratulations on your courageous manifestation that South Africa does have a free and independent judiciary."

SABC denial of staff walkout over 'silence' on radio and TV

Mercury Correspondent

JOHANNESBURG — An SABC spokesman denied yesterday that there had been a walkout of news staff at Broadcast Centre, Auckland Park, here over the corporation's "non reporting" over television on Thursday evening and on radio yesterday of Mr. Justice Mostert's Press statement on evidence given about the Information scandal.

On both of its television newscasts on Thursday night the corporation ignored the details of one of the biggest news stories of the year.

On its English and Afrikaans radio news services the SABC broadcast only a summary of the statement by the Judge.

The corporation gave as its reasons not to broadcast the statement "the proclamation pertaining to the appointment of this commission prohibits the mission of information submitted to the commission

or any part of such information."

But later that night Judge Mostert said that the regulations did not preclude making the evidence public.

Yesterday, asked to comment on reports that members of the corporation's news staff had walked out, or stopped work, over the SABC's attitude in not broadcasting Judge's press release, Mr. Rietjies, a public relations officer for the SABC, said that only one staffman had "deserted his post" yesterday morning.

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'very deep investigation

appear.

Mr Justice Erasmus said Mr Justice Anton Mostert's revelations had surprised him deeply. He said he would definitely meet the judge.

"Since the matter is now sub judice I call upon people to say as little about the situation as possible until the commission's findings are made public. If they are

made public

"There have been people who know very little about the situation who have been shouting about it. This must stop," he said.

Mr Justice Erasmus was born in Petrusburg on October 11 1912, and went to school in Jagersfontein and Montagu.

After matriculating he worked in the provincial

audit office in Bloemfontein and later for the Department of Education. During this period he studied through the University of South Africa and obtained his BA with majors in literature.

In 1936 Mr Justice Erasmus was awarded a Rhodes scholarship to Oxford University.

His list of academic qualifications include an

MA, and a BSc. He wrote his advocates admission examinations in 1943 and was admitted to the bar in 1944.

For almost two years he was foreign editor of the *Vaderland* after which he became acting judge of the Northern Cape.

Mr Justice Erasmus who has been married twice has two daughters and two sons, all lawyers.

Judge Erasmus promises

is a departmental investigation into the Department of Information.

Apart from people known to have evidence to give to the commission, it would also invite members of the public who have information, to appear before it.

The commission will have the power to subpoena anyone it thinks has relevant information, to

"I cannot pre-judge the matter but we will certainly come up with answers or at least suggest answers on or before December 6."

Mr Justice Erasmus said he thought the commission, which will be based in Pretoria, would have to have a look at evidence gathered by the Kemp Commission, now the Pretorius Commission, which

He said yesterday the job was challenging and the commission would undertake "a very deep investigation of the facts and evidence"

"Our time is limited and as soon as I receive a mandate, the members of the commission will meet to establish a modus operandi. I hope we can start on Monday," said Mr Justice Erasmus

Mr Justice R P B Erasmus of Bloemfontein, who is to head the judicial commission of inquiry to investigate the former Information Department's affairs, has served on six previous commissions.

These included two delimitation commissions and a commission of inquiry into industrial health in South Africa and SWA/Namibia.

Info may have had link with magazine

Evidence Mr Louis Luyt gave to Judge Anton Mostert suggested that the former Department of Information may have had links with the magazine *To The Point*, as well as with *The Citizen*.

Mr Luyt, describing differences he had with Dr Eschel Rhodie, former Secretary for Information, about the way he ran *The Citizen* said.

"for example, if the loss for the month was a little bigger or the cash ran short, he complained, and the more we tried to explain and prove to him that your income went up — which is clearly there — the income was greater than the budget but your costs also went up, the less he understood it and he continually said that Mr van Zyl Alberts with *To the Point* — they were always on budget."

LINK

At that time Mr Jan van Zyl Alberts, publisher and managing director of *To the Point*, had no public link with *The Citizen*. But, privately, he had been involved from the beginning, Mr Justice Mostert was told.

Mr Alberts, and *To the Point's* founder, Mr Hubert Jussen, have since taken over *The Citizen*.

Security label abused — Prof

Disclosures by Mr Justice Mostert that millions of rands of taxpayer's money had been misused underlined the dangers of allowing officials to have unchecked power. Professor Anthony Mathews of the department of law at Natal University, said last night.

Mr Justice Mostert disclosed that Dr Eschel Rhodie, former Secretary of Information, lent Mr Louis Luyt R12-million to start *The Citizen* newspaper. The contract was under the Official Secrets Act.

SECRET

Speaking generally about secrecy without

to state was beneficially illuminated. However, since then we have been...
discussed that the situation is gradually deteriorated in some areas.
The contractor gave us an excellent guarantee of his work for one year
including replacement of the glazes which failed during that time, but
unfortunately we are having to success in getting him to honour his
obligation. Sadly this means that parts of the estate are again very
poorly lit. The...
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of tea (or coffee) and an

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Mr Alberts now holds the same positions at The Citizen that he has at To the Point — publisher and managing director.

NO CONTACT

Efforts to contact Mr Luyt about the implication that the Department of Information had a similar relationship with To the Point as with The Citizen, were not successful.

The Star was told by his secretary that he was not in, and she undertook to ask him to return the call if he came in.

The call was not returned.

Mr Alberts's secretary said he was never in his office on Friday afternoons.

When inquiries about Mr Jussen were made at To the Point's offices, The Star was told that they knew nothing about him, had no idea where he was and did not even know if he was in the country.

reference to particular individuals. Professor Mathews added that Woodrow Wilson, the American President, had once said: "Everyone knows that corruption thrives in secret places and avoids public places, and we believe it is fair presumption that secrecy means impropriety."

Professor Mathews said: "We have so frequently been told that we can't be told about the Information Department furore because it is a security matter. But what the judge now reveals is that the security justification has been abused," he said.

Mr Justice Mostert's revelations had shown that the Press should be free and unfettered to report on Government activities and also that there should be an independent judiciary with power to decide on freedom of speech matters, "if we are going to avoid abuse of Government power."

Citizen won't shut — Jussen

The Citizen will not be closed, Mr Hubert C Jussen, chairman of the newspaper said today.

In fact, it was planned to expand it, he said.

His statement, reported today by the Citizen, said the plans had nothing to do with the present controversy.

The Citizen's news editor, Mr Marshall Wilson, the foreign editor, Ir David Jackson, and a senior reporter, Mr Chris Olckers, resigned yesterday.

Mr Wilson said today that as a professional journalist he did not want to be tainted.

A Citizen reporter said today that most other journalists on the paper had decided to wait for a few days "for the situation to sort itself out" before deciding what to do.

The terms of reference of the judicial commission appointed to inquire into the former Department of

Information were "wide enough to satisfy even the most concerned critic of the former department," the newspaper said in an editorial today.

"The other side of the story has still to be heard before any firm conclusions can be reached."

ADMINISTRATION

The Prime Minister, Mr Botha, had clearly demonstrated his concern for healthy administration of the country and intention to root out highly disquieting evidence about large-scale corruption, Die Transvaler said today.

But it was a pity that action had not come faster.

Beeld said in other Western democracies, accusations on a similar scale would have led to a "personal sacrifice" which was not traditional in South African politics and, judging by the latest signs, "would not come about easily

Scandal big news in UK

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4/17/78
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LONDON — The Information Department scandal hit the headlines in Britain in a big way yesterday.

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They say the judge's action and the investigative reporting by the press have shown the resiliency of these two institutions in South Africa in spite of official pressures. — DDC.

Horwood tells of encounter between PM and judge

Cape Town
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PRETORIA — The encounter between the Prime Minister and Mr Justice Anton Mostert in Pretoria on Thursday was described by the Minister of Finance, Senator Owen Horwood, yesterday.

The interview ended when Mr Justice Mostert informed Mr Botha that there was no point in pursuing the interview and "he turned on his heel and walked out," Senator Horwood said.

The Prime Minister had asked Senator Horwood to give yesterday's press conference an account of what had transpired between himself and Mr Justice Mostert.

Senator Horwood said "Yesterday I was present when the judge saw the Prime Minister in his office. The judge said there were two matters in particular to which he wished to

certain officials to appear before the judge. He gave this assurance to the judge 'I give you the assurance that as soon as Mr Pretorius reports to me that he cannot take his inquiry any further, I will ask him immediately to make arrangements to enable you to obtain the information you require'.

"At that point Mr Justice Mostert jumped up and informed the Prime Minister that this was the first occasion that a Prime Minister had attempted to prescribe to a judge how he should go about his work.

"He made it plain that there was no point in pursuing the interview and he turned on his heel and walked out," Senator Horwood said.

The Prime Minister was asked why the judge could not be given the evidence immediately. Mr Botha replied that he had explained some aspects of the problem to the judge.

Mr Botha said "I told him that I would immediately take steps to see what could be done to ascertain the facts, because I cannot judge what to take as a next step unless I have the facts available."

"Then I said do not publish the one-sided information you have. I promise that the moment the Pretorius Committee reports to me I will make available the chairman of that commission to co-operate with you to complete your work."

"Was this not fair?"

Asked about the future of the Mostert Commission, Senator Horwood said it would continue with its work. It had specific terms of reference and was set up specifically to inquire into malpractices and to make recommendations as to ways and means of countering these malpractices, and also to look into any tax implications of those malpractices — Sapa

Each-divided. On the high Nyaka Plateau there were three Tumbuka-speaking groups, the Phoka, Mtshaliro and Kenya peoples. Clustered around the plateau's southern edge were the Yombe, Hwe, Ntshanga, Kanga, Kuzwana and Hsoroza. Further south there were the Siska, Nyanjanga, Njara, Tumbuka, Natango and other groups, some being only clans. By 1900, the Northern Tumbuka were dispersed, while the Southern Tumbuka were subjugated and deprived of many elements of their own culture, and even under the British administration, they continued in a position of subservience. But this situation had not continued for long. The British quickly accepted that in the Northern Tumbuka's land between Nyoni and Ngoni...

Majuna line, but rather to one of the Bonjololo Gonwe line, to Chikongzi Gondwe. In deciding between Peter Kasanga and Chikongzi Gondwe, the people decided upon Chikongzi because they felt that he would understand Europeans better. Therefore, it was in response to the popular request, as well as meeting Kasanga and administrative desires, that the Resident of Karonga, G. R. Palmer, in 1907 appointed Chikongzi Gondwe as Chief Chikulamayembe IX, the first in the line of Chikongzi Gondwe. In this way an embryonic monarchy had been created and a fine line of changing political and economic realities were offering to the Tumbuka the opportunity to... themselves.



refer. The first was his request that Mr Kemp and Mr Reynders and Mr Fourie of the former Department of Information should appear before his commission and give evidence.

"The Prime Minister explained very carefully why he had not been able to see the judge earlier. He said he had been in office only five weeks and he was able to give a very full account of the immense pressure of work. But he was glad to be able to discuss these matters.

"The judge said that as commissioner he had to make up his own mind whether he made any or all of the evidence given to him public.

"The Prime Minister explained why he had not been able immediately to deal with these requests to arrange for

Chikongzi was not from Ntshanga and attended school at Livingstonia the foot of the mountain on Mtshaliro. He was not a Tumbuka. He was appointed as Chief in the 1900s and early 1910s with a great deal of the rise of the myth of the conscious revival of the past. As J. H. Plumb with a purpose, described the new chief and his spread sense of 'Tumbuka' in articles in the... through popular celebra-... of the Residency at Karonga of a Chief kneeling up the

However, a revived chieftain should fall to the line of Kuzwana Gondwe, the last Chikulamayembe, who had been killed in 1880 by the Nyoni. But the people were aware that an educated man would be better able to protect their interests than one who was not educated. As one informant put it, 'For an uneducated man to speak with Europeans was an impossible dream.' Thus, when the revival of the chieftainship was mooted, the office was not offered to a man of the

At the same time, a young man from Karonga, Sulo Nyanda, a former clerk of the African Lakes Company who had been trained at Livingstonia, and whom T. Callen Young called 'The Father of History' for the Northern Region, wrote the first substantial history of the Tumbuka. Nyanda's history, which Young later published, was written with one main purpose: to glorify the past of the Chikulamayembes, and, incidentally, to attack the Nyoni for having spoiled 'our country'. This was not surprising, as the new Chikulamayembe's second wife was a

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Looking around Eschel's Clifton paradise

THE BILL for more than R30 000 for alterations to Dr Eschel Rhoodie's seaside pad has not yet been paid in full. The contractors who carried out the renovations are still waiting for a portion of their money — a sum "large enough to affect our business if it is not paid", a spokesman for the contractors told the Cape Times yesterday. The spokesman would not disclose what the balance was. He said he was still hoping to be paid.

The house, bought by Dr Rhoodie a year ago for R71 700, is everyone's dream of a seaside retreat — a few steps from the beach.

But the exception in Dr Rhoodie's case is that his beach pad is a few steps from one of the most popular beaches in the country, in the heart of Cape Town. And it cost more than R100 000.

Yesterday a Cape Times team went to see what a hundred grand's worth looks like, inside and out.

Its position is superb — on Beach Road, Bantry Bay, right opposite Saunders Rocks. And that is what Dr Rhoodie must have paid for. For the rest it is basically an ordinary, elderly house with two pokey bedrooms, no garden and right on a busy main road.

The renovations include the enclosing of the front veranda to extend the living room to cricket-pitch proportions. A large picture window provides a view of the sea.

A second bathroom has been built and no expense has been spared on moulded, gilt-handled, built-in cupboards in every room.

The house has been carpeted throughout in neutral beige — just the colour to show off Persian rugs to perfection.

At present there are no rugs and very little furniture in the house. It is let to tenants at a rent believed to be about R500 a month.

Dr Rhoodie was also involved in the purchase of flats at Clifton by the Department of Information front organisation, Thor Communicators. Thor spent more than R½ m out of secret funds on flats in the block which overlooks First Beach.

Mr Retief van Rooyen said in evidence before Mr Justice Mostert that the flats were bought as an investment but that one of them was empty for 11 months in 1976 and 1977.

The agent for the block, Mr Clive Parkes, was approached because it was felt there ought to be a high demand for the flats.

"The explanation was that the apartment concerned adjoined Dr Rhoodie's flat."

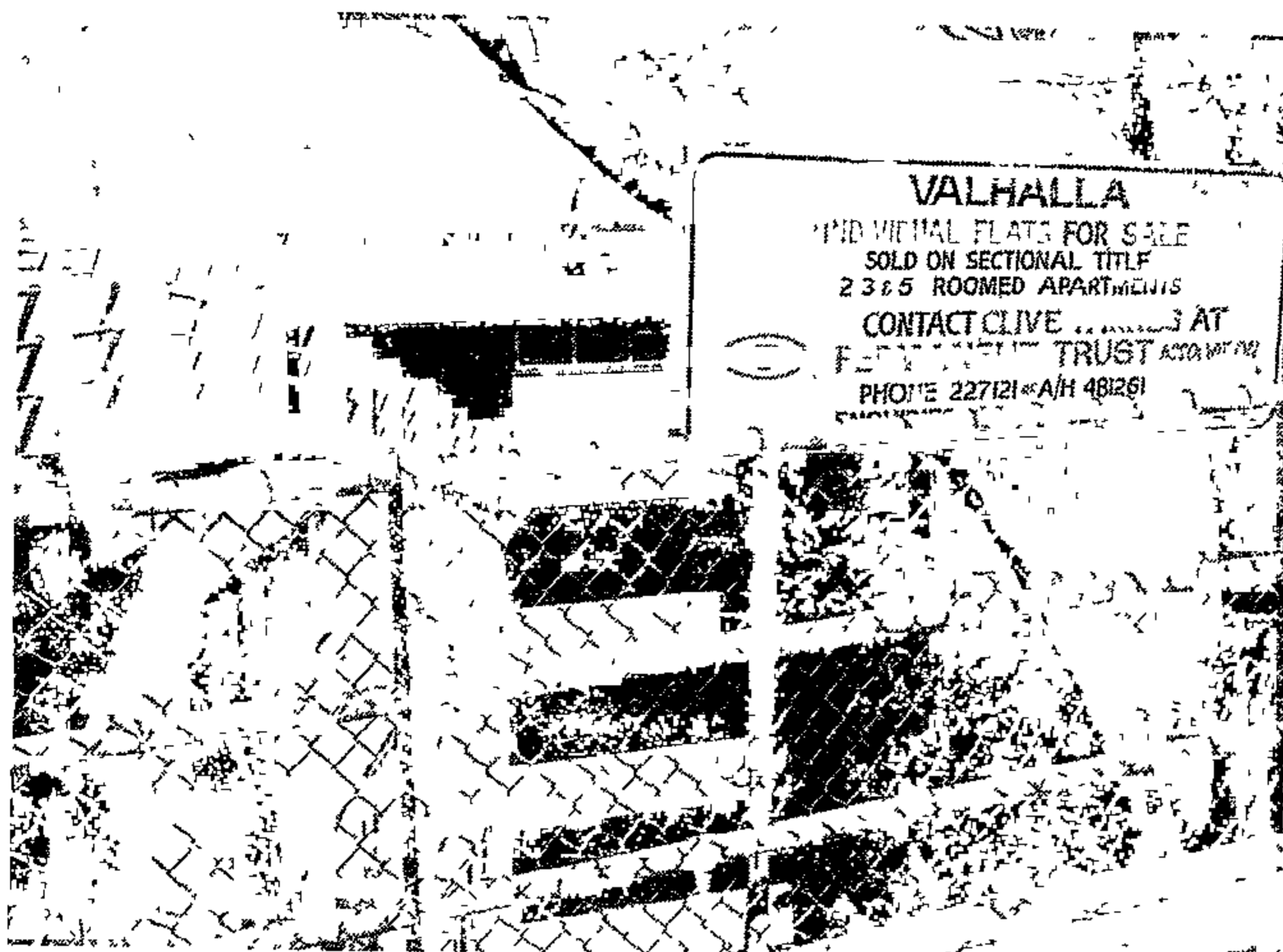
Mr Parkes had said plans had been drawn up to break out the wall separating the two flats and Dr Rhoodie had given instructions that it should remain empty until the tenants in the other flat moved so the alterations could be made.

"It was also said at the time that the other adjoining flat belonged to Mr Deneys Rhoodie," Mr van Rooyen said.

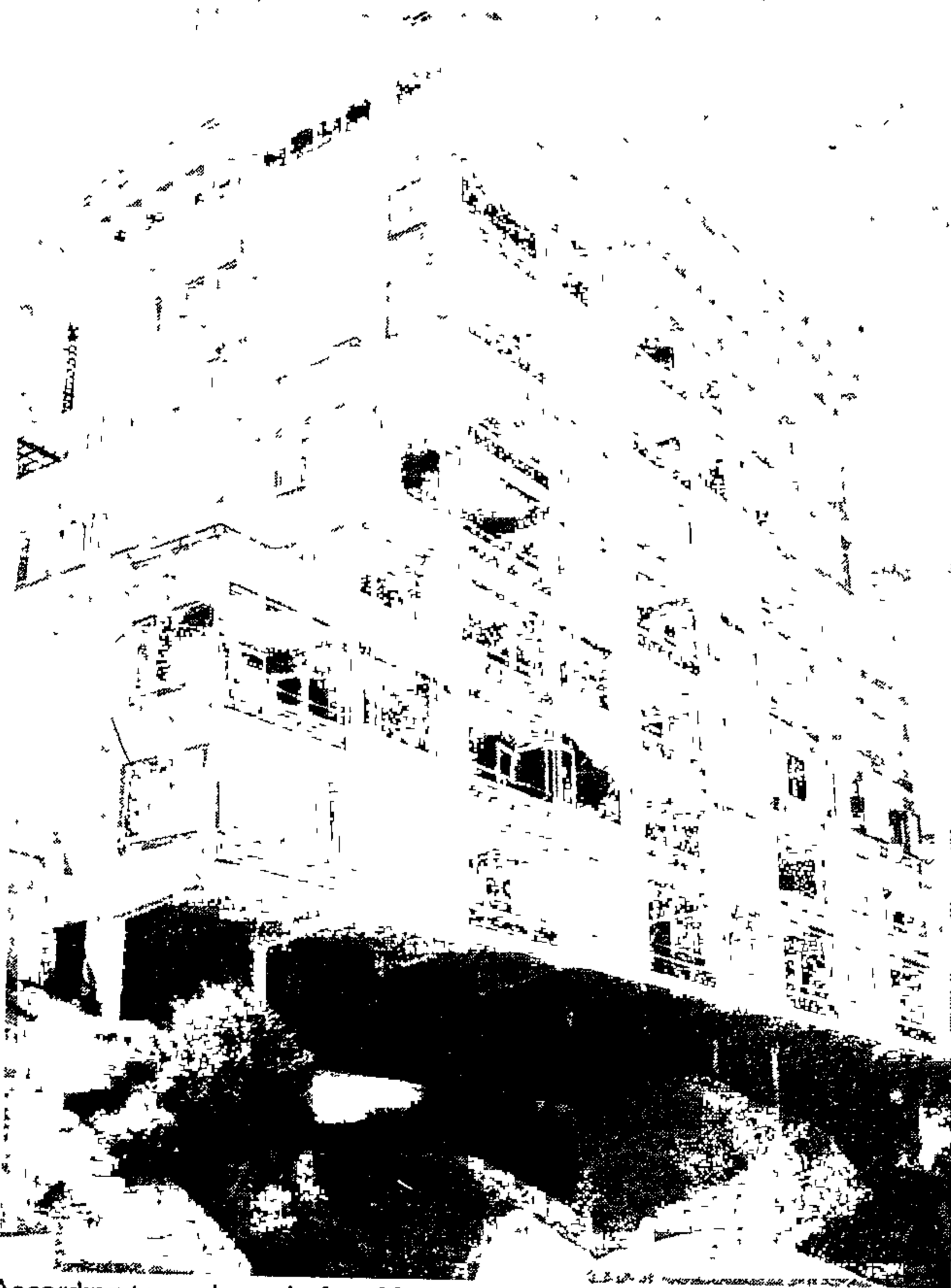
Only one flat in Valhalla is unoccupied at present.

The Cape Times was told that all the flats belonging to Thor were occupied by tenants.

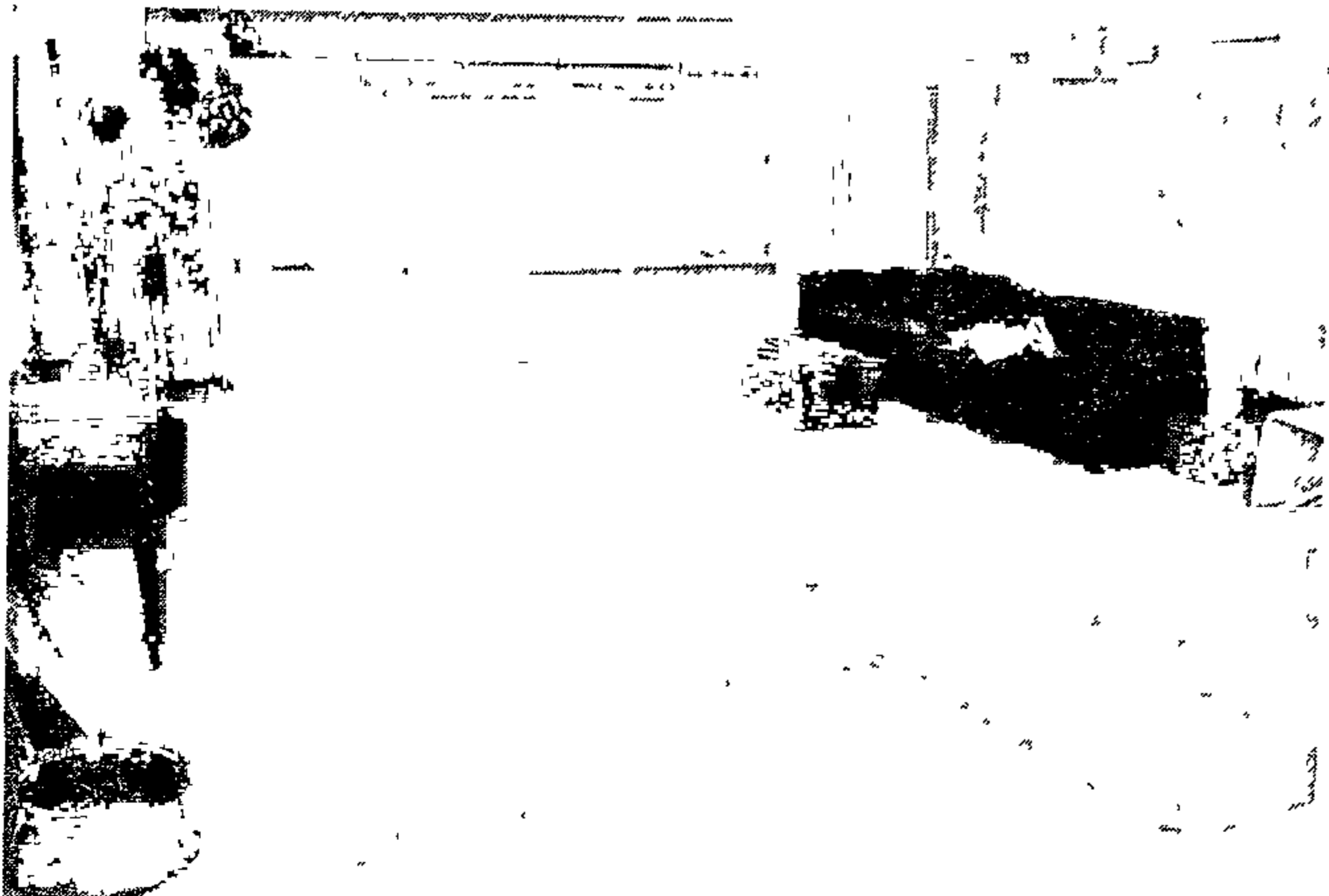
Flats are still for sale in the block. The asking price for a three-roomed is R40 000 and a five-roomed, R65 000. Mr Parkes is at present in Hong Kong on business.



Valhalla Flats overlooking First Beach, Clifton. Several of the apartments, ranging in price between R40 000 and R65 000 each, were acquired by Thor Communicators, a Department of Information front organization.



According to evidence before Mr Justice Mostert, Mr Clive Parkes negotiated the purchase of the Clifton flats by Thor Communicators. His name appears on the board which is still displayed outside Valhalla. Mr Parkes, who occupies a R40 000 flat in the block, is in Hong Kong on business.



Part of the large sea-facing lounge in Dr Eschel Rhoodie's Bantry Bay house. The veranda was enclosed to form the picture window at the far end of the room.

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Country's fourth special session

THE SPECIAL session of Parliament announced yesterday by the Prime Minister, Mr P W Botha, to discuss the Information row will be only the fourth of its kind. All three previous sittings had a war atmosphere.

The first was from September 9 to September 14, 1914, to debate South Africa's entry into World War I. The second came five years later to ratify the Versailles Peace Treaty with Parliament meeting from September 5-17.

Parliament met for a special sitting 20 years later — from September 2-5, 1939 — to extend the life of the Senate. In the normal course of events the Senate's life would have expired on September 5 but it was felt that because of the grave war situation its life should be extended.

However, that weekend Germany invaded Poland and Britain declared war on September 3. The special sitting to extend the life of the Senate became far more serious.

On the Monday, the prime minister, General Hertzog, introduced a "neutrality motion" in the Assembly thus sparking off one of the most controversial debates in parliamentary history.

General Smuts introduced an amendment proposing that South Africa join the Allied cause in the war. His motion was carried by 80-67. General Smuts informed the Governor-General, Sir Patrick Duncan, and called on him to declare a general election.

Instead, Sir Patrick took the controversial step of rejecting an election and called on General Smuts to form a government and South Africa was at war — through the third special sitting of Parliament.

A man of secrecy who disliked the English press

By DI POWELL

GENERAL "Lang Hendrik" van den Bergh, the man who is alleged to have said he would blanket the Department of Information scandal under the Official Secrets Act, lived in the shadows of secrecy for the past 15 years.

General Van den Bergh, appointed by the former Prime Minister, Mr John Vorster, in June to investigate the affairs of the department, is alleged in evidence released by Mr Justice Mysterst this week, to have said he would drag the inquiry out until such time it died down.

He is alleged to have told Mr Retief van Rooyen he was prepared to "save" the former prime minister and Dr Connie Mulder and would spend two years doing it if necessary.

He would also make sure the newspapers were informed the whole affair was under the Official Secrets Act.

The general, a tall thin man was used to secrecy. When he was appointed head of the Security Branch in 1963 he did not want anyone to know about it.

He is quoted as having asked the "two Johns" — Mr Vorster and Police Commissioner, John Keey — not to make his appointment public.

"I didn't want the communists to know at that stage there was a change. I wanted to do the job at hand in silence and secrecy?" This interview, published in an Afrikaans newspaper earlier this

Capc 1/2/78

was one of the few occasions the general spoke to the press. It is known that he had confidantes among Afrikaans journalists and many an unsourced scoop found its way out of his office in the Union Buildings.

But he loathed the English press. And it was all because of the word coined to abbreviate the Bureau for State Security of which General Van den Bergh became the first head in 1969, BOSS.

The imposing policeman, the "terrorizer of terrorists", probably the second most powerful man in country, could not stand being called the Boss of BOSS.

"I am no boss or super-boss," he said, and accused the English press of maliciously changing the name of his organization from Bureau for State Security to Bureau of State Security. He demanded that the abbreviation BSS be used.

But BOSS it stayed in many newspapers. In 1972 General Van den Bergh nearly lost his life when he was shocked by 380 volts of electric current while welding on his farm. He clung to the live cable for several minutes while an African labourer ran to disconnect the power.

The Rand Daily Mail telephoned to ask how he was. The general told the reporter to tell his editor he would not speak to the Mail because it used the term BOSS.

During his career as security chief and head of BOSS the odd paragraph appeared in newspapers from time to time — "Van den

Bergh in Israel", "Security chief in Portugal".

What was the man responsible for South Africa's security doing on official business in foreign countries?

When the information bomb started exploding in June, it all came out.

The general had been travelling the world for years, as South Africa's "secret diplomat".

Rapport reported that "unnoticed reconnaissance missions" in the past decade had taken him to North and South America, Europe and "deep into Africa".

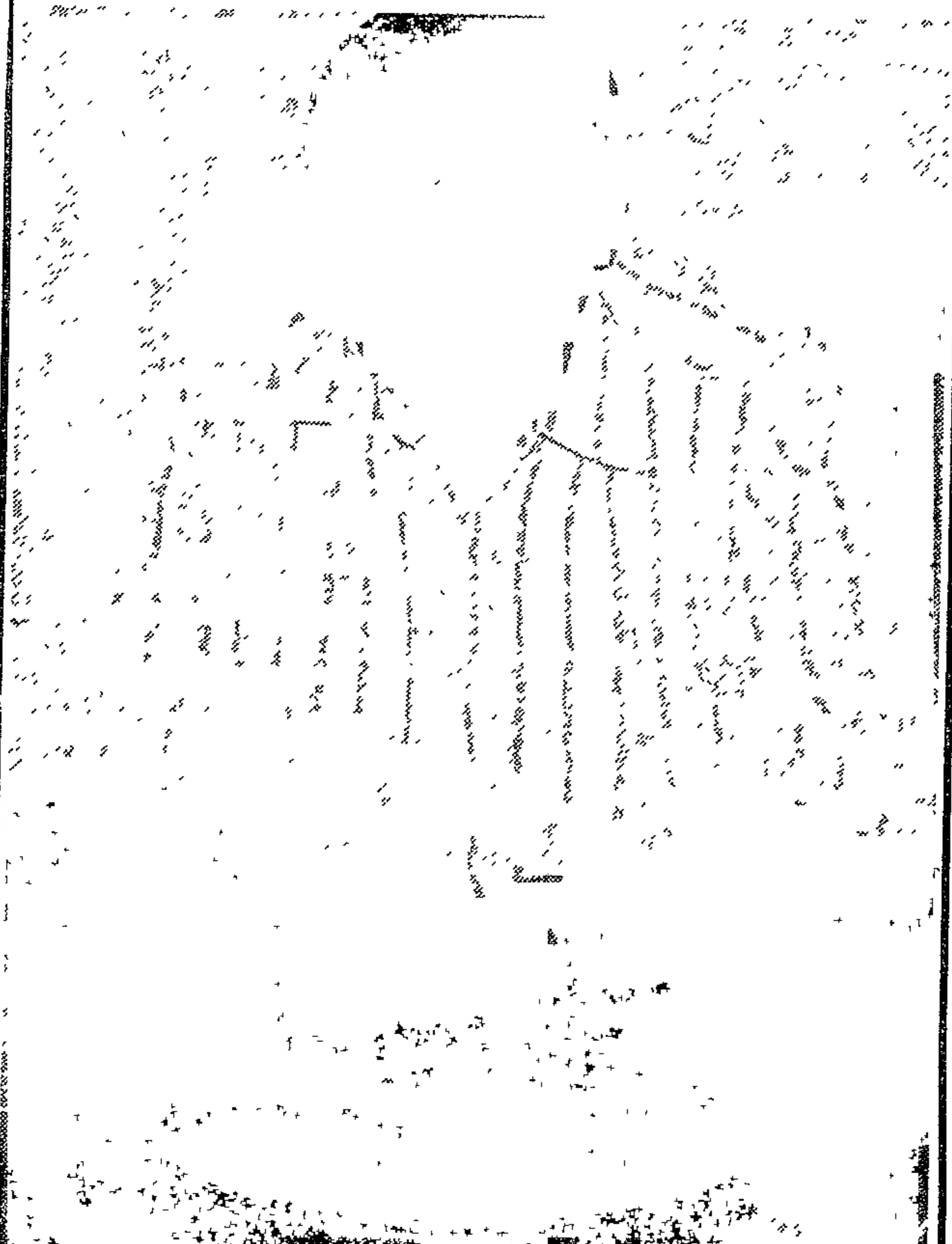
He travelled abroad regularly to visit BOSS agents employed in foreign missions, the paper reported.

General Van den Bergh's climb to success probably began in an internment camp at Koffiefontein during World War II. There he met Ossewabrandwag general, John Vorster, who was to become Minister of Police and with whom he would form the powerful partnership of Prime Minister and security adviser.

But the end of his career came as swiftly as his rise to the top. Days before Mr Vorster resigned officially as Prime Minister he announced that the general would be retiring at the same time — although the inquiry into the Department of Information was not finished.

The same day General Van den Bergh went to his office, said goodbye to his staff and walked out. They didn't see him again.

The moon's a balloon but . . .



GEOGRAPHY teacher Tony Hamby — afraid of falling off the edge of the world

Police tell of snooping on lovers

Tribune Reporter

SOME former policemen this week discussed questionable methods used to track down people thought to be contravening the Immorality Act.

Their revelations came after 14 policemen allegedly broke down the door of a Pretoria woman's flat this week when suspecting she had a black lover.

While some found the incident "puzzling" and

QUOTE

We used unlawful means. I do not think we were above the law.

"shocking" others said police regularly used methods which were legally questionable, in trying to convict people under the Act.

None of those interviewed would allow their names to be quoted.

A former Pietermaritzburg sergeant, who

Teacher fears world's edge

By MARION COX

GEOGRAPHY teacher Mr Tony Hambly of Mooi River suspects that most people think he is a nut-case, but it doesn't bother him. He has the courage of his convictions.

For Mr Hambly is convinced that the world is flat and that space satellites and the entire American Space Programme — moon landings and all — are just elaborate frauds.

It is his mission as newly-elected national chairman of the Flat Earth Society of South Africa to persuade people that the oblique spheroid theory that most of us believe in is just so much cuds wallop.

"How could the world possibly be shaped like a ball and be spinning at a fantastic speed around the sun?" asks Mr Hambly.

"No matter what you've been taught, the fact remains that if it were so, an awful lot of people would be upside down. It's just not feasible."

Flat Earthists — and there are thousands of them worldwide — believe the world is disc-shaped and that it remains stationary in the atmosphere, while the sun and stars revolve around it.

And somewhere out in the ocean of the Pacific and Atlantic is the edge of the world. If you go too close, says Mr Hambly, you will fall off and go spinning into eternity.

"I'm terrified of falling off," he says. "You wouldn't catch me going too close to the edge — most definitely not!"

Mr Hambly joined the Flat Earth Society as a joke 10 years ago when he was teaching Geography in Rhodesia.

"It was at the time of the so-called moon landings which, by photographs, purported to prove once and for all the earth was a globe." But Mr Hambly soon realized the flat earth was no joke. The whole space programme, he says, was nothing more than an elaborate con-trick.

"Propaganda — the whole lot of it. The so-called space scientists were simply Hollywood film producers and the moon walks took place in the American deserts."

And the reason for this fantastic hoax?

"Why, so the scientists can justify their existence and go on getting more money out of the Government, not to mention being one up on the Russians. In fact the whole satellite business is bunkum.

"There are no satellites flying around in space," says Mr Hambly, crisply.

"The TV pictures you get from overseas come in the same way as radio waves, they don't need boosting or bouncing off anything."

Being a Flat Earthist is a bit awkward in Mr Hambly's job as a geography teacher. With a degree in that subject, he is obliged to stick to the syllabus of projecting the world as a globe.

"Still it's no different from a biology teacher who believes in the biblical origin of the world having to teach Darwin's theory of evolution," says Mr Hambly. "And fortunately my headmaster is extremely understanding about my belief. He knows I stick to the syllabus in spite of my personal convictions."

Flat Earthists are in every town in South Africa.

Members meet regularly to discuss how they can propagate the truth about the earth. At R20 for life membership, the numbers are growing steadily. And with Tony Hambly now in the hot-seat, the public is going to hear a lot more about them in the future.

"We've been rather private up till now, a bit shy of ridicule, you could say," says the new national chairman of the society. "But now we're going public. We want to gain recognition and spread the truth so we can conduct our own research."

What sort of research?

"Oh astronomy and things like that," he says vaguely.

Next year will be the 75th anniversary of the society and you can be sure that the dedicated and committed Flat Earthists will be celebrating in a big way. But one thing is certain. You won't find any of them venturing either by sea or by air too close to the end of the world. It's a long drop over the side

left the police force a year ago, said he had seen methods used which were "possibly unlawful."

"When following up a suspected couple, who were frequenting a house or flat, we would ask for the front door key from the caretaker, and then duplicate it," he said.

"The first task in tracking down a couple was to gain entrance into the house or flat. We used unlawful means," he said. "I do not think we were above the law in these matters."

Tape recorders were also used in confirming that a mixed couple were engaging in a sexual relationship.

Once the police could enter the couple's base, "tapes were placed in the house or flat and left on for two or three hours. We hoped to catch some of the conversation."

The tapes would also run on while the couple were in bed. The former sergeant said that on one occasion he had thought this taped love-making was "conclusive evidence," but the attorney-general had been "upset" about it, and the couple were not prosecuted.

On other occasions the police would get someone to hide in the flat or house with the tape.

A former member of the CID, who is now managing a security firm, said he thought police still climbed trees and peered through windows in attempts to catch mixed couples.

Many of the former policemen and private detectives interviewed said there had been a definite change in attitude towards the Act, and that police had informal instructions not to arrest anyone under it unless specific complaints had been received.

60 000 LITRES OF WINE THROWN OUT

Sun. Trib, 4/11/79

3-Wine

By TONY SPENCER-SMITH

Vintage 1977 — a lousy year for red

URGHH! That was my reaction this week as I sampled the 1977 cabernet sauvignon of the historic Groot Constantia estate in the Cape Peninsula.

This red wine type is described in the estate's publicity brochure as "the most popular and prestigious of the estate's products" and an elegant wine of noble character.

So I tried some. First there was the bouquet. Not encouraging. Almost no distinctive cabernet smell, a nasty musty odour.

"That's partly the botrytis rot which got into the grapes," said the burly, bearded manager of the estate, Mr Koos Stofberg.

Acidic

I steeled myself and actually drank some of the pale substance. It was thin and acidic, possibly useful as a substitute for petrol or a preservative for animal specimens. Actually, it was drinkable, but hardly a noble red to say the least. But the public

can relax, the stuff will never assault their palates. In a move unprecedented in South Africa the estate has decided to scrap all its 1977 vintage red wine.

That's 60,000 litres of wine. More than 85,000 bottles. The estate will get about 12 cents a litre, selling the wretched stuff to be distilled into alcohol.

Standards

Mr Stofberg told me: "Our decision not to market this wine was taken purely on the basis that it does not come up to the high standards we set ourselves. The good name of our label was the main factor, and we only counted the financial costs afterwards."

"There are chemicals with which we could have doctored the wine. It could have been blended with wine from a better year or sold simply as a 'dry red.'"

"But that is not our way." The problem, he said,

QUOTE
"We could have doctored it with chemicals but our name is the main factor. We only counted the cost afterwards."

sprang from the disastrous weather of the 1976/77 growing season. "Normally the rainfall is 100 mm. We had 428 mm. The grapes never really ripened though we waited virtually until winter to harvest them."

"On January 2, 1977 we couldn't even get the tractors into the vineyards to spray. But we took a chance and made wine from the grapes thinking it might improve with maturation. It was no use."

Mr Stofberg said the loss per case of 12 bottles compared to what they would have got if the wine had been up to standard was about R9. That would work out at well over R60,000.

Mr Stofberg said: "We decided to follow the French tradition of scrapping a vintage that is not up to scratch."

Weather

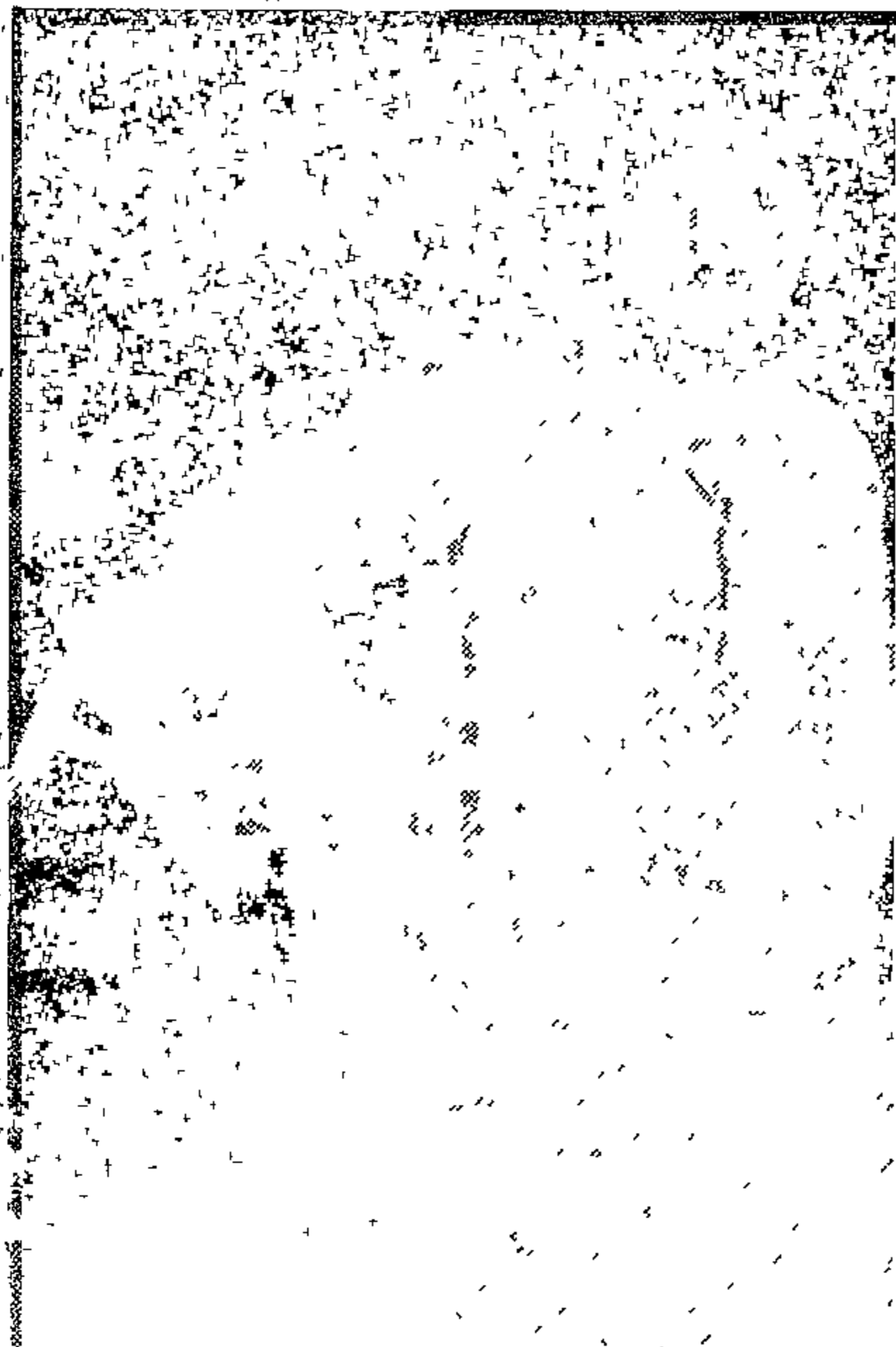
He emphasised that Groot Constantia, which is bounded on three sides by the sea, was particularly susceptible to weather fluctuations.

"If Stellenbosch, say, has a bad year, they may have twice as much rain as normal, not over four times as much, they still can be able to produce good reds."

He said the estate's white wines from that year had turned out well and his was the only estate in the really rainy part of the Peninsula producing its own red wine.

People wanting to buy red wine from the estate have the assurance of Mr Stofberg that plenty is available from other years.

I sampled some of the 1976 cabernet — and found it excellent.



Koos Stofberg pours 1977 red wine down the drain

SAYS THE GENERAL

Tribune Reporters

GENERAL Hendrik van den Berg's Information scandal secrets could be made public if he gives evidence before the Van der Walt Commission into exchange control

—GAS RHODESIAN GUNS BLEAZED —AWAY WE HIDE IN A DITCH

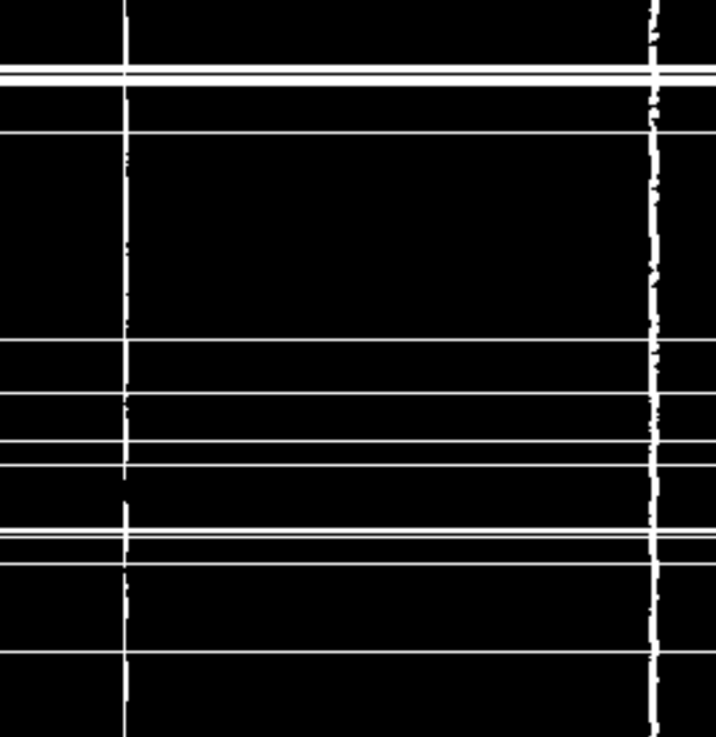
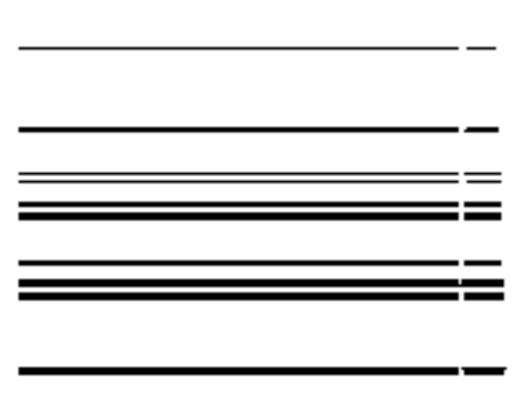
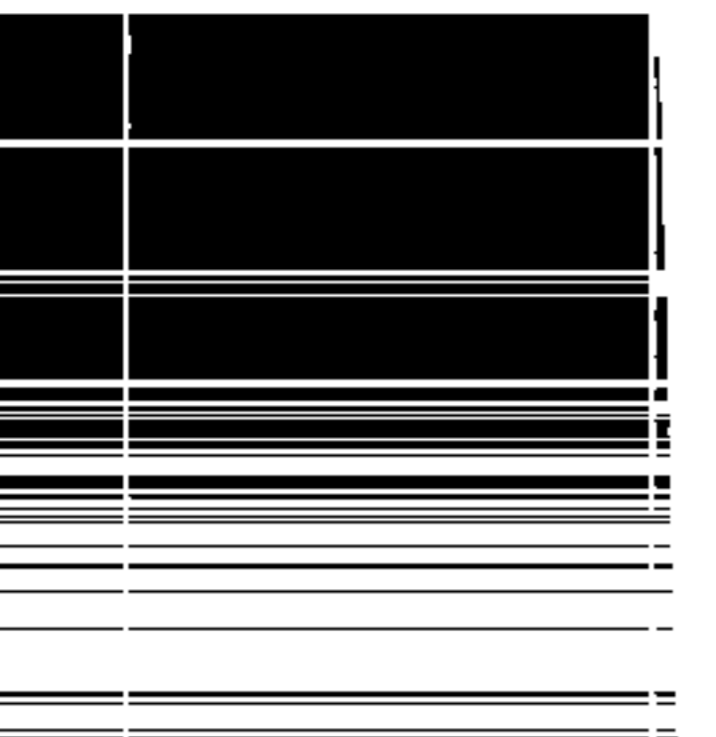
This was confirmed by commission chairman Mr. Henne van der Walt and follows the bizarre demand by the former Boss chief that he be brought to trial for calling the Erasmus Commission a farce. He also accused it of character assassination.

"Lang Hendrik" yesterday joined thousands of campaigners who signed petitions all over the country to demand that he — and anybody else who might be guilty of an offence in connection with the Information scandal — be brought to trial.

roce f ve winners an
ockey Betie Hayde
three Included in Robert
successes was Bold Tropic
winner of the R75 00
Richelieu Guineas
Three of the winner
were trained by Mr Davi
Payne, two by Mr Sv
Land and two others b
Mr Brian Cheliv and M
Buller Benton.
Roberts' successes wer
on Ton Up, Just McKenna
Pasoda, Bold Tropic an
Montelmar Hayden score
on Faro, My Memory an
Morning Suit
Natal houses have been
having an unprecedented
run of luck since the Cap
season opened.
Roberts rode the 2-
avourite Bold Tropic to
great win over the local
olt Horatius, which
failed second favourite at
5-1.
Horatius challenged
strongly and came a gain
in the closing stages.
Only Roberts' powerful
riding held off the Cape
colt.

Superboy!

NEW YORK Four-year-old Charles Green was reported to be in good condition in a New York hospital today after an unsuccessful attempt to fly from his family's seventh-story flat.



fire blasted the bush around them during the Rhodesian attack on Chimora which lasted for three long days in September.

And all four men told of the heartbreak when they watched a plane leave without them from an air-strip in Mozambique's Frelimo Province after they were told they would be released in time for Christmas.

The four men released here by Mugabe's Zimbabwe African National Union, were Major Wigglesworth, who was captured on his farm near Umtali, on August 1, Mr James Black,

late born Mr. Olanes Maartens, 53, a father of seven, who was captured on his farm at Headlands on May 18.

Major Wigglesworth said he and the other men were rushed out of their camp at Chemora when Rhodesia began its air and ground raid on September 20 last year.

"We had to lie in a ditch throughout the daylight hours while the firing went on all around us. And at one stage a Rhodesian helicopter flew low over us and dropped troops less than 400 metres away from us." All this time about 20

adverse publicity of 1975. ing us to a rescue squad." ZANU officers told the men the Rhodesian troops had called out their names in an apparent search for prisoners.

Mr Maartens commented "We were also worried about being caught in a crossfire. The Rhodesians would not have seen us until they were right on top of our positions and bullets don't ask names and addresses." The men were allowed to move about only at night and much of the area about them was burning from the Rhodesian mortar fire.

Eventually the Rhodesians

soon after he was captured when a terrorist took him to a deserted kraal. "I thought he was going to kill me quietly with a bayonet because we were still inside Rhodesia."

The men said they did not know of any other white prisoners being held by Zanu but they had counted a column of about 100 Africans who Zanu told them were captured members of the Rhodesian security force.

Many of them were Selous Scouts who had been discovered posing as terrorist recruits, the Zanu men said.

Mr Dan Nesor, one of the organisers, walked up to him and assured him the campaign was not directed at him personally. The general said he knew precisely what it was all about.

"He was charmingly friendly," said Mr Bertelsmann. We thanked him for his gesture. He gave no indication he had meant it sarcastically."

The organisers were delighted at the general's move.

"This is instant Africana," said Mr Bertelsmann. "We are having it framed right now."

Previously the Attorney General of the Transvaal, Mr J. Nothing, decided not to prosecute General van den Bergh because evidence he might disclose would not be in the interests of the country. The Minister of Justice, Mr Kruger, refused to intervene.

Mr Justice R. B. P. Erasmus, who heads the commission into the defunct Department of Information, seemed taken aback when told the news.

"Oh," he said. "Well, that is his affair entirely. I am a judicial commission and I do not want to comment on side issues." There were 18 collection points in Johannesburg.

in Cape Town this week to consider a request from its two Progressive Federal Party members, Dr Zac de Beer and Mr Schwarz, that General van den Bergh be either invited or subpoenaed to give evidence.

Mr Schwarz said the hearings of the commission would be public unless the chairman ruled that it was necessary to protect the identity of a witness or if he believed it not in the national interest to have the evidence disclosed. The first of these two considerations obviously did not apply to General van den Bergh.

Said Mr Schwarz, "If he has committed a criminal offence the law must take its course. He clearly believes that the findings of the commission are not supported by the evidence and he therefore wants that evidence to be made public."

Mr Schwarz said that General van den Bergh's acknowledged deep involvement in the affairs of the Department of Information, notably the Citizen venture, which had used funds laundered out of South Africa and back again via a Swiss bank, made his evidence material to the Van der Walt Commission.

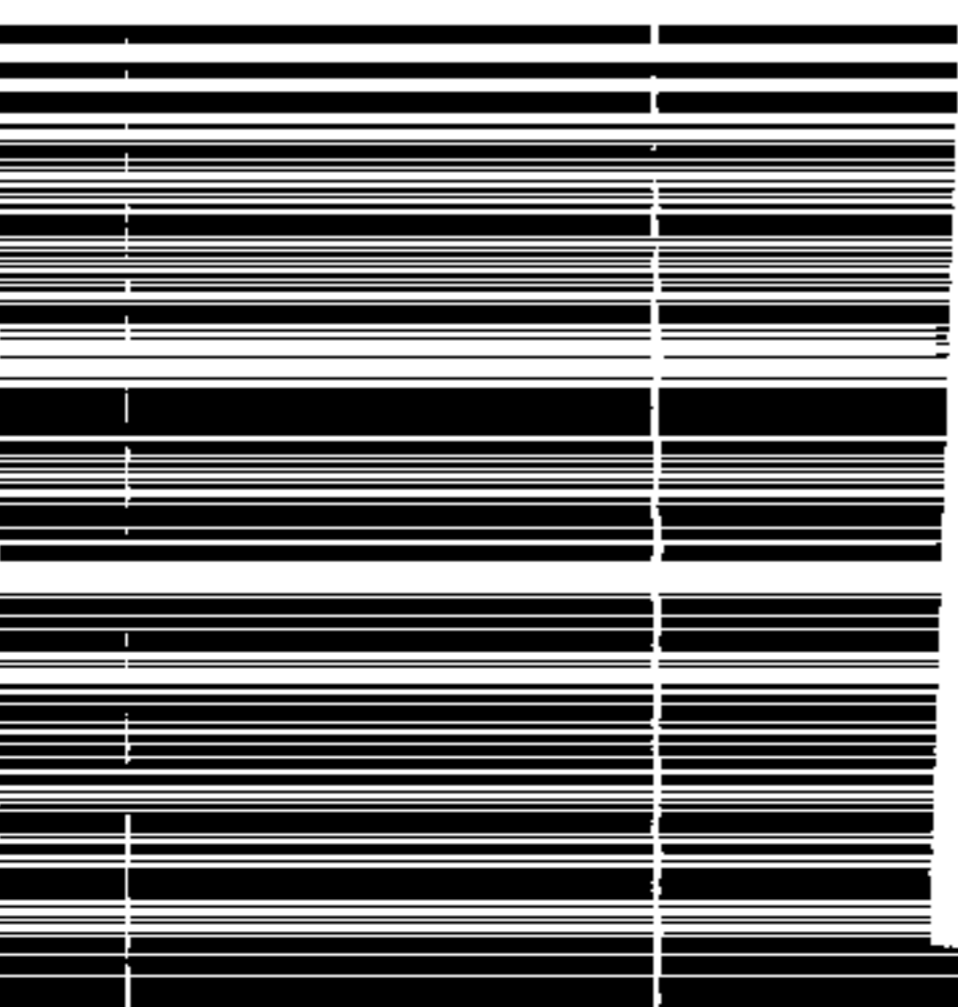
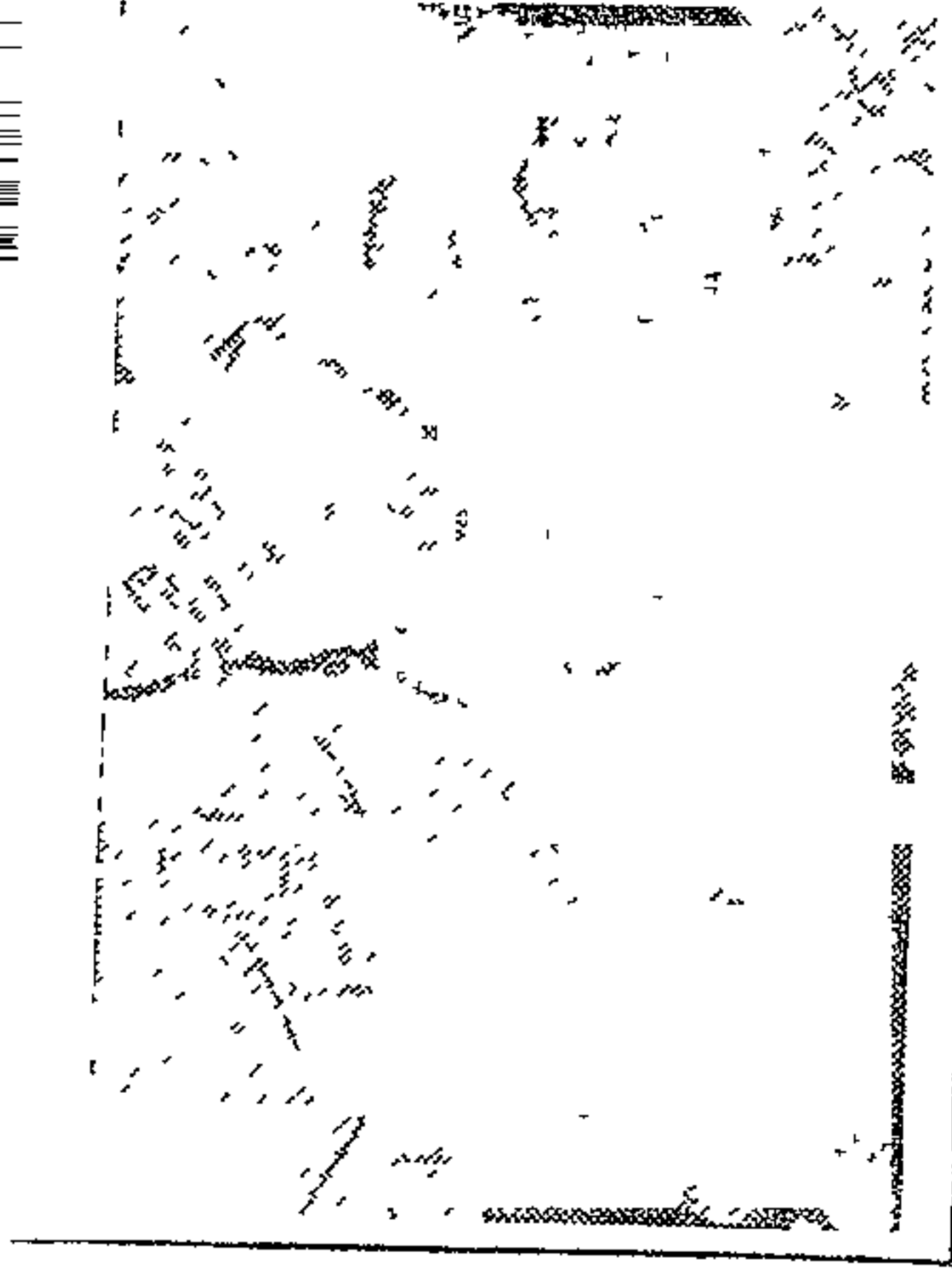
The battle for young Tim

FIFTY times a day Lynn and David Shackleton place their five-year-old son Timothy in a cupboard. Every even minutes they put a mask over his face and twelve times a day for five minutes he is rotated upside down from a hook in the ceiling.

It is not some fendish torture, but the La Lucia couple's desperate attempt to help their brain-damaged son.

They are acting on orders from pioneer American doctor, Glen Doman.

See "Timothy gets a fighting chance" on Page Seven.





Johannes Maartens, a South African national captured by terrorists in Rhodesia last year, addresses a news conference after his release in Maputo.

Terror captives tell of

battle ordeal in bush

From BRENDON NICHOLSON of the Tribune Africa Service in Maputo

OUR white civilians captured by terrorists in Rhodesia's bush lay in a long, narrow trench while waiting for Rhodesian troops to arrive and waited for their guards to kill them.

Former British army officer Major Thomas Wilesworth, 66, described the agonising hours he spent as a mortar

45, who was taken by terrorists at a forestry reserve at Melsetta on August 18 and 18-year-old John Kennerley, who was abducted while hitchhiking 12 km from Beit Bridge on the road to

guards formed a tight circle around the men as they lay hidden by bush. "There was no question of our being taken back alive by the Rhodesians — it was clear that our guards would have killed

desians left on the third day. While he was being taken across Rhodesia by the terrorists Mr Maartens said he saw "hundreds" of Zanu men in sections of between 15 and 30. "They seemed to have their own designated areas and passed me from group to group."

Major Wilesworth had

naught believe this may force the Government to take action.

"The Minister of Justice cannot ignore this challenge," said Mr Everard Bertelsmann, liaison officer for the Committee of Equality before the Law.

And Mr Harry Schwarz, one of the two Progressive Federal Party MPs on the Van der Walt Commission, said: "The only way out for the Government is either to disclose the general's evidence or to prosecute. It really has no choice."

"General van den Bergh is obviously trying to provoke the Government into action — he is taunting them."

General van den Bergh would not comment yesterday when asked if he would testify before the Van der Walt Commission.

A startled Mrs Jackie Chapman, who was marching the table in Church Square, Pretoria, where the general signed, said: "He just walked up and sat down, said, 'Goie more' and signed. He smiled nicely, said dan-

The General signs his name

SCANDAL

SECRETS

GOULD

BE WARE

PULLS

and the response — as elsewhere in the country — was reported to be good.

People queued at tables in Cape Town, Durban, Springs, Warmbaths, Rustenburg, East London, Port Elizabeth and Cape Town to add their names.

Mr Henne van der Walt, chairman of the Van der Walt Commission and the National Party MP for Schweizer-Rietje, said the

Premier bedank koerante

Van Ons Politieke Redaksie

JOHANNESBURG.

DIE Eerste Minister, mnr. P. W. Botha, het die koerante van die Nasionale Pers gister bedank dat hulle in die lig van die gebeure van die laaste tyd vir sover dit vir hulle moontlik was, met die Regering saamgewerk het.

Mnr. Botha het op 'n noenmaal in Johannesburg formeel afskeid geneem van die direksie van die Nasionale Pers, waaruit hy kort ná sy verkiesing tot Premier getree het.

Hy het gesê die Regering sal te alle tye die staat se belange handhaaf en beskerm en ten tweede 'n eerbare openbare lewe probeer verseker.

„Dat die vrye pers 'n verantwoordelikheid in dié verband het, betwyfel ek nie. Die pers het 'n reg om te publiseer wat nie skadelik vir die staat is nie.

„Maar die pers het ook die verantwoorde-

likheid, as daar 'n beroep op hom gedoen word om 'n Regering die kans te gee om sy verpligtinge na te kom, om hom dan daardie geleentheid te gee. Dit was my ongelukkig nie die afgelope vyf weke gegun nie.”

Mnr. Botha het die koerante van die Nasionale Pers (Die Burger, Beeld, Die Volksblad en Oosterlig) bedank vir die samewerking, wat hulle verleen het en het ook sy dank uitgespreek teenoor opposisie-gesinde koerante wat probeer het om saam te werk.

Hy wil dit egter ook stel dat hy dit nie van die hele pers kan sê nie, het mnr. Botha gesê.

Hy het die hoop uitgespreek dat die bande van samewerking tussen hom en die Nasionale Pers nie verbreek sal word nie en dat hulle altyd gewaardeerde vriende sal bly.

Sien ook foto op bl. 5.

OOP GEMOED VIR AANBEVELINGE

Botha was onbewus van Citizen-geld

Burger 4/1/28 (259)

Van Ons Politieke Redaksie

PRETORIA.

HY het in geen stadium as Minister van Verdediging of as lid van die Kabinet kennis gedra dat geld in enige vorm aan The Citizen toegewys is, soos beweer word nie, het die Eerste Minister, mnr. P. W. Botha, gister op 'n perskonferensie in die Uniegebou gesê.

Die Eerste Minister het gesê daar mag verskeie aanbevelinge wees wat hy sal moet hanteer en hy sal 'n oop gemoed moet hê om te kyk watter van daardie alternatiewe die aanvaarbaarste vir die Regering is.

Hy sal sy kollegas in die Kabinet natuurlik moet raadpleeg, en hy wil dit baie duidelik stel dat die Minister van Finansies, sen. Owen Horwood, heeltemal onbewus was van enige geld wat aan The Citizen toegewys is, indien die beweringe waar sou wees.

„Ek sal die kommissie vra, en ek het hulle versekering, dat hulle onmiddellik met hul taak sal begin. Ek is net so begerig soos u dat hierdie aangeleentheid moet opgelêer word ter wille van Suid-Afrika se goeie naam, ter wille van die belofte wat ek aan die land gedoen het en wat ek voornemens is om gestand te doen.

Die Eerste Minister het gesê dat hy reeds bekend gemaak dat hy reeds op die perskonferensie is soos volg: „Die Eerste Minister het deur regter Anton Mostert bekende ontvullings eergesins na die opspraak van die ander ontwikkelings (die bladsy.) (Lees berig elders op hierdie bladsy.) „Ek het in 'n koerant bohaal gaan bedank nie wens die Inligting duidelik laat blyk dat h. Min. Mulder het gister WORD

LUYT SWYG NOG

Van Ons
Politieke Redaksie
JOHANNESBURG

MNR LOUIS LUYT bewaar steeds die swye Suid-Afrika se kunsmiss-miljoenêr en een van die sleutelfigure in die drama rondom die bekendmaking van wanpraktyke in die gewese Departement van Inligting, het nog geen woord gerep, sedert regter Anton Mostert die land met sy openbaringe geskok het nie.

„n - Woordvoerder vir mnr. Luyt het gisteraand by mnr. Luyt se woning Solitaire in Parkwood, Johannesburg, gesê hulle praat in hierdie stadium nie met die pers nie.

Dit blyk dat mnr Luyt indringende samesprekinge met sy finansiële raadgewers en sy ouditeur, mnr. Fourie du Preez, voer. Hulle het eergisteraand tot in die middernagtelike ure by Triomf se hoofkantoor in Milnerpark, Johannesburg, samesprekinge gevoer.

"development" projects there might be in their area, and to the fact that very poor and isolated villagers are not so quick to see the benefit of new ideas. However there is evidence that after a period of observation of an efficiently run project the poor people do join and then are the hardest working. Communal gardens are much more open to benefitting the very poor than dairies are. A member needs no resources to join apart from a small amount of money for seeds, and labour. If the amount of labour available is limited, a member is not forced to drop out of the project, she/he may just produce less, and even if she doesn't get enough food to sell she will generally get some to eat.

Most gardens do produce a supplementary source of food and some cash for most members (see chart p.36). It is more difficult for them to generate a significant amount of cash because of marketing problems and also because of lack of labour. However those families which have a man's labour available for hawking and production are making significantly more money than women-only families. Nevertheless as Mr. Buryambo points out, the gardens cannot generate enough for a family to live off and so, as with the dairies, they function as one of several supplementary sources of income. They should be seen not as something which will transform the way in which people live but as something which may satisfy a small part of people's needs, and in some cases part of people's financial needs.

POSITIVE FACTORS

1. Where the gardens are fully established and functioning properly (i.e. not Umlambo and Inkomo) people who were not previously feeding their families on home grown vegetables say they have noticed a definite improvement in the health of their children.
2. At the communal gardens people learn techniques of vegetable growing and soil preparation. They take these techniques back to their home gardens and teach neighbours. Many members cited the knowledge gained as important.
3. Apart from the members at Inkomo and a few people who said they had particularly fertile soil at home, all members said that yields at the communal garden were higher than at home because of the fencing, water, and better soil preparation there.

./..

In talking to members I was struck by the importance of nutrition education and the influence it has in deciding people to start growing vegetables. An assessment of a nutrition programme might show that a fairly small percentage of people follow up their initial contract by starting gardens. However, in discussing people's reasons for getting involved in the gardens one finds that pretty disjointed information from far away hospitals, or a doctor's advice about nutrition before have spread through about nutrition a much longer time assess the bene

Triomf-aandele kry min kopers

Burger #1178 (259)

Van Ons Politieke Redaksie JOHANNESBURG.

DIE onthullings oor die bedrywighede van die voormalige Departement van Inligting het gister geen merkbare invloed op die Johannesburgse Beurs gehad nie.

Die aandele van Triomf, mnr. Louis Luyt se maatskappy, het gister geopen op eergister se sluitingsprys van 155 sent.

Al invloed van die onthullings oor die beweerde gebruik van geld en geriewe van Triomf vir die oprigting van The Citizen, was dat daar baie verkopers, maar geen kopers vir die aandele was nie.

'n Aandelemakelaar het gister aan Die Burger gesê die moontlikheid dat die verhandelinge van aandele van Triomf tydelik opgeskort sal kan word, kan nie uitgesluit word nie.

Na verneem word, kan aandeelhouders in mnr. Luyt se kunsmismaatskappy beswaar aanteken teen die beweerde onreëlmatige gebruik van hul geld en kan gevra word dat 'n ouditeur aangestel word om te verduidelik wat alles agter die skerms gebeur het.

UMLAMBO	UMTHI	INKOMO	IDOTI	ABALLIMI
				Buyambo R200 + 5 people + R100 Some R20-R60 Most R10-R20 Few none
				Majority summer only. Others garden provides half needs in summer

I discuss the degree of communalism in the different gardens and people's views about it, in part II of this paper.

PREMIER OP PERSKONFERENSIE:

Nuwe kommissie begin dadelik

Van Ons Politieke Redaksie

PRETORIA.

DIE Eerste Minister, mnr. P. W. Botha, het 'n regterlike kommissie van ondersoek aangestel na die bewerings oor die gewese Departement van Inligting. Die kommissie sal sy verslag voor of op 6 Desember uitbring.

Die Premier het ook aangekondig dat die Parlement op 7 Desember gaan byeenkom. Die Regering sal dan standpunt oor die verslag inneem.

Die Eerste Minister het hierdie belangwekkende aankondiginge gister op 'n groot perskonferensie vir redakteurs en politieke beriggewers in die Uniegebou gedoen.

Die regterlike kommissie sal onmiddellik met sy werk begin en sal bestaan uit regter Rudolph Erasmus van die Vrystaat, adv. Braam Lategan, Prokureur-generaal van Kaapland, en adv. George Smalberger, hoof-staatsregsadviseur.

VIR ALMAL

Die Premier het gesê toe hy op 28 September verkies is tot Eerste Minister het hy op die treetjies van die Senaat sy doelstellings uitgespel. Hy het die behoud en die ontwikkeling van ordelike regering eerste gestel en ten tweede onderneem om 'n skoon openbare administrasie en doeltreffende regering te bevorder.

Dit geld vir almal en niemand is bo die reg verheven. Gevolglik het hy eergster dit nodig geag om die land te herinner aan die bepaling van die proklamasie waarvolgens die Mostert-kommissie aangestel is.

Die Premier het gesê dat hy en sy kollegas ondanks hul gewigte pligte oor veiligheidsake, internasionale betrekkinge en ander sake onmiddellik hul aandag geskenk het aan die werk van die reeds bestaande Kemp-komitee. Die lidmaatskap van die komitee is vergroot en daardie feit is onmiddellik aangekondig.

Die komitee bestaan uit mnr. Dries Pretorius, Sekretaris van die Tesourie, mnr. J. D. du Toit, adjunk-Prokureur-generaal, mnr. Andries Engelbrecht, Direkteur-generaal van die Suid-Afrikaanse Inligtingsdiens, en mnr. Koos

van sy opdrag aangaande onreëlmatighede, bevoordeling, wanpraktyke en wanbesteding van staatsfondse en dat toepaslike, stappe gedoen moet word om hierdie take op 'n ander wyse te ondersoek. Gevolglik word 'n regterlike kommissie aangestel.

„Ek dink ek het reg wanneer ek vanoggend sê dat hierdie komitee hard gewerk het. Ek wil hulle in die openbaar daarvoor bedank.”

Die Eerste Minister het gesê die regterlike kommissie word versoek om sy verslag voor of op 6 Desember te lewer en dat hy by die Staatspresident aanbeveel om, nadat die verslag ontvang is, die Parlement as die hoogste gesag in die land op Donderdag, 7 Desember, byeen te roep.

„Ek sal in daardie sitting die Regering se standpunt aan die Parlement voorle vir

oorweging.

„Ek is nie die geleentheid gegun om met al die verantwoordelikhede wat op my gelaai is, rustig met my voort te gaan nie. Ek aan hierdie uitdaging met al die implikasies daaraan verbonde. Ek sal die land wakertig in die oë kyk, ek hoop dat ek op die se media 'n beroep kan maak om hulle die ooreenstemming te gedra.”

MOSTERT HET WET OORTREE, SÊ L.V.

REGTER ANTON MOSTERT het die Kommissiewet oortree deurdat hy nie aan die Staatspresident verslag gedoen het nie voordat hy sy bevindinge oor die beweerde wanbesteding van staatsgeld deur die gewese Departement van Inligting openbaar gemaak het, het die voorsitter van die parlementêre studiegroep oor Justisie, mnr. Thomas Langley, gister in Pretoria gesê.

Mnr. Langley, L.V. vir Waterkloof, het gesê die

Kommissiewet no. 8 van 1947 bepaal duidelik dat niemand die bevindinge van 'n kommissie wat deur die Regering aangestel is, mag openbaar maak voordat dit aan die Staatspresident voorgelê is nie.

„As 'n kommissaris, wat 'n Volksraadslid is, die bepaling van sy amp oortree het en daarom voor regter Mostert verskyn het, dan wonder 'n mens wat die agbare heer se kritiek en beslissing sou gewees het,” het

mnr. Langley, 'n advokaat gevra.

Hy het gesê regter Mostert behoort aan die einde van sy ondersoek alle getuienis objektief te oorweeg het moes sy verslag dan aan die Staatspresident voorgelê het.

„Enige getuienis wat ingevolge sy opdrag ontaaklik was, kon in 'n private verhoor aan die Staatspresident of Prokureur-generaal voorgelê word,” het mnr. Langley gesê. —(Sapa.)

Adv. Lategan praat oor sy nuwe taak

„ONS is nie politici nie. Dit is 'n regterlike ondersoek en ons sal ondersoek instel soos regterlike amptenare dit doen,” het adv. A. J. Lategan, S.C., Prokureur-generaal van Kaapland gister gesê nadat hy verneem het dat hy een van die drie lede van 'n regterlike kommissie van ondersoek na die gewese Departement van Inligting is.

Adv. Lategan, regter R. F. Erasmus van die Vrystaatse

gedoen is,” het hy gesê.

„Dit sal heelwat werk kos om homself te vergewis van die volle besonderhede van die saak. Dit is egter in die landsbelang dat die aangeleentheid so deeglik en gou moontlik opgeklare word. Dit

sal harde werk wees en daaraan sal ek seker tot my wakker bly om te werk, maar as dit kan help om probleme op te los, is ek bereid om dit te doen,” het adv. Lategan gesê.

Volgens adv. Lategan sal hy aanbeveel dat adv. D. W. Rothwell, adjunk-Prokureur-generaal, waarnaem vir die tydperk wat hy met die ondersoek besig sal wees

JOHANNESBURG.
DIE Southern African Society of Journalists (S.A.S.J.) het gister 'n beroep op die joernaliste van The Citizen gedoen om hul werk te bedank, in 'n verklaring gesê, "elke salarissiek wat hulle ontvang moet nou as bevleete geld beskou word".

Mnr. John Patten, voorsitter van die S.A.S.J., sê in 'n verklaring die Mostert-kommissie "het dit duidelik gestel dat agente van die Regering met die publiek en die vrye pers die gek geskeer het deurdat hulle met die belangbetalings se geld 'n koerant stig het. . . terwyl hulle hulle ontken het dat

**POPPE VAN
 KOMPLOT
 MOET
 BEDANK**

die Regering hoegenaamd daarby betrokke was".

Die posisie van The Citizen se joernaliste het nou onthoudbaar geword, het mnr. Patten in die verklaring gesê. Hulle was "onbewustelik die

poppe in 'n skandellike komplot om die openbare mening onder 'n valse naam te manipuleer.

Joernaliste in Suid-Afrika se vrye perswese kan nie toelaat dat hulle as handlangers van die Regering beskou word nie. Hoewel 39 joernaliste van The Citizen eergisteraand verklaar het dat hulle niks van die ooreenkoms geweet het wat hulle aan 'n politieke beleid verbind het nie, en hoewel hulle verklaar het dat hulle die beginsels van onafhanklike joernalisme steun, bly daar in die lig van die nuwe feite vir hulle net een uitweg om te volg — hulle moet bedank." — (Sapa.)

**Regter he
 uitgestap,
 sê Horwood**

Van Ons Politieke Redaksi
 PRETORIA.

REGTER ANTON MOSTERT, wat die ondersoek na valuta-oortredings doen, het eergister in die Uniegebou in sy gesprek met die Eerste Minister mnr. P. W. Botha, sonder meer opgestaan, omgedraai en uit die kantoor gestap, het die Minister van Finansies, sen. Owen Horwood, gister op die Premier se perskonferensie in Pretoria vertel.

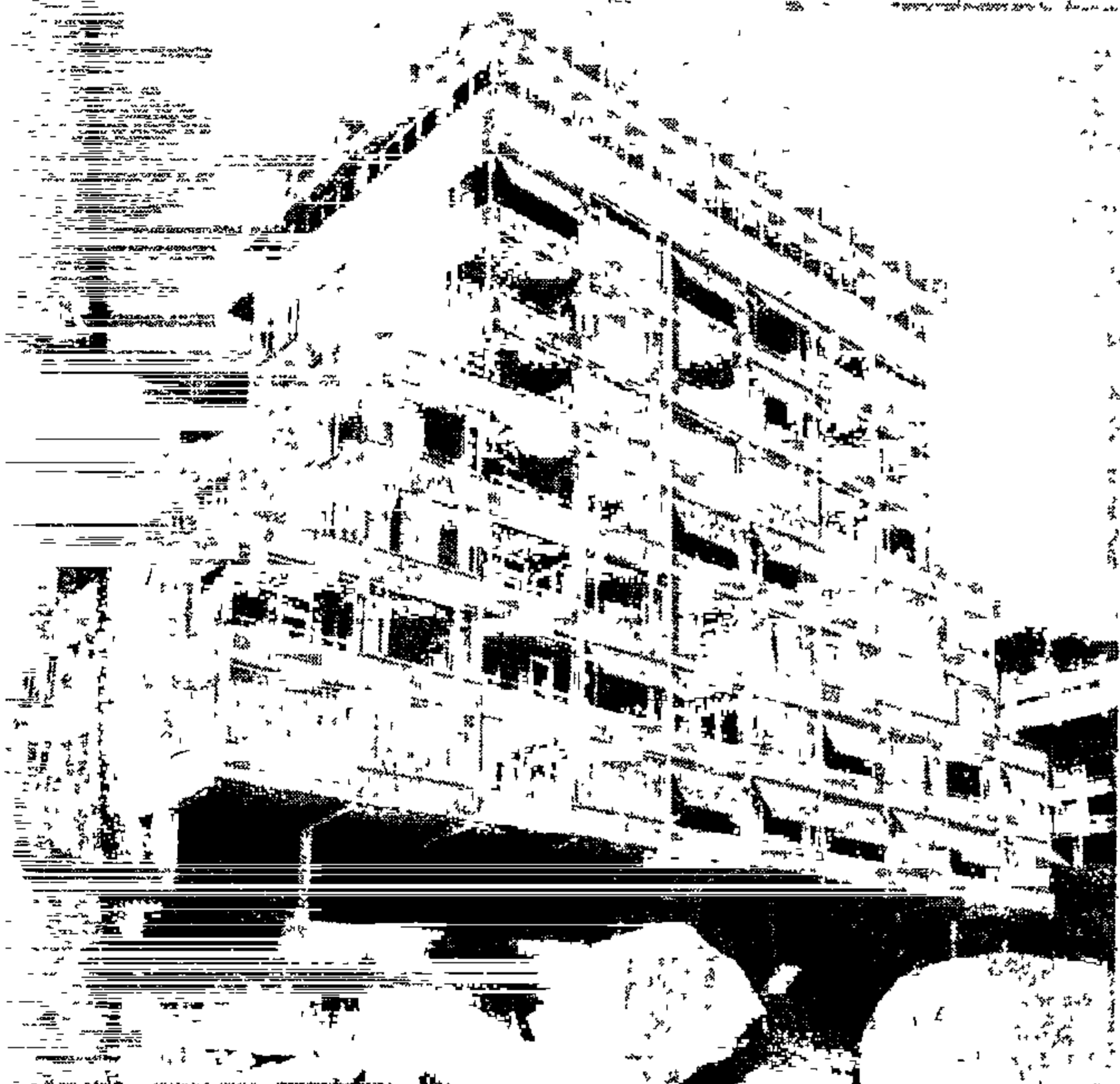
Die Eerste Minister het min Horwood op die perskonferensie aan die woord gestel sodat hy kon vertel wat by die onderhoud tussen die Premier en regter Mostert gebeur het.

Min. Horwood het gesê regter Mostert het twee sake aangeroe, naamlik dat mnr. Koos Kemp en Loot Reynders voor sy kommissie moet getuig Die Eerste Minister het hom meegedeel dat hy weens die geweldige drukte van werk nog nie reelings daarvoor kon tref nie, maar hom verseker dat regter Mostert die inligtinge wat hy soek, kan kry sodra mnr. Dries Pretorius, Sekretaris van die Tesourie, aan hom verslag gedoen het

oor die ondersoek na die geheime projekte.

Min. Horwood het gesê regter Mostert het voorts aan die Premier gesê dat hy kommissaris self moet beslis of hy sy getuieis openbaar gaan maak.

Min. Horwood het gesê regter Mostert het in die gesprek opgestaan en aan die Eerste Minister gesê dit was die eerste keer dat 'n Minister aan 'n regter probeer voorskryf hoe hy met sy werk moet voortgaan en dat daar geen punt in is om die onderhoud voort te sit nie. Volgedie Minister het regter Mostert hierop omgedraai en uit die Eerste Minister se kantoor gestap.



SES woonstelle in die gebou op Clifton se eerstrand behoort nog aan Thor Communicators, frontmaatskappy van die gewese Departement van Inligting volgens getuieis voor regter Anton Mostert. Die woonstelle is ter waarde van sowat R256 000 uit 'n geheime fonds van Valhalla Flats gekoop deur een van die drie destydse aandeelhouders, adv. Retief van Rooyen, teuwig. Dr. Rhodie wou volgens die getuieis hê dat hulle ook die ander verkochte woonstelle in Valhalla Flats moes aankoop, hoewel hy nie 'n aandeelhouer in die maatskappy was nie. Mnr. Van Zyl Alberts, besturende direkteur van die nuustydskrif

To The Point, het die orige woonstelle toe na bewering in die maatskappy naam en in sy eie naam gekoop. 'n Woordvoerder van die eiendomsmaatskappy deur wie die woonstelle bemark word, kon gister nie sê aan wie die gebou behoort nie. Mnr. Clive Parks, die agent (wat self in een van die woonstelle woon), is oorsê en kom eers oormôre terug, het hy gesê. Mnr. Parks het volgens adv. Van Rooyen aan hom vertel dat dr. Rhodie die onderhandelinge vir die aankoop van die woonstelle persoonlik gevoer het en dan op die laaste oomblik gesê het sy maatskappy, Thor Communicators, sal die kontrak onderteken.

**'n Poging om my
 uit te buit—Graaff**

Van Ons
 Politieke Beriggewer
 As daar enige sprake was dat staatsgeld betrokke was by die poging om South Afri-

**P.F.P., N.R.P.
 PRAAT SAAM**

Die Progressiewe Federale Party en die Nuwe Republiek-party het 'n gesamentlike openbare vergadering vir 8 November in die stadsaal in Durban belê om teen korrupsie beswaar te maak. — (Sapa)

can Associated Newspaper oor te neem, sou hy nou daaraan deelgeneem het nie. Hy sou die saak ook onmiddellik in die Parlement gepopper het.

Só het sir De Villiers Graaff, gewese leier van die Opposisie, gister in 'n verklaring in Kaapstad gesê.

As die inligting wat vandag gepubliseer is korrek, dan is dit duidelik dat die uitnodiging aan my om me te doen aan die oornama-aanbod, 'n skandalige poging was om my goeie naam en aansien en dié van my familie uit te buit.

Sir De Villiers het toe die Frans-Graaff

PIK BOTHA SKAAR

senior adjunk-sekretaris van die Departement van Nasionale Veiligheid. Die Eerste Minister het dit ook aangekondig dat die Ouditeur-generaal, mnr. Wilhe. Schicker, onafhanklik met die saamwerk.

VERGEEFS

Botha het verwys na sy verklaring van 25 Oktober, waarin hy die versekering het dat hy die gevalting dringend en in laat ontleed en onder het en waarin hy alle tekens gevra het om sy te aanvaar en die saak af te rus totdat hy 'n verdere noodiging doen en soveel as moontlik met die omging van landsbelang bekend maak.

Tot my spyt was my verslag vergoed, het hy gesê. Die Premier het aangehaal die opdrag van die sogek Kemp-komitee, wat die Pretorius-komitee geword. Die opdrag aan die komitee bly onveranderd vas te stel met watter van die Departement Inligting voortgegaan word, watter geheime te onmiddellik beëindig word en of daar enige maatgemaakte of bevoorde van individue of instansies was en hoe staatsbelange moet word.

Die Eerste Minister het dit is die komitee nie om sy werk in stilte te sit nie. My versoek die openbare media is agsaam en daar is op wildste wyse voortgegaan verwarring in Suid-Afrika onder sy mense te saai.

HARD GEWERK

Botha het gesê die komitee het reeds sy eerste verslag gelewer, waarin word gesê dat die sedert sy samestelling 17 Oktober vanjaar reeds projekte uit 'n totaal van projekte van die voormalige Departement van Inligting ondersoek en oorweeg. Die komitee het aanbeveel 26 projekte onmiddellik te word. Die doel waar hulle ingestel is, is of of kan nie meer doel- bereik word nie, besonderhede van die projekte is aan mnr. Botha bekend.

Die Premier het gesê die komitee het aanbeveel dat hy 'n verslag moet kry om te sien of die projekte verder te voer. Die komitee meen verder weens sy samestelling staat is om getuienis te leed te voer nie of om te kruisvra nie en het geveel dat hy onthef word.

Hooggeregstrator en adv. G. F. Smalberger is deur die Eerste Minister, mnr. P. W. Botha, benoem om 'n regterlike ondersoek te doen na die Inligting-kwessie. "Niemand hoef bang te wees dat die waarheid verberg sal word nie," het adv. Lategan gesê.

Volgens adv. Lategan stel die regterlike kommissie net in die waarheid belang. Hy kon gister nog nie met sekerheid sê wanneer die kommissie sy werksaamhede sal begin nie. "Ek aanvaar dat ons feitlik onmiddellik sal begin, maar ek wag nog vir nader besonderhede. Ek neem aan dat ons heeltyds betrek sal wees by die werksaamhede totdat die kommissie se werk voltooi en verslag.

Erasmus man met wye ervaring

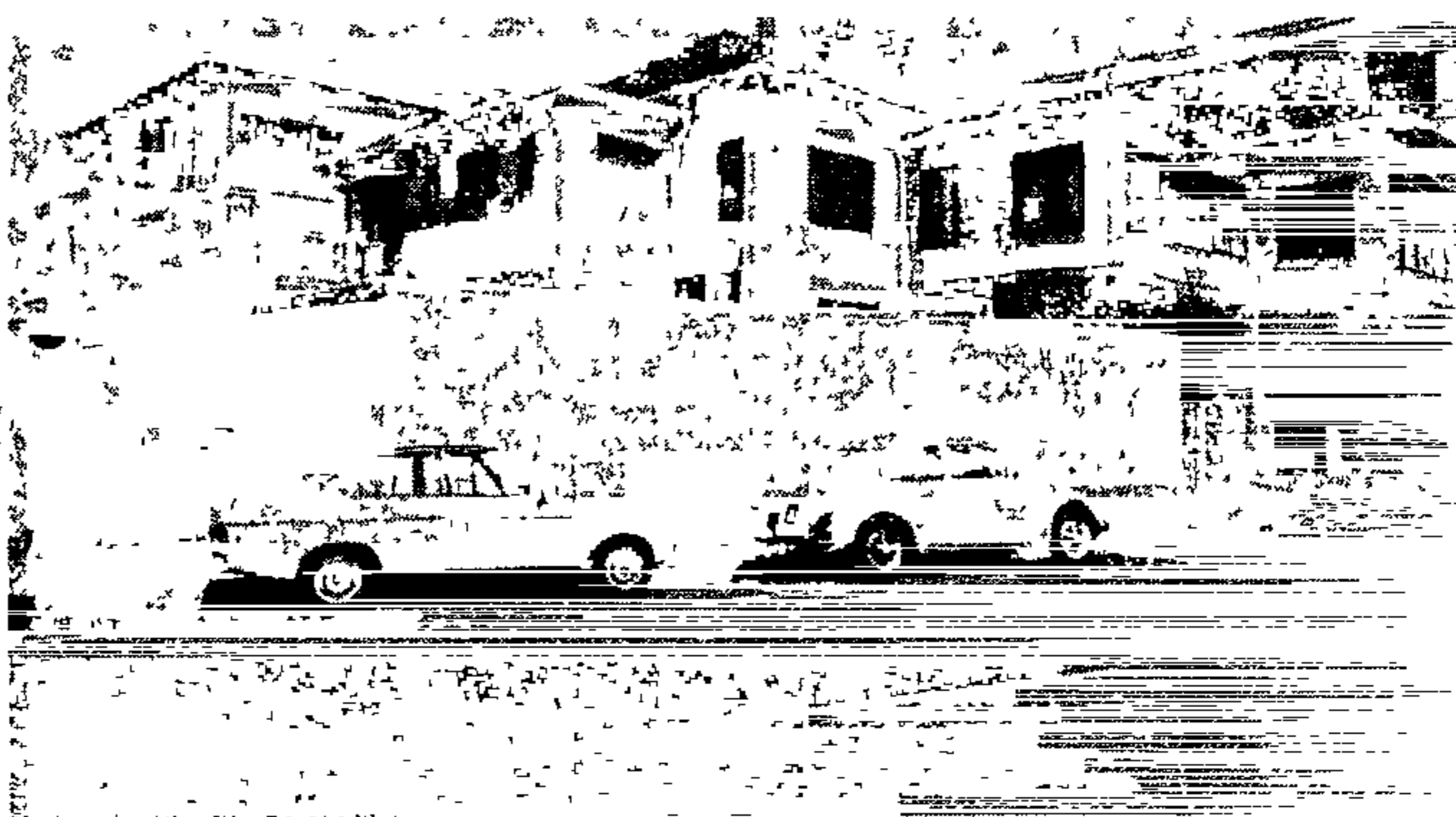
Van Ons Politieke Redaksie PRETORIA. REGTER R. P. B. ERASMUS, wat deur die Eerste Minister aangewys is as voorsitter van 'n regterlike kommissie van ondersoek na beweringe oor die gewese Departement van Inligting, het wye ervaring as lid en voorsitter van kommissies.

Regter Erasmus, wat agttien jaar gelede as waarnemende regter aangestel is totdat hy twee jaar later regter geword het, was sedert 1969 voorsitter van 'n vergoedingskommissie wat elke twee jaar aanpassings van die dokters, tandartse en later ook terapeute se gelde ondersoek het. Die kommissie het ses keer opgetree totdat die taak vanjaar aan die S.A. Geneeskundige en Tandheelkundige Raad op vaste voet opgedra is.

SUIDWES

In 1975 was hy voorsitter van 'n kommissie oor bedryfs-gesondheid in Suid-Afrika en Suidwes. Hy het self navorsing gedoen en inligtinge in die lande en in Amerika, Brittanje en verskeie Europese lande ingewin.

Regter Erasmus was ook lid van die nuutste afbakeningskommissie van Suid-Afrika en Suidwes.



BY THE SEA, die eiendom by Saundersstrand in Seepunt wat dr. Eschel Rhodie na bewering verlede jaar namens 'n frontmaatskappy van die gewese Departement van Inligting, Thor Communicators, wou koop. Volgens adv. Retief van Rooyen, destyds een van die drie aandeelhouders in die maatskappy, het hy geweier om die koopkontrak te teken. Dr. Rhodie het die huis toe onder sy eie naam gekoop. Na wat berig word, was die huis sowat vyf maande gelede in die mark, maar dit word in die telefoongids steeds as die adres van dr. Rhodie aangedui. Die toegangshekke tot die huis word elektronies beheer en 'n bejaarde vrou wat daar woon, het gister geweier om Die Burger te woord te staan.

RAW VERWELKOM BOTHA SE BESLUIT

DIE leier van die Nuwe Republiekparty, mnr. Vause Raw, het gister die Eerste Minister se besluit om die Parlement aanstaande maand byeen te roep, verwelkom. Die Eerste Minister het die besluit geneem nadat regter Anton Mostert getuienis bekend gemaak het oor beweerde wanbesteding van Staatsgeld in die destydse Departement van Inligting. Die Eerste Minister se besluit om 'n regterlike ondersoek in te stel en die Parlement byeen te roep, is presies wat ek van hom gevra het nadat die getuienis bekend gemaak is, het mnr. Raw gesê. "Die Parlement is die regte

plek om die uitvoerende gesag te vra om verantwoording te doen vir 'n skokkende toestand wat die demokrasie tot in sy wortels geruk het. "Ek meen dat die situasie so versleg het dat die geloofwaardigheid van die Regering nie deur enige soort departementele ondersoek of selfs die opoffering van 'n paar sondebokke herstel kan word nie. Ek glo dat die implikasies van die huidige skandaal selfs verder strek as die opspraakwekkende Inligting-skandaal. "Wie presies regeer Suid-Afrika? Is dit die uitvoerende gesag, of word die land deur die gesiglose amptenare van die geheime diens gemanipuleer?" het hy gevra — (Sapa.)

Adv. Van Rooyen het getuig

Die opskrif (Só het ons diamante gekoop — De Villiers) van 'n berig wat gister op bl. 5 van sekere uitgawes van Die Burger verskyn het, was ongelukkig verkeerd. Dit was nie mnr. Les de Villiers, gewese Adjunk-sekretaris van Inligting, wat hieroor voor regter Anton Mostert getuig het nie, maar adv. Retief van Rooyen. Die opskrif moes dus gelui het: Só het ons diamante gekoop — Van Rooyen.

3 bedank by Citizen

'n Senior verslaggewer van The Citizen, Dave Jackson, het bevestig dat hy uit die koerant se redaksie bedank het, het The Star gister Johannesburg berig. Mnr. Jackson het gesê hy weet van nog twee redaksie lede wat bedank het. Hy wou nie sê wie hulle is nie, maar later is bevestig dat hulle die nuusredakteur, mnr. Marshall Wilson, en 'n senior joernalis, mnr. Chris Olckers, is. Mnr. Jackson het gesê hy en die ander wat bedank het het gevra dat hul bedankings onmiddellik van krag word. Sy bedanking is nog nie amptelik aanvaar nie en hy wou geen rede vir sy bedanking gee nie — (Sapa.)

Mulder woon vergadering by

Van Ons Politieke Redaksie JOHANNESBURG. DIE afdelingsbestuur van die Nasionale Party in mnr. Connie Mulder se kiesafdeling, Randfontein, gaan na 'n spesiale vergadering hou om die verklarings van regter Anton Mostert te bespreek nie, het die voorsitter van die afdelingsbestuur, mnr. I. C. Smuts, gister gesê. 'n Gewone vergadering van die afdelingsbestuur is al lankal vir Dinsdag belê en dit is sinloos om nou vroeër te vergader aangesien kennisgewings vir die vergadering reeds uitgestuur is, het mnr. Smuts gister gesê. Hy het weer bevestig dat die Nasionale Party van Randfontein by min, Mulder staan en dat min Mulder wel Dinsdag die vergadering sal bywoon.

HOM BY PREMIER

PRETORIA.

DIE Minister van Buitelandse Sake, mnr. P. W. Botha, het hom volkome by die Eerste Minister, mnr. P. W. Botha, geskaar in sy verwerping van die verskynsel dat staatsgeld gebruik word om 'n politieke koerant in Suid-Afrika te stig en te onderhou.

Hy het kommentaar gelewer op die vraag wanneer hy vir die eerste keer bewus geword het van ernstige gerugte dat staatsgeld na bewering gebruik word om die koerant The Citizen aan die gang te hou.

Min. Botha is vir amptelike sake in die buiteland. Die rede van sy besoek word later bekend gemaak en hy sal

later die naweek na Suid-Afrika terugkeer.

Min. Botha se volledige antwoord aan Die Burger is soos volg:

„Toe ek op 1-September vanjaar die verantwoordelikheid vir die Buro vir Nasionale en Internasionale Kommunikasie (die gewese Departement van Inligting) aanvaar het, was ek bewus van gerugte dat The Citizen deur amptelike fondse onderhou en gesteun word.

„Ek was in daardie tyd in New York by samesprekinge oor die Suidwes-kwesie betrokke.

„Ek het op Vrydag, 8 September, na Suid-Afrika teruggekeer en myself by die vroegste geleentheid tevrede gestel dat geen geld uit die fondse

van die Buro vir Nasionale en Internasionale Kommunikasie aan The Citizen betaal word nie. Ek het toe die verantwoordelikheid vir die Buro gehad.

„Oor die gerugte oor wat die posisie voor 1 September vanjaar was, kan ek sê, dat ek geglo het dat dit 'n situasie is waarmee die komitee sal handel wat in daardie stadium besig was om sake te ondersoek wat deur die Eerste Minister aan hom opgedra is.

Op die vraag hoe hy in beginsel voel oor die toekenning van staatsgeld aan 'n koerant wat 'n bepaalde politieke party steun, het min. Botha gesê hy skaar hom volkome by die Premier se standpunt dat dit verkeerd is.

ter van die Nederlandse Bank, hom namens mnr. Louis Luyt genooi het om deel te neem aan die onderneming, is hy meegeedeel dat mnr. Luyt 'n modelklant is wat heeltemal in staat was om die nodige geld vir die oorname-aanbod te doen.

KOUKUS INGELIG

In geen stadium is selfs te kenne gegee dat staatsgeld betrokke was, of dat mnr. Luyt aansienlike geldelike steun van buite nodig gehad het nie. As daar enige suggestie was dat die Departement van Inligting of 'n ander departement betrokke was, sou ek uiteraard nooit die uitnodiging oorweeg het nie.

Sir De Villiers het gesê nóg hy nóg sy familie was betrokke by mnr. Luyt se latere pogings om 'n nuwe dagblad te stig. Hoewel hy in die hele aangeleentheid in sy persoonlike hoedanigheid as direkteur van een van die maatskappye van sy familie opgetree het, het hy sy koukus ten volle ingelig.

President se opdrag aan kommissie

Van Ons
Politieke Redaksie
PRETORIA.

DIE byeenroeping van die Parlement en die aanstelling van die Erasmus-kommissie na ongerymdhede in die voormalige Departement van Inligting is gisteraand hier deur middel van 'n buitengewone Staatskoerant amptelik bekend gemaak.

Volgens die kennisgewing in die Staatskoerant val die kommissie onder die Kommissiewet 1947 (Wet 8 van 1957), wat beteken dat die Inligting-aangeleentheid nou sub iudice is en dat geen nuwe bewerings of klagtes anders as aan die kommissie openbaar gemaak mag word nie.

Die volledige opdrag van die Staatspresident, mnr. B. J. Vorster, aan die



MNR. B. J. VORSTER

kommissie is om ondersoek in te stel na en aanbevelings te doen oor:

* Enige onreëlmatighede of onregmatige bevoordeling van individue of instansies

of die wanaanwending van staatsfondse deur die voormalige Departement van Inligting en/of enige iemand wat aan daardie departement verbonde was;

* Die metodes en die wanpraktyke wat gevolg is met betrekking tot enige onreëlmatighede of bevoordeling of wanbesteding wat gevind mag word.

* Stappe wat gedoen moet word om sodanige praktyke te beëindig en optrede met betrekking tot enige persoon of persone wat by sodanige optredes betrokke was; en

* Enige naverwante aangeleentheid wat betrekking het op die punt hierbo.

Die kommissie is versoek om voor 6 Desember aan die Staatspresident verslag te doen.

Ons was onbewus van geld: Citizen

JOHANNESBURG.

DIE finansiële personeel van The Citizen was onbewus van die ware bron van die geld wat gebruik is om die koerant te begin, het die finansiële bestuurder van die koerant, mnr. J. E. L. de Groot, gister hier in 'n verklaring gesê.

Die verklaring lui: „Namens die finansiële personeel van The Citizen verklaar ek kategoriees dat ons onbewus was van die ware bron van die geld wat vir die stigting en instandhouding van The Citizen gebruik is.

INTEGRITEIT

Die geld wat aan ons toevertrou is, is en word met die hoogste moontlike standaard van doeltreffendheid en professionele gedrag beheer en is aan gereelde ouditering onderworpe.

Die verklaring is gedoen om die integriteit van die finansiële personeel te beskerm. — (Sapa.)

SWAUK dra programme

Van Ons
Politieke Redaksie
JOHANNESBURG.

TUGSTAPPE word oorweeg teen mnr. Julian Potter, 'n programleier van die aktualiteitsprogram Radio Today, nadat hy gisteroggend sy pos agter die mikrofoon verlaat het — uit protes teen die besluit van die S.A.U.K. om geen besonderhede oor die Inligting-debakel bekend te maak nie.

Volgens 'n woordvoerder van die S.A.U.K. het mnr.

Potter sy pos agter die mikrofoon verlaat en 'n ander programleier moes sy skof behartig. Daar is egter geen sprake van 'n staking deur joernaliste van die program nie.

Die woordvoerder het ontken dat ander joernaliste van Radio Today by die voorval betrokke was.

Volgens Sapa het mnr. Potter gesê: „Ek het uitgestap omdat sekere nuus weggelaat is.”

Die S.A.U.K. het nóg die inhoud van register Anon

Mostert se verklaring nóg enige besonderhede oor die beskikbare getuigenis uitgesaai.

„Ek praat net op grond van my eie geloofwaardigheid as 'n programleier en die geloofwaardigheid van Radio Today as 'n radio-program,” het mnr. Potter gesê.

Hy het gesê hy het nie bedank nie, maar is deur die S.A.U.K. in kennis gestel dat hy tot verder kennisgewing geskors is.

WESTE REAGEER VINNIG NÁ AANVAL

Rhodesië skerp veroordeel

AMERIKA en Frankryk het Rhodesië skerp veroordeel oor sy nuutste lugaanval op terroristebasisse in Zambie en gesê sulke aanvalle kan die oorlog vererger.

Die Amerikaanse departement van buitelandse sake het in 'n verklaring gesê die nuutste aanval weerspieël „'n erdte ongevraagde en dreigende uitbreiding van die Rhodesiese oorlog”.

INMENGING

Die Franse departement van buitelandse sake het in 'n verklaring gesê die nuutste aanval sal tot buitelandse dryging in die gebied lei.

Die kanse vir 'n vreedsame oplossing van die geskild word v die dag skatler.

Die Rhodesiese mede-minister van vervoer, mnr Bill Vine, het gister gesê met die aanvalle in Zambie en

Mosambiek word die Viscount-ramp gewreë. Die vliegtuig is deur terroristiese neetgeskiet en oorlewendes vernoo.

Ons korrespondent in Lusaka berig dat Rhodesiese bomwerpers eergister 20 km van Lusaka 'n terroristekamp aangeval het.

LUGHAWE

Die aanval het vyftien minute geduur, en groot skade is aangerig. Volgens woordvoeders van 'n hospitaal in Lusaka is twee terroristes in die aanval dood en sowat dertig gewond.

Die leier van die Zapu-terronste, Joshua Nkomo, het intussen na Oos-Europa vertrek. Na wat vermoed word, soek hy na wapens en ander toerusting om dié te verrig wat in die Rhodesiese aanvalle vernietig is.

Daar is geen getuiens wat daarop dui dat daar op die Rhodesiese bomwerpers gevul is nie. Volgens woordvoeders van die lughawe in

WASHINGTON.

Lusaka was die beheertoring nie in verbinding met die bomwerpers nie.

Die vlieënier van 'n private vliegtuig het eger gehoor hoe die Rhodesiese vlieëniers oor dieselfde goflensie as dié wat deur die Zambiese beheertoring gebruik word, met mekaar praat. Sedert verlede week is alle private vlugte in Zambie verbied.

(Sapa-Reuter)



57 KRY MEDALJES VIR DIENS

DIE geheime wapen van 'n volk in sy moreel, het kol. H. J. W. Bothma, bevelvoerder van die lugmagbasis Ysterplaat gister op die basis se medaljeparaade gesê. Altesame 57 Pro Patria-medalies, toegeken vir die bestryding van terrorisme, is aan lede van die Lugmag, waaronder vier brui lede, oorhandig.

Die Pro Patria-medalje is gister oorhandig aan kdtel C N Breyenbach, R E Hayton, B L Palm, J F van Graan en J Cloete, maj P W H Coetzer, L W G Fourie en D J Strauss, kaptein K R Bailey, C P Bent, C C Campbell, O B Engelbrecht, G. S. Lock, J G Lourens, D F Strauss, P C C. Swanepoel, G L The-

as blyk van waardering vir die organisasie se diens. Die Pro Patria-medalje is gister oorhandig aan kdtel C N Breyenbach, R E Hayton, B L Palm, J F van Graan en J Cloete, maj P W H Coetzer, L W G Fourie en D J Strauss, kaptein K R Bailey, C P Bent, C C Campbell, O B Engelbrecht, G. S. Lock, J G Lourens, D F Strauss, P C C. Swanepoel, G L The-

Die Pro Patria-medalje is ook toegeken aan v-serss S H Anderson, J J L de Vil-

ALTESAME 57 Pro Patria-medalies is gister op 'n medaljeparaade op die lugmagbasis Ysterplaat aan lede van die Lugmag, onder wie vier brui lede, oorhandig vir hul dienste ter bestryding van terrorisme. Hier staan van die manne op parade nadat hulle hul medalies ontvang het.

Kaapstad se water duurder

INWONERS in die munisipale gebied van Kaapstad is ontstoke oor die munisipaliteit se „geheime” besluit om die watertarief met 6,5 persent te verhoog.

Die verhoogde tarief volg ná 'n wins van R1,3 miljoen wat die munisipaliteit verloorde jaar op water gemaak het.

Mnr H G. Heugh, stads-klerk, het gister aan Die Burger gesê die uitvoerende komitee van die stadsraad het die watertarief met 6,5 persent te verhoog omdat gegewe wens daarop gedui het dat 'n verlies op die inkomste uit die verskaffing van water verwag kon word.

„Die verhoging in die prys van water is groot, maar die rede daarvoor is dat die raad verplig is om nou water uit die Riversonderendprojek te kry. Ons is verplig om R61 miljoen te bestee vir nuwe pylpyn van die Teewaterkloofprojek, nuwe watersuiweringwerke by Wemmershoek en Brackenfell en 'n opleiding wat van Brackenfell aan die stad se watermetgekoppeld sal word,” het mnr Heugh gesê.

Volgens mnr. Heugh is daar ook nog nie rente en

kapitaaldelging oor 'n tydperk van 25 jaar wat in aanmerking geneem moet word.

„Dit is alles faktore wat gelien het tot die besluit om die watertarief te verhoog,” het hy gesê.

Mnr A. Katz, Voorzitter van Wyk 17 se Belastingbetalersvereniging het eergister gesê die reg van die belastingbetalers word skynbaar nie meer deur die raadslede geken nie. Die belastingbetalers het dié reg om te weet.

„Vergaderings van dié uitvoerende komitee geskied soos in enige sake-onderneeming. Dit is nodig om in 'n voorlopige bespreking voor dat 'n besluit geneem word, sake van dié aard in camera te bespreek, anders kan druk op die vergadering uitgeoefen word.

S.A. kan moed skep uit Zambie se besluit—Vorster

Van Ons Politieke Redaksie
VANDERBIJLPARK

„SUID-AFRIKA kan moed skep uit sy herstel en nuwe spoorverbindings met Zambie en Swaziland. Drie jaar gelede by die Brugberaad het Zambie se president my aanbod van spoorweghulp, en selfs 'n skriftelike waarborg in dié verband, van die hand gewys” het mnr B. J. Vorster, Staatspresident, gister gesê toe die ereburgerskap van Vanderbijlpark aan hom toegeken is

Pres Vorster het gister die sluis gelig oor samesprekinge wat destyds tussen hom, Zambie se pres. Kenneth Kaunda en mnr. Ian Smith Rhodesie se premier, plaasgevind het

Pres Vorster het gesê drie jaar gelede het hy tydens die Brugberaad, toe Rhodesiese partye op 'n Suid-Afrikaanse trein beraadslaag het, met president Kaunda oor kommunikasie gepraat „Geen land kan vooruitgaan sonder goeie, gereelde en betroubare kommunikasie nie.” het hy destyds gesê.

„Ek het hom geprobeer oordeel om die kommunikasie na die Suide weer oop te stel en die spoorverbinding met Suid-Afrika deur Rhodesie te herstel. Ons het lank en indringend oor die aangeleentheid gepraat

„Later het ek mnr Ian Smith gevra om by te kom. Mnr Smith het in my teenwoordigheid onderneem dat as die spoorlyn oopgestel word, hy dit te alle tye sal oophou

„Ek het aan die president

Transkei kry groot geskenk

UMTATA. — Transkei het gister op Teko naby Butterworth 'n nuwe sentrum vir tegmese opleiding van Consolidated Gold Fields Bpk. ontvang Die sentrum wat R56 000 kos, sal 120 leerlinge per jaar kan huisves en is aan die adjunk-premier van Transkei, kaptein George Matanzima, oorhandig — (Sapa)

Vorster wens Dominica geluk

PRETORIA — Die Staatspresident, mnr B J Vorster, het 'n telegram van gelukwensing aan die president van Dominica gestuur by geleentheid van dié staat se onafhanklikwording — (Sapa)

van Zambie gesê ek is bereid om te waarborg dat dit so sal geskied Mnr Smith en ek het albei aan hom gesê dat ons bereid was om dit skriftelik aan hom te waarborg

„Hy het anders geoordeel Hy het geoordeel dat sy toekoms nie na die Suide lê nie maar na die Noorde. Ek het vir hom gesê ek verskil van hom Ek was nie 'n profeet nie, maar ek het vir hom gesê die pad na die Noorde mag vir jou bankrotskap meebring terwyl die pad na die Suide voorspoed sal bring

„Ek het dr J. G. H. Loubser, hoofbestuurder van die Spoorwee aan hom voorgestel en gesê dit is die heer met wie jy nog eendag oor die heropening van die spoorlyn sal onderhandel”

Pres Vorster het gesê Swaziland het ook 'n paar dae gelede 'n spoorweegaansluiting met Suid-Afrika bewerkstellig Meer as twintig jaar gelede het die land ook die geleentheid gehad om dit te doen Hulle is toe daarteen geadviseer „Vir hulle het die toekoms deur die destydse Lourenco Marques (Maputo) gelê. „nou besef 'n nuwe Swazigslag en regering dat sy toekoms deur Suid-Afrika loop”

WERKLIKHEDE

Pres. Vorster het gesê hierdie twee gebeurtenisse is miskien nie na waarde geoordeel nie Baie mense het nie gelees wat daarin gelees behoort te word nie

Sy standpunt deur die jare was dat ekonomiese werklikhede die lande van Afrika sal dwing om hul houding, teenoor Suid-Afrika te heroorweeg. Die twee spoor-aansluitings het die waarheid van sy woorde bewys

„Op die lange duur maak dit nie saak hoe hulle jou swartmeer of kletmeer nie Wat saak maak, is hoe stabiel jyselt is. As ons ons geloof kan behou en ons stabiliteit sigbaar vir die wêreld daar kan stel, dan kan die wêreld teen ons blaas soveel as wat hulle wil”

diens oorhandig

STAANDE BLY

Kol Bothma het gesê as 'n land se mense saam staan, sy geledere bankvas agter sy vegtende magte sluit, die wil besit om te leef en te oorleef, vasbyt en moedhou en hom veiset teen afbrekende strominge wat mense en volkere van binne wil aftakel en vernietig, kan so 'n nasie teen 'n oormag staande bly

Kol Bothma het na die Suiderkruistondsag verwys wat gister deur die Weermag gevier is en gesê die Suiderkruistonds lewer 'n ontsaglike bydrae om die gemeenskap te mobiliseer en op dié wyse diens te lewer aan die veiligheidsmagte van Suid-Afrika Hy het namens die Weermag 'n spesiale sertifikaat aan mnr B Heckroodt, voorsitter van die Bellville-tak van die Suiderkruistonds, oorhandig

Laaste eer aan Terry- Lloyd

SOWAT tweehonderd hooggeplaaste Vlootoffisiere en ander belangstellendes het gister 'n gedenkdiens vir skout-adml M R Terry-Lloyd in die historiese Vlootkerk St. George in die Simonstadse skeepswerf bygewoon

Adml Terry-Lloyd, wat verlede Sondag in Pretoria oorlede is is eergister in 'n private diens in Kaapstad veras Sy oorskot word oormêre van die fregat S A S Pretorius ter see bestel

In sy huldigungsrede het die voormalige Hoof van die Weermag, adml H H. Biermann, gesê met die heengaan van adml Terry-Lloyd het Suid-Afrika een van sy grootste offisiere, een wat 'n half-eeu lank nou gemoed was met die maritieme ontwikkeling in Suid-Afrika, verloor

„Hy het 'n vername aandeel gehad in die totstandkoming van die Suid-Afrikaanse Vloot, en in gesamentlike vlootoefeninge met ander lande het sy bekwaamheid Suid-Afrika se naam eer aangedoen „Die naam Terry-Lloyd sal nog jare lank in offisiërsbakke en menasies oór die hele land genoem word,” het adml. Biermann gesê.

Die diens is gelei deur die assistent-kapelaan-generaal (Vloot), kapt M. M. Pretorius, kapelaan M E. Moore en kanunnik D Rogers Dit is onder meer bygewoon deur die hoof van die Vloot, vise-adml. J C Walters, brig. L H Robertson, bevelvoerder Kommandement W P, en brig J F Nortjé, bevelvoerder van Maritieme Lugkommandement

DWIGHT RANDOLPH SNYMAN OP LAINGSBURG OORLEDE

Van Ons Verteenwoordiger
STELLENBOSCH.

DR D R. SNYMAN (87), bekende gewese predikant van Stellenbosch, is gisteroggend op Laingsburg ná 'n beroerte oorlede Hy het die laaste jare op die dorp gewoon Hy was 'n paar dae in die hospitaal op Laingsburg

Hy was N.G. predikant in Woodstock, waar hy in 1924 georden is en van 1927 tot 1947 predikant op Stellenbosch Hy het in die ou pastorie naby die Moederkerk gewoon Van 1927 tot 1962 was hy Sondagskool-sekretaris Dr Snyman was redakteur van „Die Ou Paas”, skrywer

van die Katkisasieboek en talryke brosjures van geestelike aard.

Mnr. Eric Louw, gewese Minister van Buitelandse Sake, was met 'n suster van dr Snyman getroud

Dwight Randolph Snyman is op 5 April 1891 gebore Hy het op Stellenbosch en in Princeton in Amerika gestudeer en is in 1923 gelegitimeer Hy was getroud met mej Kate Cloete van Molteno

Die huwelik was kinderloos Sy het hom 'n paar jaar gelede ontval en hy is weer getroud met 'n weduwee Hunlun van Laingsburg, wat

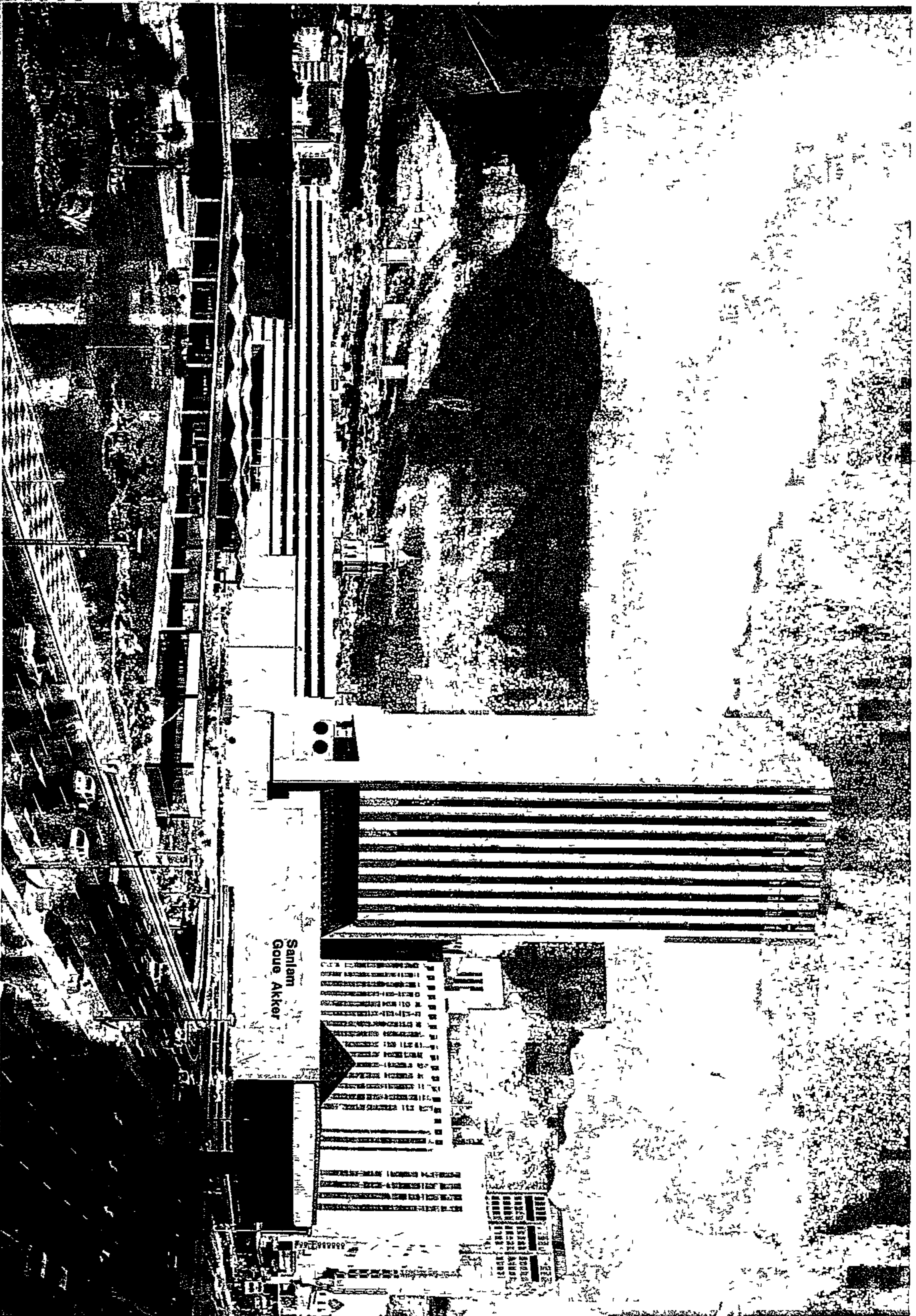
hy agter laat

Dr Snyman kom oorspronklik van Oos-Londen waar hy as jong man klerk by 'n groot sakeonderneming was

Dr Snyman het die grade B A, B D en D.Th. verwerf Hy was 'n goeie organiseerder en goeie prediker. Prof T N Hanekom van Stellenbosch het gister gesê as sy kollega kan hy getuig dat die kategetiese en Sondagskoolwerk op Stellenbosch op 'n baie hoë peil was „Die eer kom dr Snyman in hoe mate toe.”

Die begrafnis is Woensdagoggend om tienuur uit die N.G. kerk in Oos-Londen.

SamJam Group AKKER — U goue geleentheid.



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Sentraal Maklik bereikbaar Kernpunt van al die vernameerste vervoerrotasies. Ondergronds regstreeks verbind met die sentrale dele van die stad.

Prestige 'n Geskiedkundige perseel en 'n plek waar belangrike en kleurvolle gebeurtenisse hul deur die eeue afgespeel het

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Waldeck met die dood gedreig

Burger 4/11/78 (259)

Van Ons Politieke Redaksie

PRETORIA

MNR. J. F. WALDECK, destydse hoof van administratiewe dienste in die gewese Departement van Inligting, wat einde Mei vanjaar met vervroegde pensioen afgetree het, is gistermiddag met die dood gedreig.

Mnr Waldeck het gesê sy vrou het omstreeks halfvier die telefoon geantwoord toe 'n man met 'n buitelandse aksent gesê het: „Tell that Waldeck of Information that he is going to die very quickly and very easily” Hy het die gehoorbuis toe neergesit.

Mnr. Waldeck sê hy meen dis geen grapmaker nie. Hy beskou dit in 'n baie ernstige lig en het al die stappe wat hy as nodig beskou, gedoen.

ONGEHINDERD

Hy het gisteroggend in 'n onderhoud met Die Burger gesê alle lof moet aan die pers gaan vir die uitstekende resultate wat persoonsoeke na die gewese Departement van Inligting bekroon het.

Oor die inhoud van die getuenis wat regter Anton Mostert, leier van 'n eenmans-kommissie na moontlike onreëlmatighede in die geld-

sake van die departement, eergister aan die pers beskikbaar gestel het, wou hy niks sê nie.

„Dit was sake waarmee ek niks te doen gehad het nie” Hy beskou die saak buitendien as sub judice in die lig van die Eerste Minister, mnr P. W. Botha, se beroep op almal om die kommissie wat hy aangestel het, ongehinderd te laat.

Al wat hy verder wil sê, is dat die omstandighede wat gepaard gegaan het met sy aftrede die ondersoek na The Citizen en ander aangeleenthede moontlik „beïnvloed” het.

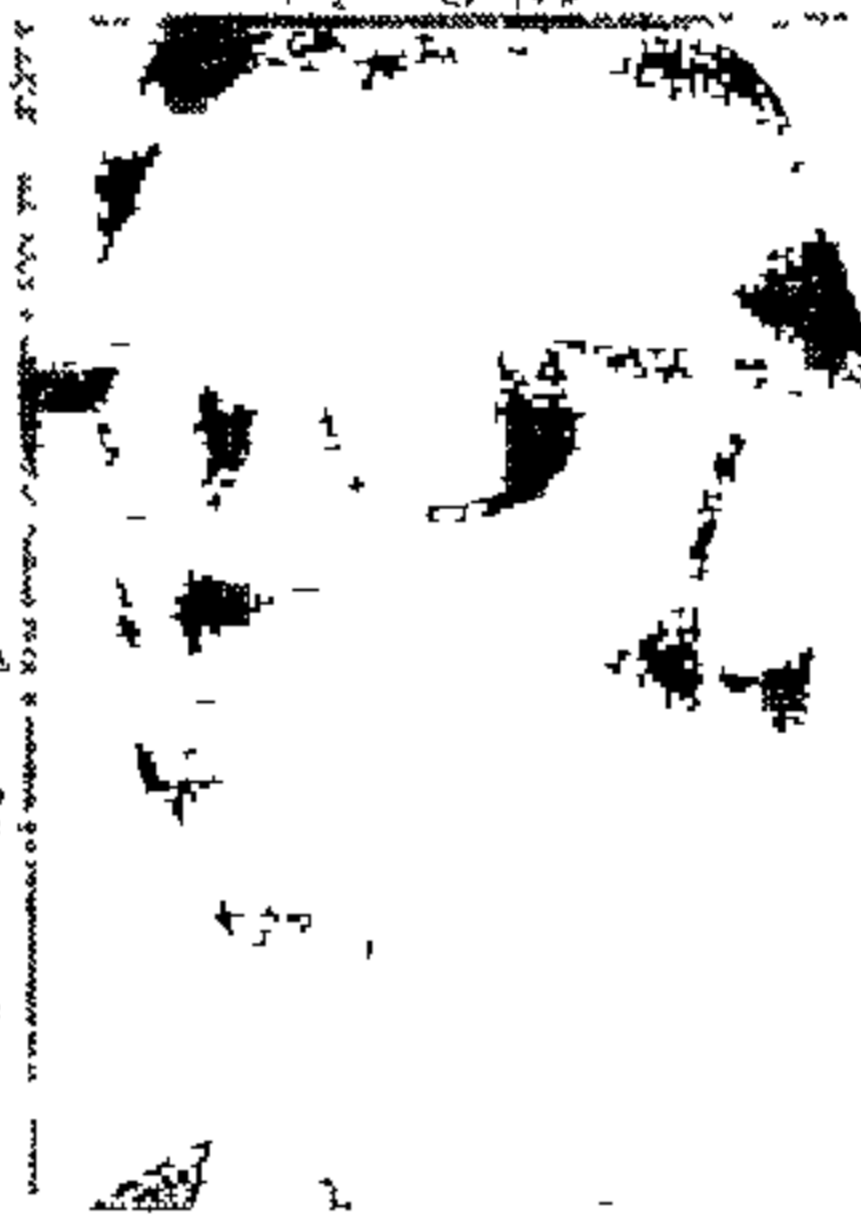
VRAE

Hy wou ook niks sê oor sy moontlike terugtrede tot die staatsdiens nie.

Mnr Botha het gisteroggend op 'n perskonferensie in antwoord op 'n vraag gesê vrae oor mnr Waldeck se

toekoms moet aan mnr Waldeck self of aan die Staatsdienskommissie gerig word.

Dr Piet Rautenbach, voorsitter van die Staatsdienskommissie Die Burger gesê by navraag aan Die Burger gesê hy is moeg vir die geval Waldeck en het niks oor hom te sê nie.



MNR WALDECK

works committees at the lower end of the scale. This provision was introduced.

Some of the members appointed by the Commission to investigate his African employees. At

present must be elected by the African

representative of the employer and need not be

appointed in a manner determined

by the Commission. Members have preferred the

precedence over the works

committees. These committees are very simply

arrangements of mutual interest to the

employer such recommendations

may be made on any other matter

which may limit the period of office

of the committee as provided by the terms of its

constitution.

It is a body elected by the workers.

In any establishment where no liaison

committee consisting of no

more than five workers is

never, representation is

not provided for in the establishment

election. The Bill extended

representation in the sense that it allowed for more than one works committee in an establishment and in larger firms, therefore, sections of the African labour force can now elect their own works committees.

A meeting convened to elect a works committee is held under the chairmanship of the employer concerned or his authorised representative. Obviously where the employees and their employer enjoy a reasonably harmonious relationship dissension on this score is unlikely. However, where relations are cool or even hostile, where distrust exists on one or both sides, this particular arrangement is inadequate for resolving what may be a fundamental conflict of interests. While the present definition of a labour dispute is far wider than that contained in the 1953 legislation, and a Bantu Labour Officer and/or Inspector, with or without the assistance of the Regional Bantu Labour Committee concerned, should intervene in an attempt to effect settlement there does seem to be a remarkable shortcoming in this connection. The Act

THE INFORMATION SCANDAL

I didn't know of Govt funds, says Div

CAPE TOWN — The former leader of the United Party, Sir de Villiers Graaff, said in Cape Town yesterday there had been no hint of Government funds being involved in the take-over bid for South African Associated Newspapers (SAAN), to which he was invited on behalf of Mr Louis Luyt.

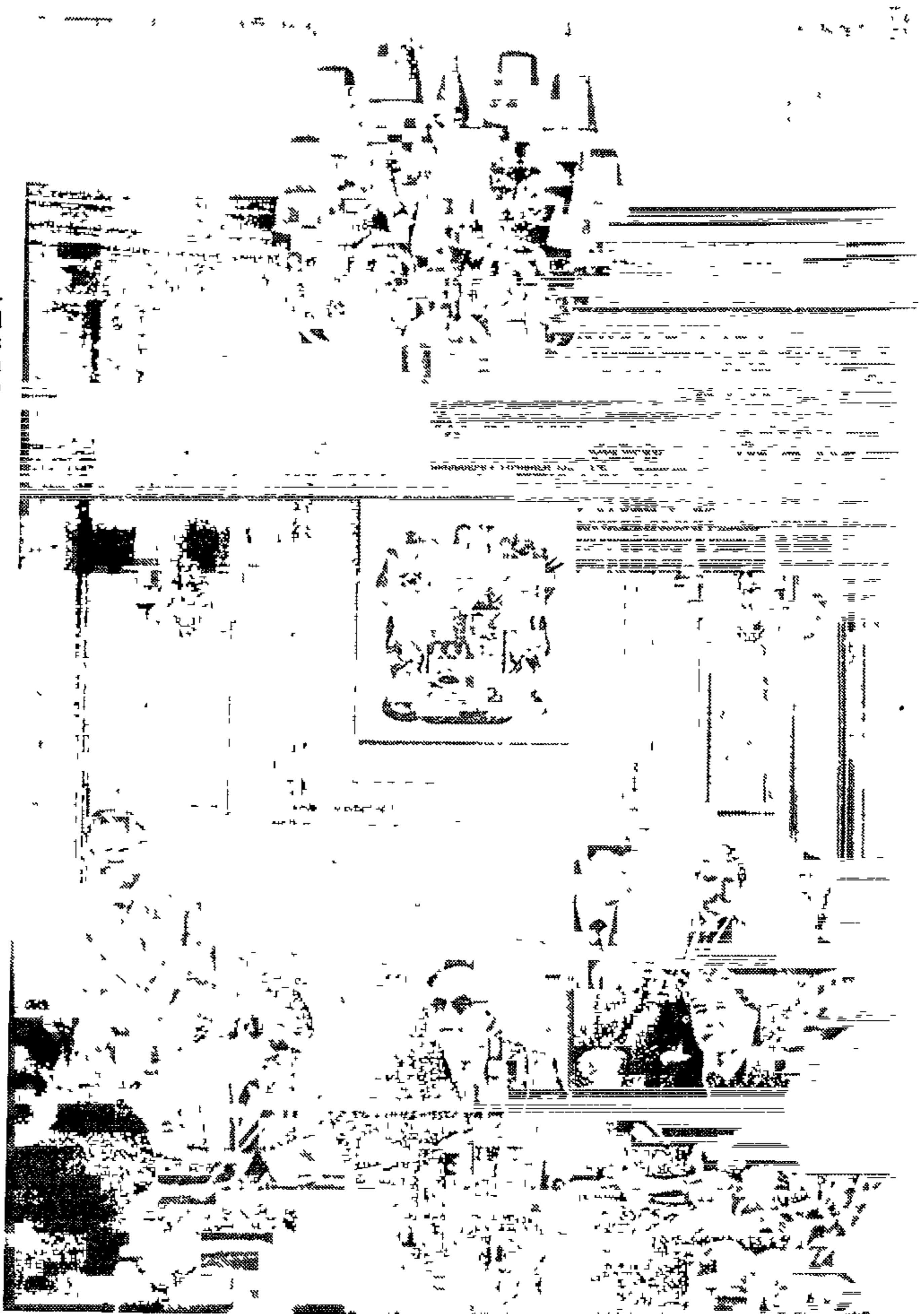
"If the information published is correct then it is clear that in inviting me to participate in the SAAN take-over bid a shameful attempt was made to exploit the good name and reputation of my family and myself," he said.

"At no time was it even hinted that any Government money was involved nor indeed that Mr Luyt really needed substantial outside financial support.

"Naturally had there been any suggestion of the Department of Information or any other Government department being directly or indirectly involved I would not only never have considered participation but would without question have immediately raised the matter in Parliament."

Although he had acted in his personal capacity in the bid, he reported fully to his caucus.

"Neither I nor any of my family interests was party to Mr Luyt's later efforts to start a new newspaper, so I have no knowledge of either the finances involved nor how it was raised," he said — Sapa.



The Prime Minister, Mr P W Botha, addresses yesterday's Press conference at which he announced the appointment of a judicial commission of inquiry into the Department of Information.

Irregularities 'shocked' Vorster

Staff Reporter

THE Prime Minister at the time of the Information department, Mr Vorster, was told October last year of irre-

gularities to be a big blow-up

Mr De Villiers did not want to throw away his career in the public service unless it was absolutely necessary, and he asked Mr

Botha that morning had already reached the ears of Dr Mulder, Eschel Rhodie and the general by that evening."

Mr Van Rooyen said he

Vorster, who told him he could take anything, but not the newspaper. The money would have to be recovered.

Mr Van Rooyen said General Van den Bergh had

Judge Mostert broke Commissions Act—MP

MR JUSTICE Mostert infringed the Commissions Act by not reporting to the State President before making public his findings on the alleged misuse of public funds by the Department of Information, the chairman of the Parliamentary Study Group on Justice, Mr Thomas Langley, said in Pretoria yesterday.

Mr Langley, MP for Waterkloof, said the Commissions Act clearly stipulated that nobody was allowed to divulge the findings of a commission appointed by the Government before they had been given to the State President, reports Sapa.

"If a commissioner, who was also a Member of Parliament, had exceeded his terms of office and appeared before Mr Justice Mostert for doing so, one wonders what that honour-

able gentleman's criticism and ruling would have been?" Mr Langley, an advocate, asked.

Mr Langley said Mr Justice Mostert should have weighed up objectively all the evidence and then submitted his final report to the State President. Any evidence not relevant to his instructions could then have been put in a separate private report.

A Staff Reporter writes that Mr Justice Mostert said in a statement on Thursday: "Regulation 12 is designed to prevent publication or dissemination of the evidence or information of the commission by a third person.

"It does not refer and was not intended to refer to publication by the commission — that much is plain

from, the language of the regulation.

"In any event, the commission's powers of publication are governed by Section 4 of the Act and must be taken to be paramount.

"Regulation 13 refers to the commission's report — but what was published today (Thursday) is not the commission's report, but the evidence taken before the commission.

"The commission's report on this aspect of the matter will be submitted to the appropriate Minister for transmission to the State President and will be available for publication if the State President so deems.

"Both regulations 12 and 13 were given the same thoughtful consideration as the other issues canvassed in my statement, before publication was decided upon."

A long record of service

MR JUSTICE R P Erasmus was appointed today by the Prime Minister, Mr P W Botha, to head a judicial Commission of Inquiry into the affairs of the now defunct Department of Information.

He worked at the Department of Education and the Department of Social Welfare before joining the editorial staff of Die Vaderland in 1940 and later the Government Bureau of Information.

He also served as chairman of the Remuneration Commissions of 1969, 1971 and 1974 and as a member of the Delimitation Commissions of 1973 for the Republic of South Africa and the Territory of S.W.A.

Mr Justice Erasmus is on the bench of the Free State Provincial Division of the Supreme Court — Sapa.

Only fourth special session of Parliament

CAPE TOWN — The special session of Parliament announced yesterday by the Prime Minister, Mr P W Botha, to discuss the Information row will be only the fourth of its kind in the country's history.

All three of the previous sittings had a "war" atmosphere about them.

The first was from September 9 to September 14, 1914 to debate South Africa's entry to World War 1.

The second came five years later to ratify the Versailles Peace Treaty with Parliament meeting from September 5 to 17.

Parliament met for its third special sitting 20 years later — from September 2 to 5, 1939 to extend the life of the Senate.

In the normal course of events the Senate's life would have expired on September 5 but it was felt because of the grave war situation its life should be extended.

However, that weekend Germany invaded Poland and Britain declared war on September 3.

The special sitting to extend the life of the Senate became far more serious.

On the Monday the Prime Minister, General Herzog, introduced a "neutrality motion" in the Assembly thus sparking off one of the most controversial debates in parliamentary history.

General Smuts introduced an amendment proposing that South Africa join the Allied cause in the war.

His motion was carried by 80 votes to 67.

General Smuts informed the Governor General, Sir Patrick Duncan, and called on him to declare a General Election.

Instead, Sir Patrick took the controversial step of rejecting an election and called on General Smuts to form a government and South Africa was at war through the third special sitting of Parliament.

Raw welcomes PW's move

CAPE TOWN — The leader of the New Republic Party, Mr Vause Raw, yesterday welcomed the decision of the Prime Minister, Mr P W Botha, to reconvene Parliament next month following disclosures showing the misuse of public funds.

Evidence to Mr Justice Mostert's one-man commis-

sion showed irregularities in Department of Information spending.

"The Prime Minister's reaction in setting up a judicial inquiry and reconvening Parliament is exactly what I appealed to him to do immediately the evidence broke," Mr Raw said in a statement.

"I believe the situation has gone so far that the credibility of the Government could no longer have been restored by any form of departmental inquiry or even by the sacrifice of a few scapegoats."

The implications went beyond the Information scandal, he said. Of the public servants in-

involved in the scandal Mr Raw said: "To what extent does the Cabinet control its own administration or even know what is going on?"

"I therefore believe that Parliament itself is the proper place for the elected representatives of the people to demand answers," he said. — Sapa.

gularities involving the department's secret funds, according to evidence placed before the Mostert commission.

Mr Retief van Rooyen, the advocate who became a director of Thor Communicators, told the commissioner he visited Mr Vorster on more than one occasion on his own initiative.

"He seemed very shocked about it when I reported to him, because this was more or less in October 1977, at the stage when The Citizen transaction was brought to my notice," said Mr Van Rooyen. He said he told the Prime Minister "the whole story".

Mr Van Rooyen told the commissioner of a visit to Mr Vorster on behalf of the former Deputy Secretary for Information, Mr Les de Villiers, who had been offered a job in America. Mr De Villiers could not stand the situation any longer and predicted that there was go-

van Rooyen to give the Prime Minister's advice on the matter.

"I went to the Prime Minister, and his advice was that Les de Villiers should put as much distance as possible between him and the Rhodies (Dr Eschel Rhodie and his brother Dr Denys Rhodie).

On the day of Mr De Villiers' farewell party, he had been to see the Prime Minister about the whole matter.

"When I arrived at the party I saw General Van den Bergh, Minister Mulder and Dr Eschel Rhodie standing in a corner together, talking.

"Les de Villiers called me out and asked me what I had been doing, because he had just been warned to be careful about talking to me, because I had been to the Prime Minister with scandal stories.

"In other words, my discussion with the Prime Min-

ister went back to him the next day and told him he was disappointed because he had considered their discussion a private one. In any case, his cover to investigate for the Prime Minister and to report to him had been destroyed.

"He said he was seriously shocked. How on earth could it have happened?"

"I told him he had spoken to the general and that the general had spoken to other people. He said he was greatly shocked by this."

In November, said Mr Van Rooyen, he was told the so-called cat's nest would be cleaned out — after the election on November 30.

The commissioner: By whom?

Mr Van Rooyen: The Prime Minister.

He had seen the Prime Minister several times after that. The whole thing was a tremendous worry for Mr

was appointed to evaluate the secret funds about the middle of 1978. He received a message that the general wanted to see him.

"He told me he had been to see the Prime Minister and Dr Mulder, and he told them he had intended retiring earlier, but he would save them.

"People were saying the Prime Minister was misleading the people by keeping quiet, and that Dr Mulder was lying. He said he told them he would save them, that he would evaluate project for project over the next two years if necessary."

Footnote: General Van den Berg said last night he denied most strongly had a part in "the alleged Mulder-Rhodie-Van den Berg machinations in so far as The Citizen is concerned, and that I was also the initiator of the whole Citizen affair and what followed thereafter."

Lategan confirms appointment

CAPE TOWN — Mr A J (Braam) Lategan, SC, Attorney General of the Cape and one of the three members of the new judicial commission of inquiry into the dealings of the former Department of Information, confirmed his appointment yesterday.

Speaking from his office, Mr Lategan said "I was officially approached this morning at the request of the Prime Minister".

He "assumed" his duties would be to lead evidence to the commission, although he had as yet not seen the terms of reference of the commission.

Mr Lategan is a former Deputy Attorney General of the Cape and former Attorney General of South West Africa.

He was appointed senior deputy Attorney General in 1972. — Sapa.

I had approval, says film chief

FILM magnate Andre Pieterse has issued a statement saying he had not used money entrusted to him as a director of Thor Communicators without the approval and knowledge of "all authorising persons".

In the one sentence statement, Mr Pieterse referred to "certain Press allegations" and gave no further details.

Mr Pieterse admitted in evidence to Mr Justice Anton Mostert that an R825 000 loan from the Department of Information front company was used to help finance the film "Golden Rendezvous".

Meanwhile Golden Rendezvous Corporation of the USA, producers of the film which starred Richard Harris, have issued a statement demanding the retraction of "allegations made by certain South African newspa-

pers" that the film was a flop.

"In its first 10 months of its worldwide release, film contracts representing minimum royalty payments amounted to \$3 300 000. Overseas distribution has so far realised the following excellent film rentals, inter alia: Japan \$1 100 000, Sweden \$250 000, Central America, Venezuela, Argentina \$200 000, South Africa \$190 000, Denmark \$180 000.

"Based on the above film rental statements, the estimated worldwide box office results for the first 10 months of release in minus-plus 30 countries should exceed \$6-million excluding USA and Canada, which countries represent more than 50% of worldwide revenues, and the company has not yet received acceptable offers for theatrical distribution in these two territories.

Journalists 'must quit Citizen'

THE Southern African Society of Journalists (SASJ) yesterday called on The Citizen journalists to resign.

Mr John Patten, the president, said in a Press statement on behalf of the SASJ that the position of journalists on the Citizen had become untenable.

"I call on the journalists employed by The Citizen to give notice forthwith of their resignation."

"Such action is essential to the maintenance of journalism's image."

Of the 39 Citizen journalists who denied knowledge of a binding editorial charter the SASJ said. "There now remains only one course open to them in the light of the revealed facts — they must resign." — Sapa.

SABC news staff walk-out denied

BY IAN REID
TV Editor

AN SABC spokesman denied yesterday there had been a walkout of news staff in Johannesburg over the "non reporting" of evidence given to Mr Justice Mostert.

Mr Retief Uys, an SABC public relations officer, said only one staff member —

Julian Potter of Radio Today — had deserted his post.

"Mr Potter is a contributor to Radio Today, and the SABC will be taking the necessary action," he said.

The evidence given to Mr Justice Mostert's one-man Commission of Inquiry on the Department of Information scandal was not broadcast on TV on Thursday

evening or on radio yesterday.

The SABC ignored the details of one of the biggest news stories of the year.

On both its English and Afrikaans radio news services, the SABC broadcast only a summary of the statement by the judge.

The corporation gave its reasons for not broadcast-

ing the evidence.

It said: "The proclamation pertaining to the appointment of this commission prohibits the publication of information submitted to the commission or any part of such information."

But Mr Justice Mostert said the regulations did not preclude him making the evidence public.

WHY did retire?

Sunday Times Reporters

GENERAL Hendrik van den Bergh, the right-hand man, lifelong friend and trusted adviser of the former Prime Minister, Mr Vorster — suddenly retired from public life in the midst of a struggle for the premiership. Why?

The public explanation is that "Lang Hendrik", as he was known, always wanted to retire as head of the Bureau for State Security (BOSS) when Mr Vorster, his friend from the internment camp at Koffiefontein in World War II, stepped down

That is true. But there are indications that his departure was precipitated as much by the bruising power struggle in the National Party in the week before Mr P W Botha was elected Prime Minister

That was the week that he showed his hand as a supporter of Dr Connie Mulder, whose chances of the premiership were heavily damaged by a statement issued by Mr Vorster himself.

The details of that power struggle are not yet fully known, but they have been illuminated by some of the information that emerged this week from Mr Justice Mostert's commission of inquiry

Decisive action

Mr Retief van Rooyen, SC, told the Mostert Commission under oath of his experiences with Gen Van den Bergh and his men — experiences that culminated in his going to the Minister of Foreign Affairs, Mr Pik Botha, on the Sunday before the premiership election to reveal what he knew

That action, which may have been decisive in assuring that Dr Connie Mulder was kept out of the premiership, was precipitated by a report in the Transvaler — the Mulder-supporting newspaper — which claimed that Dr Mulder had been cleared of wrongdoing by Mr Loot Reynders, of BOSS

Mr Van Rooyen knew Mr Reynders. He was the BOSS man to whom he first reported in 1977 about the actions of the Information Department. Later he reported directly to the Prime Minister, Mr Vorster, who was "shocked" by his disclosures

Nevertheless, Mr Vorster appointed Mr Reynders to audit the secret accounts of the Information Department. Subsequently, Mr Vorster appointed Gen Van den Bergh himself to evaluate the secret projects

According to Mr Van Rooyen's testimony, Gen Van den Bergh saw his task quite differently

Message

Some time in mid-1978, he said, he received a message that Gen Van den Bergh wanted to see him. They made an appointment to meet at the general's son's flat in Walker Street, Pretoria

"General Van den Bergh made it clear to me that he had arrived there only after carefully avoiding the possibility of being followed," Mr Van Rooyen said. "He presented me with a legal adviser's opinion about the application of the Official Secrets Act

"He told me then that he had been to see the Prime Minister and Dr Mulder, and he had told them that he had actually intended retiring earlier but that he would save them

"People were saying that the Prime Minister was misleading the people by keeping quiet while they were also saying that Dr Mulder was directly lying. He said he told them that he would evaluate project for project over the next two years if necessary

"He said that Mr Harry Schwarz (PFP MP for Yenville)

His backing of Mulder may have speeded up his departure

had been to speak to him and that he had led him up the garden path (om die bos gelei)

"He told me that he would see to it that the newspapers were told that this whole affair was now covered by the Official Secrets Act because he was now working for the Bureau for State Security on a contract basis, and because any matter being handled by the bureau was covered by the Official Secrets Act

"He would inform the newspaper editors that any further writing about this whole affair would be a contravention of the Official Secrets Act

Warning

"He also told me that he would begin at project Number One and that he would work through to the end. If any inquiries came, he would say that he did not even know if there was such a project, that he was dealing with them one at a time. In other words, he would drag the thing out for them until such time as it was dead"

Mr Van Rooyen said he also learnt that Gen Van den Bergh had been a party to the launching of the Citizen newspaper

He found that what he reported to the Prime Minister went quickly via Gen Van den Bergh to Dr Mulder to Dr Eschel Rhodie and to Mr Les de Vilhiers

Mr De Vilhiers, he said, had warned him that the others had said he was not to be trusted because he "gossiped to the Prime Minister"

When the Transvaler "leak" suggested that Dr Mulder, with his powerful political support in the Transvaal, was likely to be exonerated on the very eve of the premiership election, Mr Van Rooyen decided to act

Statement

He went on Sunday, September 24, to see Mr Pik Botha, who summoned the Minister of Health, Dr Schalk van der Merwe, to hear what was for them a shattering set of disclosures

The men then flew to Cape Town to inform Mr P W Botha, Mr Chris Heunis, Minister of Economic Affairs, and Mr Alwyn Schlebusch, Minister of the Interior.



Gen "Lang" Hendrik van den Bergh ... led PFP MP Harry Schwarz "up the garden path".

V d B was behind Rhodie on TV

By NEIL HOOPER

GENERAL Hendrik van den Bergh, former head of the Bureau for State Security, was the person who offered SATV the opportunity to interview Dr Eschel Rhodie on the programme, "P. G. Gesels Met . . .", the Johannesburg morning newspaper, Beeld, reported yesterday.

The newspaper — published by Nasionale Pers, of which the Prime Minister, Mr P. W. Botha, was chairman until two weeks ago — said that it had learnt this from a reliable source.

The interview, conducted by Dr P. G. du Plessis, was broadcast on July 27, after Dr Rhodie had retired prematurely.

The newspaper report yester-

day said: "Beeld sharply criticised the appearance of Dr Rhodie in this television programme in a leader article and said it 'will be an unpleasant surprise for those who believed that this completely discredited official had disappeared from public life'.

"However, SATV went ahead with the programme on July 27. The interview, we learnt reliably, was offered to SATV by General Hendrik van den Bergh."

The newspaper added: "After the softly-softly interview with Dr Rhodie — of which Beeld said that TV should not be used as a medium for excuses — Dr Du Plessis interviewed General van den Bergh in one of his following programmes."

What happened then is not fully known.

But on the Tuesday Mr Vorster issued a statement saying that the inquiry into the Information Department's affairs was not yet concluded — a statement which Dr Mulder later blamed for his defeat in the election.

At the same time Mr Vorster announced the immediate retirement of his old friend and trusted adviser, despite Gen Van den Bergh's earlier statements in public and private that he had expected to work for a long time on the Information inquiry.

Declined

The next day Mr Van Rooyen testified before the Mostert Commission.

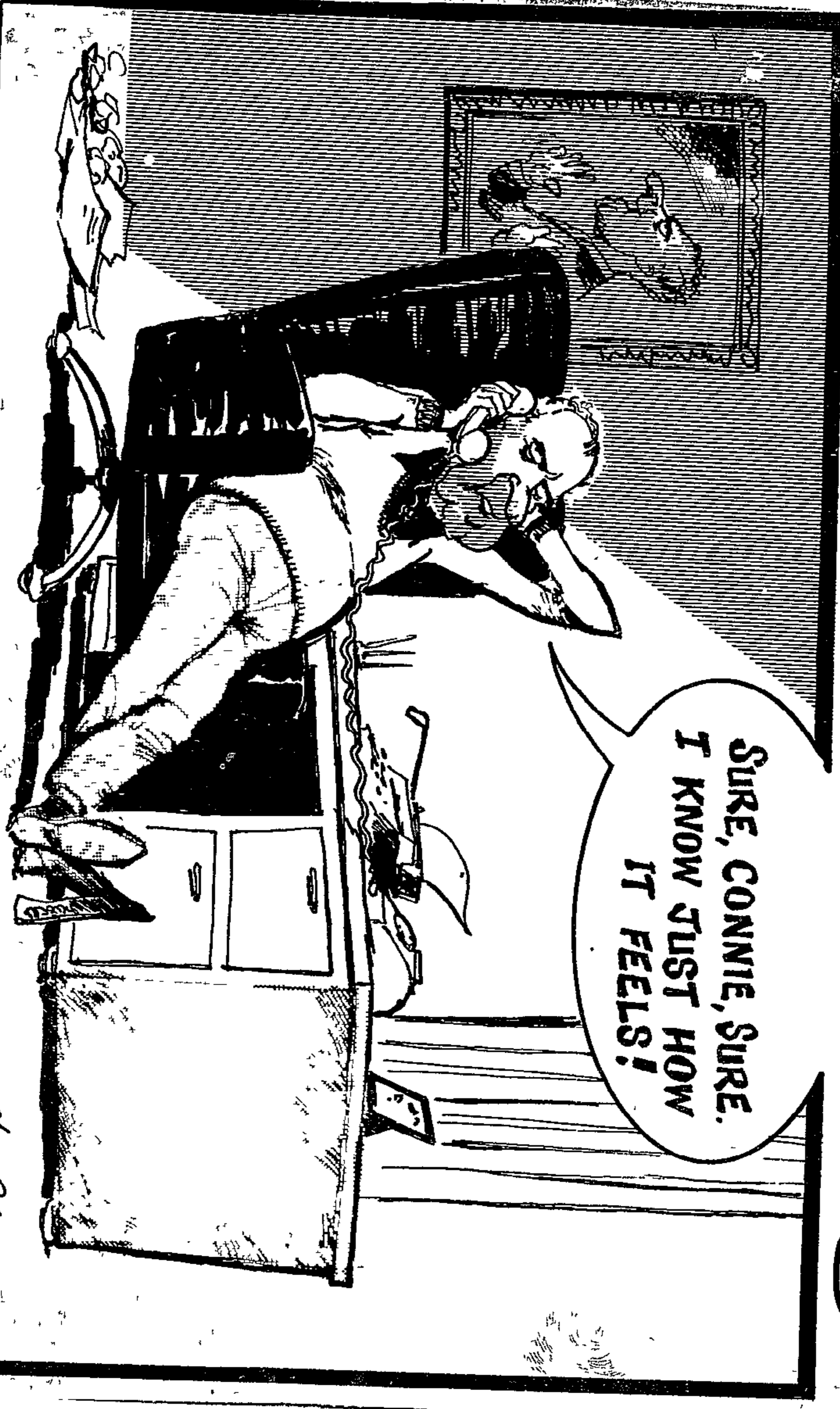
Later a final footnote was added to the mysterious role of BOSS in the whole affair. Both Mr Reynders and Mr Kemp declined to testify before Mr Justice Mostert on the grounds that they were bound by the Official Secrets Act.

When the Prime Minister upheld their refusal this week, Mr Justice Mostert walked out of his office and made public the secret testimony he had gathered, precipitating yet another Information crisis — the gravest of them all so far.

(254)

SUNDAY TIMES, November 5, 1978

Vann den Bergen



SURE, CONNIE, SURE.
I KNOW JUST HOW
IT FEELS!

Dave Coverly

Clash with Van Zyl Alberts — main

PM points to growing Nat Press anger

Mr Botha ... a storm

AS NEWSPAPERMEN and the Prime Minister met face to face, in an atmosphere of tension, at the Prime Minister's Press conference this week a minor clash between the Prime Minister and a Nationalist newspaper editor reflected the growing anger of Nationalist pressmen.

Mr Harold Pakendorf, editor of Oogendblad, a Pretoria morning newspaper, asked if the report of the Kemp committee, now the Pretorius committee, would be made public.

Mr Botha had announced that in its first interim report the committee recommended that 26 out of 74 secret projects should be stopped, either because they had been successful or they had no hope of achieving success.

The Prime Minister replied to Mr Pakendorf that as "a responsible editor of a responsible newspaper" he should know that secret projects could not be made public.

Mr Pakendorf got up, with dignity but obvious bitterness, and said quietly "Mr Botha, I asked whether you would make it public, I did not demand it."

Several editors, called at short-notice invitations, attended in person.

Except for Mr Pakendorf's query all the questions were asked by representatives of English-language newspapers.

But their Afrikaans colleagues were obviously deeply interested in them.

Both Mr Botha and the Minister of Finance, Senator Owen Horwood, denied that they sat on the three-man committee which, according to Dr Eschel Rhoodie, agreed on the secret funds for the former Information Department.

The Prime Minister said he did not know about that committee. He was then asked "Had he then asked Dr Rhoodie about it?"

He replied that the Press were now cross-examining him and he was, of course, ...

Of many mysteries

CITIZEN, managing director for Jan Van Zyl Alberts has over the years been involved in a remarkable series of secret projects linked to the Nationalist Government, according to evidence given before the Mostert Commission and released this week.

Documents made public for the first time by Mr Justice Mostert link Mr Alberts to

The controversial secret Hoek report which planned the break-up of the Anglo-American Corporation to diminish its influence on the South African economy.

A secret Department of Information attempt to take over South African Associated Newspapers, owners of the Sunday Express, Rand Daily Mail and Sunday Times, by using Mr Louis Luyt as a front man.

The purchase of The Citizen newspaper from Mr Louis Luyt, who told the commission that the newspaper was set up and financed by Government money from secret funds.

Mr Alberts is also publisher of To the Point magazine.

This is the first time there has been any information about Mr Alberts' involvement with the controversial Hoek report. According to the evidence given

before Mr Justice Mostert Mr Alberts investigated the Oppenheimer empire for the report which was prepared by Professor P W Hoek, of Pretoria.

The probe was backed by Dr Hendrik Verwoerd while he was Prime Minister as an "unofficial" investigation, but it was only completed during Mr Vorster's term as Prime Minister.

Sources close to Mr Vorster at the time told the Sunday Express this week that Mr Vorster was very interested in the report at his first meeting with Professor Hoek but later decided to suppress it.

The information contained in it was discussed in the Broederbond.

Mr Alberts is a KOB — Koffiefontein Old Boy — the affectionate term for those interned during the war for their efforts to thwart the South African war effort. It includes Mr Vorster and General Hendrik van den Bergh former head of the Bureau for State Security.

After his role in the report concerning the breaking up of Anglo American, completed in 1970, he was the key businessman in the SAAN takeover bid.

"I think he was brought under the impression that he would become the head of the SAAN group," Mr

Louis Luyt, alleged front man in the operation, told the Mostert Commission.

Mr Alberts, with Mr Hubert Jussen, bought The Citizen earlier this year with other unnamed shareholders Mr Alberts became managing director.

He is also publisher of To the Point, managing director of The Citizen, a director of printing companies including Panax and Canax, whose other director is conservative American publisher John McGoff, and joint owner of the Reenberg farm, with Dr. Mulder, Mr McGoff, Dr Roodie and his two brothers, and Mr Les de Vilhiers.

Guess who said this . . . ?

WHO said this?

"Were it not for a free — and a brave — Press the march towards authoritarian rule would have become a headlong rush. For it is the Press — notably the English Press — which is a last bastion of democracy."

"Probing Government laws and activities."

"Seeking to rectify the wrongs perpetrated against the oppressed and voiceless masses."

"Beaming the searchlight of publicity into the dark corners which officialdom would prefer to keep unlit and hidden."

You're wrong
It was the Editor of The Citizen — when I was Editor of the Sunday Express.

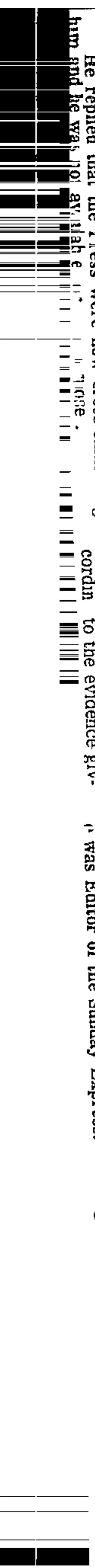
This week's quotes from the same source.

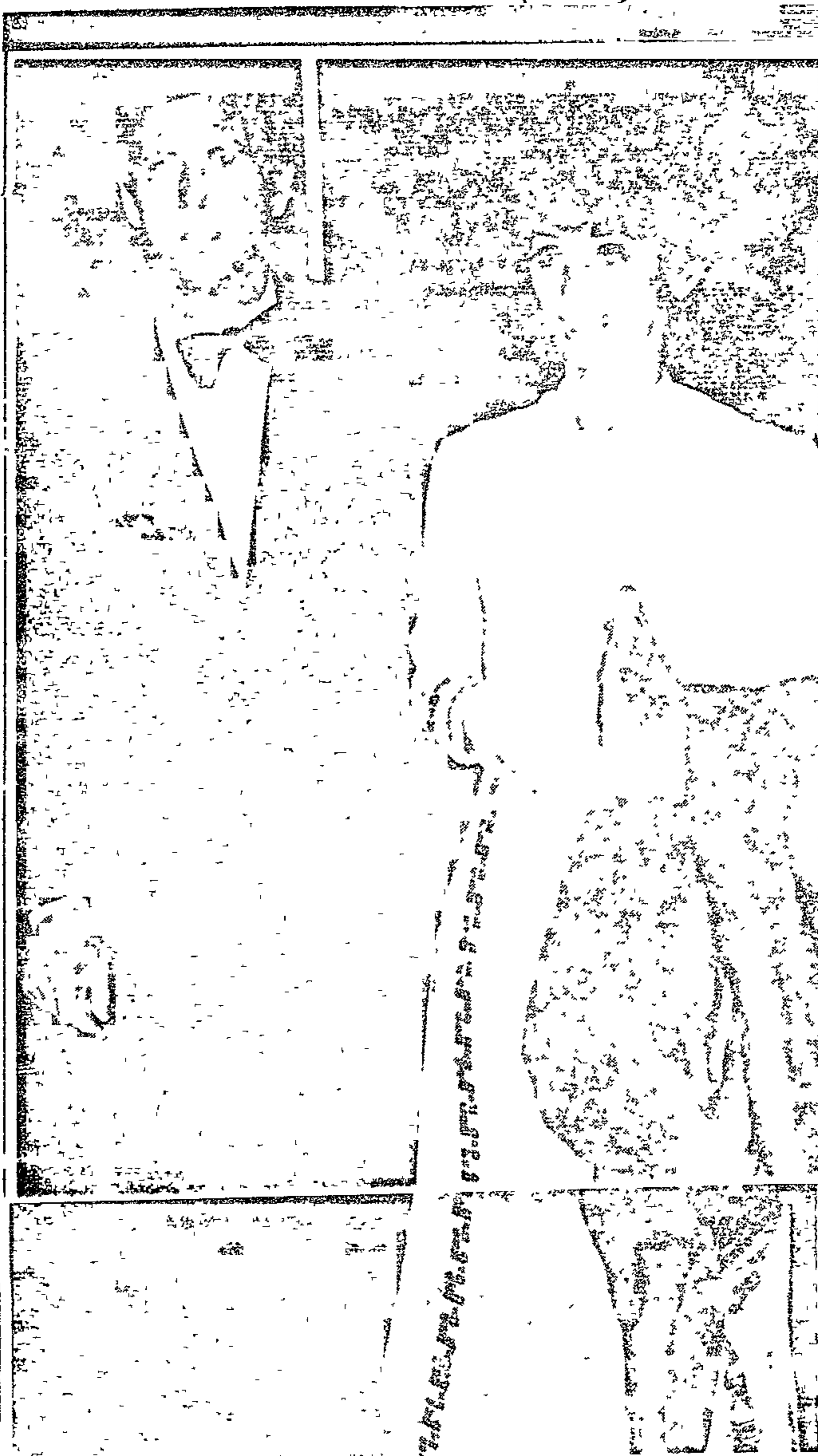
MONDAY: "The muckraking little Sunday Express, which did so much to wreck the Department of Information with its smear stories, has now turned on The Citizen."

"This little braggart of a newspaper, which has been so full of revelations you'd think it was a new chapter of holy writ . . ."

"The Main and Sauer Street angels will be in full cry, demanding inquiries and commissions and what have you . . ."

TUESDAY "We suggest the Prime Minister should appoint a one-man judicial commission to investigate the serious allegations . . ."





● Mr and Mrs Andre Pieterse . . . the film magnate adores his wife and children.

The glittering lifestyle of super-patriot Andre Pieterse

ANDRE PIETERSE was a fugitive from the Press this week. He was taking no calls

And journalists were not welcome at the baronial gentleman's estate Fan-court, which he acquired from the millionaire former brain surgeon, Dr Rowland Krynauw

When a woman reporter waited for him outside his lawyer's office in George this week, he tried to give her the slip

She followed him in her car and confronted him with a tape recorder on which his voice, with its American accent, drawls "I have nothing to say to you nothing"

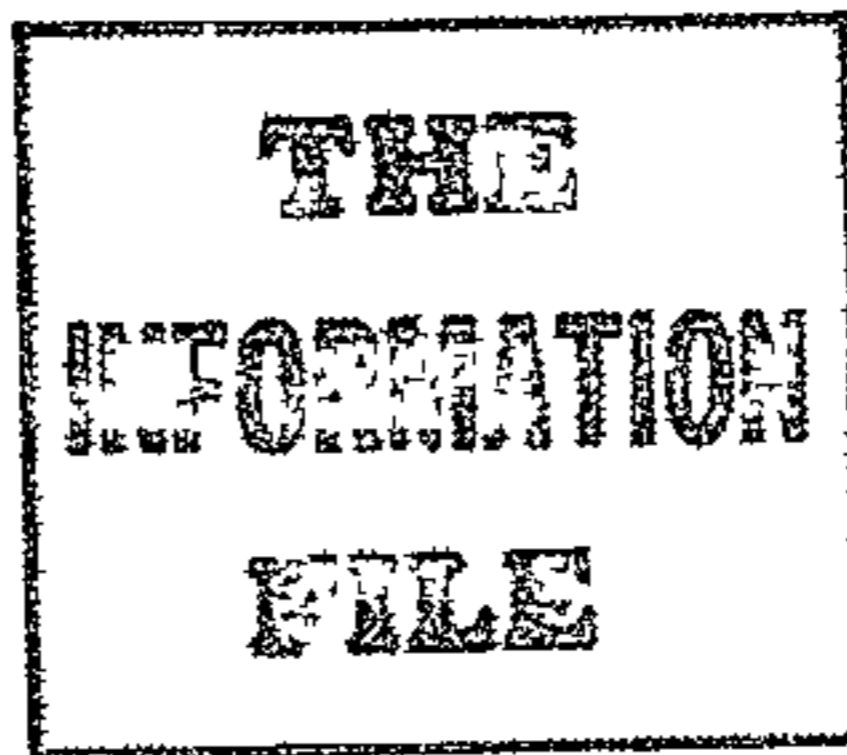
Super-patriot Andre Pieterse is the living image of everything a film magnate should be

He is on first name terms with some of the most famous film stars in the world.

His coterie of friends is exclusive that getting an invitation to one of his wife's legendary dinner parties is as difficult as gate-crashing Buckingham Palace

He is a jet setter par excellence and he is apt to interrupt a Press interview to pick up the phone and say, "Get me London New York or Tokyo"

The telephone has a long, long cord so that he can walk about the room while



By KITT KATZIN,
PETA
THORNYCROFT,
JEAN LE MAY,
JOHN MATISONN
and JENNIFER
HYMAN

he converses the way they do in the movies

The chair in his study is the closest thing to the throne I have ever seen

Mr Pieterse oozes confidence, charm and charisma

He adores his wife and their children — three teenage girls and a boy

One of the main reasons for setting up his empire in George rather than the United States where most of his business is done, is that he insists on his children speaking Afrikaans and attending an Afrikaans School

He and his wife, Elena, are devout church people and they give solid support

to Afrikaner charities like the ACVV — Afrikaner Christelike Vroue Vereeniging

But the sparkle had vanished from Mr Pieterse this week. He appeared to be a worried man

The looming inquiry on the Information scandal, the complexity of his financial affairs, the critical reception for Golden Rendezvous which was to pave the way for a second Hollywood at Mossel Bay

Golden Rendezvous was the most expensive film ever made in South Africa. In the end the cost ran to R48-m

Richard Harris drew no less than R500 000 for his star role

And his wife, Anne Turkel, was content with nothing but the most lavish luxury while the film was being made

Then when this "best seller" film was screened with a fanfare of publicity in London, the critics greeted it with a derision that bitterly hurt Mr Pieterse

David Robinson writing in The Times described it as "half witted", "Laughable", said Nigel Andrews of the Financial Times

Mr Pieterse is going to film Wilbur Smith's "Where the Lion Feeds" — but Mossel Bay looks today more like where the lion starves

These are claim N

FARMERS in the Northern Transvaal are becoming increasingly tense at the growing number of "terrorist incursions" into the area.

This week a widespread police and commando sweep, aided by helicopters and light spotter-aircraft, failed to track down three terrorists in the dense north-western Transvaal bush where they ambushed a police patrol on Monday. Sergeant Thinus Nel was severely wounded.

The police deny that terrorists are coming into the country in any numbers and have dismissed most of the recent incidents as the work of robbers.

The attack on Sergeant Nel's patrol, coming a few days after the clash between security forces and three terrorists in Bophutha-Tswana, only 20 km from the Botswana border and 300 km from Johannesburg, has led to speculation that a new, intensive campaign to smuggle urban terrorists from camps in Botswana to Soweto has been launched.

On Thursday night and early on Friday morning police forces operating from Alldays launched an intensive search, but apparently to no avail.

Newsmen were ordered from police property and told that only Colonel Sarel Verwey could make a statement. But Colonel Verwey was out on patrol, or asleep, and not available.

Photographers were forbidden to take pictures of light aircraft which landed on the main Alldays-Louis Trichardt road on their way to help with the spotting.

There are strong rumours that the police have captured a mystery man in their sweeps — he is said not to be one of the three terrorists — but police have denied this.

One of the security weaknesses of the Northern Transvaal are the many



● Mr Victor Kleinhaus lost two fingers when he grappled with an assailant. He insists the man was a terrorist.

farms kept as hunting lodges by professional or business people and occupied only occasionally.

The farm on which the three terrorists were found was such a place.

The terrorists left behind blankets, civilian clothing, a kit-bag containing a hand-grenade and a Russian pistol, rounds of ammunition, tinned South African and Rhodesian food, and Communist literature hidden in miniature books purporting to be classics and even note-books.

The "classics" begin normally, but a chapter later become communist literature.

The fact that the terrorists were carrying quite a lot of this literature is taken



as an indication that they were heading for urban areas, where they would have distributed this reading material.

A feeling of tenseness is growing among farmers from the Limpopo River border with Rhodesia, along the long Botswana border,

and even inland.

The disappearance of Mr. Tienie Olckers, 71, and his wife, Sarie, 80, from their plot near Potgietersrus, is being investigated as a normal criminal case by the CID, but there is now speculation that they were abducted and murdered by terrorists.

Along the banks of the Limpopo, where many farms stand empty and unattended, there is a strong belief that terrorists are crossing the border into the Transvaal.

But Mr. Marthinus Van Zyl, the only farmer for a distance of 30 km along the Limpopo, says sarcastically: "We have no terrorists here. Across the river they



● Mr. Marthinus Van Zyl and his wife, Emmy, are the only farming couple along the Limpopo River for 30 kms.

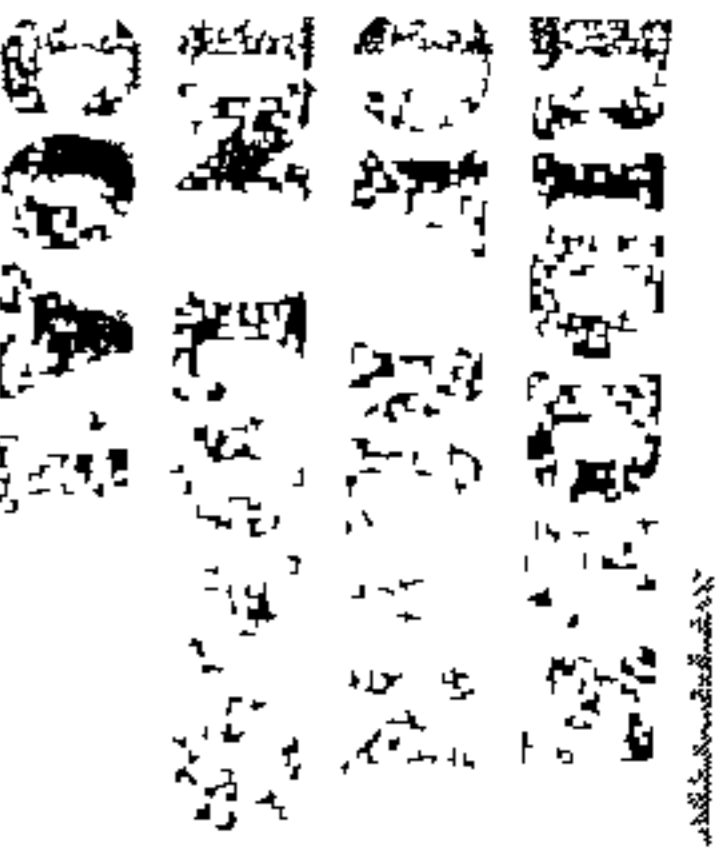
BLAME MOST INCIDENTS ON ROBBERS

TELEPORTISTS, TAVI Sairmers

Report
DESMOND
PETERSON
DOUG LEE
BLOW

African buses are stopped at one of the many road blocks in the northern Transvaal this week





The Rhodesians have opened camps for refugees close to Beit Bridge

Not all the refugees have been rounded up by the South African forces, and farmers believe many terrorists could have slipped into South Africa during the month that refugees streamed across the border in their hundreds

Mr Redinghuys told me of the time a neighbour, Mr Visser, spotted a tall African in a long coat near the Limpopo on his farm one night. The coat flapped open and he saw a firearm

Mr Visser fetched his own gun, but when he returned to the spot where he had seen the African, the man had disappeared. Later Mr Visser saw torch signals from the opposite side of the river

Next day he found the tracks of four men passing

across the farm from the river

A few days later near Tshipise, Mr Victor Kleinhaus, 56, and his wife Anna, were attacked on the porch of their farmhouse. Their attacker was a tall African in a long coat who was armed with a Russian 7.62 Saminov automatic rifle with a bayonet

In the struggle Mr Kleinhaus had two fingers of his left hand shot off. The attacker escaped, leaving the Saminov behind

Two days later he was tracked down and shot dead

Mr Kleinhaus, a cousin of Lieutenant-General Jan Kleinhaus chief of the CID, and his wife are certain the man was a terrorist

stranger in the neighbourhood, and apparently a Rhodesian

The butt of the Saminov had been sawn off so the rifle could be hidden under his long coat

The police base their theory on the fact that the man screamed as he bounded on to the porch, his rifle above his head, to attack Mr and Mrs Kleinhaus

"Had he been a terrorist, he could have mown them down by creeping up stealthily and opening fire," a police officer told me

But Mr and Mrs Kleinhaus believe the attacker intended to bayonet Mr Kleinhaus and then possibly rape Mrs Kleinhaus, before bayonetting her as well

Some farmers believe the man was the same one seen by Mr Visser — and that his three companions must still be in the vicinity

are terrorists, but when they cross the river they are merely robbers

"Or that is what the police and military tell us. Now I carry a gun and a jambok. When I see anyone on my property I shout 'Are you a terrorist or a robber?'"

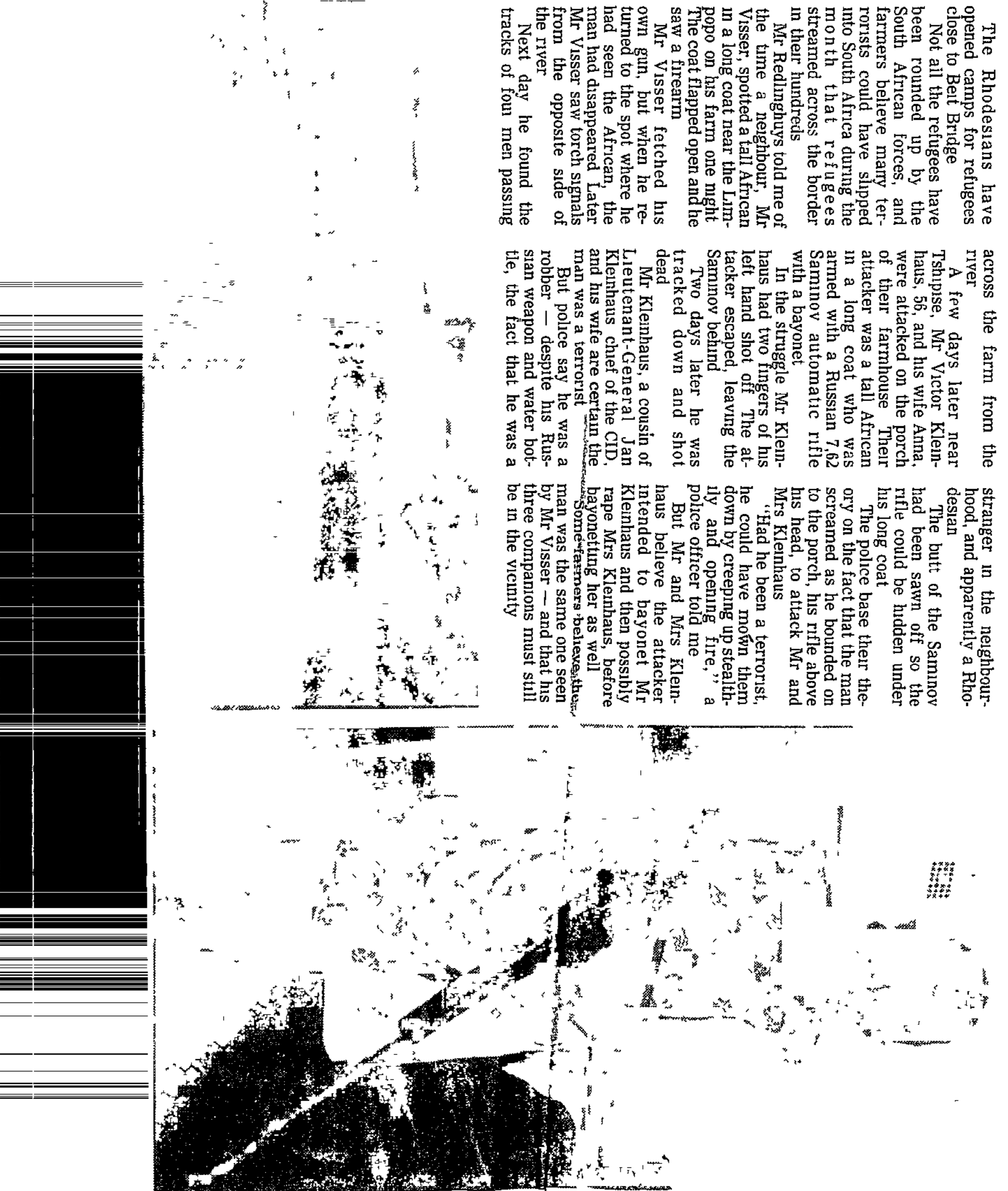
"If he answers 'a terrorist', I use the gun. If he answers 'a robber', I use the sjambok"

Because of the persistent raids from across the border, nearly all the farm shops have closed down. When Mr Van Zyl has sold the merchandise he has on hand, he will not buy any more

The only other shop along the Limpopo east of Messina is owned by Mr Frikkie Redinghuys. This was burned again a few weeks ago although there were soldiers on the property and a police patrol. Shots were exchanged

But 69-year-old Mr Redinghuys is determined to stay on

"Everything I have here I have built with my own hands. No terrorist is going to take it from me"



...r given me away
Hundreds of Black Rhodesian refugees swarmed across the Limpopo River or more than three weeks recently when Rhodesian security forces and the Rhodesian Air Force blasted a big build-up of terrorist forces and their collaborators in African Trust Lands only 6 km across the Limpopo River

Hidden arms caches blew up when Rhodesian security forces set fire to huts

The flood of refugees across the dry river was chaotic, said Mr Van Zyl

"I came across an old woman who had spent 12 hours crawling 300 metres across the river with a small pack of meal-meal on her back"

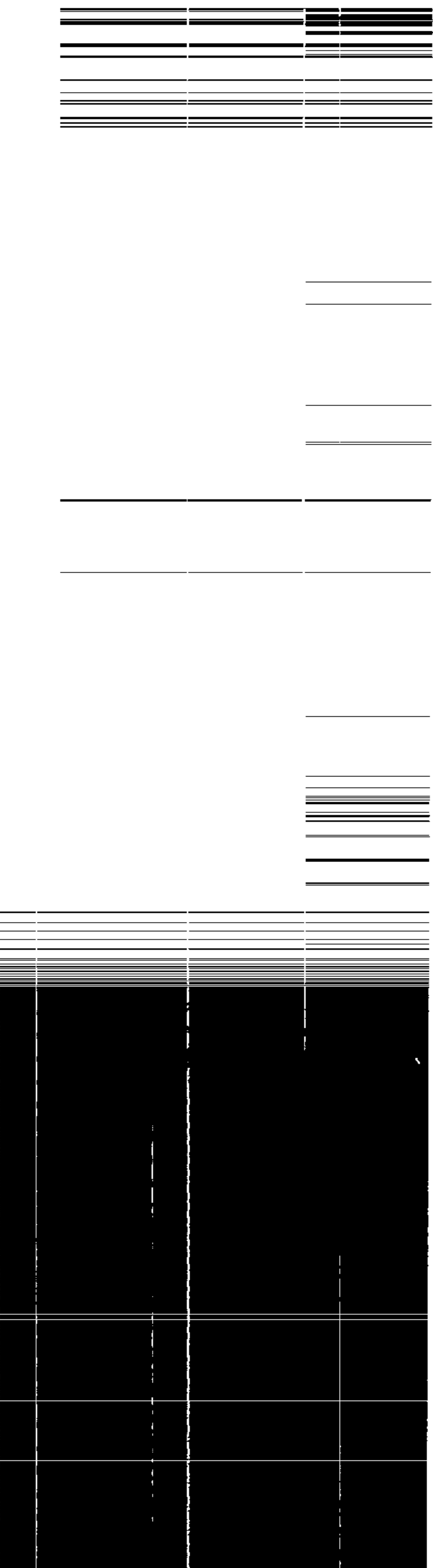
The refugees were detained by South African armed forces, who turned them over to the South African Police. The police in turn handed them over to the Rhodesian authorities at Let Bridge

In one day a fortnight

● This is the terrain in the Northern Transvaal where a police sergeant was shot by terrorists this week.



● Mrs Anna Kleinhaus attacked by a screaming armed man on the stoep of her farmhouse



The glittering lifestyle of super-patriot Andre Pieterse

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One of the main reasons for setting up his empire in George rather than the United States where most of his business is done, is that he insists on his children speaking Afrikaans and attending an Afrikaans School

He and his wife, Elena, are devout church people and they give solid support

to Afrikaner charities like the ACVV — Afrikaner Christelike Vroue Vereeniging

But the sparkle had vanished from Mr Pieterse this week. He appeared to be a worried man

The looming inquiry on the Information scandal the complexity of his financial affairs the critical reception for Golden Rendezvous which was to pave the way for a second Hollywood at Mossel Bay

Golden Rendezvous was the most expensive film ever made in South Africa. In the end the cost ran to R4,8-m

Richard Harris drew no less than R500 000 for his star role

And his wife, Anne Turkel, was content with nothing but the most lavish luxury while the film was being shot at Mossel Bay

Then when this "best seller" film was screened with a fanfare of publicity in London, the critics greeted it with a derision that bitterly hurt Mr Pieterse

David Robinson writing in The Times described it as "half witted"

"Laughable", said Nigel Andress of the Financial Times

Mr Pieterse is going to film Wilbur Smith's "Where the Lion Feeds" — but Mossel Bay looks today more like where the lion starves



● Mr and Mrs Andre Pieterse the film magnate adores his wife and children

Clash with Mohl points to growing Nat press anger

Mr Botha
a storm

S NEWSPAPERMEN and the Prime Minister met face to face, in an atmosphere of tension, at the Prime Minister's press conference this week a minor clash between the Prime Minister and a Nationalist newspaper editor reflected the growing anger of Nationalist pressmen.

Mr Harold Pakendorf, editor of *Oggenblad*, a Pretoria morning newspaper, asked if the report of the Kemp committee, now the Pretorius committee, would be made public.

Mr Botha had announced that in its first interim report the committee recommended that 26 out of 74 secret projects should be stopped, either because they had been successful or they had no hope of achieving success.

The Prime Minister replied to Mr Pakendorf that as a responsible editor of a responsible newspaper, he should know that secret projects could not be made public. Mr Pakendorf got up, with dignity but obvious bitterness, and said quietly, "Mr Botha, I asked whether you would make it public, I did not demand it."

Several editors, called at short-notice invitations, attended in person.

Except for Mr Pakendorf's query all the questions were asked by representatives of English-language newspapers.

But their Afrikaans colleagues were obviously deeply interested in them.

Both Mr Botha and the Minister of Finance, Senator Owen Horwood, denied that they sat on the three-man committee which, according to Dr Eschel Rhoodie, agreed in the secret funds for the former Information Department.

The Prime Minister said he did not know about that committee. He was then asked Had he then asked Dr Rhoodie about it?

He replied that the Press were now cross-examining him and he was not available for that purpose.

Van Zyl Alberts — man of many mysteries

CITIZEN managing director Jan Van Zyl Alberts has over the years been involved in a remarkable series of secret projects linked to the Nationalist Government, according to evidence given before the Mostert Commission and released this week.

Documents made public for the first time by Mr Justice Mostert link Mr Alberts to

● The controversial secret Hoek report which planned the break-up of the Anglo American Corporation to diminish its influence on the South African economy.

● A secret Department of Information attempt to take over South African Associated Newspapers, owners of the Sunday Express, Rand Daily Mail and Sunday Times, by using Mr Louis Luyt as a front man.

● The purchase of The Citizen newspaper from Mr Louis Luyt, who told the commission that the newspaper was set up and financed by Government money from secret funds.

Mr Alberts is also publisher of *To the Point* magazine.

This is the first time there has been any information about Mr Alberts' involvement with the controversial Hoek report. According to the evidence given

before Mr Justice Mostert, Mr Alberts investigated the Oppenheimer empire for the report which was prepared by Professor P W Hoek, of Pretoria.

The probe was backed by Dr Hendrik Verwoerd while he was Prime Minister as an "unofficial" investigation, but it was only completed during Mr Vorster's term as Prime Minister.

Sources close to Mr Vorster at the time told the Sunday Express this week that Mr Vorster was very interested in the report at his first meeting with Professor Hoek, but later decided to suppress it.

The information con-

tained in it was discussed in the Broederbond.

Mr Alberts is a KOB — Koffiefontein Old Boy — the affectionate term for those interned during the war for their efforts to thwart the South African war effort. It includes Mr Vorster and General Hendrik van den Bergh, former head of the Bureau for State Security.

After his role in the report concerning the break-up of Anglo American, completed in 1970, he was the key businessman in the SAAN takeover bid.

"I think he was brought under the impression that he would become the head of the SAAN group," Mr

Louis Luyt, alleged front man in the operation, told the Mostert Commission.

Mr Alberts, with Mr Hubert Jussen, bought The Citizen earlier this year with other unnamed shareholders Mr Alberts became managing director.

He is also publisher of *To the Point*, managing director of The Citizen, a director of printing companies including Parax and Canax, whose other director is conservative American publisher John McGoff, and joint owner of the Reenberg farm with Dr Mulder, Mr McGoff, Dr Rhoodie and his two brothers, and Mr Les de Villiers.

Guess who said this . . . ?

WHO said this?

"Were it not for a free — and a brave — Press the march towards authoritarian rule would have become a headlong rush. For it is the Press — notably the English Press — which is a last bastion of democracy."

"Probing Government laws and activities."

"Seeking to rectify the wrongs perpetrated against the oppressed and voiceless masses."

"Beaming the searchlight of publicity into the dark corners which officialdom would prefer to keep unlit and hidden."

You're wrong.
It was the Editor of The Citizen — when he was Editor of the Sunday Express.

This week's quotes from the same source.

● MONDAY "The muckraking little Sunday Express, which did so much to wreck the Department of Information with its smear stories, has now turned on The Citizen."

"This little braggart of a newspaper, which has been so full of revelations you'd think it was a new chapter of holy writ. . . ."

"The Main and Sauer Street angels will be in full cry, demanding inquiries and commissions and what have you. . . ."

● TUESDAY. "We suggest the Prime Minister should appoint a one-man judicial commission to investigate the serious allegations. . . ."



SUNDAY EXPRESS COMMENT

INFO: WHY THIS DITHERING?

● From Page 1

that he himself went on record this week as saying that he would not approve of Government money going to "a party political paper."

Very well then.

Is the Prime Minister saying that it needs a judicial commission to discover how the Government spent this portion of its secret funds? Is he saying that there is no one in the Cabinet who can simply get up and say: Yes, I authorised spending this money in this way; or No, the Government did not spend this money?

Is there really not a secret set of books somewhere which will reveal at a glance if R12-million went somewhere?

Has the Cabinet really been so unconcerned about the unending months of speculation about the finances of the Citizen that no one has actually bothered to find out up to now whether the rumours were true or not? Even though Mr Retief van Rooyen gave evidence to Judge Mostert that he told the then Prime Minister about the whole business more than a year ago?

Was the Cabinet so unprepared for exposure — or so confident that it could never come — that the prospect of having to make some further statement never entered its mind until the beginning of this week?

To ask the questions is to show how absurd is the whole exercise.

Of course the Government must have the answer the country needs immediately. Why is it still not revealing it?

The Prime Minister will have only himself to blame if many leap to unflattering conclusions about the whole debacle.

More especially is this so in view of the clumsy attempt made by the Prime Minister on Thursday to warn the Press off publishing the Mostert dossier.

Only the SABC listened to him — which tells you something about the SABC.

Naturally we are not saying that we are opposed to the appointment of a judicial commission to inquire into the whole Information Department affair.

It is clearly much more satisfactory than the assorted private inquiries that have been made up to now.

And there is no doubt that the Department deserves a judicial inquiry probing its operation in depth — though we would have liked to see representatives of Opposition parties serving on it as assessors, because the use or abuse of parliamentary money is at issue.

In our view, the correct response from the Prime Minister this week would have been for him, on behalf of the Government, simply to confirm or deny the fact of public money being used to finance a Nationalist-supporting paper — and then let the judicial commission find out from Dr Mulder and others if and why they did it and how they saved the country from national disaster by doing so.

After that, it would probably have been a simple matter for the judicial commission to rule on the propriety of the whole thing. As the public have found it easy to make a moral judgment on what Judge Mostert told it this week.

Instead it has happened the other way round.

The Prime Minister has made it clear that he rejects the propriety of what he still insists may not have happened.

Now that the Erasmus Commission has been gazetted, no further disclosures about the Information Department may legally be made. Newspapers are as effectively silenced on this front as if they had suddenly been taken over by Dr Piet Meyer of the SABC.

In view of the immense public interest and anxiety, we would urge the Erasmus commission to take note of that fact — and hold its hearings in public.

Some people are obviously going to mutter darkly about State secrets in arguing for a secret hearing.

There is a perfectly simple solution to that. If any witness pleads the Official Secrets Act, the judge can hear his evidence in camera — and release immediately afterwards all the material he believes can be revealed.

An important merit of that method of operation is that the Official Secrets Act could not be misused by anyone seeking only to protect himself.

In this whole ugly business, nothing can be more important than letting the public feel the whole truth is coming out.

At last.

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INTERVIEWER INTERVIEWED: KITT KATZIN LIFTS THE LID ON THE SHADOWY WORKS OF THE INVESTIGATIVE REPORTER

CODE names, meetings after dark, death threats and abuse became a way of life for Kitt Katzin — the man who began and continues to lead the exposure of the greatest political scandal in South Africa's history.

The Sunday Express started the information ball rolling and continued week after week to lead the field in exposing revelations about the misuse of taxpayers' money. And the man behind this remarkable feat of investigative journalism, Kitt Katzin, had a long, lonely and — many believe dangerous — year uncovering corruption in high places.

The Sunday Express newsroom is closely knit. We knew something momentous was in the air last Saturday, but didn't know that after nine months of information revelations which had been vehemently denied, covered up, or ignored by the Government our newspaper was about to drop a bombshell, the repercussions of which cannot yet be measured.

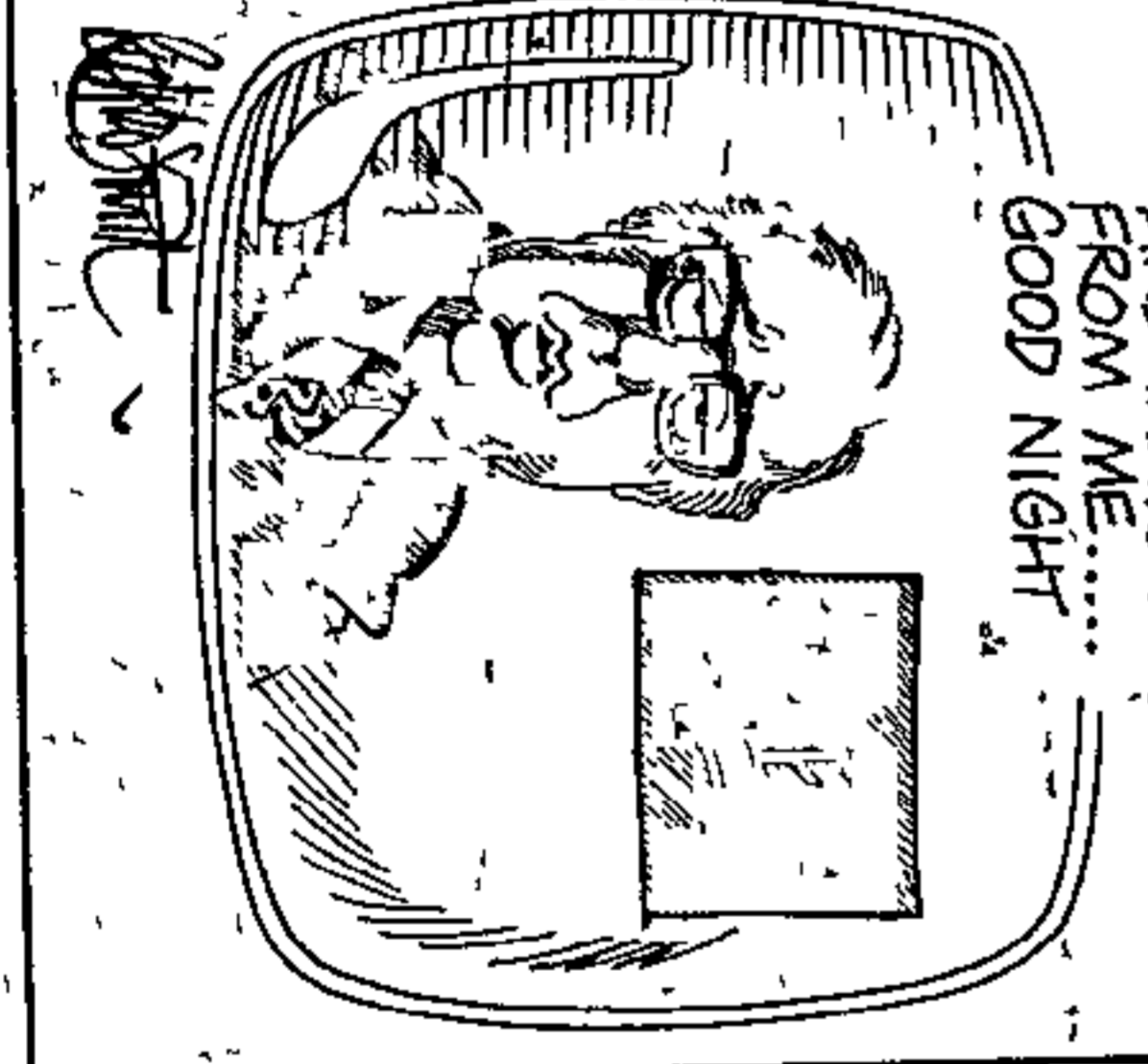
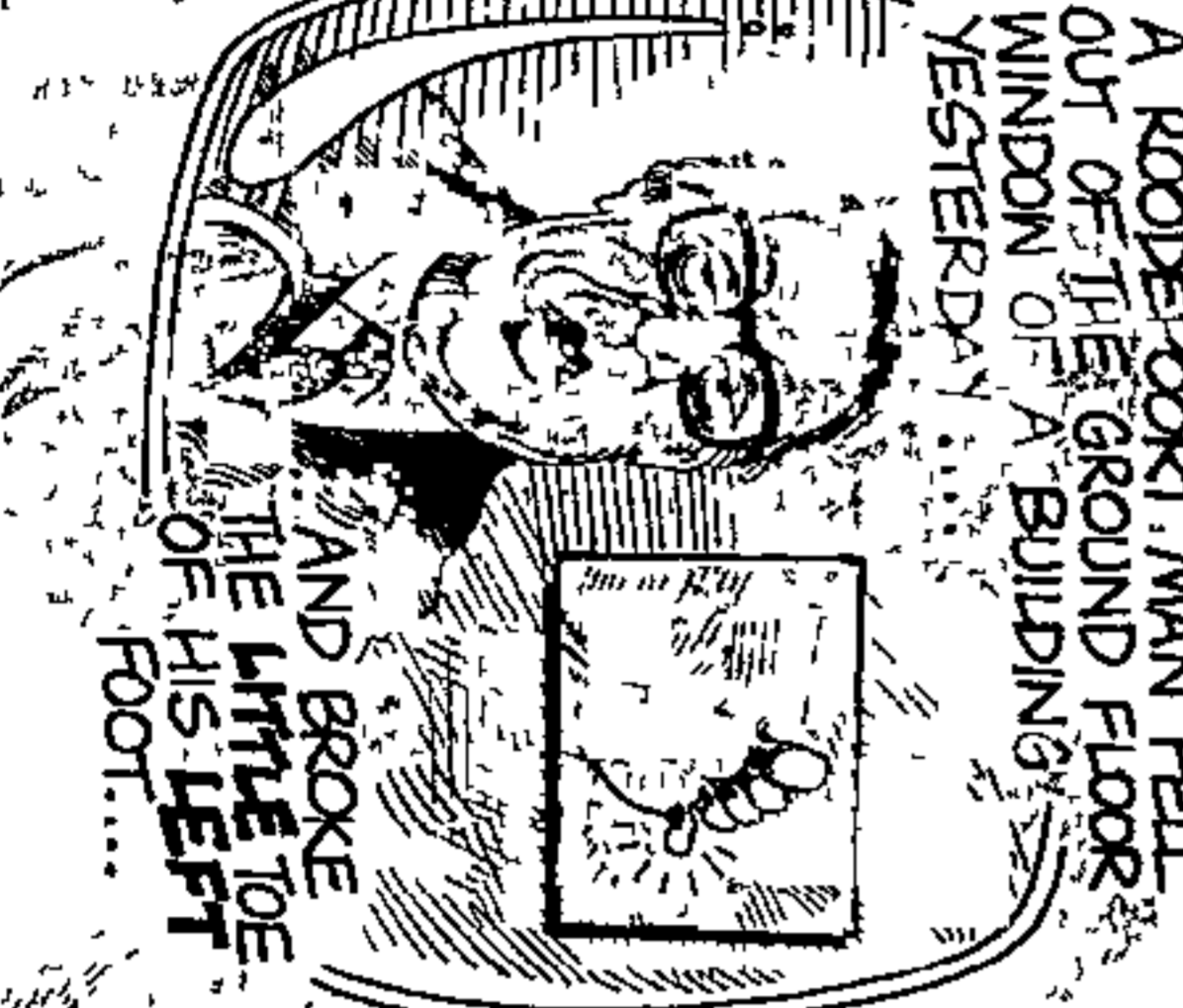
We could tell by the long meetings in Editor Rex Gibson's office that something big and very secret was being discussed. He, Kitt and deputy Editor Koos Viviers spent hours talking — and when the paper came out I doubt there was a single member of staff who wasn't just a little worried.

Kitt admits that when he saw the front page on Saturday evening, five minutes before the presses started rolling, he said a silent prayer. He knew that on Monday morning the denials would come.

The Citizen called the Sunday Express "a muck-racking little newspaper" which made Kitt chief muckraker. "Of course every word I wrote was true, but I could not state why I knew it to be true

How we broke the scandal cover

Richard Smith



would like to meet them. Some of their information was alarmingly accurate, but I had to check everything out and get it confirmed in another way because I could not write a story based on information given to me by a faceless voice.

The calls continue. Some of the voices phoned Kitt to congratulate him after Judge Mostert substantiated his stories; others continued to tell him more — which at this stage he cannot publish because of the appointment of the Judicial Commission which makes the whole matter sub-

when so many people telephoned to ask me if I was sure I had been right. The Mail then continued, with first-class stories all week which backed me up.

But there were other moments of high drama for Kitt. On one of his mysterious disappearances from the office, when he was in Cape Town, he went to see Dr Connie Mulder in Cape Town the day before the Sunday Express was due to expose the existence of a secret report on the funding of the Department of Information. "It was a Friday. Dr Mulder had not been able to see me earlier in the week

ordinary state of affairs when Kitt introduced the Editor of the Sunday Express on the telephone to Dr Mulder, and the three of them agreed we would not publish details of the Auditor-General's secret report for a week.

"I had gone to see Dr Mulder because I knew I had information which he should see and, in the interests of fair play, he allowed to comment on. He asked us for a week, on certain conditions. "Unfortunately someone betrayed the Sunday Express and copies of my draft story found their way to Dr Eschel Rhoodie. I

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Pickings in patriotism, perhaps

BY NOW you'll have realised that this column is no place to look for hot tips on the races, Holland Street, or other get-rich-quick schemes. So don't blame me for not telling you in good time what easy money there was in patriotism — I missed out myself.

While people right round the globe were cashing in on the feverish determination of our former Department of Information to spend, spend, spend for the sake of South Africa, there was I still paying money INTO the Government instead of taking it out. If only I had kept my eyes open, I blamed myself afterwards, (ably assisted by my wife). I could so easily have joined those who were mining this Eldorado department in our civil service. After all, I'm as partial as the next man to Mercedes-Benz sports models, Wimbledon, holidays in the Seychelles, my own private



An irreverent column by ALEXANDER DE KOK

MY EYE

plane and dreams of making superstar movies with someone else's money

Even a straight Government loan of R12-million, or so from secret funds would have come in very nicely indeed for fixing the roof, and for maybe starting my own fertiliser business afterwards with the small change. But what hurts most is that I've lost out on that warm knowledge of having done these things for the good of our glorious fatherland. It makes me feel so desperately un-South African

STILL, one should not think of oneself. Spare a thought for how terrible it must have been for Dr Eschel Rhoodie to quit as Secretary for Information with so many secret schemes still unschemed, so many overseas holidays still waiting to be taken, so many millions still unspent in the secret State funds.

It must surely have broken his heart that someone he never got around to buying the Statue of Liberty for South Africa. Eben Gernshuys, whose statue of the Unknown Rugby Hero has done so much for

the cause of culture at Loftus Versfeld, could have been commissioned to put a Voortrekker kappie on the old lady.

After which she could have been painted in the colours of the South African flag, topped off with the orange and blue of the National Party, and rededicated to those who hold high the torch of White civilisation on this southern part of the subcontinent.

What an inspiring coup it would have been for all of us! IT IS probably just envy, but a carping friend of mine actually does not appreciate what people like Dr Connie Mulder and Dr Rhoodie have been doing on his behalf overseas — or even locally. "They've spent millions of the taxpayers' money," he whined in his nit-picking fashion. "Why was it necessary

for the Information Department to lend all that money to people like Louis Luyt and that Yankee McGoff?

"I mean, those guys have always been pretty thick with the Nats, haven't they? Why try to win over guys who are already on your side, for heaven's sake?" "Now if the dough was spent to buy over a few enemies instead, I could maybe have seen some sense in it."

"In fact, some of those guys really need the money. Look at old Charlie Diggs having to dip into his staff's paypackets to pay his debts. You could have bet your life that he would have appreciated it if we'd shipped him a few million instead of giving it to Louis baby." "And then there was that friend of Mr Carter's having trouble with his taxes and all those other Americans constantly appearing before some committee or other. A few million rands well spent

should have made us an awful lot of new friends.

"Why, if the Department of Information ran out of overseas people to spend money on they could always have made a contribution or two to the Progressive Party's finances, from those secret funds."

"That way, when Colin Eglin or Harry Schwarz went overseas again, perhaps they'd be telling everyone what a regular guy Connie Mulder is instead of blowing the whistle on how he and his department has landed the Government up to its neck in fertiliser."

AND there is this taxpayer who went down to the corner to collect a copy of The Citizen but refused to hand over any money. "I've paid for it already," he explained.

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"The editor knew my reasons and had the courage to go ahead and print, knowing full well there were going to be insults and denials."

When the Sunday Express said so baldly on Saturday what other newspapers and journalists have wanted to say for a long time — that the Citizen was financed by the Government — it was the end of an investigation unprecedented in South Africa's publishing history.

Kitt found himself plunged into a shadowy world of frightened, outraged and disbelieving people.

Suddenly, his long-suffering wife Yvonne and his three children didn't know what he was working on at the office. They didn't know who he was dashing out to see after the telephone bell rang three times late at night without being answered.

They didn't understand why he was always rushing off to Cape Town or having late suppers at restaurants. "I had several informers, none of whom have been identified by anyone at any time."

"I had been told my telephone was tapped so if any of them phoned me at home because they had something more to tell me they had a code. If the phone rang say four times and then stopped I knew exactly which conversation it was."

By Peta Thornycroft

"I would dash out to neighbours saying my phone was out of order, or go to a call box I called the person by a code name, and gave myself a false name as well."

"We would agree to meet outside, for example, a suburban restaurant and then go in for a meal. I could not use a notebook and I was always nervous that someone would recognise me and become suspicious about the person I was eating with."

"After I broke the first story about Dr Rhoadie's trips to the Seychelles anyone I was seen with could have been suspected of having leaked information to me. Obviously many, many people in high places wanted to know where I was getting my information from."

And after those first two stories were published, and so emphatically denied by Dr Rhoadie and the Minister of Information Dr Con-

me Mulder, and the Sunday Express, and Kitt were slammed in The Citizen, so Kitt's personal life became tense.

"I got abusive phone calls, my friends started shunning me, and people started accusing me of being unpatriotic. That really hurt. In fact I felt my patriotism to my country demanded that I expose these malpractices in the Government. Knowing what I did, and seeing the cover-ups that started immediately people realised I was on to something, I vowed to find out the truth."

□ □ □

"I had to explain this to my wife as she took the brunt of many of the threatening phone calls. I had to explain to my children why I was pursuing this investigation and being accused of so many things."

"I was also warned by informers and concerned people that I could be in danger. The threatening callers continued to remind me that I had a wife and children I considered getting a security guard, but ruled that out when I thought it might have upset the kids. But one weekend, after the revelation of the secret fund, I moved the

● Kitt Katzin of the Sunday Express with Judge Anton Mostert

whole family out of the house because I was really worried about them."

When the investigations became "really heavy" Kitt, on the instructions of the Editor and his legal advisers, never went anywhere without telling Mr Gibson where he would be, which car he was using to meet someone, when he would complete his meeting, when he was going home.

During the investigations Kitt wrote notes in his own unintelligible shorthand and kept his notebooks locked at all times so nobody could

get at them or read them.

All his investigations — published, about to be published, or still in the melting pot — were documented and copies placed in safe keeping.

□ □ □

"The easiest way out for everyone at the time would have been for me to have stopped my investigations. Therefore I had to protect myself and the Sunday Express by making sure that if anything did happen to me there was a record available so someone else could

carry on."

More and more calls came from people concerned that their Government was involved in lies and cover-ups. Many were Nationalists horrified at the scale of malpractice and anxious to right the previous wrongs in their country.

Even Kitt does not know who some of his informers were. They phoned from all over South Africa. He soon got to recognise their voices, but couldn't call them back because they didn't leave a number. "When this is all over I



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dice

There were moments of great anguish as Kitt's investigations led him to last week's revelations about The Citizen "I am a journalist and I know times are hard for many in this profession I felt dreadful about this story, even though of course it had to come out

"The Editor, Johnny Johnson, is someone I worked for for four years when he was editor of the Sunday Express and I was his news editor I respected him as a newspaperman

"No journalist likes to see another paper in trouble anywhere in the world Many of the reporters have families, and I worried about how this would affect them; all of them I knew no matter what happened I would always feel responsible in some way after Saturday

"Sometimes it's rough being right"

However, when the Rand Daily Mail published a story on Monday about the R13-million which went missing on its way to The Citizen, Kitt said "I had not been able for several reasons to publish that story I was so delighted when the Mail came out with it

"It gave me confidence after a weekend of doubts

I remember walking down that corridor of power from the office of the Auditor-General Mr Gerald Barrie to Dr Mulder's office

"Hell, I felt alone, realising I had about five minutes to prepare myself for a confrontation with a Cabinet minister, realising I was going to tell him what we were going to publish about his department, and knowing he was going to hit the roof"

In fact those lonely five minutes lead to an extraor-

was then able to issue an 11-page statement in an attempt to pre-empt the impact of pending disclosures. Dr Mulder was given those drafts, so ultimately he must be held responsible for them being given to Dr Rhodie"

There was euphoria on Thursday at the Sunday Express following the confirmation of everything said in this newspaper and the Rand Daily Mail by Judge Mostert

But for Kitt the tension is not over He was warned again late yesterday to "be careful"

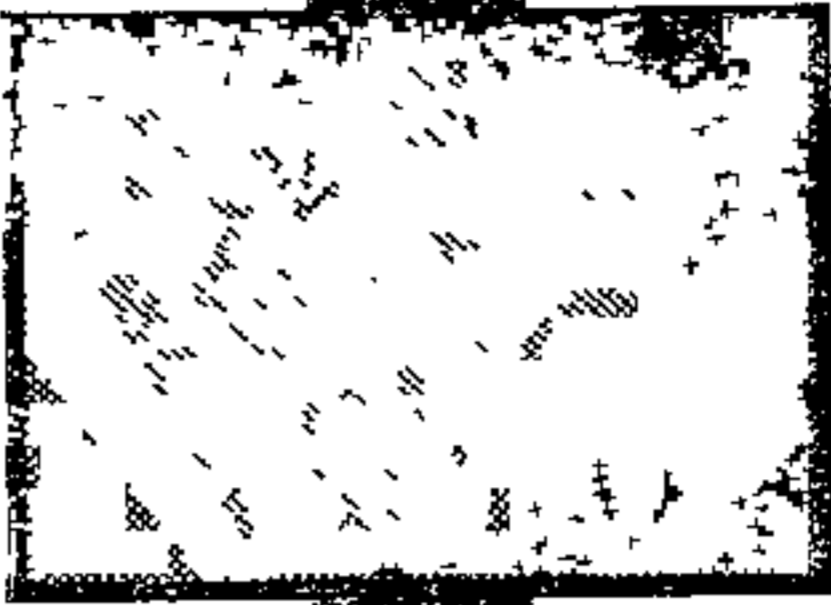
'The Leak Fixers'
BITUSEAL

The advertisement features a large, bold title 'The Leak Fixers' and the product name 'BITUSEAL' in a black box. Below the text are two illustrations: one showing a person applying a product to a roof leak, and another showing a building with a roof leak being fixed.

Who's who in the info exposure as South Africa's Watergate reaches the top



Van Zyl Alberts. Managing director of The Citizen



Louis Luyt: He was prompted in SAAN bid



Don de Klerk. Thousands of dollars a year



Eschel Rhodie. Overseen by secret Cabinet committee



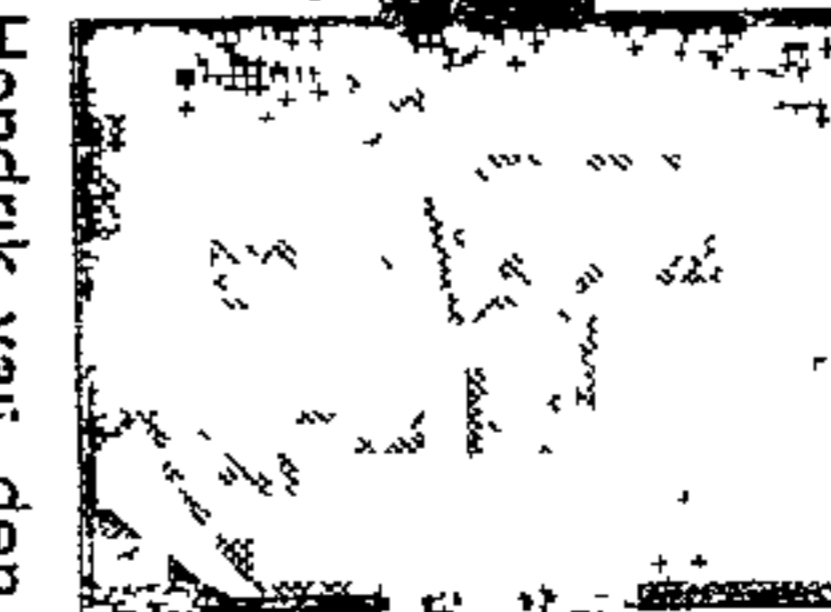
Connie Mulder. Involvement



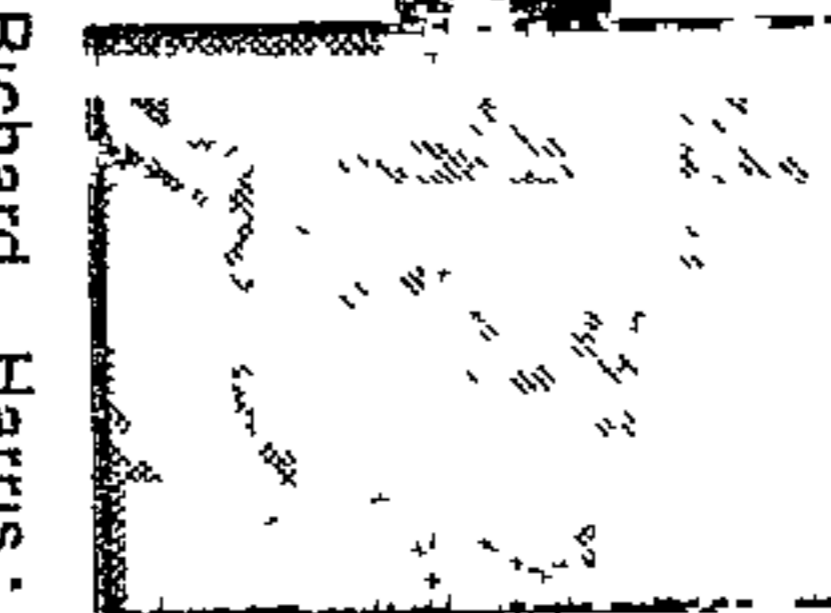
Gerald Barrie: Sealed off from secrets probe



Herbert Jussen. Chairman of the Citizen publishers



Hendrik van den Berg. At secret meeting



Richard Harris: Bottle of vodka a day

TEA-CUP STORM BOILS OVER



the same figures and mysterious companies fitted like ghosts in and out of newspaper — Andre Pieterse and Retief van Rooyen, sole surviving directors of Thor Communications (Pty) Ltd. John McGoff ultra-conservative American newspaper baron, Donald de Kaffer, who was paid tens of thousands of rands to look after South African interests in Washington, the Rhoadie brothers, Eschel, De. news and Nic; Van Zyl Alberts, managing director of the Citizen; Louis Luyt; and Les de Villiers

Chairman

Herbert Jussen, for example, he met in the Netherlands. He is now the chairman of South Africa Today, publishers of the Citizen and a director of African International Publishers of To The Point magazine.

He also met and cultivated Mr Rehner van Rooyen, SC, then a member of the South African legal team and now a director of Thor Communications.

During this period his brother Denys was information attache at Berne in Switzerland and Les de Villiers, who later was assistant secretary under Dr Eschel Rhoadie, was in New York.

De Villiers befriended Michigan publisher John McGoff, who enjoyed a close personal relationship with a future American President, Gerald Ford. It was claimed this week — though McGoff has denied it — that R10 million was loaned to him by the

stated, had neither the experience nor grounding in administration and finance to warrant being given the job. But appointed he was — and the man who overrode the commission, was the Minister, Dr Connie Mulder.

The following year Dr Rhoadie was provided with a secret fund and he announced that henceforth the department's operations would remain hidden in his own words it was overseen by "a secret, though unofficial, three-man cabinet committee from which I received approval for secret projects and to whom detailed verbal and written reports were made annually and often every six months."

Haunt

And in a passage which has returned to haunt the Government he added: "I was authorised by the Government in the presence of my two deputies and one other person that counteraction was to be undertaken as if we were in a state of war, and that no rules or regulations would apply."

Indeed, there were few rules which were not bent

apparently of no consequence. After all, Dr Mulder's star was waxing. He would unquestionably be the next Prime Minister and, who knows, perhaps Dr Eschel would be fetched from behind his desk and elevated to the cabinet as the Minister of Foreign Affairs.

Farm

McGoff joins the Rhoadie brothers, Dr Mulder, Les de Villiers and Mr van Zyl Alberts in buying Reenberg (Pty) Ltd, which owns a farm near Hoedspruit in the Transvaal lowveld.

Overseas, the department's interest are looked after by the expensive Washington lobbyist Donald de Kieffer and by a public relations firm, Sydney Baron and Company, which received more than 500 000 dollars annually. Hans Behrens performs a similar duty in West Germany.

At home, the department wins the support of wealthy Afrikaans businessmen, notably fertilizer king, Louis Luyt, whose R4-million luxury

Already the semi-autonomous life style of the department had begun to attract attention of the most unwanted kind from the Auditor-General, Mr Gerald Barrie, and his probings quickly led him to the metal grille in Pretoria's Ad Astra building, behind which the secret projects of the department were concealed.

That was as far as Mr Barrie got. Deeply disturbed at what he had learned and armed with facts pointing to the worst case of disreputable Treasury rules and regulations in the history of the civil service, Mr Barrie approached the Prime Minister and told him he had been prevented from investigating further.

Secret

He was told to continue his work. At the same time Mr Vorster appointed Mr Loed Reynders from Boss to conduct a separate investigation, this time into the department's secret affairs. This effectively sealed off Mr Barrie from looking at its covert operations.

Mr Reynder's report, giving Dr Mulder the all-

According to Mr van Rooyen the Prime Minister was "terribly concerned he told me, he could take everything, but not the newspaper (the Citizen). These millions must be returned."

Shocked

According to Mr van Rooyen, the Prime Minister had told him sometime after the general election last November that he could not afford NOT to reappoint Dr Mulder to the information portfolio because within the first week of appointing someone else the newcomer would approach him in shock over the "child he had to inherit."

Among the shock allegations in the evidence released by Judge Mostert is that Mr Louis Luyt's unsuccessful bid for control of South African Associated Newspapers (SAAN) three years ago was made on the prompting of Boss chief Hendrik van den Bergh.

On June 15 Mr Vorster announced in Parliament that the general would take over investigation of the secret side of the

Zipper

And throughout the developing scandal the Government, to quote Opposition Leader Colin Eglin on another occasion, "sat stumm, silent and zip-ped."

The SABC, never one to back the Government when it is down, put its

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clear and leaked on the eve of the Prime Minister's election two months ago, enabled the beleaguered Minister to declare to the party faithful at their Transvaal congress that the information affair was a storm in a teacup

Some storm.

Some teacup.

The Auditor-General is the Officer of Parliament, its watchdog. Prevented though Mr Barrie was from peeking behind the metal grille, the evidence he presented in his report to Parliament's Select Committee on Public Accounts was sufficiently damning to lead to the premature retirement first of Dr Deneys-Rhoadie and then his brother.

Inflated

Mismanagement on an unheard of scale, a falsified letter to stop the department having to refund R273 000 to the Treasury, grossly inflated expense accounts, the claiming of air fares to Europe to which officials were not entitled — all this and much more was revealed to the committee by the Rhoadie brothers and others through the skilful and tenacious coaxing of its Opposition members, especially Mr Harry Schwarz of the PFP.

On May 8, during one of three great information debates in Parliament, the Prime Minister said: "The investigation is continuing and if there should be any indication that funds have in fact been used for personal gain, the information will be conveyed to the Attorney General for further investigation and steps as he may deem fit."

And again: "The Government can be trusted to handle the issue meticulously. I therefore trust that the matter will now be left in the hands

Department of Information Mr Reynders was to join his staff.

Mr Luyt's evidence went further. When his bid for SAAN failed he and General van den Bergh, Dr Eschel Rhoadie, Dr Mulder and Les de Villiers met in secret. They discussed and then decided to launch the Citizen — with an extremely generous loan of R12 million in taxpayer's money.

Said Mr Luyt: "I was told the Prime Minister had chosen me to do it." He told those present that he was agreeable to the project because "it was for my country and because it was the Prime Minister who asked for it"

That was three years ago.

Undoubtedly the role played by the Press — pre-eminently the Sunday Express and latterly the Rand Daily Mail — in this affair has been most remarkable

They and others, including several Afrikaans Nationalist-supporting newspapers, have patiently worked at bringing details to light

This week the Johannesburg public was treated to the extraordinary spectacle of the Rand Daily Mail publishing revelation after revelation, riding roughshod over the denials and counter accusations of the people involved

Tune

On Monday, after the Sunday Express had reported that the Citizen was secretly financed to the tune of about R12 million, the Citizen replied in a typically combative front page editorial: "The muckraking little Sunday Express, which did so much to wreck the Department of Information with

its smear stories, has now turned upon the Citizen

"We are flattered.

"It means that the Argus-SAAN monopoly has become so frightened of the Citizen's success that it is desperately trying to finish off this newspaper by a campaign of calumny.

Proof

"We say to the Express: Let's have your proof. We challenge you to publish concrete evidence that the Citizen, as you claim, has been financed by public money channelled through massive — and secret — State funds."

RDM headlines screamed on Friday, "All True".

And on that day — the morning after it all came out, the day after it was learned that the Citizen's editorial policy was dictated by former public official Eschel Rhoadie — the Citizen published no editorial at all

Beeld summed it up as well as anyone.

"Public morality and confidence are the strongest weapons possessed by a politician or a political party," it said "If the fight has been won through the ballot box these two components become the most important in the Government's arsenal."

"There is now no other option: Without regard to individuals there must now be a clean-up. Those responsible for the blot (skande) on our public life must pay. Immediate retirement from public life will probably not be enough but it is the first essential requirement."

The RDM said it this way: "Exposure of the corruption is only the half of it. The other more important half is to expose the extent of the cover-up"

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IT WAS a week which saw disclosures about corruption and the Department of Information thudding down on the Government like avalanches in spring in the Swiss Alps.

They stripped bare the political landscape, suggesting an abuse of public money on a frightening scale, shredding the Government's credibility and bringing into question its public trust and honesty of purpose.

Like the Watergate scandal, which wracked America for two long years and destroyed a President, this one too reaches into the top drawer of government.

The consolation, a poor one, is the proven sturdiness of two pillars essential to any nation with pretensions to democracy — a free Press and independent judiciary.

As it is, \$12 million in public money was funnelled via fertiliser magnate Mr. Louis Luyt into financing the launch and losses of a strident English-language, Nationalist-supporting newspaper, the Citizen.

A further \$825,000 in public money was loaned to film tycoon Mr. Andre Pieterse and used to finance a film, Golden Rendezvous. Production fell behind schedule and costs mounted partly because boozy Irish film star Richard Harris polished off a bottle of vodka a day. The film flopped and the loan has only been partly repaid.

Mr Justice Mostert released his information to the Press to contribute to a "clean administration"

The previous Prime Minister, Mr. John Vorster, according to Louis Luyt, knew about and encouraged the Citizen's venture from the start. And when last November the lid was threatening to blow off the Department of Information, Mr. Vorster is alleged to have told Pretoria advocate Mr. Retief van Rooyen he could neither replace the Minister or sack the secretary for fear of what their successors would uncover.

The official he appointed in July last year to investigate the department's secret side, Mr. L. Reynders of the Bureau for State Security apparently uncovered nothing untoward.

On the contrary, his report, leaked to the Nationalist-supporting Afrikaans newspaper Die Transvaler on the eve of the Prime Minister's election two months ago, seemingly cleared the chief Transvaler contender and former Information Minister, Dr. Connie Mulder of deeper involvement.

Nor, apparently was the head of Boss, General Hendrik van den Bergh — in spite of the awesome powers and investigative facilities at his disposal — able to unearth anything.

Bombed

Throughout the year-long scandal, which, after being checked in Parliament, burst like a bomb in the Sunday Express last week,

The week that Judge Mostert lifted the lid . . .

By BILL KRIGE, Political Correspondent

money where its mouth is and refused to broadcast the evidence given to Judge Mostert and released by him midway through his State President-commissioned inquiry into currency regulations.

Where it will all end is impossible to say.

Where it all began is easier to pinpoint.

In the 1960s the three Rhoddie brothers, the sons of a Caledon prison warden, joined the Government information services after obtaining doctorates in social sciences from the University of Pretoria.

It was Eschel Rhoodie, tall, dark and debonair, who displayed a genius for propaganda work. He

Department of Information to help buy the Washington Star newspaper. It was also reported that the loan apparently took two years to return to the department's secret coffers.

Editor

In 1971 Dr Eschel Rhoodie returned to South Africa to take up an appointment as the first local editor of the "international" news magazine, *The Point*. Shortly after he re-entered government service as Secretary for Information, a starting promotion.

The Public Service Commission objected vehemently. Dr Rhoodie, it

or regulations which did apply.

But in 1972 it was the start of something big. Some of the department's key officials embarked on a remarkable few years of international wheeling and dealing, influence-peddling and the cultivation of (largely right wing) public figures in America, Europe and elsewhere.

The propaganda machine was revamped. Dr Mulder, through McGoff, met Vice-President Gerald Ford. The department became deeply involved in the abortive detente exercise.

That it trod on corns in the Ministry of Foreign Affairs with its "unorthodox" approach to diplomacy was

jet is used to fly Dr Eschel Rhoodie and Dr Mulder to Montreal for the Olympic Games and for several detente trips.

The well-appointed jet is also used to fly Dr Rhoodie to the Seychelles. He is accompanied by Les de Villiers and Retief van Rooyen, by wives and families.

Fragment

It is with the uncovering of this fragment by the Sunday Express earlier this year, with its revelations — hotly denied — of luxury living at State expense, that the carelessly constructed empire of Dr Mulder and his chief aide begins to fall apart.

or the appropriate authorities to make the necessary reparations."

According to evidence given by Mr van Rooyen to Judge Mostert, he told Mr Vorster "the whole story" about the Citizen's transaction towards the end of last year.

Later, he said, he found out that what he had discussed in private with Mr Vorster had reached the ears of Dr Mulder. Dr Rhoodie and General van den Bergh the same day.

Business (AND FUN)

for the Rhodies

Sam. Times
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WHEN the Information Department storm burst in South Africa this week Dr Eschel Rhodie and his wife, Kate, were away on a business-and-pleasure trip abroad.

By GEOFFREY ALLEN and
NIC VAN OUDTSHOORN

They were staying at the Jerusalem Plaza hotel, in Israel, where double rooms cost R48 a night.

Dr Rhodie plans to fly to Holland and the United States before returning to Johannesburg on November 18.

The hotel is billed by Israel's El Al airlines as "first class"

Dr Rhodie had intended staying at the city's older, but internationally famous, King David Hotel, but cancelled his reservation at the last minute.

He flew to Israel on Sunday night only hours after newspaper reports that the pro-Government paper, the Citizen, had been financed from money provided for Mr Luyt through the Information Department

Late this week the Jerusalem Plaza switchboard was jammed with calls from South African newspapers wanting to question Dr Rhodie over Mr Justice Mostert's statement that his Department had been used for "massive misappropriation of public funds and corruption in the very wide sense of the word"

property was bought by Dr Rhodie in 1965 for R14 400 and improvements currently valued by the municipality at R49 600 were done to it. Bonds registered against the property for R14 970 were paid off in 1975.

● A share in a Lowveld holiday farm near Hoedspruit, which is owned by a company, Reenberg (Pty) Ltd. Other shareholders are Dr Connie Mulder, Mr John McGoff, an American newspaper publisher, Dr Rhodie's two brothers, Deneys and Nic, Mr J van Zyl Alberts, managing director of the Citizen and Mr Les de Villiers, a former deputy to Dr Rhodie in the Department of Information.

Wealthy

For those who got through to him, Dr Rhodie had only a sharp "No comment", or "I won't talk to you"

He booked out of the Jerusalem Plaza just after midday (South African time) on Friday, apparently on the next leg of his trip.

Dr Rhodie is a wealthy man. As a Government official he earned a maximum of R22 000 a year. He accumulated property and cash assets of at least R272 000 before his retirement.

His known property assets include.

● A Bantry Bay, Cape, house bought for R71 700 in August last year for cash, to which improvements of R30 000 were made.

● An undeveloped stand in Plettenberg Bay of 765 sq m bought for R49 000 cash on May 17, 1976. It was put back on the market on March 13 this year for R52 000 and has not yet been sold.

Improvements

● A plot at Nature's Valley, Knysna, which was bought for R6 500 in November, 1976

● A house at 456 McKenzie Street, Menlo Park, Pretoria, with a municipal valuation of R68 000, to which improvements worth R6 000 were made in 1974/75. The

Pension

In June this year Dr Rhodie and his wife held R47 931 in cheque and savings accounts at one bank in Pretoria, while another bank where Dr Rhodie had a current account gave him a credit-worthiness rating indicating an ability to pay R50 000 within 30 days

In addition, Dr Rhodie, after his retirement, also received an estimated R30 000 cash payment and a pension for life of about R700 a month

Yet Dr Rhodie's salary from the Government was only R16 400 a year in 1976, R18 000 in 1977 and R22 000 this year

Although, in interviews in Pretoria this year, both Dr Rhodie and his wife told us that Mrs Rhodie had inherited "a great deal of money", official records show that she received only R69 642 from her mother's estate, while the R170 000 from her father's estate was divided between Mrs Rhodie and several other heirs

of its

flats

in Thor — himself, Mr Andre Pieterse and the late Mr Oscar Hurwitz — were required to complete blank transfer forms in favour of Dr Rhodie

● One of the flats had been kept empty for almost a year on the orders of Dr Rhodie because he wanted to combine that flat and the one next to it when the tenant in the still-occupied flat left. Dr Rhodie wanted the flats for himself.

"Dr Rhodie had at all times personally conducted the negotiations for the purchase of the flats, saying they were for himself. Only at the last minute did he say that his company, Thor Communicators, would sign the contract"

'Right between the eyes'

By NIC VAN
OUDTSHOORN

IT WAS a dispensation from God that Mr P. W. Botha was able to tackle the Information affair with clean hands, it was said yesterday by Dawie, the Burger's influential political columnist.

Dawie wrote: "The grim truth cannot be avoided.

"The horrible allegations which are being made about the use of the secret funds of the old Department of Information hit a person between the eyes.

"For the National Government it must be a blow in the pit of the stomach. No insurance can be taken out against irregularities.

One must accept that these things sometimes happen.

"The big question is how the authorities will deal with it.

"May the Prime Minister succeed in cutting the albatross of the Information scandal permanently from the neck of the Government."

THE LEADER THE JOURNAL ON THE INSIDE INFORMATION THE INSIDE INFORMATION ON THE NEWS INFORMATION

IT'S STILL LUSH FOR FILM MAGNATE ANDRE PIETERSE

BY JOHN HARTDEGEN

FILM magnate Andre Pieterse, mentioned in the Mostert Commission disclosures, sent out a Christmas card last year which showed him and his wife, Helena, with their three little girls and a boy all togged out in period costume and on their way to church.

It was typical of the flamboyant, super-Afrikaner image which Mr Pieterse cultivates. He lives in a style to which only such as dukes and viceroys are accustomed.

Fancourt, his gentleman's estate at Blanco, near George, is a palatial mansion that looks like something out of "Gone with the Wind".

Tinkling fountains and, until fairly recently, peacocks on the lawn illustrate the life style of the Pietersees.

Film stars and senior politicians come to spend leisurely weekends with the Pietersees.

Mr Pieterse said in evidence before Mt Justice Anton Mostert, who as a one-man commission of inquiry is investigating exchange-control contraventions, that he received a loan of R825 000 from the Department of Information, and that it was still owing.



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He hoped to begin repayments within the next six months.

Later he said in a statement: "With reference to certain Press allegations, I wish to state that at no time during my appointment as a director of Thor Communicators (Pty)

Ltd, was money entrusted to me used for any project or projects without proper approval and knowledge of all authorising persons."

In a separate statement, Golden Rendezvous Corporation of the United States, producers of the film "Golden Rendezvous", deemed that it had lost money.

Mystery

The registered owners of the Pieterse mansion are listed as Fancourt Ltd.

Fancourt is one of the oldest properties in the George district

An air of mystery and romance is lent to it by legend that it is haunted.

Millions gone with the wind . . . but the lifestyle is still Scarlett O'Hara

Mr Pieterse's dream was to turn it in to a Mecca for the rich and famous all over the world and the hub of his very own South African "Hollywood".

More and more he was taking his complex business affairs away from New York, Johannesburg, Amsterdam, London and concentrating them on the Garden Route coast

The film, "Golden Rendezvous" was the big one for Mr Pieterse. It was going to spin millions. And those millions were going to be used to make other films like Wilbur Smith's "When the Lion Feeds", but when "Golden Rendezvous" was

screened, critics the world over called it "laughable". Snapped Mr Pieterse, "We did not make this film to win Oscars. We made it to make money." But money it just did not make

In fact, Mr Pieterse had a job trying to sell the rights in America. And now it seems destined for the home-movie or videotape market

Bitterness

This week it was revealed that the movie had cost R850 000 of the taxpayers' money.

The wreckage of "Golden Rendezvous" has left a trail of bitterness and debt.

Mr Pieterse has told the commission that there is precious little chance that he will be able to pay that R825 000 back. This charismatic "golden boy", who rose from humble beginnings as a motor mechanic to the top echelons of the international film world, is shattered by the way his dreams have crashed

Since it was announced that the judge's findings were to be made public, Mr Pieterse has avoided the Press

This week while newsmen throughout the country were trying to phone him, he slipped quietly out of George and went to Johannesburg.



MR. ANDRE PIETERSE Shattered

Thor sells one

AT LEAST one of the six luxury flats in Clifton, Cape Town, which Thor Communicators bought for R225 000 last year has been sold, although the transfer has not yet been registered.

It is not known how much the flat in the beachfront block, Valhalla, fetched.

The tenant — he was given a month's notice at the beginning of last month — moved out a few days ago.

Rent collector

He said that Mr. Clive Parkes, rent collector for Thor, Dr. Eschel Rhoadie,

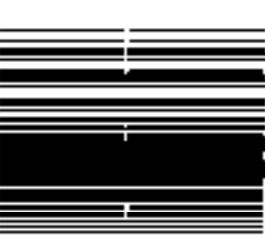
Luxury Clifton

BY NIC VAN OUDTSHOORN

at Valhalla on August 18 last year.

It was the same day that the Alberts deals were done.

The directors of Loton-yanda, Mr. J. van Zyl Al-



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Perskor leaves it up to Dr Mulder

MR MARIUS Jooste, chairman of the board of directors of Perskor, the giant Afrikaans publishing company, said that the board would take no steps to remove Dr Connie Mulder.

"We will not take any decisions on that matter. It is for him to do so. Our trust is for life," Mr Jooste said.

Asked if this was an expression of full confidence in Dr Mulder, Mr Jooste replied: "Now you are jumping to conclusions. But as far as Dr Mulder's position on our board or trust is concerned, nothing can be done there."

Perskor's flagship newspaper, the Transvaler, the

BY IVOR WILKINS

National Party's Transvaal mouthpiece, has been an invaluable asset to Dr Mulder and an important component of his power as the party's Transvaal leader.

The paper has backed him throughout the Information scandal, particularly by publishing a leak of the Reynders report, which it claimed cleared him.

This week the Transvaler suddenly switched its stance when the editor, Dr Wimpie de Klerk, wrote an editorial adding a new aspect to the allegations against Dr Mulder's former Department.

Mr J. van Zyl Alberts and the company Lotonyanda, had given him notice on behalf of Thor because the flat had been sold.

Mr Van Zyl Alberts, managing director of the company which publishes the Citizen, owns three flats in Valhalla.

Another is registered in the name of his son, Anton Louis, while a fifth is in the name of his daughter, Annemarie Geysler (born Alberts).

The five flats cost R153 250.

Lotonyanda (Pty) paid R117 825 cash for four flats

MORE INSIDE INFORMATION

Pages 16 & 17

berts and Mr John McGoff, American publisher and friend of Dr Rhoadie.

Secret funds

In evidence released by Mr Justice Mostert this week, Thor director Mr Retief van Rooyen said he "accepted that the flats bought by Mr van Zyl Alberts and registered in his own name and in that of the company, were probably also paid for with secret funds".

Although the price paid for the Thor flats was listed in the Deeds Office as having been R225 000, Mr Van Rooyen told the Mostert Commission that the company had paid "something like R256 000".

Mr Van Rooyen also revealed that:

- Each of the shareholders

INSIDE INFORMATION +++ INSIDER INFORMATION +++ INSIDER INFORMATION +++ INSIDER

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Pik Jauncheed porroboe into Citizenen caash

BY IVOR WILKINS

Why I quit over SABC

Info sag — Potter



THE Minister of Foreign Affairs, Mr Pik Botha, investigated allegations that the Citizen was receiving official funds as one of his first tasks after taking over the functions of the former Department of Information.

Only days after taking over the Bureau of National and International Communications, Mr Botha asked about the funding of the newspaper.

In a statement issued in reply to Sunday Times queries, Mr Botha said that when he assumed responsibility for the bureau on September 1 he "was aware of rumours to the effect that the Citizen was being maintained or assisted by official funds."

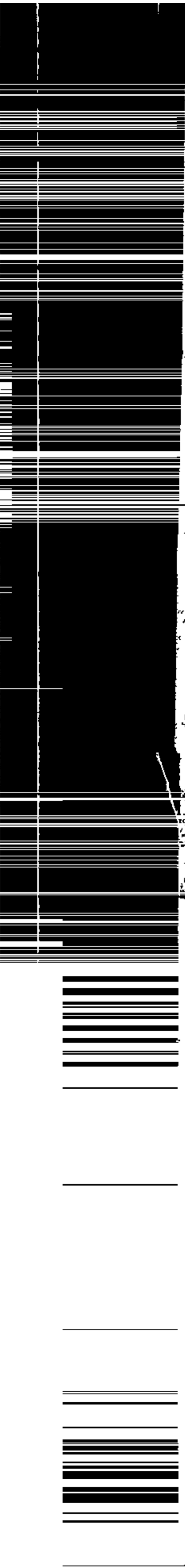
He was in New York at the time, engaged in discussions on the South West African issue.

After returning to South Africa on September 8, "I satished myself at the earliest opportunity that no money was being contributed towards the Citizen from the funds of the bureau for which I

The only

Minister

prepared



BY GWEN GILES

ADIO Today producer Julian Potter spoke for the first time yesterday about why he had quit the programme over the SABC's refusal to broadcast details of evidence about the Department of Information released by Mr Justice Mostert.

It was confirmed that he had been suspended by the SABC for his action walked out because, as a producer of a news programme, I was not being allowed to do my job properly. The seven o'clock news, an integral part of *Radio Today*, did not mention the Information story.

"I wasn't happy to leave my colleagues in the lurch just half an hour after the start of the programme, but there was nothing else I could do."

Credibility

"I felt my own credibility and that of the programme were at stake."

Other senior staff members of the SABC are furious about the decision not to broadcast or televise the evidence and its effect on their credibility.

The Mostert Press conference was attended by radio and TV reporters and was about to be broadcast when orders came from the top to stop the news going on the air.

It is understood that the director of news, Mr Jan van Zyl, and senior news editors on duty fought for the right to include the Mostert disclosures in radio and

television bulletins, but were overruled at director-general level. At the early morning conference on Friday, "all hell" reportedly broke loose as news staff angrily objected.

Resignations

Meanwhile, the former news editor of the Citizen, Mr Marshall Wilson, has said he is "very proud" of the stand two of his staff had taken in resigning from the newspaper after this week's disclosures.

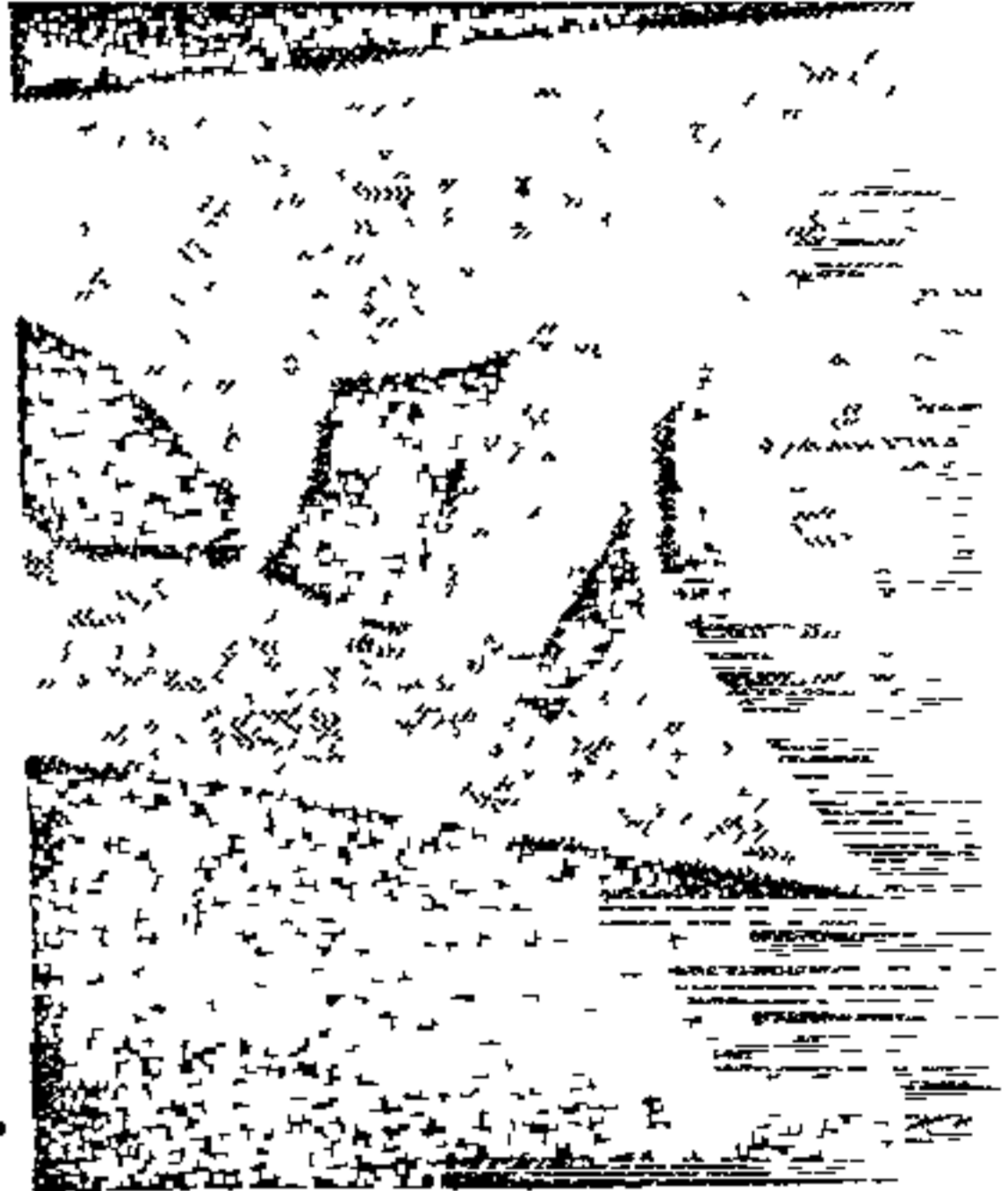
Mr Wilson, Mr Dave Jackson, a specialist writer, and a reporter, Mr Chris Ockers, resigned on Friday in the wake of Mr Justice Mostert's disclosures.

Mr Wilson emphasised that his decision was a personal one and bore no reflection on the staff that remained.

"I've no wish to be used as a tool of the Government or to be paid by apparent public funds."

Mr Wilson said he had asked the editor of the Citizen, Mr M. A. Johnson, to address the staff on the situation.

"He refused, but assured me that the paper was owned by a consortium of business men. But no assurance can convince me. I then called a meeting of my staff and we put out a statement. Yesterday was my day off but I went to the office to hand in my notice. I was gone by 9.30."



Mr P. W. Botha . . . only one who spoke.

Nats above the ballot box

SOUTH Africa had been plunged into a crisis of confidence because there was a Government which had been in power too long, the leader of the New Republic Party, Mr Vause Raw, said last night.

Addressing a public meeting in the Caledon Town Hall, he said that the Government considered itself beyond the power of the ballot box and that it had been in power too long to change its own attitude and arrogance.

"With 135 members plus three SAP 'bywoners' against an official Opposition of 17, the Government may think it is impregnable. But no government is beyond the power of the people."

"I have always believed that the time would come when people would turn against it in an irresistible tide. Not because opposition policies attracted them more, but in reaction against the failures and excesses of government," he said.

The Opposition could not offer an alternative, as its philosophy and its new policy, like its old, was an academic exercise in theory but was out of touch with reality and unacceptable to the mass of the electorate.

The New Republic Party, he said, had created a nucleus for a new political force acceptable to the majority of the electorate from both Nationalist and Progressive ranks, who were seeking change without chaos.

"Responsible, practical change which will be acceptable to responsible white and black opinion, but will not threaten the stability of South Africa," he said. — Sapa.

Mr Botha added "As regards the rumours as to what might have been the position before September 1, that was a matter which I believed would be dealt with by the committee which at that time was in the process of investigating the matter assigned to it by the Prime Minister."

He said he fully supported the statement by the Prime Minister, Mr P. W. Botha, this week that he could not agree, if it were true, that public funds should be used to subsidise a party-political newspaper inside the country.

After this week's sensational disclosures that the Citizen was funded with taxpayers' money, the Sunday Times asked Ministers whether they knew about this.

Mr P. W. Botha was the only one who replied.

Apart from the former Prime Minister, Mr Vorster, Mr P. W. Botha, Mr P. Botha, Mr Alwyn Schlebusch (Interior), Dr Schalk van der Merwe (Health) and Mr Chris Heunis (Economic Affairs) had facts about the former Information Department on the eve of the premiership election on September 28.

A spokesman for Mr Schlebusch said he would be unavailable for comment. But Mr Schlebusch told a

to speak

meeting at Marguard that action would be taken about proven allegations.

Contacted in Uppington, Dr Van der Merwe declined to comment.

A spokesman for Mr Heunis said the Minister was unavailable.

Other reactions were:

● The Minister of Agriculture, Mr Hendrik Schoeman. Not available.

● The Minister of Education and Training, Mr Willem Cruywagen. Declined to comment as the matter was sub judice.

● The Minister of Community Development, Mr Marais Steyn. Not available.

● The Minister of Finance, Senator Owen Horwood. A spokesman said he doubted whether the Minister would comment as he had been "exceptionally busy these past few days".

● The Minister of Affairs. Mr A. R. Rensburg. Not available.

● The Minister of Justice, Mr J. T. Kruger, declined to comment "at this stage" as he regarded the matter sub judice.

● The Minister of Labour, Mr S. P. Botha: Not available.

● The Minister of Sport, Dr Piet Koornhof. Not available.

● The Minister of Public Works, Mr Louis le Grange, declined to comment.

● The Minister of Social Welfare and Pensions, Mr F. W. de Klerk, declined to comment.

● The Minister of Transport, Mr S. L. Muller, was

QUOTES

— from today's Sunday Express:

AND there was the taxpayer who went down to the corner to collect a copy of the Citizen but refused to hand over any money. "I've paid for it already," he explained.



Sunday Tribune

DURBAN, NOVEMBER 5, 1978

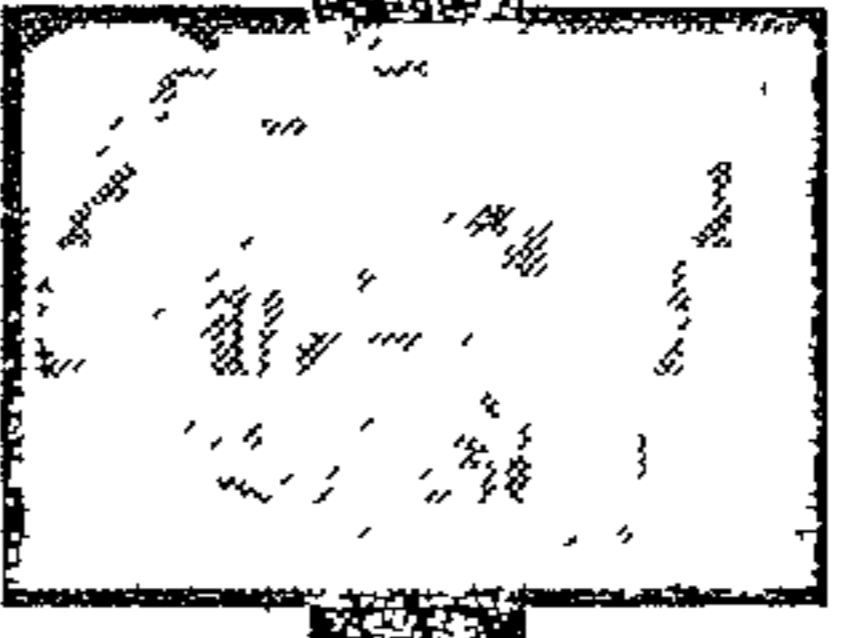
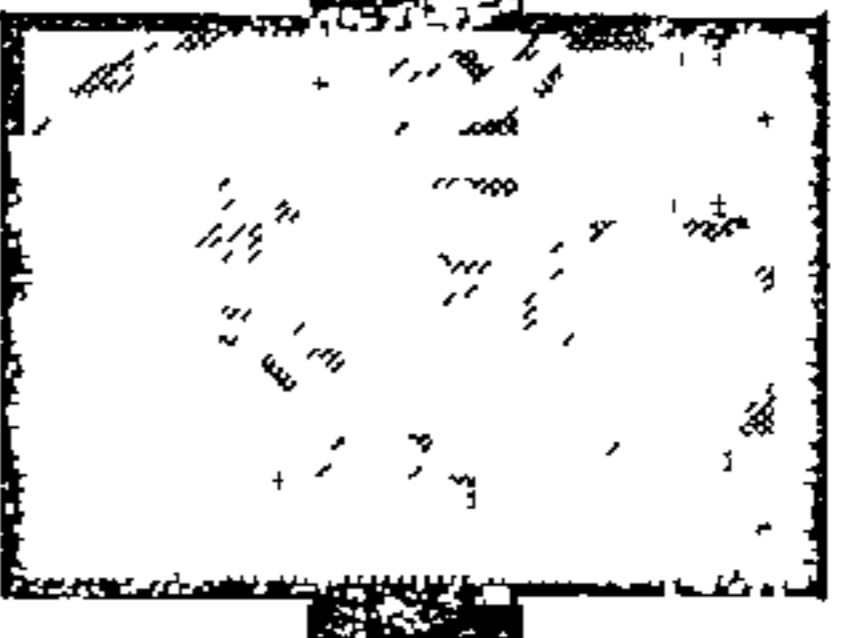
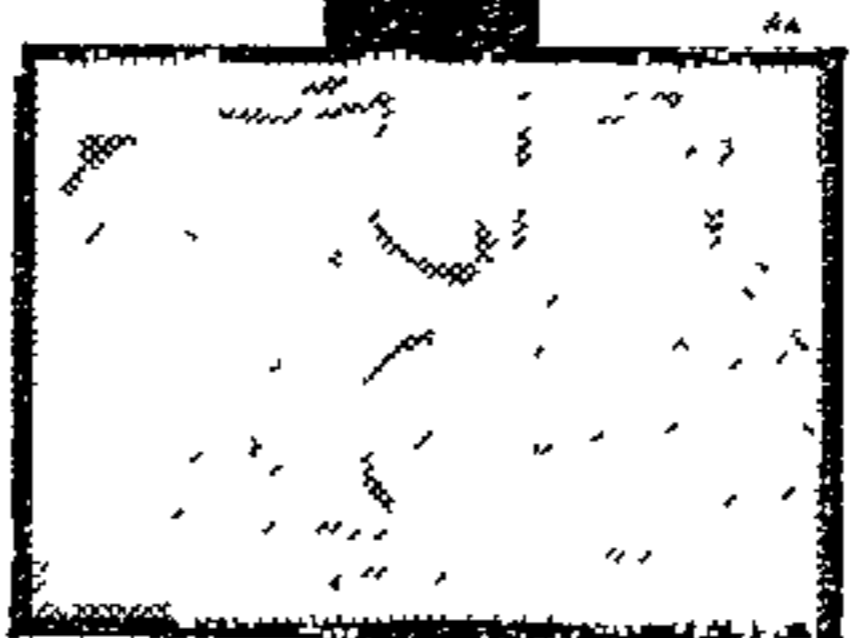
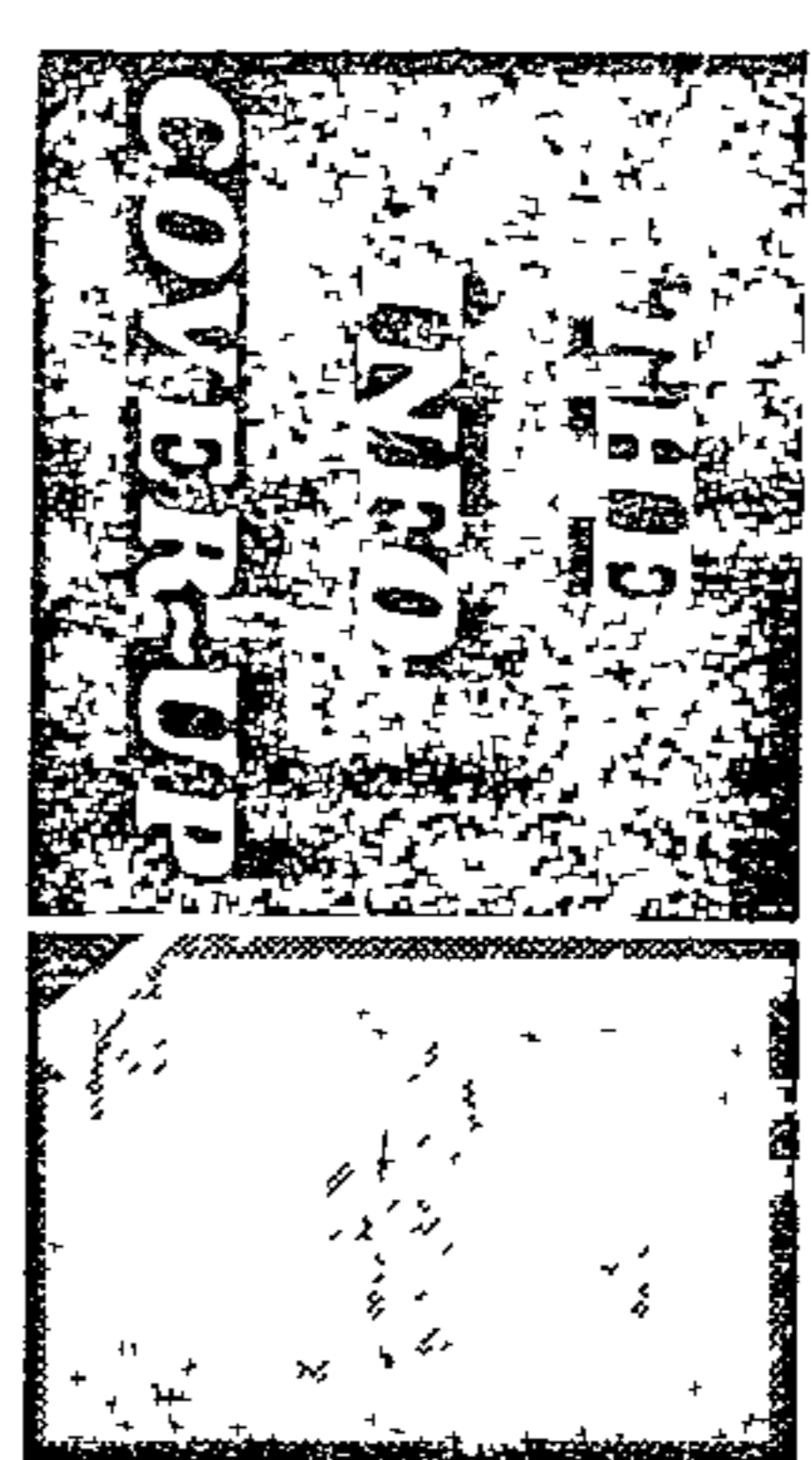
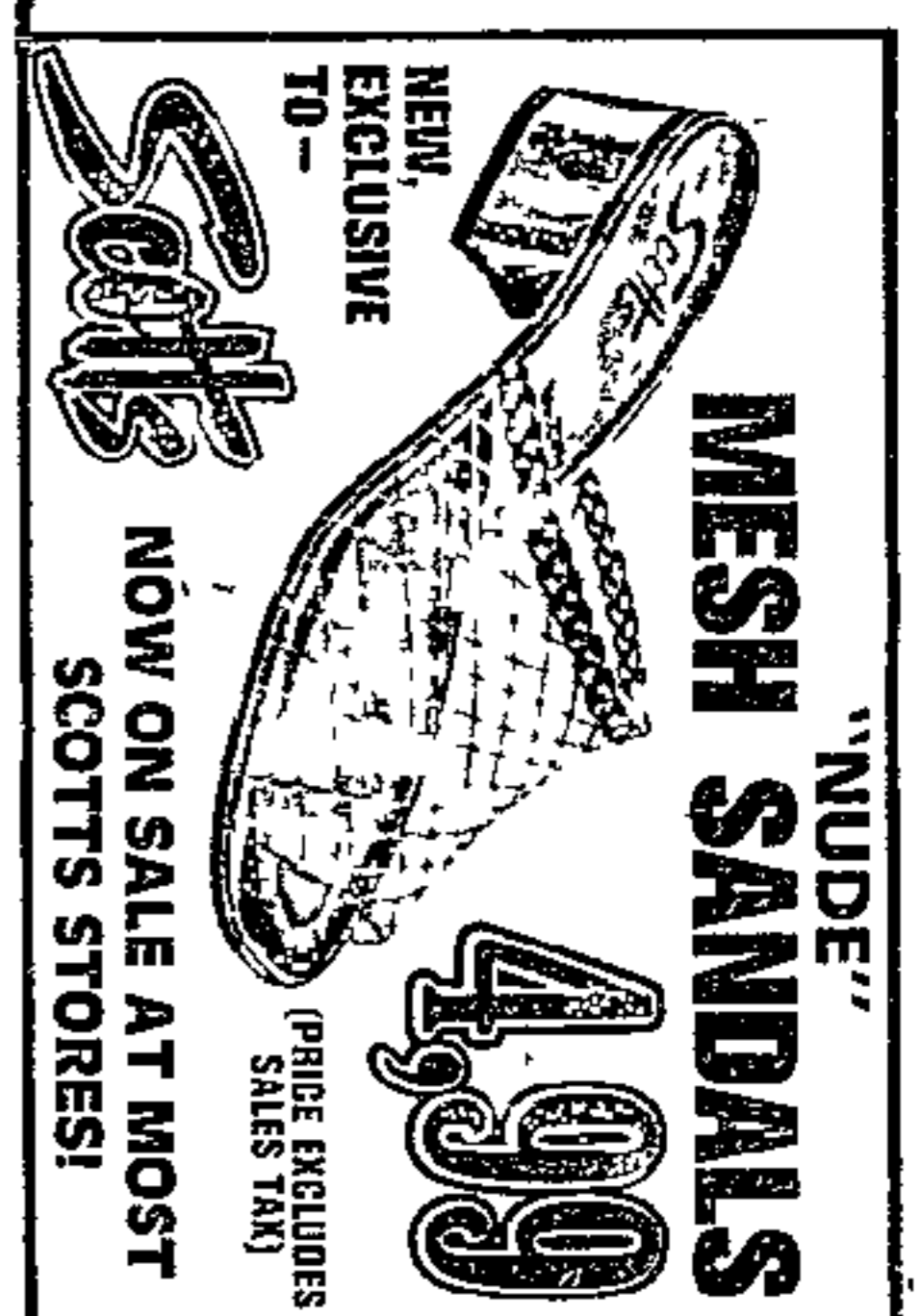
TRANSVAAL 30c + TAX 1c
FREE STATE 30c + TAX 1c

BORDER 30c + TAX 1c
TRANSKEI 30c + 1c Transkeian Tax

CAPE PENINSULA 35c + TAX 1c
EASTERN PROVINCE 35c + TAX 1c

SOUTH WEST AFRICA 40c
(NO TAX)

NATAL 25c + TAX 1c



See
Pages
2, 3, 4,
26, 27

TRIBUNE REPORTER

MR. JUSTICE ANTON MOS-
TERT, the man who released
the evidence about the De-
partment of Information
scandal that led to the emer-
gency recall of Parliament, is
investigating diamond sales
and the purchase of property
abroad by South Africans.

This was disclosed after the
dramatic events of the week which
rocked the Nationalist Government
and forced Prime Minister P. W.
Botha to appoint a second Judicial
Commission of Inquiry and the
recall MPs for a crisis session.

In other related developments this
week, Mr James "Wally" Waldeck, the
59-year-old former civil servant retired
prematurely from the Department of In-
formation earlier this year, received a

APP
SLAMS
THE
BOTHA
LANE
Public

MOSTERT GETS AHEAD IN DEBATE

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Without this commission there was already enough material available from Judge Mostert's inquiry for immediate action by the Prime Minister, and to require a public reply from those involved.

Dr Mulder particularly notes the public an immediate reply to allegations on oath, supported by documents, made by Mr Louis Luyt and Advocate Retief van Rooyen. The PFP calls on Dr Mulder to speak now.

There are other urgent matters. Public money is in the hand of private corporations.

Who is paying for the issues of the Citizen which will be published hereafter?

In view of the history, must the public not be told from what sources the money is coming?

The PFP calls for the Erasmus Commission to be replaced by an all-party parliamentary commission.

Taxpayers' money is involved which was voted by Parliament and the executive must account to Parliament which must do its own investigations.

If the commission in its present form proceeds as we must assume it will, then the PFP wishes to be represented at the hearings and this includes legal representation.

The PFP wants the right to examine and call witnesses and make submissions.

The hearings should be open to the public and only when matters affecting national security are before the commission, should anyone be excluded.

The evidence should be available to MPs before the debate on the affair.

Without it, parliamentarians can't judge on the reports and meaningful debate will be difficult, said the PFP.

had bought three poisoned diamonds, but denied the Department of Information had anything to do with the sale.

McGoff's gems

Former Deputy Secretary of Information Les de Villiers and his wife had also bought diamonds from the same dealer, as did American publisher John McGoff.

Mr McGoff, according to Mr Van Rooyen's affidavit, was at one stage approached and asked to take over the running of The Citizen when fertiliser king Louis Luyt wanted to divest himself of the newspaper.

Mr Van Rooyen said he thought Les de Villiers had taken McGoff's diamonds out of South Africa.

In examining Mr Andre Pieterse, another Thor Communicator's director, Judge Mostert asked: "Are you aware of any South Africans who have a house in the United States... directly or indirectly?"

When Mr Pieterse replied he knew of South Africans living in the Hollywood suburb of Beverly Hills, Judge Mostert said: "I am talking now of people who live here and have property there in the United States."

Mr Pieterse was unable to provide any information and Judge Mostert dropped the line of questioning.

The death threat against Mr Waldeck came at 3.20pm on Friday. Mrs Waldeck was told by phone: "Tell that Waldeck from Information he is going to die very quickly and very easily."

Mrs Waldeck said the caller spoke in English but had a foreign accent. He said he had taken certain precautions, but "I am not going to be terrorised or intimidated. I

am taking it seriously but I am not frightened."

Mr Retief van Rooyen said he wanted to leave town for a while, following warnings from certain friends, but was unable to do so because of family commitments.

He was unable to comment on matters raised in his affidavit because of the affidavit because of the judicial Commission of Inquiry announced by the Prime Minister, on Friday.

The announcement involved a major turnabout for the Prime Minister, who three days before said he would not appoint another commission as it would delay matters.

The decision came after a major row this week between Mr Botha and Judge Mostert, who wanted the Prime Minister to authorise the appearance before the Exchange Contraven-tion Commission of Mr J. J. Kemp.

Mr Kemp, identified in the Mostert documents as a Department of National Security accountant, is investigating and evaluating secret projects of the Department of Information.

Mr Botha refused, but offered to make information from the new judicial commission available to Judge Mostert.

Senator Horwood told the Pretoria Press conference: "Judge Mostert made it plain there was no point in pursuing the interview."

He jumped up and informed the Prime Minister this was the first occasion that a Prime Minister had attempted to prescribe to a judge. He turned on his heel and walked out. Judge Mostert went straight to his office and made public affidavits concerning the elaborate Government cover-up of the Department of Information scandal.

French fare for 'Fly to Paris' pair

CHEESES, wines and other French specialties were flown in from Paris for a luncheon at yesterday's Clairwood race meeting — and guest of honour was the Sunday Tribune's 'Fly to Paris' competition winner.

After the scrumptious meal Mrs Pamela Edgecombe of Durban received two free return tickets to Gay Pree from UTA French Airline's, Natal district manager, Mr Arthur Sandier.

She confirmed that her husband, Jolly, would be able to take time off from work to accompany her on the dream trip.

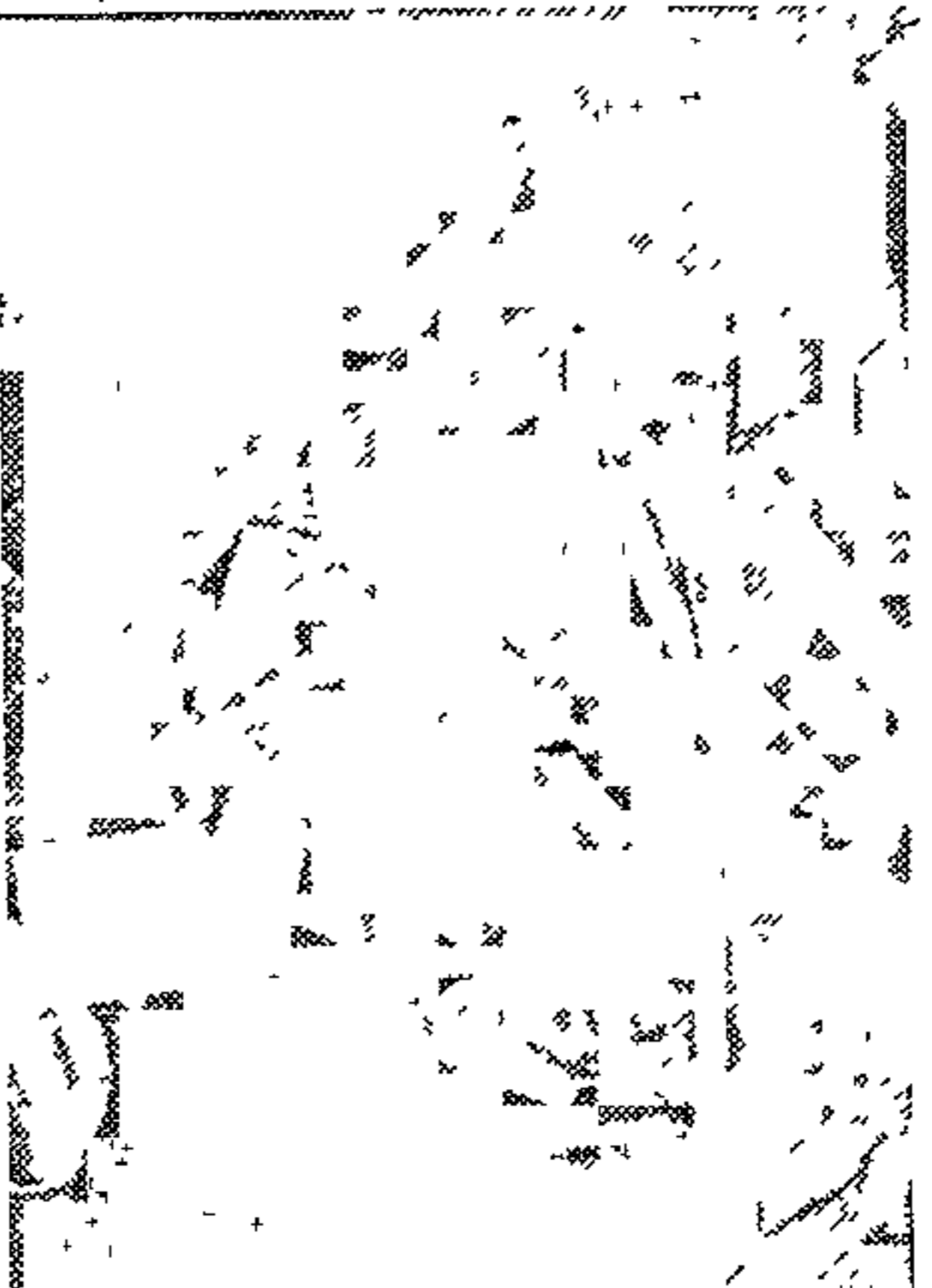
"But whether I will give him the second ticket depends whether or not he is nice to me," she quipped.

Mrs Edgecombe was glad to know that the tickets could be used at any time. This will enable the couple to go in summer next year.

Clairwood Turf Club will pay for their first few days in Paris. The club will also be their host at a premier racing event at the world-famous Longchamps course.

The Edgecombes will also take the opportunity to visit relatives in England. Main event of yesterday's meeting was the R7 000 UTA Natal Stakes over 2 000 metres.

SUNDAY TRIBUNE 'Fly to France' contest winner, Mrs Pamela Edgecombe at Clairwood racecourse yesterday with her husband, Mr Jolly Edgecombe, and UTA's Mr Arthur Sandier



Goboza snubbed

Tribune Reporter

MR PERCY GOBOZA, editor of Sunday Post, has been snubbed by the office of the Prime Minister for the second time in three weeks.

Early last month the editors of all major newspapers in South Africa were summoned to Pretoria for consultations with the Prime Minister, Mr P. W. Botha, and high-ranking Cabinet men on the situation concerning South West Africa.

Mr Goboza was not invited. Nevertheless, an apology

was extended to him by Mr Neville Krige the Prime Minister's Press secretary, and he was assured that it would never happen again.

Last week the editors were again summoned, this time to confer on revelations concerning the Department of Information, and again Mr Goboza was omitted from the invitation list.

Ask for comment he said "It seems to me that the only place I am to be briefed is in Modderbee jail."

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has right to know

Tribune Reporter

THE OFFICIAL Opposition yesterday rejected the steps taken by the Prime Minister to end the Information Department scandal and called for an open Parliamentary Commission instead.

At a special caucus meeting the PFP expressed its dissatisfaction with the inadequacies of the commission appointed by Mr Botha to investigate the Department's activities.

In its announced form the commission would restrict the public and parliamentarians in an unacceptable manner and would result in delays in respect of certain urgent matters.

The PFP particularly objected to restrictions on the publication of evidence which it said it considered unwarranted.

To have a parliamentary debate the day after the deadline for the submission of the report to the Government is intolerable and will make meaningful parliamentary debate on the report itself impossible," said the PFP.

Who's paying?

He has been linked in some reports with former Auditor General Gerald Barrie, who investigated irregularities in the administration of the Department.

And Pretoria advocate Mr Relief van Rooyen, who made allegations about Information Department officials' activities in an affidavit to Judge Mostert told me friends had said he should now "beware".

Judge Mostert said of his own personal security: "If by security you mean bodyguards and that sort of thing, then I have none."

But he has made arrangements to have the original copies of various exhibits and submissions secured against any "Watergate-type" break-in.

Judge Mostert's interest in diamond transactions is made plain by questions he put to Mr Van Rooyen, a director of the now re-named and re-structured Bureau of National and International Communications Front Organisation - Thor Communicators.

In a transcript of the cross-examination, made available to the Press, Judge Mostert asked Mr Van Rooyen how many diamonds he had bought in the previous two or three years.

He also asked whether the Department of Information had anything to do with the diamonds. Mr Van Rooyen said he

Mr Justice Mostert, the man at the centre of the info storm, relaxes with wife Joan

Comment

**Cover-up:
sack or
suspend**

**WORLD WAS THE
OF THE RHODIE**

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SUNDAY TRIBUNE, NOVEMBER 5, 1978

**OYSTER
JET SET**



SCHWARZ

"NO healthy body can be destroyed by a newspaper. Only when something is rotten can the newspapers act effectively against it." Harry Schwarz, MP, in Parliament on May 9 "I think the Prime

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CORRUPTION is one thing. Cover-up is another. The first is a crime; the other a cardinal political sin. The first is punishable by imprisonment; the other by dismissal from public office.

The Prime Minister has done well to recall Parliament to deal with the corruption exposed by determined and relentless newspaper probing in stages over months and by the release during the week of evidence presented to the Mostert Commission. The scandal is the greatest yet in South Africa's public life and Mr Botha has shown his sensitivity to it by taking the uniquely impressive step of seeking Parliament's approval for whatever action he has to take to clean up the administration.

To aid him in his task he has appointed a judicial commission which will complete its work before Parliament meets next month and give him essential evidence on which to base his actions. This too is a commendable, if belated, step.

By these two actions Mr Botha has acknowledged the enormity of the crisis facing the nation and he has promised that past standards of decency and honesty will be upheld.

Where he and others have fallen down is in the handling of the cover up. The issue here is one of responsibility in high office, simple duty. Cabinet Ministers and senior civil servants have clearly failed in their duty either through direct or deceptive actions. They have done things, authorised things or known about things which should never have been done. And by complicity, condonation, silence or omission have failed to act decisively to clean up the mess. All this is part of the cover up. All this adds up to the appalling state in which South Africa now finds itself.

Mr Botha needs no commissions to tell him where civil servants or his Cabinet colleagues have erred. If he does he is not himself the man for the job.

By HUGH ROBERTON

WASHINGTON: The 'secret world' of the former Department of Information stretched into the sandy wastes of Saudi Arabia, the noisy bazaars of Cairo, the remote Cayman Islands, the flashing lights of the aurora borealis and even the lazy shores of Hawaii.

According to well-placed American sources, these exotic places — and many others — featured in the incredible travels and business deals of the personalities involved in the continuing official inquiry.

From Saudi Arabia came the persuasive Sheikh Abdullah Baroom, an entrepreneur of repute, who is described as being a chum of Dr Eschel Rhoodie, the former Secretary for Information, and who is said to have visited South Africa several times.

Today, Sheikh Baroom is the owner of a BAC1-11 executive jet formerly owned by South African financier and industrialist, Louis Luyt But, before that, the plane had a fascinating career.

It was leased to Cayman Airways, a company registered in the Cayman Islands, the remote "amerlands of the Caribbean", which has two interesting shareholders, Robert Leipprandt and Richard Allen Jones

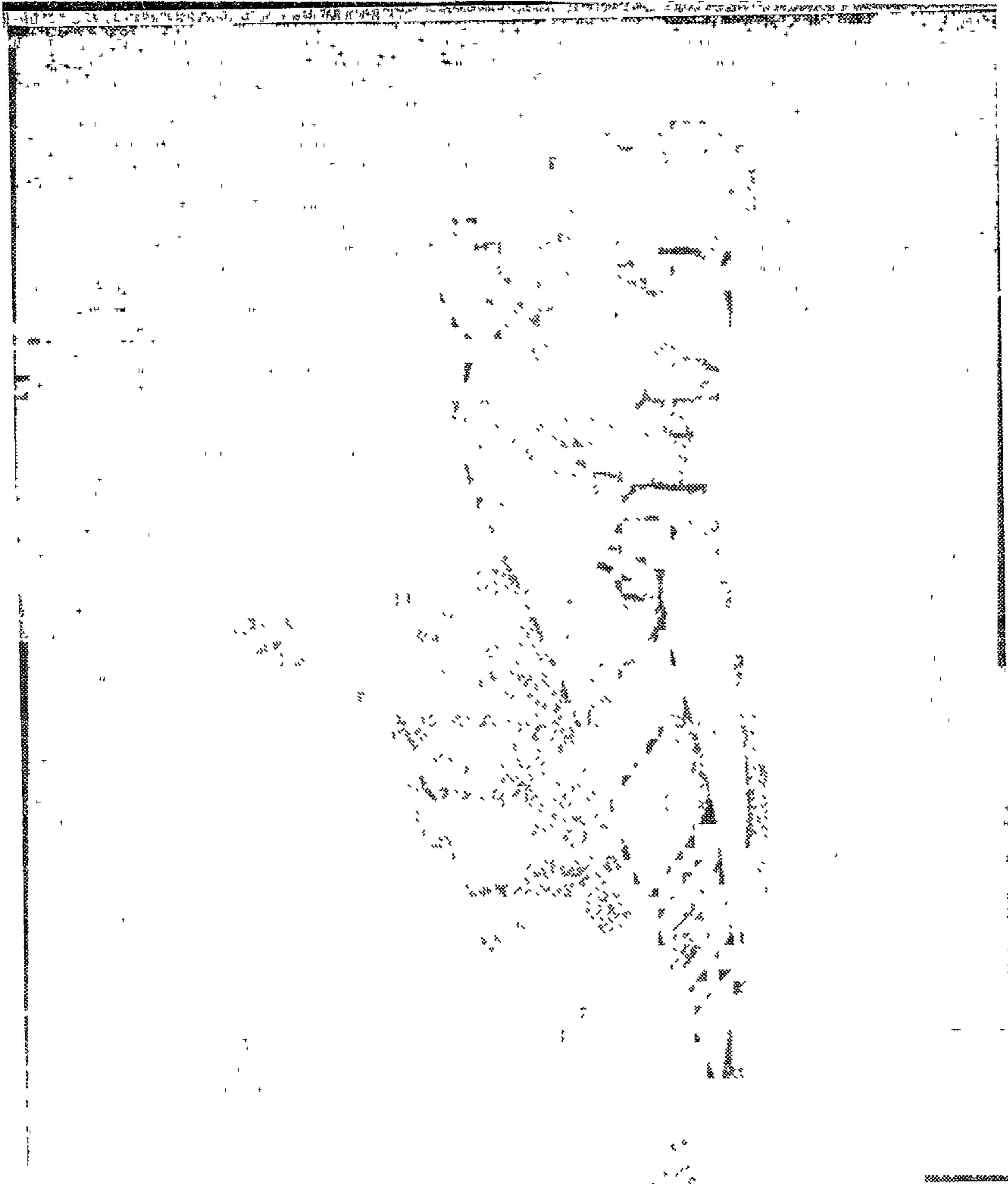
Interesting, because Messrs Leipprandt and Jones, both residents of the Cayman Islands, are business buddies of Luyt, Rhoodie, his brother and former assistant, Dr Deneys Rhoodie, the former Minister of Information, Dr Connie Mulder, right-wing American newspaper publisher, John McGoff, and none other than the business boss of The Citizen, Johannes van Zyl Alberts

All are shareholders in a Lowveld retreat called Reenberg.

But back to Saudi Arabia and Egypt —

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ESCHEL RHOODIE . . . luxurious cloak and dagger trips to exotic places

but, for good reason, via Montreal. There on a rainy day in the summer of 1976, Messrs Luyt, Rhoodie senior, Rhoodie junior, Mulder, and others, arrived in the capital of Quebec ostensibly to attend the Summer Olympics.

They arrived in the aforementioned BAC1-11, partly in a rather naive attempt to keep the visit secret and partly to im-

press a group of prominent Saudi and Egyptian businessmen, and politicians with whom they had arranged a meeting.

Unfortunately, because of the sneak attack on Israeli athletes during the 1972 Munich Olympics, all Arab visitors to Montreal were kept under discreet but close scrutiny. The reportedly self-con-

scious Rhoodie set are said to have stood out like Zulus at a National Party congress.

On another occasion, there is said to have been a further meeting with Saudis and Egyptians in Mahe, capital of the Seychelles. Like the Montreal meeting, it apparently came to nothing.

The Rhoodie set did not always travel

together on clock-and-dagger missions. Neither did they always use the Luyt BAC1-11 jet and they had separate business interests too.

Luyt, it is said, did not particularly care for the Rhoodies or their sense of melodrama and felt uncomfortable in their presence.

Thus the Rhoodie brothers and the former Deputy Secretary of

Deneys, Eschel and the boys — living



Deneys Rhodie

high for South Africa

Information, Mr L. E. S. de Villiers, are said to have gone off on their own to Hawaii for a mysterious jaunt in 1976. But they are reported to have emerged after some five days, tanned and rested and ready to pursue the country's public relations interests in the United States with a vengeance.

On another occasion, they are said to have attempted to impress supposed foreign friends of

South Africa by hiring a private plane to fly a small party into the flashing northern lights of the aurora borealis. Though information on the trip is scant, Scandinavian public opinion certainly was unmoved.

During this period, the money spent on Eschel Rhodie's overseas air fares is believed to have exceeded that spent by the Minister of Foreign Affairs, Pik Botha, and the Secretary for Foreign Affairs, Brand Fourie, combined.

Others involved in the secret deals of the Department of Information played unexplained business roles during this period.

On a chilly fall day in East Lansing, Michigan, for instance, Van Zyl-Alberts was suddenly elected to the board of John McGoff's Panax Corporation, which owns newspapers throughout the US.

Alberts owned no stock in Panax, though as a director he was compelled, under American law, to accept payment of director's fees. Then, while the bitter winter of 1978 began to end, Alberts was suddenly asked to resign from the Panax board. Again, there was no explanation.

In the midst of all this, the Rhodie brothers and De Villiers continued their "official" duties for the Department of Information, hosting lavish parties in New York, Buenos Aires, Montevideo, Ottawa, Zurich, London and other cities.

Then, there was perhaps the ultimate Rhodie extravaganza in the US — a symposium in New York to which all Department of Information officers in North and South America were flown, even though they had only just been visited by the Rhodies and De Villiers in their various offices.

It was topped off by an immense party, which filled the sprawling Park Avenue offices of the South African Consulate in New York and was talked about with a certain awe by even party-tired New Yorkers for days afterwards.

Minister should know — and I am sure he does know it — that a wide selection of the public rightly or wrongly believe that certain newspapers like The Citizen and other publications are secretly funded by Government sources for party political purposes."

Mr Japie Basson, MP, in Parliament on May 9.



BASSON

"I say this clearly and it is my honest standpoint: When the survival of South Africa is at stake, no rules apply. Then we fight with everything we have.

Dr. Connie Mulder in Parliament, May 9

"I won't duck a single question, I promise that. Members can ask questions until tomorrow night and I will answer every one. I have got nothing to hide."

Dr. Connie Mulder in Parliament on May 9



MULDER

"The task which these (Information) people have performed during the past six years is something for which South Africa must be grateful to them for many years. Foundations have been laid on which future generations can build for many years."

Dr. Connie Mulder, May 9.

Dr. Mulder: "The Department of Information does not give funds to The Citizen. Is that clear?"

Mr Basson: "And the Government?"

Dr Mulder: "The Government does not give The Citizen funds.

Parliament, May 9.



And then there was none!

ON TUESDAY, "The most outrageous allegations are being made, ranging from the funding of The Citizen by the defunct Department of Information to the "disappearance" of R13 million supposedly en route to The Citizen "missing millions" which, in the same report, are no longer "missing."

"Not a title of evidence is presented to back up any of the changes."

And later: "Let there be an end to all this. "Let a commission be appointed and let those allegations be tested. Nothing else will suffice in the face of the unbridled campaign of demigration which is going on at present."

ON WEDNESDAY the editorial is quieter than usual, slightly subdued. It points out that "the Prime Minister has again appealed to all instances, in the interests of the Republic, to let the matters rest until he



Rodney Maxton

By makes a further announcement and provides as much information as possible.

"Since his first appeal for restraint was ignored and the PFP Press has been threatening more and more so-called 'reveals', we can expect the campaign of gossip, insinuation, innuendo and outright demigration to continue.

"This is deplorable, especially at a time such as this when South Africa needs the greatest measure of unity and common purpose."

Quite a week for squeaks and gibbers

It warns "newspapers involved in this campaign" that their "wild allegations" could land them in trouble of the worst kind.

ON THURSDAY, as the clouds were gathering for the Judge Mostert storm that would shake the country later in the day, The Citizen's editorial comment started sounding like a repetitive pop tune.

"It is, indeed, a tragedy that the PFP newspapers which are conducting such a hue and cry about the defunct Department of Infor-

mation are doing so without regard to the interests of South Africa.

"Allegations are being made about huge sums which were supposedly transferred overseas to be used for certain specific purposes.

"Money which would have been used for purposes serving South Africa's cause.

"But now, by their sensation-seeking and scandalmongering, these South African newspapers are disclosing details of matters which should have remained secret.

"Surprising — and we don't say that the allegations are true — an amount was sent overseas to be used in a project which could have given South Africa the opportunity, indirectly or directly, to state its case?"

"What is wrong with that? What is wrong with establishing a base for pro-South African

propaganda? "Nothing. Nothing whatsoever."

Later in the editorial the newspaper hints darkly: "The very newspapers which are in the forefront of the attacks on this country's secret operations should look to their own staffs to see which of them by repute, are working for certain foreign interests."

Then came the Mostert bombshell.

And in the Friday morning edition of The Citizen that reached Durban . . . no editorial comment at all. Silence. No attack; no defence. Nothing.

But the headlines told another story.

The main story on Page 1: "Information row Mostert Reveals All!"

The report began: "Mr Justice Anton Mostert, chairman of the one-man commission of inquiry into contraventions of Exchange Control Regulations, disclosed yesterday that he had evidence which showed the improper application of taxpayers' money and corruption relating to public funds.

"While releasing documentary proof regarding the establishment of The Citizen at a Press conference in Pretoria, he said: 'Evidence placed before me until now indicated that there

was misappropriation of millions of taxpayers' money.'

"Following disclosures that The Citizen was founded with Government money and allegations that finance for The Citizen may still come from Government sources, its proprietors will issue a statement at the earliest opportunity . . ."

ON SATURDAY, yesterday, came the explanation. "There is no intention whatsoever of closing The Citizen, Mr Hubert C. Jussen, chairman of the newspaper, disclosed in a statement yesterday.

"I have given the staff and the public the assurance that there is no Government money in The Citizen under my chairmanship."

And the leader-writer was back in business on Page 6.

He welcomed the decision by Prime Minister Botha to appoint a judicial commission of inquiry into allegations of corruption in the defunct Information Department

Yes, it's been quite a week for the newspaper that squeaks and gibbers in the streets about "patriotism" and "independence."

The paper that thinks patriotism is spelt with a capital N for National Party.

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THE BOSS

Boss, I want you to know I'm with you all the way - these questions must be cleared up once and for all!

My conscience is clean. I -

Hang on - what's your number? I'll call you back

You can't -

Busy - what?

I'm - er - in Venezuela...

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What he has to do and what should have been done long ago is sack, or at the very least suspend, all those still in any post of authority who have failed in their duty.

DISCIPLINE AGAIN BREAKS DOWN

IT IS essential for the maintenance of public confidence in the police force that any abuse of police powers should be exposed and punished. The penalties meted out to three police constables v/ho tortured and killed a prisoner at Hluhluwe, were severe. They each received 12 years' imprisonment for culpable homicide. In addition two of them were sentenced to corporal punishment.

These three policemen have paid a high price for their gross breach of discipline. But one cannot again help asking why such breaches take place. Why are there any young men in the force who do not regard such conduct as reprehensible? Is there something lacking in their training so that they do not know the extent and limitations of their authority?

There is another disturbing possibility: that they are under the impression that such behaviour will be winked at by their superior officers or will even be encouraged by them.

The courts have taken proper action following the shocking events at Estcourt where young policemen forced two young girls to commit indecent acts, and Hluhluwe. But such indiscipline should have been curbed long before.

THE CITIZEN COMMENT

WHAT a week it was for The Citizen, that Johnny-come-Lutely to the South African Press scene.

On Sunday the watergate was opened by the Sunday Express and it spilled and swirled around the little newspaper that has made such a big noise about its "patriotism" and how it was the only truly "independent" English-language paper in the country.

All the others, according to this mystery tabloid, somehow belonged to the PFP and Harry Oppenheimer.

By the end of the week the flood had washed away the veneer and, there in the mud and silt among the debris that threatens the reputations of some top South Africans, lay the truth about The Citizen.

It was born (illegitimately, apparently, for suddenly nobody wants to be its father) to be lackey to a relatively minor Government official; its birthright was signed away to the now discredited Eschel Rhoodie, former Secretary for Information, bound by a charter that most of its own editorial staff are ashamed of in case it damages their professional reputations; allegedly financed by "funny" money.

That's the newspaper that bragged about

being "independent", the newspaper that thought patriotism was spelt N-A-T-I-O-N-A-L-I-S-M.

IT'S all there in The Citizen's editorial comments Self-righteousness, defiance, justification, hysteria.

Monday's editorial epitomised the art of attacking to defend

Said The Citizen: "The muckraking little Sunday Express, which did so much to wreck the Department of Information with its smear stories, has now turned on The Citizen.

"We are flattered.

"It means that the Argus-SAAN monopoly has become so frightened of The Citizen's success that it is desperately trying to finish off this newspaper by a campaign of calumny."

Later in the editorial: "Mr Luyt has in the past emphatically denied that any State funds were injected into The Citizen during the period when he owned the newspaper."

Then, almost frighteningly illogical: "Unlike some of the PFP-supporting newspapers, The Citizen is a South Africa First newspaper which does not hesitate to fight for the country's interests. It is not a paper which tries to bedevil South Africa's international position or lick Swapo's backside."

THE INFO COVER-UP

Among Nationalist politicians there was today again intense speculation about Dr Mulder's future.

By TOS WENTZEL

DR CONNIE MULDER, Transvaal leader of the National Party, is taking a last, determined, stand in the Information debacle but few Nationalist MPs believe that he can survive politically.

The most telling political comment in a Nationalist newspaper so far was a cartoon in the party's Cape mouthpiece, Die Burger published yesterday.

It showed Dr Mulder on a sinking boat marked "Information" with the water up to his face.

The newspaper said the "horrible allegations" about the way in which secret money was spent by the defunct Department of Information was "a blow between the eyes".

The Prime Minister, Mr P. W. Botha, has made it clear the judicial inquiry into the workings of the old department will be carried out without taking any personalities into account.

Among Nationalist MPs this is seen as an indication that heads will roll — even if it has to be a minister.

Dr Mulder has expressed his willingness to give evidence to the judicial commission.

He says his conscience is clear.

There is considerable relief among Nationalist politicians about the fact that the Prime Minister himself knew about the way secret money is said to have been spent on establishing The Citizen newspaper.

While the party prepared to concede that the spending of money on secret overseas projects may have been necessary, Nationalist politicians are infuriated by suggestions that money was spent on starting a South African newspaper with taxpayers' money.

At his Press conference on Friday Mr Botha made it clear that he was strongly

MULDER MOOSE TIGHTENS AS STAMM



Dr Mulder . . . as Die Burger cartoonist saw him yesterday

What the R12-million meant to you!

from estate duties in a year.

All the tax raised on stock exchange share transactions amounted to R12-million.

Mr Schwarz said: "If the money had been spent on social projects in South Africa more good could have been done to South Africa's image than either Mr Pieterse and his film or The Citizen and the many other projects we haven't heard about," he said.

The R12-million represents almost 10 percent of public monies spent on black education

In the financial year ending 1977, the entire Department of Foreign Affairs spent only about three times the amount.

It equals about 25 percent of all tax obtained

Increases of R50 a year This would have closed the gap between white and black pensions substantially, he said.

It could have given 500 000 pensioners an extra R25-a-year each.

It could have given 260 000 blacks pensions

THE cost of the alleged financing of the Government-supporting Citizen newspaper out of State funds, was today related to the taxpayers' pockets and other Government spending.

Opposition Finance spokesman Harry Schwarz said the original R12-million allegedly given to The Citizen represented on average about one-fortieth of personal tax paid this year.

It could have given 500 000 pensioners an extra R25-a-year each.

It could have given 260 000 blacks pensions

way.

While there is some sympathy for Dr. Mulder among his colleagues, in the sense that they feel he may have been misled by officials, they do not feel that he can survive politically.

Even if he does stay on as a Minister, he will now face a serious challenge for the Transvaal leadership of the party from the Minister of Foreign Affairs, Mr. Pik Botha.

There is also some speculation about the future of the Minister of National Education and

Pik Botha

Sport, Dr. P. G. J. Koornhof, who has also been mentioned in evidence released by Mr Justice A. Mostert.

The Prime Minister had clearly demonstrated that healthy administration of the country was of the highest importance to him when he appointed a judicial commission and decided to summon Parliament, said Die Transvaler yesterday.

Mr Botha showed that it was the intention to root out the highly disquieting evidence about large-scale corruption. But it was a pity that action had not come faster, said Die Transvaler.

Beeld said Mr Botha's steps were the correct ones.

Seeking the honourable way out was apparently not being followed by the person entrusted with ministerial responsibility for the Information affair, the judicial inquiry now had to take its course so Parliament could judge the issue.

Mr. Hendrick van Eck, Leader of the New Republic Party in the Transvaal, has called on Dr. Mulder to resign.

Mr van Eck said there was every reason now to justify the demand that Dr. Mulder accept the democratic principle of ministerial responsibility. He should resign both his position in the Cabinet and the post of leader of the National Party in the Transvaal.

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THE TIP OF THE ICEBERG

supports the broad objectives of the present elected government in respect of separate political development of the black population and the white population of the RSA as well as the anti-communist and security legislation of the RSA."

But once the Citizen was launched its financial problems became dominant and they soon spilt over into other areas of the secret operations. Among these was Thor Communicators, a company set up as a conduit for secret funds.

for a half-share in Mr Luyt's aircraft, a BAC-111 jet. He also discovered a loan of R1-million to Mr Luyt and was shown the contract covering the R12-million for the Citizen.

He was told that the Department was having difficulty in retrieving its R12-million from Mr Luyt, who argued that he had invested it long-term and could not withdraw it at short notice. At a meeting called to discuss the problem, Dr Rhodie complained that it was impossible to sue Mr Luyt for the return of the money

because "everybody would know that Eschel Mostert Rhodie did not have R12-million to lend, and that it was (from) the secret fund"

Mr Van Rooyen said it was suggested to him in September or October, 1977, that Mr John McGoff and Mr Van Zyl Alberts should take over the Citizen, and that he should become managing director of SA Today.

"My advice to John McGoff was to keep out of it, because it was said that there was a deficit of R400 000 a month on the

WHEN the former Prime Minister, Mr Vorster, learnt of the Information scandal he appointed a "well-equipped person" to look into it — and he called a general election.

Soon afterwards, according to Mr Riet van Rooyen, SC, he said that "this whole cat's nest will be cleaned out just after the election on November 30".

The Prime Minister was alerted to the problems in the Information Department at the end of July, 1977, by the former Auditor-General, Mr Gerald Barrie, who had begun to audit the books of the Department in April.

Mr Barrie found what he regarded as unprecedented irregularities in the use of departmental funds, but the Secretary for Information, Dr Eschel Rhoodie, denied him access to the secret funds.

Mr Vorster told Mr Barrie to go ahead with his investigation without, however, making it possible for the Auditor-General to penetrate the curtain of secrecy that covered the G-fund (Geheimfonds) operations

And soon the "well-equipped person", who was Mr Loot Reynders, of the Bureau for State Security (BOSS) was — according to Mr Louis Luyt's evidence — quietly tidying up the mess which he was supposed to be investigating.

Meanwhile, Mr Van Rooyen, increasingly perturbed by what he was discovering about the secret operations for which he had agreed to provide a "front", was trying to find a way to report his suspicions of corruption to the proper authorities

In September he reported to Mr Reynders. He was soon to find that whatever he told the Prime Minister quickly reached the ears of BOSS; but whether his reports to BOSS ever reached the Prime Minister is still impossible to say

In any event, on September 20 the Prime Minister stunned the country by calling for an election on November 30. The tactical timing was regarded as brilliant because the United Party had only recently destroyed itself, and the Opposition was in complete disarray

Hysterical

In October, while the election campaign was raging, Mr Vorster did learn at first hand, according to Mr Van Rooyen, about the dimensions of the scandal

Where Mr Barrie had uncovered evidence of high living, unauthorised jet-setting, waste and disregard of regulations, Mr Van Rooyen knew of a massive conspiracy to undermine the very political process that was then under way.

The Citizen, owned by editorially pledged to the Information Department, was campaigning

AND THEN TO MULDER, AND TO RHOODIE, AND TO LES DE VILLIERS

with hysterical fervour for the National Party Behind the protection of the Official Secrets Act, created to protect the country against foreign enemies, the Government was throwing millions of tax money into thwarting a free expression of the national will

By October, Mr Van Rooyen told Mr Justice Mostert under oath, he was telling Mr Vorster what he knew. Specifically, he was telling Mr Vorster that the Citizen was owned by the Government.

Shocked

"He appeared very shocked when I reported to him because, look, we were now in October, more or less, of 1977. At the stage when the Citizen transaction was brought to my attention — either the end of September or somewhere in October.

"I told him everything, the whole story. Immediately after this newspaper story was brought to my attention by Dr Rhoodie, as I say, in this McGoff/Van Zyl Alberts connection, I immediately felt this was a matter that I should report to the Prime Minister."

Mr Van Rooyen testified that Mr L E S de Villiers (former deputy to Dr Rhoodie) had also told him "they are stealing money left and right from the secret fund around me" and had begged him to report this to the Prime Minister.

"(He said) he could not endure it any more, a tremendous 'gawolt' would arise, and he felt he must go (to America), but that, on the other hand, he was not anxious to throw up his career in the civil service just like that

"He then asked, begged, me please to talk to the

Prime Minister and to ask for his advice on what he recommended that L E S de Villiers should do

"I did that, I went to the Prime Minister, and his advice was also that he (De Villiers) should put as much distance between himself and the Rhoodies as possible"

Mr Van Rooyen told Mr Justice Mostert that an unpleasant event occurred one day some time later. In the morning he was alone with the Prime Minister, and in the evening he had to go to Mr De Villiers's farewell party, where he saw Dr Connie Mulder, Minister of Information, Dr Rhoodie, and General Hendrik van den Bergh, of BOSS, talking together

A few minutes later Mr De Villiers called him aside and said "What have you done now, because they have now warned me that I must be very careful about what I say to you, Van Rooyen, because you gossip to the Prime Minister"

Worried

"In other words, my conversation with the Prime Minister in the morning had already come to the ears of Minister Mulder, Eschel Rhoodie and the general I asked L E S de Villiers how that could happen. Then he told me that the general said he was told by the Prime Minister"

Mr Van Rooyen went back to the Prime Minister to complain, and the Prime Minister said he was shocked to hear that General Van den Bergh had told the others.

Mr Van Rooyen continued his evidence "In November I was told that this whole so-called cat's nest would be cleaned out after

the election on November 30"

The Commissioner. By whom?

Mr Van Rooyen The Prime Minister.

Mr Van Rooyen said he saw Mr Vorster again on a number of occasions and Mr Vorster was terribly worried. He said he could cope with everything, but not the newspaper (the Citizen). Those millions had to come back

Victory

But nothing happened while Mr Vorster, supported by the Citizen, rolled up the biggest electoral victory in South African political history. And nothing happened after that

So, Mr Van Rooyen said, he went to Mr Vorster again at the end of December or early January, at his private retreat at Oubos, and urged him to leave the Minister concerned out of his new Cabinet, and also to see that Dr Eschel Rhoodie would no longer be in the Department

According to Mr Van Rooyen's account, Mr Vorster, the Iron Man, gave this reply: "The Prime Minister indicated to me that he could not afford, in the situation that existed, to leave the Minister concerned out of his portfolio, because, within the first week after he appointed somebody else, that man would come back to him in shock over the kind of child he had inherited"

So he left it to General Van den Bergh, who was already, says Mr Van Rooyen, "negotiating" a solution...

KEN OWEN

What I told Vorster went right to Van den Bergh

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investigate was the direct attack on normal political processes involved in the launching of the Citizen newspaper in Johannesburg. But General Van den Bergh emerges as one of the principal authors of this conspiracy.

It was he, according to evidence given by Mr Louis Luyt to Mr Justice Mostert, who first raised the matter during a flight on Mr Luyt's plane to a cricket match.

"I cannot remember the exact date," Mr Luyt testified. "Among others General Van den Bergh was also one of the guests, and Rhodie and also Piet Koornhof (Minister of Sport), but General Van den Bergh then said to me that he would approach me because he needed my name for something."

"I said certainly, but I didn't know what it was about."

Mr Luyt said he was then approached by Dr Rhodie, who said that "they were busy taking control of SAAN (South African Associated Newspapers, which publishes the Sunday Times, the Sunday Express, the Rand Daily Mail and other newspapers) and they wanted to use me, especially my name".

Dr Rhodie explained that Mr Van Zyl Alberts, his associate in many ventures, had already bought up a block of SAAN shares.

Mr Luyt was given R6-million for the takeover bid. When the bid failed, a meeting was held at the home of Mr L. E. S. de Villiers, Dr Rhodie's deputy, on December 4, 1975, at 7.30 am to discuss the launching of a new newspaper.

It was attended by Dr Rhodie, Dr Mulder, Gener-

How they tried to subvert the democratic way

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al Van den Bergh, Mr De Villiers, Mr Luyt and his accountant, Mr P. F. du Preez.

This time the name of the Prime Minister, Mr Vorster, was invoked. "I was told," said Mr Luyt, "that the Prime Minister had chosen me (to launch the paper) because of the fact that I was neither on the left nor the right — that I was not in politics, that I had a moderate direction, and it was also said that it should not be a pro-Government newspaper."

Crucial

Again General Van den Bergh played a crucial role, insisting that Mr Van Zyl Alberts was not the right man to run the new newspaper, which was to be a counter to the Rand Daily Mail, and Mr Luyt was given an additional R6-million to launch the newspaper.

He told Mr Justice Mostert that the idea was that this money should form a "pool" of capital which should be kept intact, and that Mr Luyt should use the interest to finance the Citizen.

As publishers, the conspirators were amateurs. They underestimated hopelessly the phenomenal costs of producing a modern newspaper — Mr Van Zyl Alberts by 5 000 per cent,

said Mr Luyt. He agreed ruefully that his own cost estimates were too low by 100 per cent.

But Mr Luyt was not a man to leave R12-million lying around. He promptly invested the money in Triomf, his fertiliser company, at 12.5 per cent. Mr Du Preez explained that this money had to be "integrated" into his other assets if the Citizen operation was to be credible.

The interest on this money proved far too meagre to sustain the Citizen's losses, and this became a point of growing friction between Mr Luyt and Dr Rhodie, whom the fertiliser magnate at one point called a "James Bond". Mr Luyt said he was forced to use his own overdraft to sustain SA Today, the company that published the Citizen, which at one stage required R2.7-million in finance.

Mr Luyt became restive about the whole arrangement. According to his accountant he was merely the nominal owner of SA Today. The real owner was the Department of Information, and, when it was finally decided to transfer ownership to Mr Van Zyl Alberts, Dr Rhodie had to approve.

Mr Du Preez, who remained auditor for SA Today, said that Mr Van Zyl Alberts was the sole holder

of shares in the company, so far as he knew. He believed that Mr Van Zyl Alberts, too, was merely a nominee and that the actual owner was the Information Department — a view that contradicts frequent assertions in the past that Mr Hubert Jussen and other foreigners hold shares in the company.

The purpose of launching the Citizen emerged with stunning clarity in the contract covering Dr Rhodie's loan of R12-million to Mr Luyt.

Lie

Marked "Uiters Geheim", it says "All chief sub-editors, assistants, deputy editors, all editors, political columnists and correspondents of the newspaper (a) are compelled to sign and apply the editorial charter attached hereto and signed by all parties, and (b) will be compelled, in their writing, editing and publication of the Citizen, to apply the letter and spirit of the charter and any other editorial guidelines as spelt out in this contract."

Despite Mr Luyt's disclaimer, the contract gives the lie to the assertion that the Citizen was not intended to be a National Party organ.

Paragraph (d)(viii) of the contract reads "The paper

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running of the Citizen, and that this amount would have to reach him one way or another month after month from the Department of Information's secret funds.

"My advice to him was, stay out, I personally want nothing to do with this whole thing, I regard it as completely in conflict with good government that taxpayers' money should be used for an internal project which is intended perhaps to serve party political ends. . . ."

Mr Van Rooyen was, according to his evidence, equally perturbed by Thor's purchase of flats in the Valhalla block in Clifton — another of the Thor operations that was first disclosed publicly by the Sunday Times.

Crisis

The secret fund provided R256 000 to buy six flats when the property company, Voysey Bond, collapsed, creating another financial crisis for the secret fund.

The full story of this transaction does not appear to have emerged, but Mr Van Rooyen, when he queried the property investment, was told by Dr Rhodie that the Department had so many people working for it, here and overseas, that some provision had to be made for them.

He said the employees were on three-year contracts, and the emergency fund would be needed if the secret funds were suddenly cut off, as the CIA's funds had been cut off by the American Congress during the Angolan conflict.

Mr Van Rooyen discovered, too, that two of the flats were not rented and the agent, Mr Clive Parkes, told him that they were Dr Rhodie's. He said that Mr Hurwitz had drawn up plans for the removal of a wall to join up the two flats for Dr Rhodie's use.

Similarly, Mr Van Rooyen confirmed the report by the Sunday Times that Dr Rhodie had first sought to have his house in

Bantry Bay bought by Thor but that he later bought it himself. Mr Van Rooyen said it was his protests against the deal that caused Dr Rhodie to buy the R71 000-property himself.

Mr Van Rooyen disclosed that the Bureau for State Security cropped up again when Mr Luyt finally sold the aircraft which he then owned jointly with Thor. It was Mr Loot Reynders — the "qualified and competent" BOSS man appointed by Mr Vorster to audit the secret accounts — who came to get his (Mr Van Rooyen's) signature on the sale documents on behalf of Thor. The money from the sale was then sent back to the Information Department.

When Mr Van Rooyen asked why Thor had given Mr Andre Pieterse R825 000 to finance a movie, "Golden Rendezvous", it was again Mr Reynders, the BOSS man, who reassured him that the money had not been used for that purpose.

In fact, it was, Mr Pieterse spelt out the whole deal to Mr Justice Mostert.

The last straw was, as so often happens, a relative triviality. At least, so it must have seemed to a man like Dr Rhodie who was wheeling and dealing in millions.

It came in April, when Mr Van Rooyen was asked, in his capacity as a director of Thor, to sign a contract for the rental of a private box in the stand at Loftus Versfeld — that ultimate symbol of nouveau riche status in Pretoria.

"I did not want to sign the agreement," he said. "It was R8 000 for two years, one of those private boxes at Loftus Versfeld."

"I could not see why the secret fund at Information should hire a public box before 60 000 spectators at Loftus Versfeld."

Soon afterwards he went himself to inspect the box, to find there Dr Rhodie, his brother, Deneys, a lawyer, and a relative of Dr Rhodie's. On the door was

a sign that read: "Thor Communicators"

"So I thought to myself, how is it possible, because here he advertises for anybody who wants to know that there is a connection between Dr Rhodie, the two Rhodies, and Thor Communicators, and it looks so much as if it's a Rhodie box."

Mr Van Rooyen then told Dr Rhodie he had heard from a Press friend that the Sunday Times wanted to write a story about the box at Loftus Versfeld.

"The reaction was dramatic. It was evident that he had a great fright. Dr Deneys Rhodie then telephoned me and said I must please immediately return my two tickets, none of them would ever appear in the box again, and they would exchange their tickets with other people. . . ."

Climax

The climax came later. When Mr Vorster announced his retirement, the Transvaler, on the Saturday before the election of the new Prime Minister, published a "leaked" report that Mr Reynders had cleared Dr Connie Mulder of all wrongdoing.

The next day Mr Van Rooyen, fearing that General Hendrik van den Bergh was planning also to exonerate his fellow conspirator in the coming few days, went to Mr Pik Botha to tell his story.

That was the end of it. Within days General Van den Bergh went into retirement, Mr Vorster announced that the Information Department inquiry was continuing, Mr Pik Botha decided to stay in the race against Dr Mulder — and, by a whisker, Dr Mulder lost the premiership to Mr P. W. Botha.

If not, Dr Rhodie's oft-stated dream of a government headed by Dr Mulder, with Eschel Rhodie as Foreign Minister and heir-apparent, and General Van den Bergh as godfather, might today be a reality.

The ramifications of Thor's operations have been disclosed by the Sunday Times over a period of months. The directors were Mr Oscar Hurwitz, a Pretoria architect who died about a year ago, Mr André Pieterse, the film-maker, and Mr Riet van Rooyen, SC, men who agreed about May 1976, to lend their names to the Information Department.

Suspicious

Mr Van Rooyen told Mr Justice Mostert that he was immediately told that Thor's operations would be covered by the Official Secrets Act and that he would be bound by that Act. He was to be reminded of that by General Van den Bergh when, having become suspicious of the whole operation, he tried to disclose what he knew.

General Van den Bergh, having been assigned the task of "evaluating" the Department's secret operations, told Mr Van Rooyen (according to the latter's evidence) "It would be expected of me to realise that I was subject to the Official Secrets Act."

Initially, Mr Van Rooyen said, he was told that the Department needed Thor principally as a conduit and a name on a letterhead. Then — as first disclosed by the Sunday Times — he was told that the company had received \$3.5-million from a company in Switzerland called Thesaurus.

Mr Van Rooyen says he gained the impression that Thesaurus was a front organisation of the Bureau for State Security (BOSS).

Puzzled

Dr Rhodie told him to pay the money, and a later amount of \$1.5-million, into a Volkskas bank account.

Mr Van Rooyen was puzzled, however, to learn that the money had apparently been borrowed in Switzerland and that Thor had to pay interest on it. The interest payments came from the Department of Information through the G-fund accountant, Mr Braam.

He was further puzzled to learn that there was a discrepancy in the dates on the loan agreement since the payment of the loan preceded the signing of the loan agreement by several months.

As he began to delve into the Thor operations for which he was ostensibly responsible, Mr Van Rooyen said, he came across a payment of \$1.5-million

THOR'S SPY OPERATIONS

259 SUNDAY TIMES, November 5, 1978



BY FLEUR DE VILLIERS
and MARTIN WELZ

A LEADING Johannesburg business man, Mr David Abramson, has been asked to testify before Mr Justice Mostert.

Judge Mostert is conducting a one-man commission of inquiry into currency contraventions.

Last week his disclosures about the Department of Information — sworn testimony made to him during the inquiry — rocked South Africa.

Mr Abramson, chairman of Hortors, one of the oldest printing and publishing companies in South Africa, was asked to appear before the Mostert Commission last Thursday, but his appearance was postponed on the basis of a medical certificate.

Mr Abramson acquired a reputation as a business "whizz-kid" when he headed the National Fund Investments (NFI) mutual fund company during the stock market boom in the '60s. He left after the company ran into administrative difficulties.

Partner

Last year he bought Hortors, a company quoted on the Johannesburg Stock Exchange. His partner is Mr Stuart Pegg, well-known motor rally enthusiast and a former business associate of the British tycoon, Mr Jim Slater.

The Hortors takeover was the climax in a series of deals which began in 1976 with the purchase of a 20 percent share in a British publishing house, Morgan Gramplan.

Mr Abramson obtained Reserve Bank authority at the time to raise

Chartered

Earlier this year an executive jet owned by one of Mr Abramson's companies and bought shortly after the takeover, was chartered at a cost of R46 000 to bring Mr John Connally, the American presidential hopeful, to South Africa.

In recent months Hortors have been involved in negotiations with Mr J. Van Zyl Alberts, The Citizen's managing director, involving a printing contract for The Citizen, hitherto printed by Perskor.

Yesterday Mr Abramson said the contract had fallen through. He added that although he had known the former Secretary for Information, Dr Eschel Rhoodie, for some years, their relationship was purely social. As a tax expert he had, however, given Dr Rhoodie tax advice on his wife's inheritance.

Mr Abramson said that his only business contact with the Department of Information had been a printing contract for R165 000 with Chris van Rensburg Publications.

His last social contact with Dr Rhoodie had been at a ballet in May, although Dr Rhoodie had visited his offices in the Bank of Lisbon building in Johannesburg to seek tax advice about six weeks ago.

a loan in his own name for the purchase with the British bank, Kleinwort Benson Ltd.

At the end of 1976 he sold his share in Morgan Gramplan for a \$6-million (about R5 200 000) profit to Trafalgar House publishers of the mass circulation British newspaper, The Daily Express.

The profit from the deal was used in the Hortors takeover, which was made with blocked rands.

Hortors holding companies are Marwoud B. V., registered in the Netherlands, and Alpine Ltd, a former dormant Slater Walker company registered in Bermuda. Today, Mr Abramson's communications empire extends from South Africa to Britain and France.

Another Abramson-Pegg company, Morgan Gramplan, South Africa, established in 1977, changed its name in December of the same year to Business Press International on the basis that the parent company in Britain had also changed its name.



**Currency probe judge sends for
the man who took over Hortors**

MICHAEL STERRETT

Sunday Times

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Mr David Abramson

asked to testify before Mr Justice Mostert.

TOO QUIZZICAL TOO

Let's have a secrecy probe

THIS has been a shattering week for South Africans. For on Thursday they learnt what senior people in government, according to sworn evidence before a judge, had known for at least a year — the existence of one of the biggest scandals in our modern history

It is a week South Africans will not forget — and one which, we believe, they will not allow their rulers to forget

Public debate on the issue has now been restricted by the appointment of a judicial commission and the application of the sub-judice rule. However, it is not improper to speculate on the reasons for the Prime Minister's decision to delay taking action

Our own view is that Mr P W Botha was in a position to act, swiftly, on the devastating evidence available to him in the disclosures by Mr Justice Mostert and ONLY WHEN to have appointed a judicial commission to probe further, and exhaustively, into the full extent of the sickness that infests our government — and, most importantly, into the cover-up and deceit that go with it. After all, Mr Botha himself spoke only last week about the need for expedition in clearing up the mess.

Sunday Times

THE PAPER FOR THE PEOPLE

Department of National Security (formerly BOSS) have become a menace

Just take the evidence as it is revealed in the sworn disclosures by Judge Mostert.

We learn of the former Head of State Security, General Van den Bergh, telling one witness that he would drag out inquiries "until the whole thing is dead" and that he will "use the Official Secrets Act to gag

It is a situation that can be tolerable only to societies that have lost all understanding of freedom

It is a situation that compels one to recall the remarks of US Senator Sam Ervin during Watergate: "I have never doubted that the greatest threat of tyranny to a free people comes from government"

And as South Africans look back over the past year, armed now with information brought to them firstly by inquiring newspapers and then confirmed so dramatically this week by a judge, do they not wonder about the votes they cast in a general election last November 30?

Do they not wonder about the validity of the mandate of a government whose agents — in secret, according to sworn evidence — threw at least R12-million into the election campaign by financing an NP-supporting newspaper?

What kind of society have we become when such things go on?

It is not, we suspect, the kind of society that even a majority of NP supporters want

Cleansing

Must wait

debate meanwhile

In the event, action from the top must now await the report by Mr Justice Erasmus. We would hope that, except for the most compelling reasons of national security, he is able to exercise as much as possible his prerogative to conduct his inquiry in public.

While it is a pity that South Africa must now wait another month before there is any resolution, it is nevertheless satisfactory that the Prime Minister has set a time limit for the commission's report and that he took prompt action in recalling Parliament.

In the meantime we would suggest that yet another inquiry has now become a matter of even greater urgency than the ones already under way.

It should be a comprehensive and impartial probe into the obsession with secrecy that consumes this Government.

Above all, it is now patent that the pervasive power and shadowy workings of the

Yet this is the trusted figure appointed to evaluate the shady machinations of some people in the former Information Department?

We have Mr Loot Reynders (also of the Bureau) appointed to make another inquiry. Yet, according to sworn evidence, he turns up collecting signatures on a contract to terminate Mr Luyt's connection with the Citizen newspaper.

Refusal

Furthermore, we have a judge telling us that another senior Bureau staffer — and another in the long list assigned to inquire into Information's affairs — refusing to testify before the Mostert Commission.

All this not long after those institutional watchdogs of the public interest, an Auditor-General and a parliamentary select committee, have been refused access to Information's secret bookkeeping!

This country desperately needs a great cleansing of significant areas in its public life. There is no satisfactory way of achieving this other than abandoning the official obsession with furtiveness and secrecy, by letting the spotlights of objective inquiry shine into every dark corner of administration.

The Sunday Times is proud of the role it and other newspapers played in helping to direct those lights towards the shifty operators in one shadowy corner.

We would hope, though, that the traumatic events of recent weeks will have a wider ripple effect.

And that it will encourage more and more South Africans to reaffirm the truth of these words used by the editorial writer in a foreign newspaper this week.

A Parliament, an Auditor-General, an inquiring Press, an independent judge, these are worth more to South Africa than any number of government-inspired columns in

publicly lit. allowed to speak. We find it difficult to contract for

8. Public Litigation
This news + message of the day... could they have... in the course... obtained. I... splashes of this situation

9. Public Litigation
Should the... be:-

Ottawa Fire
Heat by Fire

10. Public Litigation
Are you interested in... that or info

Jenny Jones
By Bennett
Lancel Fox -

11. Public Litigation
Sports Club -
Walking Perm
Library - (e)

12. Public Litigation
Anyone who... the solution... promotion of... Directors w/

If you have power... can

THE

THE Information Department scandals arose from a drive for power by a group of men who conspired to subvert the democratic processes of this republic, and who came within a whisker of success.

At the heart of the conspiracy stood three men: Dr Connie Mulder, who was cast in the role of future ruler, Dr Eschel Rhoodie, the manipulator, and General Hendrik van den Bergh, whose awesome and sinister power rested in the secrecy created by Parliament to protect the country from foreign enemies.

About the roles and intentions of others, including the present and former Prime Ministers, there may be some doubt; about the triumvirate there can be none.

They used national security and the demands of secrecy as their shield, and behind that shield they plotted against South Africa's democratic institutions — Parliament, the Press and the free expression of the electoral will of the people.

Evidence

This is what emerges from the evidence made public in defiance of the Prime Minister this week by Mr Justice Mostert, the one-man commission of inquiry into currency smuggling.

The evidence does not tell the whole story, perhaps it does not even tell most of it. But it serves to confirm and to elucidate the facts brought so painfully before the public — principally through the efforts of the Sunday Express, the Sunday Times and in the end by the

By

KEN OWEN

Rand Daily Mail — over the past year

Where it all began nobody can say with certainty. The ambitions of Dr Rhoodie and Dr Mulder went back a long time. In 1973 I happened to be seated next to Dr Rhoodie at a dinner party in Pretoria when he outlined to me at length what policies towards the coloured people would be followed by a Prime Minister "like, say, Dr Mulder".

Others gathered from similar conversations that Dr Rhoodie expected Dr Mulder to become Prime Minister, and that he personally intended to help history to happen.

But it went back farther than that, probably to 1971, when Dr Mulder was Minister of Information and Dr Rhoodie was working in his Department. Dr Rhoodie was relieved of normal duties and set to work on "a special project for the Minister". This appears to be when the plan for undercov-

er work was first developed.

Not long afterwards, in 1972, Dr Rhoodie was appointed Secretary for Information and he created a special secret section, funded from the special G-(for Geheime) fund, which was established behind a heavy metal grille in the Department's headquarters in Pretoria.

That secret operation was sold to the Cabinet, to many officials and to many well-meaning, patriotic South Africans as a necessary defence of the country against outside attacks. But very quickly it became something quite different. The vehicle for an assault on South Africa's democratic institutions, a vehicle to carry men to total power.

How seriously it was taken by men who glimpsed its potential is suggested by the fact that Mr Riet van Rooyen, SC, the advocate who did so much to bring it into the open, slept with a loaded shotgun at his bedside after telling Mr Justice Mostert what he knew.

Pressure

At one point during this newspaper's investigations a deputation from the Bureau for State Security called on the Editor of the Sunday Times, Mr Tertius Myburgh, to press him, not in very subtle terms, to drop the inquiry. The pressure was ignored.

The role of the bureau, and of its head, General Hendrik van den Bergh, behind the shield of security legislation was possibly the most shattering aspect of Mr Justice Mostert's disclosures this week.

Among the things which General Van den Bergh was

Dr Mulder . . . lost by a whisker.

Dr Rhoodie . . . dream shattered.

Gen Van den Bergh . . . awesome power.

SUNDAY EXPRESS

AREN'T WE OUT

Sun Exp
5/10/78
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By JOHN MATISON
and KIT KATZIN

POLITICAL infighting has broken out at Cabinet level in the wake of this week's shock allegations of corruption in the former Information Department.

As the country still reels from the astonishing Sunday Express disclosures that the Citizen newspaper was bankrolled by the Information Department and the remarkable confrontation between the Prime Minister and a Supreme Court judge over disclosures of evidence to his own commission, the Sunday Express can today further reveal that:

- The unprecedented special Parliamentary session called for December 7 has actually been asked for by beleaguered former Information Minister, Dr Connie Mulder, who is fighting determinedly for his political life

- Dr Mulder proposes to use the Transvaal Nationalist head committee meeting and parliamentary caucus meeting before the debate for a showdown with his party opponents. He particularly wants to turn the tables on Foreign Minister

Connie

set to

fight

back

fiercely

ly, may earn out the loser in the scandal because his supporters are being accused of spreading "malicious rumours".

- Dr Mulder is apparently prepared to be completely ruthless in placing responsibility where he thinks it belongs — regardless of the people involved

- Dr Mulder and his former Secretary of Information Dr Eschel Rhoodie are likely to be called to give evidence under oath by the Mostert Commission,

- Judge Anton Mostert, who heads the one-man commission which is probing currency irregularities, has indicated that he may continue to make evidence public, as he did this week,

More Information stories on Pages 2, 24 and 25

where he feels this is justified. This could bring him into further conflict with the Prime Minister

The judge told the Sunday Express yesterday "I will continue to conduct my commission according to what I believe are my rights and duties, and in accordance with the precepts of fair play"

- General Hendrik van den Bergh, former head of the

● To Page 25

Mulder prepares to fight back

● From Page 1
The phone call to his Waterloo Ridge home on Friday afternoon was given by its chairman, Mr. Justice R. P. Erasmus, yesterday.

No facts uncovered in the investigation would be hidden, he said from his home in Bloemfontein.

Meanwhile, in terms of sworn evidence given by Mr. Louis Luyt, former proprietor of The Citizen, to Judge Moser, it appears the Department of Information had links with a second pro-Government publication, the weekly magazine To the Point.

In his evidence, Mr. Luyt said that when The Citizen ran over budget Dr. Rhoadie always said that "Mr. Van Zyl Alberts with To the Point — they were always on budget".

Dr. Connie Mulder, who announced on TV on Friday

that he welcomed the judicial commission under the chairmanship of Mr. Justice Erasmus, is hoping to address a Transvaal head committee and National Party caucus meeting ahead of the special Parliamentary debate on December 7 as a means of strengthening his hand against opposing party factions.

While Dr. Mulder appears to be satisfied with Mr. Botha's decision to appoint a judicial commission and recall Parliament, several Nationalist MPs are amazed that Dr. Mulder went ahead and stood for the premiership with this cloud over his head.

In the wake of this week's developments they are adamant as ever that Dr. Mulder should resign and quit politics.

Die Vaderland reported yesterday that dozens of its readers had asked whether there was a link between the Information Department scandal and the murder of Dr. Robert Smut and his wife.

Dr. Smut and his wife, Jeanne-Cora, were shot and stabbed at their home only weeks before he was due to stand for election as Nationalist MP for Springs in last year's general election.

An assurance that there would be no cover-up by the judicial commission appointed on Friday to look into the Information Department's use of public funds was given by its chairman, Mr. Justice R. P. Erasmus, yesterday.

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Dr. Smut and his wife, Jeanne-Cora, were shot and stabbed at their home only weeks before he was due to stand for election as Nationalist MP for Springs in last year's general election.



● Dr. Mulder future at stake

Kommissie

Ontsaan

— regter

Van Ons Politieke Redaksie

PRETORIA.

DIE regterlike kommissie van ondersoek na die geldsake van die gewese Departement van Inligting sal die feite sonder vrees vasstel en sonder om enigiemand te beskerm. „Dit sal sonder aansien van die persoon wees.”

Hierdie versekering is gisteraand deur die voorsitter van die kommissie, regter Rudolph Erasmus, net voor sy vertrek uit Bloemfontein aan Die Burger gegee.

„Ons rigsnoer sal wees dat die goeie Suid-Afrikaanse beginsels van skoon en eerlike openbare administrasie gehandhaaf moet word. Dit gaan om geld van die belastingbetalers.”

Regter Erasmus sien sy twee mede-kommissarisse adv Braam Lategan en George Smalberger, vanoggend om nege-uur vir die eerste keer in Pretoria. Om tien-uur besoek hulle die Eerste Minister, mnr P W Botha, in die Uniegebou.

Intussen het die verskerpende Inligting-skandaal

nie „in swart op wit” gesien het nie.

Hulle moet besluit hoe hulle die taak gaan aanpak, maar hy dink hulle sal begin deur te kyk na die relevante getuens wat reeds bestaan — onder meer dié van die Mostert-kommissie en van die Pretorius-komitee.

„Ek glo dat die buitewêreld — ondanks alles wat hulle van die Regering se beleid sê — steeds hoe agting het vir Suid-Afrika se skoon landsadministrasie en vir die nederige godsdienssin van die volk.

„Wat ons ook al in die feite vind, ons sal sonder vrees die samehang probeer vasstel om te sien wie verantwoordelik is en ons sal die nodige aanbevelings doen sonder om enigiemand te beskerm.”

Regter Erasmus het gesê hy het 'n goeie idee wie hulle sal oproep om voor hulle te getuig. Die tyd is kort, maar die taak sal betyds moerkom.

* VERVOLG OP BL 3 *

Lees ook berigte op bl. 2 en 3.

gister groot publisiteit in die Sondagkoerante geniet Belanrike ontwikkelinge

• Die Premier en twee van sy kabinetslede, mnr Alwyn Schlabusch en P. W. Botha, het in 'n gesamentlike verklaring ontken dat hulle adv. R. J. van Rooyen aangeraad het om voor regter Anton Mostert se kommissie van ondersoek na valuta-oortredings te getuig. (Lees berig elders op die bladsy.)

• Die Johannesburgse magnaat en voorsitter van die bekende Hortors-groep, mnr David Abramson, wat gevra is om voor die Mostert-kommissie te getuig het in 'n verklaring gesê hy het geen valuta-oortreding of enige ander oortreding van die wet begaan nie.

• Regter Mostert het aan Die Burger gesê die werk van sy kommissie gaan voort.

Regter Erasmus het gisteraand op die lughawe Jan Smuts aangekom. Hy gaan in Pretoria in 'n hotel tuis. Aan Die Burger het hy gesê dat hy die mandaat en opdragte van sy kommissie nog

NIEMAND ONTSIEN

VERVOLG VAN BL. EEN

se of die aanhoor van sommige getuies in die openbaar sal geskied nie

Die Sunday Times het gister in 'n hoofberig op sy voorblad berig dat mnr. Abramson gevra is om voor die Mostert-kommissie te getuig. Regter Mostert het dit gisteraand bevestig

Mnr. Abramson, asook sy mede-direkteur in Hortors, mnr. Stuart Pegg, is vriende van die voormalige Sekretaris van Inligting, dr. Eschel Rhodie. Mnr. Pegg is baie ryk en 'n bekende in motortydrenkringe

Mnr. Abramson het in Suid-Afrika bekendheid verwerf met die stigting in die jare sestig van die eerste groot groeifonds in die land, N G F Nadat die maatskappy administratiewe probleme ondervind het weens die groot toevloei van geld, het hy die maatskappy verlaat

Later het mnr. Abramson weer te voorskyn getree as direkteur van Marwoud, 'n maatskappy wat in Nederland geregistreer is. Hy en sy sakevennoot, mnr. Pegg, voormalige sakevennoot van Jim Slater van Londen, het in April 1976 twee miljoen aandele in Morgan Gramplan gekoop en daardeur ook direkteure van die maatskappy geword

In Januarie vanjaar het Trafalgar House — eienaar van onder meer die Britse Daily Express — 'n oornamieaanbod vir Morgan Gramplan gedoen en die twee het hul aandele verkoop teen byna dubbel die prys waarvoor hulle die aandele gekoop het. Met die wins is Hortors glo gekoop

Hortors is vroeër beheer deur Unisec en mnr. Ian Macpherson, huidige voorsitter van die Engelstalige koerantgroep S.A.A.N., wat onder meer die Sunday Times publiseer.

Enkele weke gelede is aan-

gekondig dat mnr. Max Bokum, bekende Johannesburgse sakeman en die Transvaalse leier van die Progressiewe Federale Party, as direkteur aangestel is van die twee genoteerde Hortor-maatskappye. Mnr. Joel Mervis, voormalige redakteur van die Sunday Times, en ook P.F.P.-lid in die Provinsiale Raad van Transvaal, is aangestel as redaksionele raadgewer

Die Sunday Times berig verder dat Hortors in die laaste maande onderhandelinge gevoer het met mnr. J van Zyl Alberts, besturende direkteur van The Citizen, oor die drukkontrak van The Citizen. Die onderhandelinge, volgens die berig, het glo deur die matgeval.

Volgens die berig is mnr. Abramson 'n vriend van dr. Rhodie — of soos dit gestel word, 'n sosiale kennis — en het hy dr. Rhodie raad oor belasting gegee nadat sy vrou geld van haar ouers geert het.

Die berig lui verder: Mnr. Abramson het gesê sy enigste sakekontak met die Departement van Inligting was 'n drukkontrak vir R165 000 met Chris van Rensburg-publikasies

Sy laaste sosiale kontak met dr. Rhodie was 'n balletvertoning in Mei

21. Murrel Horrell. South African

Source: Hansard 4 columns 352-3, 25 17 June, 1975.

George	
Kimberley	
East London	
Port Elizabeth	
Cape Town	Cape
Newcastle	
Lady Smith	
Pietermaritzburg	
Durban	Natal
Bloemfontein	O.F.S.
Witbank	
Johannesburg	
Pretoria	Transvaal

Location of Bantu

TABLE 1

Following areas:

In 1972 there were only seven white Bantu Labour Officers country but by 1975 this had increased to thirty and they

(f) to chair such committees. 21

Regional Native (Bantu) Labour Committees;

(e) in collaboration with the Inspectors of Labour, to settle any such disputes, with the assistance of

(Bantu) Labour Committees (and, where appropriate, Industrial Councils) informed of any labour disputes

(d) to keep the Inspector of Labour and the Regional

workers;

(c) in collaboration with the Native (Bantu) Commission

and Inspectors of Labour;

(b) to maintain close contact with the Native (Bantu) Commissioners

(a) to acquaint themselves with the wishes, aspirations and requirements of African employees in their areas;

duties were:

The Act also provided for white Native (later Bantu) Labour Officers whose

Bantu Labour Officers

The Liaison Committee in Practice

There can be no doubt that generally en for the liaison committee rather than t Financial Mail there were 118 liaison c 1972.²⁶ In effect these were non-stat covered later, by the new definition of 1973 this had increased to 773,²⁷ while reached 1 482.²⁸ Of these liaison com Transvaal (50,6%), 376 in Natal (25,4%), 298 in the Cape (20 the Orange Free State (3,9%). By May 1975, 1 751 liaison c registered.²⁹ This fifteen-fold increase does appear remar

In mid-1974, Ryno Verster, of the Personnel Research Division Department of Industrial Psychology at the University of the conducted an investigation into the constitution and function works committees.³⁰ His survey included questionnaires add organisations on the subject of liaison committees and he rec response from 326 (roughly 30%) employing 164 995 African wor liaison committees. The organisations which participated in were grouped in the following industrial sectors:³¹

TABLE 2

<u>Sector</u>	<u>Industrial Classification of Participants</u>	
	<u>Number of Organisations</u>	<u>%</u>
Manufacturing	257	79,0
Mining	9	3,0
Construction	9	3,0
Commerce	13	4,0
Services	27	8,0
Local authorities	11	3,0
	<u>326</u>	<u>100,0</u>

26. Financial Mail, 22 December 1972 p.1145. Cited in: R. Verster, Liaison Committees in the South African Industry, Bloemfontein, U.O.F.S., 1974, p.9.
27. Hansard 3 columns 160-161, 22 August 1974.
28. Hansard 10 column 691, 15 April 1975.
29. Rand Daily Mail, 22 May 1975. Cited in: Muriel Horrell and Tony Hodgson, A Survey of Race Relations in South Africa, 1975. Johannesburg S.A.I.R.R. 1976, p.212.
30. Op.cit. pp.14-16.
31. Ibid, p.17.

BARRIE VRA OPE

Burger 6/11/78 (259)

ODUIT VAN GELD

Van Ons Korrespondent

JOHANNESBURG.

OM beter beheer uit te oefen oor die besteding van geheime geld moet geheime rekeninge deur die Ouditeur-generaal nagegaan word, het mnr. Gerald Barrie, voormalige Ouditeur-generaal van Suid-Afrika, gister gesê

Tans word spesiale en geheime rekeninge deur die verskeie departemente se eie ouditeurs nagegaan, het mnr

Barrie gesê Hy woon nou op Stellenbosch

Die betrokke Minister gee 'n sertifikaat aan die Ouditeur-generaal waarop staan dat die geheime geld gebruik is vir die doeleindes waarvoor dit aangevra is, en die ouditeur-generaal moet aanvaar dat dit reg is, het hy gesê

Volgens hom behoort veral geheime rekeninge deur die Ouditeur-generaal nagegaan te word, en vir dié doel moet 'n handjievol ouditeure gekies word wat die veiligheidskeuring geslaag het

Mnr Barrie, wat deur dr. Eschel Rhoadie as Sekretaris van die gewese Departement van Inligting opgevolg is, en daarna as Ouditeur-generaal in sy verslag aan die Volksraad aangedui het dat geld deur sekere amptenare van die Departement van Inligting verkwis is, is oortuig dat slegs onafhanklike ouditering die verantwoordelike gebruik van geld kan verseker.

6/11/78 (259) 14.
Sakeman sal getuig

JOHANNESBURG.
'N VOORAANSTAANDE sakeman van Johannesburg het gister gesê dat hy nie betrokke was by enige wets-oortreding nie en het bygevoeg dat hy meer as gewillig is om enige inligtinge tot sy beskikking aan die Mostert-kommissie van ondersoek na valuta-oortredings beskikbaar te stel. Hy is mnr. David Abramson.

Die feit dat mnr. Abramson, voorsitter van Hortors-uitgewers, gevra is om voor regter Anton Mostert te getuig, was gister die hoofberig op die voorblad van 'n Engelstalige Sondagkoerant.

Na aanleiding van die berig in die Sunday Times het mnr. Abramson die volgende ver-

klaring gedoen.
„Op Maandag, 30 Oktober vanjaar, is ek deur regter Mostert opgebel en versoek om op Donderdag 2 November om 9 vm voor hom getuie te lê in verband met enige buitelandse valuta-transaksies of valutatransaksies oor die grens.

„Ek was nie onregstreeks of regstreeks, in my persoonlike of enige ander hoedanigheid, insluitende my voorsitterskap van Hortors (Edms) Bpk, by enige saak rakende enige valutabeheeroortredings of enige ander wetsoortredings betrokke nie. Ek is meer as gewillig om regter Mostert van enige inligtinge tot my beskikking te voorsien.” (Sapa)

passed, or it was company policy to have one, or
ify for a works committee. About 26 (9%) gave
level of education among their African workers
with a system of negotiation, while a further 12
mittees on the advice of outside agencies such
the Steel and Engineering Industries Federation
iced the reason that works committees resemble
is is not quite correct for the differences between
ade union are more marked than the similarities.
ate the fear of collective bargaining which
in the Verster survey indicates. Yet another
liaison committees are consultative rather than

negotiating bodies. This is, I believe, the crux of the matter. The disparity in the numbers of the liaison and works committees established since the 1973 labour unrest seems to indicate that management perceives its interests to be best served by a system of control through consultation. Whether this is the case remains to be seen.

The Works Committee in Practice

We turn now to a consideration of works committees. In January 1973 there were only 24 statutorily-constituted works committees throughout the Republic³³ but by the end of March of that year these had increased to 31.³⁴ At the end of 1974 the number of these committees had reached 207³⁵ and of these, 98 (47%) were located in the Transvaal, 61 (30%) in the Cape, 45 (22%) in Natal, and 3 (1%) in the O.F.S. Later information put the number at 239 in May 1975, a ten-fold increase in a little over two years.³⁶

The Verster investigation collected less satisfactory data on these committees than it had on liaison committees. This was due in part to the fact that management is not represented on a works committee and in many instances was not able, therefore, to complete the questionnaire satisfactorily. In some cases, apparently, the works committee members viewed the questionnaire and its purpose with suspicion. In June 1974 questionnaires were sent to 124 organisations of whom only 34 responded. These 34 had established 41 works

33. Hansard 7 columns 485-7, 20 March 1973.

34. Hansard 10 columns 632-4, 10 April 1973.

35. Hansard 10 column 691, 15 April 1975.

36. Rand Daily Mail, 22 May 1975. Cited in: Muriel Horrell and Tony Hodgson. Op.cit. p.212.

Law cannot bring Dr Rhodie back

Own Correspondent

PRETORIA — The former Secretary for Information, Dr Eschel Rhodie, cannot be compelled by law to return to South Africa in time to give evidence before the Erasmus Commission

The legal department at the University of South Africa yesterday made it clear that in terms of Section Six (1) of the Commissions Act a subpoena has to be served in the same way as a subpoena in a criminal case

General public

Section 328 of the Criminal Procedures Act, which deals with the serving of processes, makes it equally clear that its application is only within the Republic of South Africa

Opposition spokesmen emphasized yesterday the vital importance of the former Secretary of Information testifying before the Erasmus Commission.

Dr Rhodie and his wife are presently on an overseas tour

The Progressive Federal Party's federal executive chairman, Mr Harry Schwarz MP said in his view, and in the view of the general public, it was essential that Dr Rhodie should be available to give evidence "We would ask the commission to call him if the commission itself did not decide to do this"

The inquiry without Dr Rhodie would be like Hamlet without the prince "In my view he is the central figure, and it is absolutely essential that he should testify"

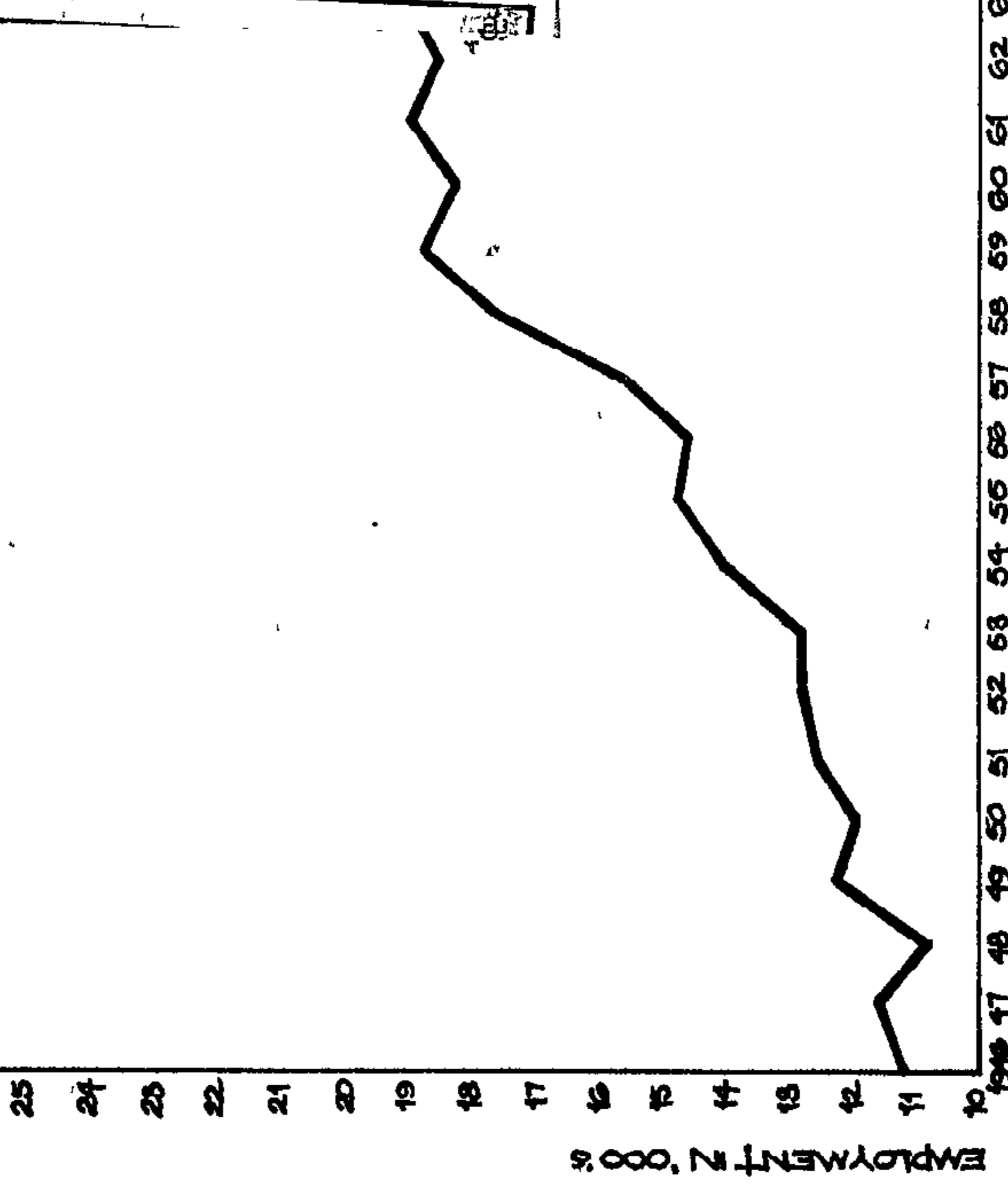
The chairman of the commission, Mr Justice Erasmus, was quoted as saying in Pretoria earlier this week that Dr Rhodie would be called to testify — "if we can get hold of him"

Mr Schwarz said there should be no difficulty in getting a message to Dr Rhodie to request him to return timeously to give evidence. He emphasized that every possible effort should be made to ensure that he was back in South Africa in time for the commission's hearings

ANDER VAKKE HIERDIE GRAADKURSUS (bv. JAAR VAN EERSTE I JAAR VAN EERSTE I

HUISSTAAL AFR. 1ste OF 2de NAAM VAN SKOOL TELEFOON ADRES IN KAPSTAD HUISADRES VAN

GRAPH: MINING EMPLOYMENT QUARRIES AND SALT



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TO (TA)

S.A. VERTEENWOORDIGERS OORSEE GERUK, SÊ BOTHA

**Van Ons Politieke Redaksie
PRETORIA.**
MNR PIK BOTHA, Minister van Buitelandse Sake, sê hy wil nie beweer dat niks onreëlmattigs in die voormalige Departement van Inligting voorgekom het nie. Die „groot aantal toegewyde amptenare van ons inligtingsdiens is egter nie in die gedrang nie”
Min Botha het gister, pas ná sy terugkeer uit Zurich, Switserland, vuig in die bresse getree vir die amptenare van die Buro vir Nasionale en Internasionale Kommunikasie. Hy het onlangs verantwoordelikheid vir die buro by min Connie Mulder oorgeneem
Min Botha het op navraag in 'n sterk bewoorde verklaring gesê Suid-Afrika se geloofwaardigheid in die buiteland is deur die Inligting-aangelyentheid benadeel, maar nie vernietig nie
„Ons oorsese verteenwoor-

digers met wie ek in Zurich samesprekings gevoer het, is geruk, maar nie omgestamp nie. Hulle voel verwond, maar nie verslaan nie”
Min Botha het gesê die doel van sy byeenkoms in Zurich verlede Saterdag met die land se ambassade- en inligtingsamptenare was om hulle volledig in te lig oor die samesprekings onlangs met die vyf Westerse ministers van buitelandse sake oor Suidwes en die jongste stand van sake in die V.V.O. oor die gebied
„Teen die tyd dat ons vergader het, was die getuënis wat regter Mostert Donderdag bekend gemaak het, wêreldwyd bekend. Ek het dus van die geleentheid gebruik gemaak om ons verteenwoordigers ook daarvoor in te lig en om kwellende vrae wat hulle gevra het, te beantwoord
„Dit is so dat ons geloofwaardigheid 'n knou gekry het, maar ons geloofwaardigheid is nie vernietig nie. Ons oorsese verteenwoordigers is geruk, maar nie omgestamp nie. Hulle voel verwond, maar nie verslaan nie.
„Hulle het vertroue in ons Eerste Minister en in die Regering om die tragiese en knellende omstandighede wat die afgelope week ontstaan het, eerbaar en beslissend op te los. Hulle het my gevra om hul dank en waardering aan die Eerste Minister oor te dra vir die moedige en die realistiese wyse waarop hy die aangeleentheid gehanteer het te midde van 'n toenemende krisis oor Suidwes
„Hulle het hul dank uitgespreek teenoor die Eerste Minister vir sy vernuftige hanteling van die samesprekings oor Suidwes
„Van my kant is daar 'n saak oor ons inligtingsvertegenwoordigers wat ek moet aanroer. Hulle voel tereg verontreg omdat in nuusberigte oor die onverkwiklike beweerde aksies van die voormalige Departement van Inligting die indruk gewek

word dat alle lede van die Departement van Inligting by die beweerde aksies betrokke was
„Hul goete trou en integriteit kom dus in gedrang, hul doeltreffendheid word afgetakel en die land se belange word op hierdie wyse verder benadeel
„Miskien is dit onvermydelik dat ons in die kort termyn hierdie toedrag van sake sal moet aanvaar, maar ek kan dit nie sonder meer daar laat nie. Ons inligtingsmanne op hoofkantoor en oorsee het 'n belangrike taak. Hulle het Suid-Afrika met vernuf en toegewydheid gedien.
„Wat ook al die bevindings mag wees met betrekking tot die sake wat deur regter Erasmus se kommissie ondersoek gaan word, sou dit onbillik wees om al die lede van ons inligtingsdiens as potensiele sondebokke voor te stel.
„Ek beweer nie dat niks onreëlmattigs of ondeurdags voorgekom het nie. Dit is op slot van sake die taak

van regter Erasmus se kommissie om oor onreëlmattighede 'n bevinding te doen.
BEROEP
„Dit is egter my plig om daarop te wys dat die groot aantal getroue en toegewyde amptenare van ons inligtingsdiens nie in gedrang is nie. Hulle het hul plig gedoen. Ons moet waardering hê vir hul diens en nie toelaat dat die golf van publikasie oor sekere bewerings oor wanpraktyke die amptenare van ons inligtingsdiens verswelg nie.
„Wat ook al gebeur, hierdie manne en vroue het steeds 'n taak en ons gaan daardie taak uitvoer,” het hy gesê.
Min Botha het 'n beroep op almal en in die besonder die media gedoen om hom te help om saam met die lede van die buro, hier en in die buiteland, hul taak uit te voer ondanks die gebeurde van die afgelope week.

Koeëls klap teen Burger huis van Citizen-man

Burger
6/11/78
JOHANNESBURG.
SKOTE is gisteraand op die huis van 'n Citizen-korrespondent in Pretoria gevuur, sewe uur nadat die hoofveiligheidsbeampte van die koerant se hoofkwartier in Johannesburg 'n bomdreigement ontvang het, het die Citizen vandag berig
Gistermiddag het die veiligheidswag, mnr Mathys

Andries Gordon, 'n oproep ontvang. 'n Man het hom op Afrikaans gewaarsku om „baie versigtig te wees omdat ons 'n bom wil plant” het mnr Gordon gesê.
Mr. Theron het gesê hy en sy vrou wou al bed toe gaan „toe skote op ons nuwe sinkdak klap”. 'n Motor het weggejaag toe hy ligte aanskakel. — (Sapa.)

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ed the three-tier system, which had operated for
n important differences.

- 24. Hansard 17 column 8390, 6 June 1973.
- 25. Some of the comment elicited by these Bills is recorded in: Muriel Horrell and Dudley Horner. A Survey of Race Relations in South Africa, 1973. Johannesburg, S.A.I.R.R., 1974 pp.276-281 and 286-291.

Inligting: mense lewe in doodsreë

Burgers 6/11/73 259

Van Ons Korrespondent
JOHANNESBURG

Veiligheidsmaatreëls word getref deur mense wat nou betrokke is by die onthullings rondom die gewese Departement van Inligting ná dreigings oploëpe en ander waarskuwings.

Daar word ook al hoe steiker geges oor die dubbele moord op mnr. Robert Smit en sy vrou elf maande gelede en die selfmoord van die Johannesburgse sakeman mnr. Harold Holtman (54) Brig Jurgens Smit, hooft van die ondersoekspan na die Smit-moorde, het gister gesê

die polisie kon nog nie vasstel of daar enige verbindings is tussen dié moorde en die Inligting-debakel nie. Die ondersoek duur voort.

Die volgende is ook reeds bekend.

• 'n Doodsdeielement is Vrydag gerig tot mnr. J. F. Waldeck (59), gewese administratiewe hoof van Inligting.

• Mnr. Tertius Myburgh, redakteur van die Sunday Times, het gister gesê hy is op ondubbelsonnige wyse deur 'n afvaardiging van die Buro vir Staatsveiligheid laat verstaan dat sy koerant sy ondersoek na die sake van die

gewese Departement van Inligting moet laat vaar.

• Mnr. Mervyn Rees, verslaggewer van die Rand Daily Mail, is Vrydag oor die telefoon gewaarsku dat hy nie moet voortgaan met onthullings oor Inligting nie.

• Mnr. Kit Katzin van die Sunday Express, wat die eerste onthullings in die pers gedoen het, is maande gelede reeds met die dood gedreig. Fismuëses is ook deur naamlose mense gedoen oor die veiligheid van sy vrou en sy kinders.

Selfs mense wat nie regstreekse dreigemente ontvang nie, word gewaarsku dat hul lewe in gevaar kan wees. Adv. Retel van Rooyen, wat voor die Mostert-kommissie verklarings gedoen het oor die Departement van Inligting, slaap snags met 'n haelgeweer en 'n pistool langs sy bed.

Vriende het hom ook reeds gewaarsku dat hy Pretoria tydelik moet verlaat.

• 'n mnr. Waldeck se dreigings op Vrydag, waarin aan sy vrou gesê is dat hy "gou en vinnig" sal sterf, het nemand oërgister die telefoon beantwoord nie, hoewel dit aanhoudend gelui het.

Die onopgeloste Smit-moorde van elf maande gelede knaag klaarbyklik aan mnr. Waldeck. Toe sy eie veiligheid ter sprake gekom het, het hy in 'n koerantonderhoud na die moorde verwys. " 'n Mens kan nie 'n kans waag met 'n mal haas — 'n onstabiele mens — nie," het hy gister aan Die Burger gesê.

Mnr. Waldeck het gesê hy het ook daaraan gedink om tydelike ongeluksversekering uit te neem.

• Mnr. Katzin van die Sunday Express het gister gesê iemand het hom reeds maande gelede opgebél om te sê hy kom weg met moord en dat dieselfde met hom kan gebeur. "Ek is nou te diep in die ding. Wat benoedigend is, is dat soveel mense opbél en die pers se saak steun."

REGULATION ACT (NO. 70 OF 1973)

at the Government moved quickly to overhaul the Bill embodying its aims in this regard. Its the Minister of Labour "... evoked wide interest, sales for its improvement were received from most organisations, from trade unions, individual employers result the authorities altered the original Bill into Labour Relations Regulation Amendment Bill. 25 the three-tier system, which had operated for important differences.

Mense bang

*** VERVOLG VAN BL. EEN ***

Volgens mnr. Mervyn Rees het talke mense ook die laaste paar dae gebel om hul mening te lug oor die Smit-Inligting-gissinge.

Die Sunday Times het gister berig dat mnr. Harold Holtman baie nou saamgewerk het met mnr. Robert Smit. Hulle was besig om groot korrupsie op internasionale vlak te ondersoek.

"Ek kan nie glo dat my man selfmoord gepleeg het nie. Hy was 'n baie suksesvolle man en daar was baie waarvoor hy nog kon bly lewe het, het mev. Gertruida Holtman Vrydag by die geregtelike ondersoek na sy dood getuig.

Die lyk van mnr. Holtman is op 30 Julie vanjaar deur sy vrou en 'n vriend op een van sy kleinhoewes naby Randburg gevind. Hy het in 'n met gas gevulde motor gest en 'n koeëlwond aan die kop gehad.

In the case of a Wage Board, the Wage Board. In the case of a Wage Board, the Minister who was empowered preferred to settle a dispute provided the Central Conciliation Board, or a conciliation board, or an arbitration award, or a conciliation board workers involved were covered either by an African. In other words, a rather narrow definition.

6 June 1973. Cited by these Bills as recorded in: Muriel Horrell Survey of Race Relations in South Africa, 1973. 1974 pp. 276-281 and 286-291.

Ons het Van Rooyen nie aangeraai

PRETORIA.

DIE Eerste Minister, mnr. P. W. Botha, die Minister van Buitelandse Sake, mnr. P. K. Botha, en die Minister van Binnelandse Sake, mnr. Alwyn Schlebush, het gisteraand ontken dat hulle adv. Retief van Rooyen aangeraai het om voor die hoofkommissie van ondersoek na oortredings van die valutabeheerregulasies te getuig.

In 'n gesamentlike verklaring gisteraand hier aan Sapa het hulle gesê:

Met verwysing na 'n berig in Rapport van gister dat ons adv. Retief van Rooyen aangeraai het om voor die Mostert-kommissie van ondersoek te getuig, ontken ons dat ons hom sodanige advies gegee of hom selfs aangemoedig het om voor regter Mostert te getuig.

Ons ontken dat ons hom genaamd iets te doen gehad het met adv. Van Rooyen se getuigenis voor regter Mostert.

In die berig waarna die verklaring verwys, word ondermeer gesê: Hy (adv. Van Rooyen) het in 'n vroeë stadium 'sy agterdog oor sake aan die Departement van Inligting aan die gewese Eerste Minister mnr. B. J. Vorster oorgedra.

Nadat die Eerste Minister aangekondig het dat hy gaan uittree, het adv. Van Rooyen mnr. P. K. Botha, 'n kandidaat vir die premierskap, besoek. Die Kaapse leier, mnr. P. W. Botha, en die Vrystaatse leier, mnr. Alwyn Schlebush, was ook betrokke.

Hulle het dit as noodsaaklik beskou dat hy, voor die Mostert-kommissie getuig. 'n Paar dae later het regter Mostert adv. Van Rooyen opgebeld en hom gevra om te getuig en die saak het 'n ongewone wending geneem. In die betrekking ondermeer.

WERK IN OPE, VRA BLAD

Burger 6/11/78 (259)
BEELD, susterkoerant van Die Burger in Johannesburg, pleit vandag in 'n hoofartikel dat die Erasmus-kommissie oor die Inligtingskandaal sy verrigtinge in die openbare belang in die ope moet laat plaasvind, sodat volledig daarvoor verslag gedoen kan word.

Beeld skryf dat die rol van die pers in die Inligtingsaffêre weer eens sterk op die voorgrond getree het. Die Eerste Minister mnr. P. W. Botha, het ook Vrydag in Johannesburg in 'n toespraak by die direksie-noenmaal van die Nasionale Pers daarna verwys.

Beeld spreek sy waardering uit vir die Eerste Minister se dank oor die rol van die Nasionale Pers se koerante, asook vir sy suiwer siening van die rol van die vrye pers, wat in sake soos hierdie ook verantwoordelikhede het.

Met verwysing na die S.A.U.K se besluit om aanvanklik die getuënis wat deur regter Anton Mostert bekend gemaak is, nie uit te staan nie, sê Beeld dat die Inligtingsaffêre aangetoon het dat daar op 'n hele paar plekke 'n skroet los is, een moontlik by die S.A.U.K.

Beeld waarsku teen die gevaar van hubris, en sê dat die prys van persvryheid ewigdurende waaksaamheid is. „Dit sluit, beslis waaksaamheid in teen grootheidswaan en ander illusies by koerante.”

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259 MONDAY
November 6, 1978

Dr Mulder must explain — or resign

BOTH the Prime Minister, Mr P W Botha, and Dr Connie Mulder have been saying that the "other side" in the Information scandal must be heard. As Dr Mulder said in a weekend statement: "For months now South Africa has heard one side of the story. There is also another side. The time has come . . . that all the facts be revealed and that my personal role in the process be revealed to the public for them to judge."

What on earth is he talking about? Is he trying to suggest that there has been any lack of opportunity for him to give his version? That, of course, is nonsense. Indeed, Dr Mulder left South Africa in no doubt about his situation when he told Parliament on May 10 that "the Department of Information and the Government do not give funds to 'The Citizen'".

We do not need a commission of inquiry to find out if this statement was true or untrue. Dr Mulder must either stand by it or admit that he misled Parliament and the country.

For at this stage we are not concerned with any justifications that he might wish to offer. That is irrelevant. All that South Africa

needs from him is an emphatic statement that Mr Louis Luyt lied in making a sworn statement implicating Dr Mulder and flatly contradicting what Dr Mulder told Parliament.

If Dr Mulder cannot make that emphatic statement then he clearly was not telling the truth on May 10 and he has no right to hold high public office for even another day.

It is relevant to remind him of two well-known episodes abroad where government leaders made untrue public statements. In Britain, there was John Profumo, in America, there was Richard Nixon.

In each case it was not so much what they originally did, serious as this was, which led to their downfall, but rather their subsequent attempts at cover-up through telling barefaced lies. Both Mr Profumo and Mr Nixon were eventually forced to resign in disgrace.

Particularly in regard to Mr Nixon, his continuing attempts at evasion brought shame to himself, his administration and his country.

Dr Mulder must clear the air immediately — or resign.

The Economic Journal
(1966) Testing Alternative Policies of the
Development of a Dual Economy in I.A.E.S.
E. Thorbecke The Theory and Design of
Economic Development John Hipland
(Baltimore, 1966)
No 4 Oct 1963
Jan 1975
A Theory of Economic Development
Agriculture in
Economic Development of S.A. (1971)

Info judge

may

release

evidence

PRETORIA — A decision will be made today on whether to make public any of the evidence which will be given before the judicial commission investigating the defunct Department of Information.

Have documents been destroyed?

JOHANNESBURG — Has Dr Eschel Rhoodie, who has been overseas since last Sunday with his wife, destroyed vital evidence which could help in the unravelling of what has happened to all the money from the Department of Information's secret funds?

This question was being asked yesterday by MPs who recalled that Dr Rhoodie told a parliamentary inquiry that some documents relating to the former Department of Information which were regarded as top secret had been destroyed to safeguard secret projects in the national interest

But in the light of the evidence made public last week by Mr Justice Mostert, it appears that

documents such as the contract between Dr Rhoodie and Mr Louis Luyt to run The Citizen newspaper were regarded as top secret

This raises the point whether other similar documents dealing with similar use of State money could have been destroyed in the national interest

According to evidence given by Mr Luyt under oath to Judge Mostert, R13 million loaned to Mr Luyt by Dr Rhoodie from Department of Information secret funds to run The Citizen was put into Triomf where it still is

Mr Luyt and his auditor told the judge that according to an agreement with Dr Conrad Mulder, Dr Rhoodie's first assistant, the next

year.

Also according to the agreement written in Dr Rhoodie's handwriting and made public by Judge Mostert, Mr Luyt has been let off paying R2,9 million of the total R13 million because he has to pay back from a base figure of R10 118 000

If the contract and the pay-back agreement have been destroyed because they were regarded by Dr Rhoodie as top secret, then there would have been no record of all this taking place. Has this happened in other cases?

Mr Harry Schwarz, one of the key PFP questioners on the Department of Information scandal, said yesterday that during the course of the

The commission meets for the first time in Pretoria today

Speaking from his Bloemfontein home yesterday Mr Justice Erasmus, chairman of the commission, said "We will discuss whether the evidence of some witnesses may not be released to the press, where the public has a clear interest in knowing, and where the national interest will not be prejudiced"

The other members of the commission are Mr A Lategan, Attorney-General of the Cape, and Mr G F Smalberger, chief law adviser to the Government

The commission members will meet with the Prime Minister, Mr P W Botha, for the first time, to discuss the terms of reference of the commission at 10 am today

Mr Justice Erasmus said he had not yet seen the terms of reference of the commission, but he assumed that he and the other members of the commission would be informed of these today

Apart from people known to have evidence to

Citizen: who is paying?

JOHANNESBURG — Who is paying for today's issue of The Citizen newspaper? And all subsequent issues?

This question was asked by Mr Harry Schwarz, PFP spokesman on finance.

Mr Schwarz said according to evidence made public by Mr Justice Mostert last week the losses incurred by The Citizen were R400 000 per month.

At a conservative estimate this works out to an amount of R10 000 to R15 000 a day.

When the public is asked to buy the newspaper and when businessmen are asked to advertise in it they are entitled to know who is providing the money to make these losses. If there are no losses today then the public is entitled to be shown accounts to prove this in view of the disclosures.

It is not enough to be told Government money is not involved. The public is entitled to know whose money it is that is now financing The Citizen. And no amount of rhetoric from The Citizen's editor will be an answer. What the public wants is proof of who owns The Citizen today and who provides the money to run it," Mr Schwarz said.

Mr Louis Luyt's auditor, Mr P. F. du Preez, told Mr Justice Mostert in evidence made public last week that he believed the shares in The Citizen that had been held by Mr Luyt were still those of the Department of Information — DDC

give the commission would also invite members of the public who had information to appear before it, Mr Justice Erasmus said.

He said the commission would undertake "a very deep investigation of the facts and evidence."

"I cannot prejudge the matter, but we will certainly come up with answers, or at least suggest answers, on or before December 6."

He said he thought the commission would have to have a look at evidence gathered by the Kemp commission, now the Pretorius commission, which is a departmental investigation into the former Department of Information.

Mr Justice Erasmus said Mr Justice Anton Mostert's disclosures of evidence showing misuse of public funds had surprised him deeply.

"Since the matter is now sub judice, I call upon people to say as little about the situation as possible until the commission's findings are made public, if they are made public."

"There have been people who know very little about the situation who have been shouting about it. This must stop," he said — DDC-SAPA

Credibility hurt

PRETORIA — South Africa's international credibility had suffered a severe blow by evidence in the Mostert report of alleged corruption in the disbanded Department of Information, the Minister of Foreign Affairs, Mr Pik Botha, said here yesterday.

Returning from a weekend meeting in Zurich with South African diplomats, Mr Botha said the country's credibility had been damaged but not destroyed. — SAPA.

INFORMATION SCANDAL

Mulder fights for survival

JOHANNESBURG — The special session of Parliament called for December 7 to discuss the Department of Information affair is emerging as a possible last-ditch attempt by Dr Connie Mulder to cling to power

Despite direct or indirect calls by most influential National Party newspapers for his resignation, Dr Mulder's supporters made it clear he would remain in power and put up a firm fight for his political life

As his opponents rallied to ensure that the Minister, who was named in startling allegations contained in the Mostert report last week, was removed from office, Dr Mulder's supporters discussed survival tactics

There is widespread speculation in National Party ranks that Dr Mulder will use the party caucus before the special session to rally enough support to enable him to remain the leader of the party in the Transvaal

During the next month, Mulder supporters will be launching a frantic attempt on his behalf making use of the period of silence following the clampdown on news and speculation on irregularities in the Department of Information under the sub judice rule while the Erasmus Commission investigates the allegations

During this time the following events will take place

The Transvaal National

Party head committee, where Dr Mulder enjoys his strongest support, will meet to formulate its view on the matter

The parliamentary caucus will meet to formulate its standpoint for the parliamentary debate

Dr Mulder is believed to be hoping that a bloc Transvaal vote together with support from other provinces will give him the majority he needs to carry him through a vote of support

If he succeeds in this his position is likely to be safe, as the whole of the National Party will support the caucus view in Parliament

A further significant aspect which seems to be featuring as a tactic in the Mulder camp emerged this week when one of Dr Mulder's most loyal supporters said there was no reason why Dr Mulder should be made the only scapegoat

There have been indications that Dr Mulder could be in a position to implicate other high ranking officials in the affair. With the party's unity at stake his supporters believe the party may close their ranks and save Dr Mulder

Mr Pik Botha, Minister of Foreign Affairs, refused to answer accusations reportedly made by Dr Mulder's supporters that the verligte wing was attempting to destroy Dr Mulder "I do not debate issues on that level," Mr Botha said — DDC

Mr Reynders was appointed as the Prime Minister's special investigator and just before the election of the new Prime Minister, Mr Reynders issued a three paragraph statement saying he had found no irregularities.

Mr Reynders was then seconded to the Kemp committee which had succeeded Gen Van den Bergh who was retired suddenly shortly before the election of Mr P. W. Botha as Prime Minister

According to evidence made public by Judge Mostert, Mr Reynders refused to give evidence before him because he said his work fell under the Official Secrets Act

The evidence showed that Mr Kemp, also a member of Boss, had refused to give evidence to the judge

He said he could only do this with the permission of the Prime Minister because his investigations fell under the Official Secrets Act — DDC

SABC criticised

DURBAN — The SABC's handling of the information scandal on Thursday puts it on a par with Pravda, the Russian news agency, and the New China News Agency, according to Prof Barend van Niekerk, head of the law department at the University of Natal here

"Whatever the legal pretexts are — and they don't wash with me — the blackout of news by the SABC is only comparable to the policies practised behind the Iron Curtain," he said.

"There the lie factories often pore for days over the question of how to interpret a particular event before they announce it" — DDC

British papers laud SA press, judiciary

LONDON — British newspapers continued to give major coverage to the information Department scandal at the weekend

The conservative newspaper, the Sunday Telegraph, said. "The fact that South Africa's Parliament has been recalled for an emergency session (an extremely rare event in the country's history) is a measure of the gravity of the crisis the disclosure of corruption and misuse of public money has brought about

"The judge who inquired into the scandal went ahead and published the damaging evidence before him despite pressure from the new Prime Minister, Mr Pieter Botha, to keep quiet

"He displayed commendable moral courage. He

also demonstrated to the world that whatever its blemishes, the rule of law is not extinct in his country

"Now Judge Erasmus promises that no facts uncovered in the forthcoming investigation will be hushed up. It will be a bad day for South Africa if this pledge is not honoured"

The liberal Guardian said "It is much harder to publish a free press or preserve a judge's detachment in South Africa than it is here, and those who succeed do their country great credit.

"Again and again the newspapers and the courts have served the South African Government much better than it deserves. The emerging scandal about the use of public funds for covert influence on public opinion

is the latest and one of the best examples.

"And it is the Afrikaans press as well as the English which has refused to accept Government denials, ignored threats of prosecution under the Official Secrets Act, and paved the way for the revelations of Judge Anton Mostert. His part in the affair is laudable"

The Sun said "The scale of corruption now alleged against leading past and present members of South Africa's dictatorial government threatens to make Watergate look like a parking offence

"It is a dirty, shocking, contemptible tale. If there is any decency left in South African politics, there should be resignations at the highest level." — DDC.SAPA-AP

Vorster was shocked says Van Rooyen

From page one

Parliamentary committee on public accounts into the report of the Auditor-General on the Department of Information, evidence was given that certain of the records of the secret projects had been destroyed and that therefore it might be difficult to get details of the projects and perhaps even of the detailed expenditure.

But by checking on the amounts that were voted to the department and also by checking on the transfer of secret funds to the Department of Information, it will be possible to acquire an account for the monies and to reconstruct accounting responsibilities for projects where records are no longer available.

One can assume that this will have been done by the Pretorius Committee and the Auditor-General.

Now that political circles have had a chance

to study the evidence made public by Judge Mostert they are pointing to areas which indicate that people in very high places must have known a great deal of what was happening.

Evidence given by Adv. Rethief van Rooyen shows that he operated as a member of a Department of Information front organisation as well as being an adviser on the information furore to the former Prime Minister, Mr. Vorster.

Mr. Van Rooyen's evidence to Judge Mostert was that he had gone to Mr. Vorster and told him that he knew that The Citizen was owned by the Government.

"He appeared very shocked when I reported to him. I told him everything, the whole story," he said.

Mr. Van Rooyen also recounted that Mr. L. E. S. de Villiers, former deputy to Dr. Rhoadie, had told him "they are stealing money left and right from the secret fund around

me" and had begged him to report this to the Prime Minister.

He discovered later that information he had given to Mr. Vorster had got to the ears of Gen. Hendrik van den Bergh, Dr. Mulder and Dr. Rhoadie.

Mr. Vorster had told him he was shocked to hear that Gen. Van den Bergh had told the others.

"In November I was told that this whole so-called cats' nest would be cleaned out after the election on November 30 by the Prime Minister."

Mr. Van Rooyen said he saw Mr. Vorster again on a number of occasions and Mr. Vorster was terribly worried. "He said he could cope with everything, but not The Citizen. Those millions had to come back."

At the end of December or early January this year, Mr. Van Rooyen went to see Mr. Vorster and urged him to leave the Minister concerned out of his new Cabinet and also to see

that Dr. Rhoadie would no longer be in the department.

According to Mr. Van Rooyen's account, Mr. Vorster gave this reply. "The Prime Minister indicated to me that he could not afford in the situation that existed to leave the Minister concerned out of his portfolio because within the first week after he appointed somebody else, that man would come back to him in shock over the kind of child he had inherited."

So he left it to Gen. Van den Bergh who was already, says Mr. Van Rooyen, negotiating a solution.

Mr. Vorster also featured in Mr. Luyt's evidence when he stated that he was told that Mr. Vorster had personally chosen him to launch The Citizen because he was a public figure with no political ties to the left or the right.

It is also being pointed out that the evidence made public showed that

Gen. Van den Bergh was a key figure in launching The Citizen project, and that he was later appointed by the Prime Minister to investigate and evaluate Department of Information secret projects.

Mr. Van Rooyen also stated in evidence that a Boss auditor, Mr. Loot Reynders, had approached him to get his signature on the sale documents for Mr. Luyt's aircraft on behalf of Thor Communications, a Department of Information front.

The aircraft was then jointly owned by Mr. Luyt and Thor and the money for the sale was then sent back to the Department of Information.

When Mr. Van Rooyen asked Mr. Reynders why Thor had given Mr. Andre Pieterse, R825 000 to finance a movie, Golden Rendezvous, Mr. Reynders reassured him that the money had not been used for that purpose.

According to Mr. Pieterse's evidence this is what had happened

We've taken a knock on ^{staar 6/11/78} Info-Pik ²⁵⁹

Political Correspondent
The effectiveness of South Africa's information effort overseas had taken a battering with disclosures about the department's activities, the Minister of Foreign Affairs, Mr Pik Botha, said last night.

Mr Botha spoke on his return from Zurich where he met ambassadors and Information representatives

"When we met on Saturday the evidence which Mr Justice Mostert revealed on Thursday was

known worldwide. I used the opportunity to inform the representatives of developments and answer their questions.

"It is true that our credibility has taken a knock, but it has not been destroyed," said Mr Botha

Information officials felt confused but were not defeated

Nat Press urges Mulder to quit

Most major Nationalist newspapers have openly criticised the former Minister of Information, Dr Connie Mulder, with some calling on him to stand down.

In an obvious reference to Dr Mulder, Rapport said yesterday that great demands were made on political leaders. One of these was that if there was rightly or wrongly even a trace of suspicion against a leader, he should relinquish his post

"There is for such a man just one honourable course of action, and to stay on in this case is to only hang another millstone around the neck of the Prime Minister. It is not fair to him"

Rapport's political columnist, Albert Crafford, said "If I were Dr Mulder, I would have stood down while matters are being cleared up."

Oggendblad has deman-

ded "merciless action" against any politicians, public servants and security men involved. Trust could only be restored if no guilty person remained unpunished.

Die Burger, the influential Nationalist daily, said "It is unavoidable that attention will be concentrated on Dr Connie Mulder, who was the Minister responsible for the Department of Information in the time when the alleged misdeeds took place. His position is now seriously compromised."

Beeld said it appeared the judicial inquiry would run its course seeing that the Minister concerned was not taking the honourable way out.

Die Vaderland said evidence and revelations so far cast a serious reflection on the Government itself, involved Cabinet Ministers up to the highest level and reflected on high and trusted officials.

Rapport said in its front-page lead story yesterday that even Cabinet members believed that Dr Mulder should not delay his resignation.

HONESTLY
"They expressed confidence that the Prime Minister and the Government would honestly and decisively solve the tragic and troubling circumstances which came to light last week"

Information representatives felt aggrieved about reports about the department because the impression was created that they were all tarred with the same brush.

Their good faith and integrity was put in question, which lessened their effectiveness and further harmed South Africa's interests.

Mr Botha said he did not want to claim that no irregularities or ill-considered actions had taken place, but whatever the findings of the Erasmus Commission were, it would be unfair to label all Information officials as offenders.

SUSPICION

"The majority of our officials are not under suspicion. They have done their duty. We must have appreciation for their services and must not let the wave of publicity about certain allegations engulf them."

No fanfare for Rhodies

Own Correspondent

TEL AVIV — Dr Eschel Rhodie has visited Israel scores of times as a senior Government official

This time, it was different. He arrived and left without fanfares. There was no red carpet, no chaffeur-driven car or officials to see to his needs.

Dr and Mrs Rhodie were on what Dr Rhodie later called "around the

world trip for my wife and myself, a trip we have always promised ourselves but never had the time to take".

Asked if it was all purely pleasure, he told The Star's correspondent "No, a combination of business and pleasure" But he refused to elaborate on the kind of business he had in mind "This is a private matter," he said.

For their Jerusalem base the Rhodie family chose the swanky Plaza hotel (R65 a couple a day) in the centre of the city

overlooking the walls of the old city.

After a long day of sight-seeing the hotel provides all the comfort tourists expect, and they're mostly Americans or Canadians

The Rhodies did not make contact with the many friends Dr Rhodie has made in Israel over the years. He stayed away from official contacts and Israeli officials made no effort to look him up.

The Rhodies left Israel on Saturday aboard a TWA flight

Fear Overseas Info Documents

6/11/78
259

BY MERVYN REES

HAS Dr Eschel Rhodie, who has been overseas since last Sunday with his wife, destroyed vital evidence which could help in the unravelling of what has happened to all the money from Department of Information secret funds?

This question was being asked by MPs yesterday who recalled that Dr Rhodie told a Parliamentary inquiry that some documents relating to the former Department of Information which were regarded as top secret had been destroyed to safeguard projects in the national interest.

But in the light of evidence made public last week by Mr Justice Anton Mostert, it appears that documents such as the contract between Dr Rhodie and Mr Louis Luyt to run the Citizen newspaper were regarded as "Top Secret". This raises the point whether other similar documents dealing with similar use of State money have been destroyed in the "national interest."

Today's

Citizen

W7 10

According to evidence given by Mr Luyt under oath to Judge Mostert, R13-million loaned to Mr Luyt by Dr Rhodie from Department of Information secret funds to run the Citizen, was put into Triomf

Learn from the mistakes of this conference, and so ensure
nce is better than this one we should be most grateful if
ite down, anonymously if they wish, their criticism of all
ave days, together with positive suggestions for improvement.

CRITIQUE

CE ON THE ECONOMICS OF HEALTH CARE IN SOUTHERN AFRICA

If you find this in your bag when you return home we would be grateful if you would fill it in and return it to Saldru, School of Economics, UCT, Rondebosch 7700

pays?

Political Correspondent

WHO is paying for today's issue of The Citizen newspaper and all subsequent issues?

This question was asked yesterday by Mr Harry Schwarz, Progressive Federal Party spokesman on finance.

Mr Schwarz said losses incurred by The Citizen were R400 000 a month according to evidence made public by Mr Justice Anton Mostert last week.

"At a conservative estimate, this works out to an amount of R10 000-10-R15 000 a day. The public is entitled to know who is paying for today's issue, and subsequent issues," he said. "When the public is asked to buy the newspaper and when businessmen are asked to advertise in it, they are entitled to know who is providing the money to make good these losses. If there are no losses today then the public is entitled to be shown accounts to prove this.

In view of the disclosures, it is not enough to be told that Government money is not involved.

"The public is entitled to know whose money it is that is now financing The Citizen. And no amount of rhetoric from The Citizen's editor will be an answer. What the public wants is proof of who owns The Citizen today and who provides the money to run it."

Mr Louis Luyt's auditor, Mr P F du Preez, told Mr Justice Mostert in evidence made public last week he believed the shares in The Citizen that had been held by Mr Luyt were still those of the Department of Infor-

Mr Luyt and his auditor told the judge that according to an agreement arranged with Dr Connie Mulder and Dr Rhoadie, the first instalment was due on March 2 next year.

Also according to the agreement, written in Dr Rhoadie's handwriting and made public by Judge Mostert, Mr Luyt has been "let off" paying R2 900 000 of the total R13-million because he has to pay back from a base figure of R10 118 000.

If the contract and the pay-back agreement had been destroyed because they were regarded by Dr Rhoadie as top secret, then there would have been no record of all this taking place. Has this happened in other cases?

Mr Harry Schwarz, one of the key PFP questioners on the Department of Information scandal, said yesterday "During the course of the Parliamentary Committee on Public Accounts into the report of the Auditor-General on the Department of Information, there was evidence given that certain of the records of the secret projects had been destroyed and that therefore it may be difficult to get details of the projects and perhaps even of the detailed expenditure."

But by checking on the amounts that were voted to the Department and also by checking on the transfer of secret funds to the Department of Information, it will be possible to require an accounting for the monies and to reconstruct accounting responsibilities for projects where records are no longer available.

"One can assume that this will have been done by the Pretorius Committee and the Auditor-General."

Now that political circles have had a chance to study the evidence made public by Judge Mostert they are

Death threats: Info men arm themselves

By MERVYN REES

AT LEAST two key figures in the Department of Information revelations — Advocate Reief van Rooyen and Mr James "Wally" Waldeck — have taken steps to protect themselves and their families.

Advocate Van Rooyen, who gave dramatic evidence before the Mostert Commission of Inquiry into exchange control contraventions, has armed himself with a shotgun and a pistol which he keeps close to him at all times.

Mr Waldeck, the former administrative head of the Department of Information before his premature retirement in May this year, has also sought police protection and intends arming

himself after his wife received a chilling death threat from an anonymous caller.

The death threat was made by a man with a "put on" English accent who telephoned their Waterkloof, Pretoria, home on Friday and said, "Tell that Waldeck of Information that he is going to die quickly and easily."

Though Mr Van Rooyen will not talk about the fears he holds for the safety of his wife and family, he is known to have recently called in an attorney to redraw his will.

He did so after he secretly briefed Mr P W Botha, Mr Alwyn Schlabusch and Mr Pik Botha about the information scandal shortly

before the election of Mr P W Botha as Prime Minister. He and his wife also spent anxious hours one night after disturbances at his Pretoria home and they took turns to patrol the house.

Mr Waldeck also intends arming himself and increasing his insurance. He will not open his front door without satisfying himself that it is safe to do so.

"Just look at what happened to the Smits," he is quoted as saying about the death threat.

Newspapermen investigating the Department of Information corruption allegations have also taken precautions to safeguard themselves and their families.

Not nice — Schoeman

PORT ELIZABETH. — The Minister of Agriculture, Mr Hendrik Schoeman, denied any knowledge of actions leading up to the information scandal at a weekend agricultural meeting.

"It is not nice to have to stand before you as a Cabinet Minister when things have apparently been going on in the Department of

Erasmus to see PM

BLOEMFONTEIN. — The chairman of the judicial commission of inquiry into alleged irregularities in the former Department of Information, Mr Justice R P B Erasmus, is to meet the Prime Minister, Mr P W Botha, in Pretoria today.

He will join the other members of the commission — the Attorney-General of the Cape, Mr A J Lategan, and the chief State legal adviser, Mr G S Smalberger

By HELEN ZILLE
Political Correspondent

SOUTH Africa's international credibility had suffered a severe blow by evidence in the Mostert report of alleged corruption in the disbanded Department of Information; the Minister of Foreign Affairs, Mr P W Botha, said yesterday.

Commenting on his weekend meeting with South Africa's diplomatic representatives held in Zurich, Mr Botha said that although the country's credibility had been damaged, it had not been destroyed.

Mr Botha said the meeting had been called as a briefing on developments in the South West African negotiations, but he had made use of the opportunity to answer questions on the revelations in the Mostert report which made international headlines during the past few days.

Also present at the meeting were senior officials from the overseas offices of the Bureau for National and International Communications, the organisation created after the discredited Department of Information was disbanded. The bureau now falls under Mr Botha.

"Our overseas representatives have been jolted, but not bowled over. They feel confused but not defeated."

"They have full confidence in the Prime Minister and the Government to resolve the tragic and oppressive circumstances that arose during the past week in an honourable and decisive manner."

Mr Botha said South Africa's foreign information representatives felt aggrieved because reports of the alleged "distasteful actions" of the former Department

Scandal severe blow to SA — Pik

of Information had created the impression that all members of the former Department of Information were involved in the allegations.

"Their good faith and integrity had been threatened and their effectivity jeopardised. And in this way South Africa's interests have been damaged," Mr Botha said.

"Perhaps it is inevitable that we accept this state of affairs in the short term, but I cannot leave it at that."

"The information officials at headquarters and overseas have an important task and have served South Africa with dedication and ability."

Although he was not attempting to say that no "irregularities or unconsidered actions" had taken place, he felt that whatever the findings of the Erasmus Commission, it would be unfair to regard all members of the Information service as "potential scapegoats".

British Press lauds judge's moral courage

9/11/28 N(259)

LONDON — Britain's independent newspaper, the Sun, said in a weekend editorial: "The scale of corruption now alleged against leading past and present members of South Africa's dictatorial Government threatens to make Watergate look like a parking offence."

The newspaper was commenting on South Africa's Department of Information scandal.

"Thanks to the courage of Judge Anton Mostert, evidence has been made public that millions of pounds' worth of taxpayers' money was used in an unsuccessful bid to buy up a newspaper group not sufficiently friendly to the apartheid regime of ex-Premier John Vorster.

"When that failed the money was used to finance a rival paper controlled by the Government's friends. The secret police were involved in the cover-up bid. And even when the judge lifted the lid efforts were made to suppress the story by threatening newspapers with prosecution.

"It is a dirty, shocking, contemptible tale."

Rapport calls on Mulder to resign

By HELEN ZILLE
Political Correspondent
CALLS for Dr Connie Mulder's immediate resignation reached a peak yesterday when the National Party Sunday newspaper, Rapport, added its voice to those of other leading Afrikaans newspapers.

Without naming Dr Mulder, the 409 000-circulation Rapport said this in a leading article "Great demands are made on political leaders. One of these is that if there is, rightly or wrongly, even a hint of suspicion against you, you

The Sunday Telegraph said in an editorial comment that the full facts of South Africa's scandal over misappropriated funds must be made known.

The conservative newspaper said "The judge who had inquired into the scandal went ahead and published the damaging evidence before him despite pressure from the new Prime Minister, Mr Pieter Botha, to keep quiet.

"He displayed commendable moral courage. He also demonstrated to the world that, whatever its blemishes, the rule of law is not extinct in his country.

"Now Judge Erasmus promises that no facts uncovered in the forthcoming investigation will be hushed up.

"It will be a bad day for South Africa if this pledge is not honoured."

The liberal Guardian said "It is much harder to publish a free Press or preserve a judge's detachment in South Africa than it is in Britain and those who succeed do their country great credit. Again and again the newspapers and the courts have served the South Afri-

Evidence fears

ing an advisor on the Information furore to the then Prime Minister, Mr Vorster.

Mr Van Rooyen's evidence to Judge Mostert was that he had gone to Mr Vorster and told him he knew the Citizen was owned by the Government.

"He appeared very shocked when I reported to him I told him everything, the whole story," he said.

Mr Van Rooyen also recounted that Mr L. E. S. de Villiers, former deputy to Dr Rhodie, had also told him that "they are stealing money left and right from the secret fund around me" and had begged him to report this to the Prime Minister.

He discovered later that information he had given to

can Government much better than it deserves.

"The emerging scandal about the use of public funds for covert influence on public opinion is the latest and one of the best examples.

"And it is the Afrikaans Press as well as the English which has refused to accept Government denials, ignored threats of prosecution under the Official Secrets Act and paved the way for the revelations of Mr Justice Anton Mostert. The judge's part in the affair is laudable.

"Under strong personal pressure from Prime Minister P. W. Botha not to disclose evidence of official corruption he has done so.

A parliament, an Auditor-General, an inquiring Press, an independent judge — these are worth more to South Africa than any number of Government-inspired column-inches."

In a major front page article, The Times reported on Saturday that Mr Botha's decision to recall Parliament on December 7 reflected the gravity of the crisis facing the Government — Sapa-Reuter.

From Page 1

somebody else, that man would come back to him in shock over the kind of child he had inherited.

So, he left it to General Van den Bergh, who was already, says Mr Van Rooyen, "negotiating a solution."

Mr Vorster also featured in Mr Luyt's evidence when he stated he was told that Mr Vorster had personally chosen him to launch the Citizen because he was a public figure with no political ties — to the left or the right.

It is also being pointed out that the evidence made public showed General Van den Bergh was a key figure in launching the Citizen project and that he was later

Mulder readies for final fight

By HELEN ZILLE
Political Correspondent

THE special parliamentary session called for December 7 to discuss the Department of Information affair is starting to look like a possible last-ditch attempt by Dr Connie Mulder to stay in politics.

Despite calls by most influential National Party newspapers for his resignation, Dr Mulder's supporters made it clear that he would put up a "firm fight" for his political life.

As opponents rallied to ensure the Minister — named in the startling allegations contained in the Mostert Report last week — was removed from office, Dr Mulder's supporters discussed "survival tactics."

There is widespread speculation in National Party ranks that Dr Mulder will use the party procedure to rally enough support for him to remain the party's Transvaal leader.

Mostert goes public

MURRAY

7/21/78

25-4

BY MERVYN REES

MR JUSTICE Anton Mostert, who dropped South Africa's biggest political bombshell with his information Department scandal revelations last week, is to call more witnesses this week — and the hearings will be public.

This means Mr Justice Mostert's commission of inquiry into currency contraventions will be holding hearings at the same time as Mr Justice Erasmus' commission of inquiry into the Department of Information.

Mr Justice Erasmus has not yet announced whether all, or part, of his hearings will be held in public.

Fischel to be called 'if we can get him'

BY DON MARSHALL

DR. ESCHEL Rhodius, former Secretary for Information and a leading figure in the Department of Information scandal, will definitely be called to testify before the Erasmus Commission, which sat in Pretoria for the first time yesterday.

Among the witnesses will be Mr David Abramson, who is chairman of the grant Hortons Group.

Mr Justice Mostert has been heading a one-man commission into exchange control contraventions and this has led him into the Department of Information scandal.

It is understood that from today he ceases all his normal Supreme Court duties on the Natal Bench to give his full and undivided attention to these inquiries.

Last week Mr Justice Mostert held a Press conference and made public evidence given to him on the Department of Information secret projects against the strong wishes of the Prime Minister, Mr P W Botha.

After the Press conference, Mr Botha tried to stop



The three members of the Erasmus Commission leave the Prime Minister's office in the Union Buildings after a courtesy call yesterday. They are (from left): Mr George Smalberger, Mr Braam Lategan and Mr Justice Erasmus.

until such time as the suspicion is found to be groundless

"For such a man there is only one honourable path to follow, and to hang on in this case is only to become another millstone around the Prime Minister's neck. It is not fair to him."

In its main front page report yesterday, Rapport said Cabinet Ministers had also joined the call for Dr Mulder's resignation, although none were named. No Cabinet Minister has been prepared to comment for publication.

Beeld, the Transvaal Nasionale Pers publication, also did not name Dr Mulder in an editorial last week. "Seeing that the person in whom ministerial responsibility for the Information affair was entrusted, is not taking the honourable way out, the judicial inquiry must now run its course, so that Parliament, as the highest authority in the country, can express its judgment on the matter."

Publications belonging to the Perskor newspaper group, of which Dr Mulder is a director, were more subtle in their approach. But they uniformly condemned the Department of Information's administration of its secret fund.

Smit murder theory

Crime Reporter

THE Commissioner of Police, General Mike Geldenhuys, said yesterday he would not join in any speculation that the murders of Nationalist politician, Dr Robert Smit, and his wife, Jeane, had a connection with the Information Department affair.

"At this stage the murders are still unsolved. We are, of course, exploring all possibilities. Any information given to us will be investigated because we want

Mr Vorster had got to the ears of General Hendrik van den Bergh, Dr Connie Mulder and Dr Rhodie.

Mr Vorster had told him he was shocked to hear that General van den Bergh had told the others.

"In November I was told that this whole so-called cat's nest would be cleaned out after the election on November 30 by the Prime Minister."

Mr Van Rooyen said he saw Mr Vorster again on a number of occasions and Mr Vorster was terribly worried. He said he could cope with everything but not the newspaper (the Citizen). Those millions had to come back.

At the end of December or early January this year, Mr Van Rooyen went to see Mr Vorster and urged him to leave the Minister concerned out of his new Cabinet, and also to see that Dr Eschel Rhodie would no longer be in the department.

According to Mr Van Rooyen's account, Mr Vorster gave this reply: "The Prime Minister indicated to me that he could not afford in the situation that existed to leave the Minister concerned out of his portfolio, because, within the first week after he appointed

to solve this murder," Gen Geldenhuys said.

Die Vaderland reported at the weekend that scores of people had been asked whether there was a link between the Information disclosures and the Smit murders last year shortly before the General Election.

Dr Smit, a leading economist, and his wife were murdered in their home in Springs. Dr Smit was the National Party's parliamentary candidate for Springs.

Minister to investigate and evaluate Department of Information secret projects.

Mr Van Rooyen also stated in evidence that a BOSS auditor, Mr Loot Reynders, had approached him to get his signature on the sale documents for Mr Luyt's aircraft on behalf of Thor Communicators, a Department of Information "front".

The aircraft was then jointly owned by Mr Luyt and Thor and the money for the sale was sent back to the Department of Information.

When Mr Van Rooyen asked Mr Reynders why Thor had given Mr Andre Pieterse R825 000 to finance a movie, "Golden Rendezvous", Mr Reynders reassured him the money had not been used for that purpose.

According to Mr Pieterse's evidence, this is what had happened.

Mr Reynders was appointed as the Prime Minister's special investigator and just before the election of the new Prime Minister, Mr Reynders issued a three paragraph statement saying he had found no irregularities.

Mr Reynders was then seconded to the Kemp Committee which had succeeded General Van Den Bergh who retired suddenly shortly before the election of Mr P W Botha as Prime Minister.

According to evidence made public by Judge Mostert, Mr Reynders refused to give evidence before him because he said his work fell under the Official Secrets Act.

The evidence showed that Mr Kemp, also a member of BOSS, had refused to give evidence to the judge.

He said he could only do so with the permission of the Prime Minister because his investigations fell under the Officials Secrets Act.

Mulder supporters will use the silence on Department of Information actions caused by the sub-judice rule to rally support.

During this time, the following events will take place:

● The Transvaal National Party head committee — where Dr Mulder enjoys his strongest support — will meet to formulate their view on the matter.

Dr Mulder's supporters believe they can swing the majority in favour of their leader despite the deep divisions between the Mulder and Pik Botha factions.

● The Parliamentary caucus will meet to formulate its standpoint for the parliamentary debate.

Dr Mulder is believed to be hoping a bloc Transvaal vote, with support from other provinces, will give him the majority he needs to carry him through a vote of support.

If he succeeds his position is likely to be safe, as the whole of the National Party will support the caucus view in Parliament.

A further significant aspect emerged this week when one of Dr Mulder's most loyal supporters said there was no reason why the Minister should be the "only scapegoat".

There have been indications that Dr Mulder could be in a position to implicate other high-ranking officials in the affair. With the party's unity at stake, his supporters believe the party may close their ranks to save Dr Mulder.

Dr Mulder refused to comment yesterday.

"I thought the entire matter was sub-judice. I have nothing further to say," he said.

Mr Harry Schwarz, PFF MP for Yeoville, said the danger of a parliamentary debate was that the issue could be "lost in the realm of party politics".

Who 'offered' Rhodie to TV?

By IAN REID
TV Editor

IT WOULD be almost impossible to say who suggested Dr P G du Plessis should interview Dr Eschel Rhodie on his SABC-TV programme "P G Gesels met..." after Dr Rhodie's early retirement from the Department of Information,

a corporation spokesman said yesterday.

Mr Retief Uys was commenting on a newspaper report that it was the former head of the Bureau for State Security, General Hendrik van den Bergh, who had "offered" SABC-TV the opportunity to interview Dr Rhodie.

"People from all walks of life are forever phoning in with suggestions as to who should appear on this programme. Their suggestions, if warranted, are then discussed by an informal committee at Broadcast House. But this 'P G Gesels' programme was so long ago that it will be almost impos-

sible to say where suggestions to interview Dr Rhodie came from."

The interview with Dr Rhodie, telecast on July 27, failed to deal with his premature departure from the now disbanded department and dealt mainly with his childhood and background.

night by the chairman of the commission Mr Justice Rudolph Philip Erasmus, who said "I am sure we will call him — if we can get hold of him"

Dr Rhodie is currently on a tour of several European countries with his wife Katie, in what has been described as a trip combining business and pleasure

Dr Rhodie left South Africa just over a week ago when the Information Department scandal broke in the national Press. He first went to Israel, where he stayed in a luxury Jerusalem hotel for nearly a week

His destination after that has not been disclosed

Another star witness who is expected to appear before the commission is Dr Connie Mulder, the former Minister of Information, who has indicated that he will volunteer to testify

Judge Erasmus said last night that Dr Mulder would be welcome to give evidence before his commission, if he wanted to do so

The commission will announce today whether its proceedings will be open to the public

The decision was taken yesterday during the commission's first day of business, but Judge Erasmus said the public would only be informed today

The three-man commission — Judge Erasmus, Mr G E Smalberger, State legal

...to beat the deadline
"It is a pity that the time is so short because it could affect the procedures which the members of the commission adopt", he said

This would indicate that the public will not be allowed to attend the commission's sittings

Earlier yesterday, members of the commission met with the Prime Minister at the Union Buildings

The meeting lasted about one-and-a-half hours and neither the Prime Minister nor members of the commission would afterwards reveal the nature of their conversation, except to say that it was a courtesy visit

Members of the commission then left for the Department of Justice headquarters where they started their work

By last night, they had established themselves in a suite of offices in Bauhaus, Andries Street, which is in downtown Pretoria

They worked late last night sifting through the evidence of other commissions and committees of inquiry which have already investigated the alleged malpractices in the Department of Information

The evidence given before Judge Anton Mostert's commission was included in their research material

Judge Erasmus said last

□ To Page 2

succeeding only with the SABC

After the confrontation, Mr Botha appointed Mr Justice Erasmus' three-man judicial commission

Included in the evidence made public by Mr Justice Mostert were revelations that The Citizen newspaper was financed with Government money, that many senior Government people knew that this was the case and that some of them were involved in cover-up operations

The Sunday Times reported on Sunday that Mr Abramson had been asked to appear before the Mostert Commission last Thursday

But his appearance was postponed on the basis of a medical certificate

Recently Hortors has been involved in negotiations with Mr J van Zyl Alberts, managing director of The Citizen, involving a printing contract for The Citizen, which so far has been printed by Perskor

Mr Abramson told the Sunday Times the contract had fallen through and said although he had known Dr Eschel Rhodie, the former Secretary for Information, and a central figure in the Information Department scandal, for some years, their relationship was purely social

As a tax expert he had given Dr Rhodie advice on his wife's inheritance

Mr Abramson said his only business contact with the Department of Information had been a printing contract with Chris van Rensburg publications

He told the Sunday Times his last social contact with Dr Rhodie had been at a ballet in May. Dr Rhodie had visited his offices in the Bank of Lisbon building, Johannesburg, about six weeks ago to seek tax advice

After the Sunday Times report had appeared, Mr Abramson issued a statement that he was "more than willing" to give Mr Justice Mostert's commission of inquiry any information at his disposal

Mr Abramson said that last Monday Mr Justice Mostert had asked him to give evidence three days later in connection with currency dealings

"Later that week I explained to the judge that I

□ To Page 2

PFP wants to be in on all hearings

Pretoria Bureau

THE PROGRESSIVE Federal Party wants to be represented in all sessions of the Erasmus Commission

Mr Harry Schwarz, MP, chairman of the PFP's federal executive, said in Pretoria yesterday the PFP wanted to be present at all hearings and wanted the right to call and question witnesses or ask the commission to call them

He said he tried to make official contact with the commission yesterday through the Prime Ministers office, which had agreed to advise him as soon as the commission had settled down

Sapa reports from Cape Town that Mr Derick de Villiers, MP, told a meeting of his Constantia conti-

tuency that the PFP caucus had decided it would assist the Erasmus commission by having legal representation at its hearings

He said there had been attempts, which might continue, to prevent the full publication of facts relevant to the investigations.

Evidence had already been given of a deliberate abuse of the Official Secrets Act to conceal matters purportedly under investigation by the former head of State security

"Exaggerated interpretations are now being placed on the sub judice rule to restrain public discussion of the general issues, irrespective of whether such matters are actually being testified to before a judicial court and are prejudicial to its findings," he said

SABC 'guilty of political nepotism'

By Gerald Reilly
Pretoria Bureau
THE BLATANT partisan-ism of the South African Broadcasting Corporation demanded the urgent attention of the Minister of National Education, Dr Piet Koornhof, the Progressive Federal Party's interior spokesman, Mr Dave Dalling, said yesterday.

The corporation had deteriorated into an unabashed apologist for the Government and as a propaganda channel for the policies of the National Party.

"Just as the Department of Information scandal is now being investigated by a judge, so the SABC, as a

public corporation totally sustained by taxpayers money, should also be the target of an in-depth investigation.

"The blatant non-reporting of the Information scandal is rapidly mushrooming into a scandal of its own."

Mr Dalling said Dr Koornhof - a close friend of the former Minister of Information and Transvaal leader of the Nationalist Party, Dr Connie Mulder - was the Minister responsible for the SABC.

He pointed out that although the SABC refused to broadcast the Mostert revelations about the Department of Information, it was

prepared to give Dr Mulder television time to put his side of the affair.

"The whole thing smacks of political nepotism, and it's long past the time when the issue should be taken up strongly on behalf of the taxpayer."

Mr Dalling demanded that Dr Koornhof "calls the SABC to order immediately."

"Its role as a Government apologist must be stopped. Objectivity must somehow be brought back into SA broadcasting," Mr Dalling said.

Meanwhile an editorial in yesterday's Beeld said the important role of newspa-

pers was underlined in the past few days by the strange policy decisions of the SABC.

The radio and television, Beeld went on, originally did not broadcast the substance of the evidence given under oath before Judge Mostert, but the corporation was prepared to give Dr Mulder the hospitality of the air to give his side of the case - after the other side of the case had been censored.

"The SABC must know that the Information affair shows that in a whole lot of places there is a screw loose. One of them is possibly at the SABC."

Mostert inquiry to be held in public

was indisposed and would not be able to see him at the appointed time.

"At the request of the judge, I sent him a medical certificate confirming my inability to appear before him because of my indisposition."

"Neither directly nor indirectly, in my personal or any other capacity, including my chairmanship of Hortors (Pty) Ltd, have I been involved in any matter relating to any exchange control contraventions or in any other breach of the law. I am more than willing to furnish Judge Mostert with any information at my disposal."

During the late 1960s Mr Abramson became known as a financial whizz-kid when he spearheaded the sensational National Fund

'A picture shattered'

LONDON. - South Africa has been more shaken, it almost seems, by the scandal in its Government than by the moral pangs of apartheid, the odium of the world and the growing international threat to its existence, London's Daily Telegraph said yesterday.

The conservative newspaper said in an editorial that South Africa's defiance was based on the self-righteous conviction that separate racial development was a noble mission.

"The leaders along this path were seen by their supporters - and many of their white critics - as stern, upright, incorruptible, even puritanical men. This inspiring picture has now been rudely shattered," it said - Sapa-Reuters.

Investments (NFI) mutual fund management company during the stock exchange boom.

He left the company after some administrative difficulties.

Last year he bought Hortors, one of South Africa's oldest printing and publishing houses, which is quoted on the Johannesburg Stock Exchange.

Mr Abramson's partner is Mr Stuart Pegg, a former associate of the British tycoon, Mr Jim Slater. Mr Pegg is a well-known motor rally enthusiast.

The Hortors takeover was the climax of a series of deals which began in 1976 with a 20% share in Morgan Grampian, a British pub-

Ministers didn't advise me—lawyer

MR RETIEF van Rooyen, an advocate, confirmed in Pretoria yesterday that neither the Prime Minister, Mr P W Botha, nor the Minister of Foreign Affairs, Mr Pik Botha, nor the Minister of the Interior, Mr Alwyn Schlabusch, had advised him to give evidence before the Mostert commission of inquiry into exchange control contraventions.

A report to this effect appeared in a Sunday newspaper, but was later denied by the three Ministers concerned.

"Judge Mostert's name was never mentioned during our discussions."

"Allegations that I had given evidence before Judge

lishing house

At the time the Reserve Bank gave authority for Mr Abramson to raise a loan for the deal, in his own name, with the British bank, Kleinwort Benson.

By the end of the year Mr Abramson had sold his share in Morgan Grampian to Trafalgar House, publishers of the mass circulation British newspaper, the Daily Express.

The profit, of about R5 200 000, was used in the Hortors takeover, which was made with securities (blocked) rands.

Earlier this year an executive jet owned by one of Mr Abramson's companies was chartered at a cost of R46 000 to bring Mr John Connally, a leading American politician, to South Africa.

Erasmus to call Eschel Rhodie

Mostert on my own, or unasked, are false," said Mr Van Rooyen.

"Judge Mostert asked me to give evidence before him. If I had not gone voluntarily he would have subpoenaed me to give evidence."

"The judge was aware of the essence of the evidence at my disposal and requested me to give evidence under oath."

"I am unaware of the source of Judge Mostert's information."

"As regards implications in reports that I have been threatened, I must make it clear that I have not been threatened in any way whatsoever," Mr Van Rooyen said - Sapa.

night that he had kept abreast of the Information Department scandal as it had been reported in the Press.

"I am up to date with all the Press disclosures - although I have been too busy to read today's reports," he said yesterday.

The commission's secretary has been instructed to keep a detailed file on all reports which appear in the Press on the commission's work, starting from the first disclosures.

The commission's terms of reference are "to inquire into and recommend on:

- Any irregularities or unlawful gaining of advantage by individuals or bodies or the misappropriation of public funds by the former Department of Information or any person who was connected with that department.

- The methods and malpractices which were employed in connection with any irregularities or gaining of advantage or any misappropriation which may be found.

- Steps to be taken to put an end to such practices, as well as any action against any person or persons who were involved in such actions.

"We say it is a most difficult task and I believe that everyone feels the same about it," Judge Erasmus said last night.



Mr Justice Mostert . . . the hearing will be in public



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Vol. 161]

PRETORIA, 7 NOVEMBER 1978

No. 6211

PROCLAMATION

*by the State President of the Republic of
 South Africa*

No R. 295, 1978

REGULATIONS UNDER SECTION 1 OF THE
 COMMISSIONS ACT, 1947 (ACT 8 OF 1947)—
 COMMISSION OF INQUIRY INTO THE FORMER
 DEPARTMENT OF INFORMATION

Under the powers vested in me by section 1 of the
 Commissions Act, 1947 (Act 8 of 1947) I hereby make
 the regulations contained in the Schedule with reference
 to the Commission of Inquiry into the former Depart-
 ment of Information

Given under my Hand and the Seal of the Republic
 of South Africa at Pretoria this Seventh day of Novem-
 ber, One thousand Nine hundred and Seventy-eight

B J VORSTER, State President
 By Order of the State President-in-Council
 P W BOTHA

SCHEDULE

REGULATIONS

1 In these regulations, unless the context otherwise
 indicates—

“Chairman” means the Chairman of the Commission,

“Commission” means the Commission of Inquiry
 into the former Department of Information,

“document” includes any book, pamphlet, record,
 list, circular, plan, placard, poster, publication, drawing,
 photograph or picture,

“inquiry” means the inquiry being conducted by the
 Commission,

“officer” means a person in the full-time service of
 the State who has been appointed or designated to
 assist the Commission in the performance of its func-
 tions,

“premises” includes any land, building, structure,
 part of a building, or structure, vehicle, conveyance,
 vessel or aircraft

4176--A

PROKLAMASIE

*van die Staatspresident van die Republiek van
 Suid-Afrika*

No R 295, 1978

REGULASIES KRAGTENS ARTIKEL 1 VAN DIE
 KOMMISSIEWET, 1947 (WET 8 VAN 1947). —
 KOMMISSIE VAN ONDERSOEK NA DIE VOOR-
 MALIGE DEPARTEMENT VAN INLIGTING

Kragtens die bevoegdheid my verleen by artikel 1 van
 die Kommissiewet, 1947 (Wet 8 van 1947), vaardig ek
 hierby die regulasies uit in die Bylae vervat met betrek-
 king tot die Kommissie van Onderzoek na die voormalige
 Departement van Inligting.

Gegee onder my Hand en die Seel van die Republiek
 van Suid-Afrika te Pretoria, op hede die Sewende dag
 van November Eenduisend Negehonderd Agt-en-
 sewentig

B J VORSTER, Staatspresident
 Op las van die Staatspresident-in-rade.
 P W BOTHA

BYLAE

REGULASIES

1 In hierdie regulasies, tensy uit die samehang anders
 blyk, beteken—

“beampte” iemand wat in die voltydse diens van die
 Staat is en wat aangestel of aangewys is om die Kom-
 missie by die uitvoering van sy werksaamhede behulp-
 saam te wees,

“dokument” ook 'n boek pamflet, aantekening, lys,
 omsendbrief, plan, plakkaat, aanplakbiljet, publikasie,
 tekening, foto of prent;

“Kommissie” die Kommissie van Onderzoek na die
 voormalige Departement van Inligting;

“ondersoek” die ondersoek wat deur die Kommissie
 ingestel word;

“perseel” ook grond of 'n gebou, bouwerk, gedeelte
 van 'n gebou of bouwerk, voertuig, vervoermiddel, vaar-
 tuig of lugvaartuig,

“Voorsitter” die Voorsitter van die Kommissie.

6211—1

2 The Chairman may appoint one or more persons, subject to such conditions as the Prime Minister may determine, to assist the Commission

3 The proceedings of the Commission shall be recorded in the manner determined by the Chairman

4 (1) Any person appointed or designated to take down or record the proceedings of the Commission in shorthand or by mechanical means or to transcribe such proceedings which have been so taken down or recorded shall at the outset take an oath or make an affirmation in the following form

I, A B, declare under oath/affirm and declare—

(a) that I shall faithfully and to the best of my ability take down/record the proceedings of the Commission of inquiry into the former Department of Information in shorthand/by mechanical means as directed by the Chairman;

(b) that I shall transcribe fully and to the best of my ability any shorthand notes/mechanical record of the proceedings of the said Commission made by me or by any other person

(2) No shorthand notes or mechanical record of the proceedings of the Commission shall be transcribed except by order of the Chairman

5. An officer designated thereto by the Chairman may be present at the hearing of evidence at the inquiry and adduce evidence and arguments relating to the inquiry

6 The Chairman or an officer generally or specially authorised thereto by the Chairman shall administer an oath or affirmation to any witness appearing before the Commission

7 Any witness appearing before the Commission may only be cross-examined by a person if the Chairman permits such cross-examination by such person because the Chairman deems it necessary in the interests of the functions of the Commission

8 (a) Evidence shall be heard *in camera* unless otherwise directed by the Chairman

(b) If any person who gave or is giving evidence before the Commission or has been summoned so to give evidence so requests the Commission, no person shall publish in any manner whatsoever the name or address of such person or any information likely to reveal his identity

9 Any witness appearing before the Commission may, in the discretion of the Chairman and in such manner as may be determined by him, be assisted by an advocate or an attorney

10 The Chairman or any officer may, for the purposes of the inquiry of the Commission, at all reasonable times enter and inspect any premises and demand and seize any document on or kept on such premises

11 Every person employed in carrying out the functions of the Commission including any person appointed or designated to transcribe proceedings of the Commission taken down in shorthand or recorded by mechanical means, shall assist in preserving secrecy in regard to any matter or information that may come to his knowledge in the performance of his duties in connection with the said functions, except in so far as the publication of such matter or information shall be necessary for the purposes of the report of the Commission, and every such person except a member of the Commission or any officer, shall before performing

2 Die Voorsitter kan een of meer persone op die voorwaardes wat die Eerste Minister bepaal, aanstel om die Kommissie behulpsaam te wees

3 Die verrigtinge van die Kommissie moet op die wyse wat die Voorsitter bepaal, genotuleer word

4 (1) Iemand wat aangestel of aangewys is om die verrigtinge van die Kommissie in snelskrif aan te teken of op meganiese wyse op te neem of om sodanige verrigtinge wat aldus aangeteken of opgeneem is, te transkribeer, moet vooraf 'n eed of bevestiging in die volgende vorm aflê

Ek, A B, verklaar onder eed/bevestig en verklaar—

(a) dat ek getrou en na my beste vermoë die verrigtinge van die Kommissie van Onderzoek na die voormalige Departement van Inligting in snelskrif sal aanteken/op meganiese wyse sal opneem soos deur die Voorsitter gelas,

(b) dat ek enige snelskrif-aantekeninge/meganiese opname van die verrigtinge van genoemde Kommissie deur my of iemand anders gemaak, volledig en na my beste vermoë sal transkribeer

(2) Geen snelskrif-aantekeninge of meganiese opname van die verrigtinge van die Kommissie mag getranskribeer word nie behalwe op las van die Voorsitter.

5 'n Deur die Voorsitter daartoe aangewese beamppte kan by die aanhoor van getuënis by die ondersoek aanwesig wees en getuënis en argumente wat op die ondersoek betrekking het, aanvoer

6 Die Voorsitter of 'n beamppte deur die Voorsitter in die algemeen of spesiaal daartoe gemagtig, moet 'n getuë wat voor die Kommissie verskyn, 'n eed opleë of van hom 'n bevestiging afneem

7 'n Getuë wat voor die Kommissie verskyn, kan slegs deur 'n persoon in kruisverhoor geneem word indien die Voorsitter dié kruisverhoor deur daardie persoon toelaat omdat die Voorsitter dit in belang van die werksaamhede van die Kommissie nodig ag

8 (a) Getuënis word *in camera* aangehoor tensy die Voorsitter anders gelas

(b) Indien 'n persoon wat getuënis voor die Kommissie afgelê het of aflê of wat opgeroep is om aldus getuënis af te lê, die Kommissie aldus versoek, mag niemand die naam of adres van so 'n persoon of enige inligting wat waarskynlik sy identiteit sal openbaar, op enige wyse hoegenaamd publiseer nie

9 'n Getuë wat voor die Kommissie verskyn, kan na goëddunke van die Voorsitter en op die wyse wat hy bepaal, deur 'n advokaat of prokureur bygestaan word.

10 Die Voorsitter of 'n beamppte kan vir doeleindes van die Kommissie se ondersoek te alle redelike tye enige perseel betree en besigtig en enige dokument wat op sodanige perseel is of bewaar word, opeis en in beslag neem

11 Elke persoon wat diens doen by die uitvoering van die Kommissie se werksaamhede, met inbegrip van iemand wat aangestel of aangewys is om verrigtinge van die Kommissie wat in snelskrif aangeteken is of op meganiese wyse opgeneem is, te transkribeer, moet ten aansien van enige aangeleentheid of inligting waarvan hy by die vervulling van sy pligte in verband met bedoelde werksaamhede te wete kom, geheimhouding help bewaar, behalwe vir sover bekendmaking van sodanige aangeleentheid of inligting vir doeleindes van die Kommissie se verslag nodig is, en elke sodanige persoon, behalwe 'n lid van die Kommissie of 'n

any duty with the Commission, take and subscribe before the Chairman an oath of fidelity or secrecy in the following form

I, A B, declare under oath/affirm and declare that, except in so far as it shall be necessary in the performance of my duties in connection with the functions of the Commission of Inquiry into the former Department of Information or in terms of an order of a competent court, I shall not communicate to any person any matter or information which may come to my knowledge in connection with the inquiry of the said Commission, or suffer or permit any person to have access to any records of the Commission, including any note, record or transcription of the proceedings of the said Commission in my possession or custody or in the possession or custody of the said Commission or of any officer

12 No person shall publish in any manner whatsoever or communicate to any other person any proceedings of the Commission or any information furnished to the Commission or any part of any such proceedings or information, or suffer or permit any other person to have access to any records in the possession or custody of the Commission or any officer or any person referred to in regulation 4 (1), except in the performance of his duties in connection with the functions of the Commission or by order of a competent court

13 No person shall, except in so far as shall be necessary in the execution of the terms of reference of the Commission, publish or furnish to any other person the report of the Commission or a copy or part thereof unless and until the State President has released the report for publication or until the report has been laid on the Tables of the Senate and the House of Assembly

14 No person shall insult, disparage or belittle the Commission or a member of the Commission or prejudice, influence or anticipate the proceedings or findings of the Commission

15 Any person who contravenes any provision of regulation 8 (b), 12, 13 or 14 or wilfully hinders, resists or obstructs a member of the Commission or any officer in the exercise of any power referred to in regulation 10, shall be guilty of an offence and liable on conviction to a fine not exceeding R200 or imprisonment for a period not exceeding six months

beampte, moet, voordat hy enige diens by die Kommissie verrig, 'n eed van getrouheid of geheimhouding voor die Voorsitter in die volgende vorm aflê en onderteken

Ek, A B, verklaar onder eed/bevestig en verklaar dat behalwe vir sover dit by die uitvoering van my pligte in verband met die werksaamhede van die Kommissie van Onderzoek na die voormalige Departement van Inligting of ingevolge 'n bevel van 'n bevoegde hof nodig is, ek geen aangeleentheid of inligting waarvan ek in verband met genoemde Kommissie se ondersoek te wete kom, aan enigiemand sal meedeel nie en niemand sal toelaat of veroorloof om toegang te verkry tot stukke van die Kommissie nie, met inbegrip van enige aantekening, opname of transkripsie van die verrigtinge van genoemde Kommissie in my besit of bewaring of in die besit of bewaring van genoemde Kommissie of 'n beampte

12 Niemand mag enige verrigtinge van die Kommissie of enige inligting wat aan die Kommissie verstrekk is, of enige deel van sodanige verrigtinge of inligting op enige wyse hoegenaamd publiseer of aan iemand anders meedeel nie, of iemand anders toelaat of veroorloof om toegang te verkry tot stukke wat in die besit of bewaring van die Kommissie of 'n beampte of 'n in regulasie 4 (1) bedoelde persoon is nie, behalwe by die uitvoering van sy pligte in verband met die werksaamhede van die Kommissie of op bevel van 'n bevoegde geregshof

13 Niemand mag, behalwe vir sover dit by die uitvoering van die Kommissie se opdrag nodig is, die verslag van die Kommissie of 'n afskrif of 'n gedeelte daarvan publiseer of aan iemand anders verstrekk nie, tensy en totdat die Staatspresident die verslag vir publikasie beskikbaar stel of totdat dit in die Senaat en in die Volksraad ter Tafel gelê is

14 Niemand mag die Kommissie of 'n lid van die Kommissie beledig, neerhaal of verkleiner of die verrigtinge of die bevindings van die Kommissie benadeel, beïnvloed of vooruitloop nie

15 Iemand wat 'n bepaling van regulasie 8 (b), 12, 13 of 14 oortree of 'n lid van die Kommissie of 'n beampte by die uitvoering van 'n in regulasie 10 bedoelde bevoegdheid opsetlik hinder, teengaan of dwarsboom, is aan 'n misdryf skuldig en by skuldigbevinding strafbaar met 'n boete van hoogstens R200 of gevangenisstraf vir 'n tydperk van hoogstens ses maande

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REPUBLIC OF SOUTH AFRICA
GOVERNMENT GAZETTE

STAATSKOERANT
VAN DIE REPUBLIEK VAN SUID-AFRIKA

REGULATION GAZETTE No. 2690

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PRETORIA, 7 NOVEMBER 1978

No. 6212

GOVERNMENT NOTICE

GOEWERMENSKENNISGEWING

DEPARTMENT OF FINANCE

DEPARTEMENT VAN FINANSIES

No R 2246

7 November 1978

No R 2246

7 November 1978

COMMISSION OF INQUIRY INTO MALPRACTICES RELATING TO THE AVOIDANCE AND EVASION OF THE REPUBLIC'S EXCHANGE CONTROL MEASURES

KOMMISSIE VAN ONDERSOEK NA WANPRAKTYKE WAT DIE OMSEILING EN ONT-
DUIKING VAN DIE REPUBLIEK SE DEVIESE-
BEHEERMAATREËLS BEHEL

It is hereby notified for general information that the State President has been pleased to issue the following notice

Hierby word vir algemene inligting bekendgemaak dat dit die Staatspresident behaag het om die volgende kennisgewing uit te vaardig

NOTICE

KENNISGEWING

BY THE STATE PRESIDENT OF THE
REPUBLIC OF SOUTH AFRICA

VAN DIE STAATSPRESIDENT VAN DIE
REPUBLIEK VAN SUID-AFRIKA

To

Aan

THE HONOURABLE MR JUSTICE ANTON WILLEM MOSTERT JUDGE OF THE NATAL PROVINCIAL DIVISION OF THE SUPREME COURT OF SOUTH AFRICA

SY EDELE REGTER ANTON WILLEM MOSTERT, REGTER VAN DIE NATALSE PRO-
VINSIALE AFDELING VAN DIE HOOGGE-
REGSHOF VAN SUID-AFRIKA

Greetings!

Saluut!

Whereas I deemed it expedient to appoint a Commission to inquire into and make recommendations on—

Nademaal ek dit dienstig geag het om 'n Kommissie te benoem om ondersoek in te stel na en aanbevelings te doen oor—

- (a) malpractices relating to the avoidance and evasion of the Republic's exchange control measures,
- (b) methods of combating such malpractices, and
- (c) any exchange control, taxation and other implications which may result from the investigations referred to in (a) and (b)

- (a) wanpraktyke wat die omseiling en ontduiking van die Republiek se deviesebeheermaatreëls behels;
- (b) metodes om sodanige wanpraktyke te bekamp;
- (c) enige deviesebeheer-, belasting- en ander implikasies wat mag voortspruit uit die ondersoeke waarna in (a) en (b) verwys word

And whereas I authorised and appointed you, Anton Willem Mostert, as the only member and also as Chairman of the said Commission for that purpose under my Hand and the Seal of the Republic of South Africa at Pretoria on the Twenty-second day of December One thousand Nine hundred and Seventy-seven

En nademaal ek u, Anton Willem Mostert, onder my Hand en Seel van die Republiek van Suid-Afrika gegee te Pretoria op die Twee-en-twintigste dag van Desember Eenduisend Negehonderd Sewe-en-sewentig gemagtig en benoem het om as enigste lid en Voor-
sitter van genoemde Kommissie vir daardie doel op te tree

And whereas I deem it expedient that you cease your inquiry with reference to the above-mentioned matters

En nademaal ek dit dienstig ag dat u u ondersoek na bovermelde aangeleenthede staak

Now, therefore, I hereby rescind my Commission of the above-mentioned date to you and direct that you deliver forthwith all written representations, evidence (transcribed or otherwise), minutes, exhibits and other documents to the Secretary to the Treasury or person authorised thereto by him

Given under my Hand and the Seal of the Republic of South Africa at Pretoria this Seventh day of November, One thousand Nine hundred and Seventy-eight

B J VORSTER, State President

By Order of the State President-in-Council

P W BOTHA

PROCLAMATION

by the State President of the Republic of South Africa

No R 296, 1978

COMMISSION OF INQUIRY INTO MALPRACTICES RELATING TO THE AVOIDANCE AND EVASION OF THE REPUBLIC'S EXCHANGE CONTROL MEASURES

I hereby repeal—

(a) the Proclamation whereby the provisions of the Commissions Act 1947 (Act 8 of 1947) have been applied to the Commission of Inquiry into Malpractices relating to the Avoidance and Evasion of the Republic's Exchange Control Measures and promulgated under Notice 331 in the *Government Gazette* dated 24 February 1978 and

(b) the regulations made under section 1 of that Act with reference to the said Commission and published under Proclamation R 116 of 1978

Given under my Hand and the Seal of the Republic of South Africa at Pretoria this Seventh day of November, One thousand Nine hundred and Seventy-eight

B J VORSTER, State President

By Order of the State President-in-Council

O P F HORWOOD

GOVERNMENT NOTICE

DEPARTMENT OF FINANCE

No R. 2247

7 November 1978

COMMISSION OF INQUIRY INTO MALPRACTICES RELATING TO THE AVOIDANCE AND EVASION OF THE REPUBLIC'S EXCHANGE CONTROL MEASURES

It is hereby notified for general information that the State President has been pleased to appoint a Commission of Inquiry as follows

COMMISSION

BY THE STATE PRESIDENT OF THE
REPUBLIC OF SOUTH AFRICA

To

MISTER HENDRIK JOHANNES DOUW VAN
DER WALT
MISTER JAN CHRISTOFFEL GREYLING
BOTH

So is dit dat ek, my Opdrag van bogenoemde datum aan u hierby intrek en gelas dat u onverwyld alle skriftelike vertoe getuens (getranskribeer al dan nie), oorkondes, bewysstukke en ander stukke van die Kommissie oorhandig aan die Sekretaris van die Tesourie of sy gevolmagtigde

Gegee onder my Hand en die Seel van die Republiek van Suid-Afrika te Pretoria, op hede die Sewende dag van November Eenduisend Negehonderd Agt-en-sewentig

B J VORSTER, Staatspresident

Op las van die Staatspresident-in-rade.

P W BOTHA

PROKLAMASIE

van die Staatspresident van die Republiek van Suid-Afrika

No R 296, 1978

KOMMISSIE VAN ONDERSOEK NA WANPRAKTYKE WAT DIE OMSEILING EN ONTDUIKING VAN DIE REPUBLIEK SE DEVIESEBEHEERMAATRELS BEHELS

Hierby herroep ek—

(a) die Proklamasie waarby die bepalings van die Kommissiewet, 1947 (Wet 8 van 1947), van toepassing verklaar is op die Kommissie van Onderzoek na Wanpraktike wat die Omseiling en Ontduiking van die Republiek se Deviesebeheermaatreels behels en afgekondig in die *Staatskoerant* onder Kennisgewing 331 van 24 Februarie 1978, en

(b) die regulasies uitgevaardig kragtens artikel 1 van genoemde Wet met betrekking tot genoemde Kommissie en afgekondig onder Proklamasie R 116 van 1978

Gegee onder my Hand en die Seel van die Republiek van Suid-Afrika te Pretoria op hede die Sewende dag van November Eenduisend Negehonderd Agt-en-sewentig

B J VORSTER, Staatspresident

Op las van die Staatspresident-in-rade

O P F HORWOOD

GOEWERMENTSKENNISGEWING

DEPARTEMENT VAN FINANSIES

No R 2247

7 November 1978

KOMMISSIE VAN ONDERSOEK NA WANPRAKTYKE WAT DIE OMSEILING EN ONTDUIKING VAN DIE REPUBLIEK SE DEVIESEBEHEERMAATRELS BEHELS

Hierby word vir algemene inligting bekendgemaak dat dit die Staatspresident behaag het om 'n Kommissie van Onderzoek te benoem soos volg

OPDRAG

VAN DIE STAATSPRESIDENT VAN DIE
REPUBLIEK VAN SUID-AFRIKA

Aan

MENEER HENDRIK JOHANNES DOUW VAN
DER WALT
MENEER JAN CHRISTOFFEL GREYLING
BOTH

DOCTOR ZACHARIAS JOHANNES DE BEER
MISTER KENT DIEDERICH DURR
MISTER GERT JEREMIAS KOTZÉ
MISTER THOMAS LANGLEY
MISTER HARRY HEINZ SCHWARZ
MISTER WILLIAM MORRIS SUTTON
DOCTOR LOUIS VAN DER WATT
MISTER JOHN WALTER EDINGTON WILEY
DOCTOR DENIS JOHN WORRALL
MISTER JAN ANTONIE VAN TONDER

Greetings!

Whereas I deem it expedient to appoint a commission to inquire into and make recommendations on the matters mentioned hereinafter,

Now, therefore, by reason of the great trust I repose in your knowledge, judgment and ability, I hereby authorise and appoint you to be members, and you,

Mister Hendrik Johannes Douw van der Walt to be Chairman, of a commission with the following terms of reference

To inquire into and make recommendations on—

- (a) malpractices relating to the avoidance and evasion of the Republic's exchange control measures,
- (b) methods of combating such malpractices, and
- (c) any exchange control, taxation and other implications which may result from the investigations referred to in (a) and (b)

Given under my Hand and the Seal of the Republic of South Africa at Pretoria this Seventh day of November, One thousand Nine hundred and Seventy-eight

B J VORSTER, State President
By Order of the State President-in-Council
O P F HORWOOD

PROCLAMATION

by the State President of the Republic of South Africa

No R 297, 1978

APPLICATION OF THE COMMISSIONS ACT, 1947, TO THE COMMISSION OF INQUIRY INTO MALPRACTICES RELATING TO THE AVOIDANCE AND EVASION OF THE REPUBLIC'S EXCHANGE CONTROL MEASURES

Under the powers vested in me by section 1 of the Commissions Act, 1947 (Act 8 of 1947), I hereby declare that the provisions of that Act shall apply to the Commission of Inquiry into Malpractices relating to the Avoidance and Evasion of the Republic's Exchange Control Measures which I appointed on 7 November 1978, and I hereby make the regulations contained in the Schedule with reference to the said Commission

Given under my Hand and the Seal of the Republic of South Africa at Pretoria this Seventh day of November, One thousand Nine hundred and Seventy-eight

B J VORSTER, State President
By Order of the State President-in-Council
O. P. F. HORWOOD,

DOKTER ZACHARIAS JOHANNES DE BEER
MENEER KENT DIEDERICH DURR
MENEER GERT JEREMIAS KOTZÉ
MENEER THOMAS LANGLEY
MENEER HARRY HEINZ SCHWARZ
MENEER WILLIAM MORRIS SUTTON
DOKTOR LOUIS VAN DER WATT
MENEER JOHN WALTER EDINGTON WILEY
DOKTOR DENIS JOHN WORRALL
MENEER JAN ANTONIE VAN TONDER

Saluut!

Nademaal ek dit dienstig ag om 'n kommissie aan te stel om ondersoek in te stel na en aanbevelings te doen oor die aangeleenthede hieronder genoem,

So is dit dat ek, aangesien ek groot vertroue in u kennis, oordeel en bekwaamheid stel, u hierby tot lede van 'n kommissie magtig en benoem, en u,

Meneer Hendrik Johannes Douw van der Walt tot Voorsitter, met die volgende opdrag:

Om ondersoek in te stel na en aanbevelings te doen oor—

- (a) wanpraktyke wat die omseiling en ontduiking van die Republiek se deviesebeheermaatreels behels;
- (b) metodes om sodanige wanpraktyke te bekamp, en
- (c) enige deviesebeheer-, belasting- en ander implikasies wat mag voortspruit uit die ondersoek waarna in (a) en (b) verwys word

Gegee onder my Hand en die Seel van die Republiek van Suid-Afrika te Pretoria op hede die Sewende dag van November Eenduisend Negehonderd Agt-en-sewentig

B J VORSTER, Staatspresident
Op las van die Staatspresident-in-rade:
O P F HORWOOD

PROKLAMASIE

van die Staatspresident van die Republiek van Suid-Afrika

No R 297, 1978

TOEPASSING VAN DIE KOMMISSIEWET, 1947, OP DIE KOMMISSIE VAN ONDERSOEK NA WANPRAKTYKE WAT DIE OMSEILING EN ONT-
DUIKING VAN DIE REPUBLIEK SE DEVIESE-
BEHEERMAATREELS BEHELS

Kragtens die bevoegdheid my verleen by artikel 1 van die Kommissiewet, 1947 (Wet 8 van 1947), verklaar ek hierby dat die bepalings van daardie Wet van toepassing is op die Kommissie van Ondersoek na Wanpraktyke wat die Omseiling en Ontduiking van die Republiek se Deviesebeheermaatreels behels wat ek op 7 November 1978 benoem het en vaardig ek hierby die regulasies in die Bylae vervat met betrekking tot genoemde Kommissie uit

Gegee onder my Hand en die Seel van die Republiek van Suid-Afrika te Pretoria, op hede die Sewende dag van November Eenduisend Negehonderd Agt-en-sewentig

B J VORSTER, Staatspresident
Op las van die Staatspresident-in-rade
O P F HORWOOD,

SCHEDULE

REGULATIONS

1 In these regulations, unless the context otherwise indicates—

“Chairman” means the Chairman of the Commission;

“Commission” means the Commission of Inquiry into Malpractices relating to the Avoidance and Evasion of the Republic’s Exchange Control Measures,

“document” includes any book, pamphlet, record, list, circular, plan, placard, poster, publication, drawing, photograph or picture,

“inquiry” means the inquiry being conducted by the Commission;

“officer” means a person in the full-time service of the State who has been appointed or designated to assist the Commission in the performance of its functions;

“premises” includes any land, building, structure, part of a building or structure, vehicle, conveyance, vessel or aircraft

2 The Chairman may appoint one or more persons, subject to such conditions as the Minister of Finance may determine, to assist the Commission

3 The proceedings of the Commission shall be recorded in the manner determined by the Chairman

4 (1) Any person appointed or designated to take down or record the proceedings of the Commission in shorthand or by mechanical means or to transcribe such proceedings which have been so taken down or recorded shall at the outset take an oath or make an affirmation in the following form

I, A B, declare under oath/affirm and declare—

(a) that I shall faithfully and to the best of my ability take down/record the proceedings of the Commission of Inquiry into Malpractices relating to the Avoidance and Evasion of the Republic’s Exchange Control Measures in shorthand/by mechanical means as directed by the Chairman,

(b) that I shall transcribe fully and to the best of my ability any shorthand notes/mechanical record of the proceedings of the said Commission made by me or by any other person

(2) No shorthand notes or mechanical record of the proceedings of the Commission shall be transcribed except by order of the Chairman

5 An officer designated thereto by the Chairman may be present at the hearing of evidence at the inquiry and adduce evidence and arguments relating to the inquiry

6 The Chairman or an officer generally or specially authorised thereto by the Chairman shall administer an oath or affirmation to any witness appearing before the Commission

7 Any witness appearing before the Commission may only be cross-examined by a person if the Chairman permits such cross-examination by such person because the Chairman deems it necessary in the interests of the functions of the Commission

8 (a) The Commission may in its discretion hear any evidence *in camera*

(b) If any person who gave or is giving evidence before the Commission or has been summoned so to give evidence so requests the Commission, no person shall publish in any manner whatsoever the name or address of such person or any information likely to reveal his identity

BYLAE

REGULASIES

1 In hierdie regulasies, tensy uit die samehang anders blyk, beteken—

“beampste” iemand wat in die voltydse diens van die Staat is en wat aangestel of aangewys is om die Kommissie by die uitvoering van sy werksaamhede behulpsaam te wees;

“dokument” ook ’n boek, pamflet, aantekening, lys, omsendbrief, plan, plakkaat, aanplakbiljet, publikasie, tekening, foto of prent;

“Kommissie” die Kommissie van Onderzoek na Wanpraktyke wat die Omseiling en Ontduiking van die Republiek se Deviesbeheermaatreels behels,

“ondersoek” die ondersoek wat deur die Kommissie ingestel word,

“perseel” ook grond of ’n gebou, bouwerk, gedeelte van ’n gebou of bouwerk, voertuig, vervoermiddel, vaartuig of lugvaartuig,

“Voorsitter” die Voorsitter van die Kommissie.

2 Die Voorsitter kan een of meer persone op die voorwaardes wat die Minister van Finansies bepaal, aanstel om die Kommissie behulpsaam te wees

3 Die verrigtinge van die Kommissie moet op die wyse wat die Voorsitter bepaal, genotuleer word

4 (1) Iemand wat aangestel of aangewys is om die verrigtinge van die Kommissie in snelskrif aan te teken of op meganiese wyse op te neem of om sodanige verrigtinge wat aldus aangeteken of opgeneem is, te transkribeer, moet vooraf ’n eed of bevestiging in die volgende vorm aflê

Ek, A B, verklaar onder eed/bevestig en verklaar—

(a) dat ek getrou en na my beste vermoë die verrigtinge van die Kommissie van Onderzoek na Wanpraktyke wat die Omseiling en Ontduiking van die Republiek se Deviesbeheermaatreels behels in snelskrif sal aanteken/op meganiese wyse sal opneem soos deur die Voorsitter gelas,

(b) dat ek enige snelskrif-aantekeninge/meganiese opname van die verrigtinge van genoemde Kommissie deur my of iemand anders gemaak, volledig en na my beste vermoë sal transkribeer.

(2) Geen snelskrif-aantekeninge of meganiese opname van die verrigtinge van die Kommissie mag getranskribeer word nie behalwe op las van die Voorsitter.

5 ’n Deur die Voorsitter daartoe aangewese beampste kan by die aanhoor van getuënis by die ondersoek aanwesig wees en getuënis en argumente wat op die ondersoek betrekking het, aanvoer

6 Die Voorsitter of ’n beampste deur die Voorsitter in die algemeen of spesiaal daartoe gemagtig, moet ’n getuë wat voor die Kommissie verskyn, ’n eed opleë of van hom ’n bevestiging afneem

7 ’n Getuë wat voor die Kommissie verskyn, kan slegs deur ’n persoon in kruisverhoor geneem word indien die Voorsitter dié kruisverhoor deur daardie persoon toelaat omdat die Voorsitter dit in belang van die werksaamhede van die Kommissie nodig ag

8 (a) Die Kommissie kan na goëddunke bepaalde getuënis *in camera* aanhoor

(b) Indien ’n persoon wat getuënis voor die Kommissie afgelê het of wat opgeroep is om aldus getuënis af te lê, die Kommissie aldus versoek, mag niemand die naam of adres van so ’n persoon of enige inligting wat waarskynlik sy identiteit sal openbaar, op enige wyse hoëgenaamd publiseer nie.

9 Any witness appearing before the Commission may be assisted by an advocate or an attorney

10 The Commission or any member thereof or any officer may, for the purposes of the inquiry of the Commission, at all reasonable times enter and inspect any premises and demand and seize any document on or kept on such premises

11 The Chairman, any member of the Commission and any person employed in carrying out the functions of the Commission, including any person appointed or designated to transcribe proceedings of the Commission taken down in shorthand or recorded by mechanical means, shall assist in preserving secrecy in regard to any matter or information that may come to his knowledge in the performance of his duties in connection with the said functions, except in so far as the publication of such matter or information shall be necessary for the purposes of the report of the Commission, and the Chairman, every member and every such person shall, before performing any duty with the Commission, take and subscribe before any justice of the peace or commissioner of oaths an oath of fidelity or secrecy in the following form

I, A B, declare under oath/affirm and declare that, except in so far as it shall be necessary in the performance of my duties in connection with the functions of the Commission of Inquiry into Malpractices relating to the Avoidance and Evasion of the Republic's Exchange Control Measures or in terms of an order of a competent court, I shall not communicate to any person any matter or information which may come to my knowledge in connection with the inquiry of the said Commission, or suffer or permit any person to have access to any records of the Commission, including any note, record or transcription of the proceedings of the said Commission in my possession or custody or in the possession or custody of the said Commission or of any officer

12 No person shall publish in any manner whatsoever or communicate to any other person any proceedings of the Commission or any information furnished to the Commission or any part of any such proceedings or information, or suffer or permit any other person to have access to any records in the possession or custody of the Commission or any officer or any person referred to in regulation 4 (1), except in the performance of his duties in connection with the functions of the Commission or by order of a competent court

13 No person shall, except in so far as shall be necessary in the execution of the terms of reference of the Commission, publish or furnish to any other person the report of the Commission or a copy or part thereof unless and until the State President has released the report for publication or until the report has been laid on the Tables of the Senate and the House of Assembly

14 No person shall insult, disparage or belittle the Commission or a member of the Commission or prejudice, influence or anticipate the proceedings or findings of the Commission

15 Any person who contravenes any provision of regulation 8 (b), 12, 13 or 14 or wilfully hinders, resists or obstructs the Commission or any member thereof or officer in the exercise of any power referred to in regulation 10, shall be guilty of an offence and liable on conviction to a fine not exceeding R200 or imprisonment for a period not exceeding six months,

9 'n Getuie wat voor die Kommissie verskyn, kan deur 'n advokaat of prokureur bygestaan word

10 Die Kommissie of 'n lid daarvan of 'n beampte kan vir doeleindes van die Kommissie se ondersoek te alle redelike tye enige perseel betree en besigtig en enige dokument wat op sodanige perseel is of bewaar word, opers en in beslag neem

11 Die Voorsitter, elke lid en elke persoon wat diens doen by die uitvoering van die Kommissie se werksaamhede, met inbegrip van iemand wat aangestel of aangewys is om verrigtinge van die Kommissie wat in snelskrif aangeteken is of op meganiese wyse opgeneem is te transkribeer, moet ten aansien van enige aangeleentheid of inligting wat hy by die vervulling van sy pligte in verband met bedoelde werksaamhede te wete kom, geheimhouding help bewaar, behalwe vir sover bekendmaking van sodanige aangeleentheid of inligting vir die doeleindes van die Kommissie se verslag nodig is, en die Voorsitter, elke lid en elke sodanige persoon moet, voordat hy enige diens by die Kommissie verrig, 'n eed van getrouheid of geheimhouding voor 'n vrederegter of kommissaris van ede in die volgende vorm aflê en onderteken

Ek, A B, verklaar onder eed/bevestig en verklaar dat, behalwe vir sover dit by die uitvoering van my pligte in verband met die werksaamhede van die Kommissie van Ondersoek na Wanpraktyke wat die Omseiling en Ontduiking van die Republiek se Devisie-beheermaatregels behels of ingevolge 'n bevel van 'n bevoegde hof nodig is, ek geen aangeleentheid of inligting waarvan ek in verband met genoemde Kommissie se ondersoek te wete kom, aan enigiemand sal mededeel nie en niemand sal toelaat of veroorloof om toegang te verkry tot stukke van die Kommissie nie, met inbegrip van enige aantekening, opname of transkripsie van die verrigtinge van genoemde Kommissie in my besit of bewaring of in die besit of in die bewaring van genoemde Kommissie of 'n beampte

12 Niemand mag enige verrigtinge van die Kommissie of enige inligting wat aan die Kommissie verstrekk is, of enige deel van sodanige verrigtinge of inligting op enige wyse hoegenaamd publiseer of aan iemand anders mededeel nie, of iemand anders toelaat of veroorloof om toegang te verkry tot stukke wat in die besit of bewaring van die Kommissie of 'n beampte of 'n in regulasie 4 (1) bedoelde persoon is nie, behalwe by die uitvoering van sy pligte in verband met die werksaamhede van die Kommissie of op bevel van 'n bevoegde geregshof

13 Niemand mag, behalwe vir sover dit by die uitvoering van die Kommissie se opdrag nodig is, die verslag van die Kommissie of 'n afskrif of 'n gedeelte daarvan publiseer of aan iemand anders verstrekk nie, tensy en totdat die Staatspresident die verslag vir publikasie beskikbaar stel of totdat dit in die Senaat en in die Volksraad ter Tafel gelê is

14 Niemand mag die Kommissie of 'n lid van die Kommissie beledig, neerhaal of verkleiner of die verrigtinge of die bevindings van die Kommissie benadeel, beïnvloed of vooruitloop nie

15 Iemand wat 'n bepaling van regulasie 8 (b), 12, 13 of 14 oortree of die Kommissie of 'n lid daarvan of 'n beampte by die uitvoering van 'n in regulasie 10 bedoelde bevoegdheid opsetlik hinder, teengaan of dwarsboom, is aan 'n misdryf skuldig en by skuldigbevinding strafbaar met 'n boete van hoogstens R200 of gevangenisstraf vir 'n tydperk van hoogstens ses maande

Concern on SWA news cash

WINDHOEK — The Namibian National Front (NNF) yesterday called on the South African Government to state whether secret funds had been used to take over or gain the support of any newspaper in South West Africa.

In a cable to the Foreign Minister, Mr P. W. Botha, the NNF said South Africa should state whether government money was used "towards the acquisition or support of any newspaper in SWA, or in support of any political party, alliance or similar organization in the territory".

Officials of the Democratic Turnhalle Alliance (DTA) have been persistently quizzed about their financial sources. They have repeatedly denied that the SA Government had contributed to their election campaign, but have conceded getting money from South Africa and abroad.

Two of the four major daily newspapers in Windhoek are the *Sudwester*, mouthpiece of the National Party in SWA, and the *Republikein*, mouthpiece of the DTA.

The other two newspapers — the *Windhoek Advertiser* and *Allgemeine Zeitung* — were taken over this year by Dr Dieter Lauenstein, a former West German publisher.

SABC replies to critics

Cape Times 7/11/78 250

JOHANNESBURG — In yesterday's edition of its programme "Editorial Comment", the South African Broadcasting Corporation explained its reluctance to broadcast the Mostert Commission's revelations concerning the defunct Department of Information.

The SABC statement made the following points among others:

- At the first opportunity the SABC reported on Mr Justice Mostert's news conference, and it was the first of the country's media to do so.

- Mr Justice Mostert stated at the conference that he had decided to release evidence placed before his Commission because he believed it was in the public interest that he should do so.

On the strength of this view, expressed by a judge of the Supreme Court, the SABC broadcast a lengthy report of the conference in its 4 pm news bulletin.

- Thereafter, the corporation received legal advice that the publication of evidence was prohibited by the proclamation which established the commission.

- The explanation given when the SABC announced in its 6 pm news bulletin that it had decided not to publish the evidence submitted to Mr Justice Mostert at that stage.

- Coincidentally, a former Director General of the British Broadcasting Corporation, Sir Charles Curran, was in South Africa at the time. Asked to comment, he said that "Faced with the legal problems cited by

the SABC" he would probably have taken a similar decision, "until I had clarification". But he added that once other news media had published such revelations, public broadcasters "must" also publish. Such was the course followed in this case by the SABC.

- The SABC was not concerned with news suppression, but with respect for the terms of a proclamation issued by the State President.

- The SABC — as the national broadcaster — has a special responsibility to abide by the provisions of the law and to set in this an impeccable example.

Meanwhile opposition political parties and the press continue their criticism of the SABC's stance.

"The blatant partisanship of the SABC demanded the urgent attention of the Minister of National Education, Dr Piet Koornhof", the Progressive Federal Party's interior spokesman, Mr Dave Dalling, said yesterday.

The corporation had deteriorated into an unabashed apologist for the government and as a propaganda channel for the policies of the National Party.

"Just as the Department of Information scandal is now being investigated by a judge so the SABC as a public corporation, totally sustained by taxpayers' money, should also be the target of an in depth investigation."

Meanwhile an editorial in yesterday's Beeld said the important role of newspapers was underlined in the past few days by the strange policy decisions of the SABC.

שטט
סנהדרין פרק ג-ד
שטע 19 ערעם, ומאצא ערעם 19 רא קנה יודע שיש 19
רצות, ומאצא רצות 19, ומאצא רצות 19: קבא ערעם, אמר:
אין 19 ערעם, קבא רצות, ומאצא רצות: אין 19 רצות
רצות שמתקיים בראי ומאצא: קרבן פסח, ומאצא
ומעידות, או שחוצא רצות שמתקיים אצלנו - הר
זה אינו קבא.

שטט
סנהדרין פרק ג
שטט 19 ערעם, ומאצא ערעם 19 רא קנה יודע שיש 19
רצות, ומאצא רצות 19, ומאצא רצות 19: קבא ערעם, אמר:
אין 19 ערעם, קבא רצות, ומאצא רצות: אין 19 רצות
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ומעידות, או שחוצא רצות שמתקיים אצלנו - הר
זה אינו קבא.

לאתר
דנה
לסתור
כל זמן
הוכחה
הרצון
שחודש
שלש
במא
יום
שחודש
את הרצון
במא
מאצא אל
אפילו
בכל וסוף
הבא ער
אלא אל

אמו, ובעל אמו, וקמיו, וגיטו — הן יבגיקו וסתמיקו,
 וחורגו לבדו. אמר רבי יוסי: זו משנת רבי עקיבא;
 אבד משנת ראשונה: דודו וכן דודו, וכן רבי עקיבא;
 קרשו. וכן רבי עקיבא רבי עקיבא, וכן רבי עקיבא;
 ונתברק, וכן רבי עקיבא. רבי יהודה אומר: אפילו
 מטה כמו ויש לו בנים מקנה, וכן רבי עקיבא.

בשני מצד אשתו, ובעל אמו — שאינו אביו, וחמיו — אבי אשתו,
 וגיטו — בעל אחות אשתו, הן ובניהן וזוהמניהן — כל המנינים
 לעיל הם וגם בניהם וגם חתניהם פסולים הם משום קידבת משפחה.
 וחורגו לבדו — בן אשתו מבעל אחר הוא לבדו פסול משום שטרות.

'Seniors required to sign'

7 November 1975
Cape Times
259

THE Citizen's former political editor, Mr Natie Ferreira, said yesterday that all senior staff on the newspaper were required to sign an editorial code of conduct passed around by Mr Martin Spring, the former editor.

Mr Ferreira was reacting to a letter addressed to the Rand Daily Mail yesterday in which Mr Ralph Cohen, assistant editor of the Citizen, denied that he had signed an editorial code of conduct either before or after joining the staff of the Citizen.

Earlier, Mr Ferreira told the Cape Times that he, Mr Cohen, Mr Spring and Mr Peter Charman, the managing editor, had signed the charter.

"As far as I know, all senior staff were required to sign the charter. I can't see why Mr Cohen should have been excluded," he said last night.

A section of the editorial charter called for the acceptance of "the fact of pluralism in South Africa", Mr Ferreira said earlier.

Last week a statement signed by 39 Citizen reporters, photographers and sub-editors, denied knowledge of such an editorial charter and claimed that none of the signatories had at any time signed an editorial policy charter.

משהו ברא בתרא ה' (א) — כל אלה פסולים הם. ואין המשנה הראשונה חולקת על משנת רבי עקיבא אלא בבעל אחות אמו, ובעל אמו, וגיטו, שהואיל ואין להם שייכות בנחלה כלל, הרי הם כשרים (המאירי). ברם, הרמב"ם בפירושו כותב: "וכל הראוי לירשו אינו מדברי משנה ראשונה, אבל הוא תשלום משנת רבי עקיבא" (עיין שם, ועיי' ברטנורא, חוספות יוס' טוב, חידושי הרשב"ש) מכל מקום אין הלכה כמשנה ראשונה וכל הקרוב לו באותה שעה — זה המשך משנת רבי עקיבא (לפי כל המפרשים), והיא באה ללמדנו שכל שהוא קרוב לו באותה שעה שראה את העדות, או בשעה שהוא בא להעיד, הרי הוא פסול. היה קרוב ונתרחק — כגון חתנו שמתה אשתו, דהיינו כהו, קודם שראה את העדות, הרי זה כשר — שכן בשעה שראה את העדות לא היה קרובו עוד. רבי יהודה אומר: אפילו מתה בתו — אישת חתנו, ויש לו בנים בנחלה — אבן יש לחתנו בנים כבתו, הרי זה קרוב — והוא וחתנו פסולים זה לזה.

CAPE PENINSULA and VICINI-

משנה ה'
 אבד משנת ראשונה: דודו וכן דודו, וכן רבי עקיבא;
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בביתנו דנה בבדיקת העדים על ידי בית הדין, וכן בענין פסק הדין.
 כיצד בודקים את העדים — בדיני ממונות? ואף על פי שתקנת חכמים היא, שלא תהא דרישה וחקירה בדיני ממונות (כמבואר להלן ה' א), מכל מקום היו בודקים את העדים, כדי לכוון עדותם (המאירי). וכיצד? היו מכניסין אותן — את העדים, לבית הדין, ומאזימין עליהן — מטילים עליהם אימה על ידי דברי כבוד, שאומרים להם כמה חמור עוננו של המעיד עדות שקר, שגורם הוא לפורענות קיימת בעולם, ומלבד העונש הקשה הצפוי לעד שקר, הריהו מבוזה אף בעיני האדם שהוא מעיד בשבילה, ונמצא שהוא רע לשמים ורע לבייית, וכיצא בדברים אלה; ומצויאין את כל האדם לחזק —

INLIGTING-ONDERSOEK BEGIN

Kommissie sal dag en nag moet sit

7/11/78 Burger (259)

Van Ons Politieke Redaksie

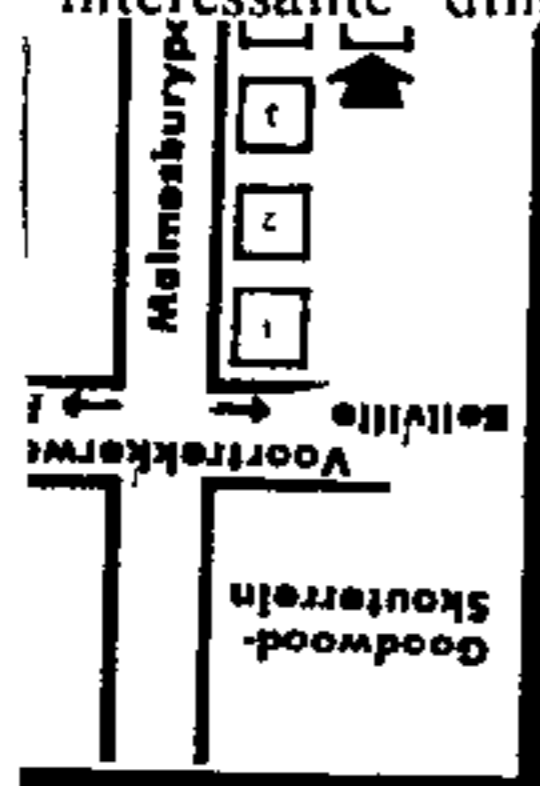
PRETORIA.

DIE wiele is nou vinnig aan die rol om die volle Inligting-skandaal bloot te lê. Die Erasmus-kommissie, sowel as die Mostert-kommissie, spits hul volle aandag van vandag af op hul opdragte toe.

Regter Anton Mostert het gesê die Erasmus-kommissie het sy kommissie gister genader oor die getuënis wat reeds voor hom afgelê is. Regter Mostert ondersoek valuta-oortredings.

Regter Rudolph Erasmus — voorsitter van die regterlike kommissie van ondersoek na die geldsake van die gewese Departement van Inligting — het gesê die verrigtinge van sy kommissie sal vanmiddag amptelik begin. Omdat daar so min tyd is, sal hulle nagsittings moet hou.

Regter Erasmus maak vandag in 'n verklaring bekend of sy kommissie in die openbaar of in camera getuënis gaan aanhoor. „Daar gaan interessante dinge gebeur.”



RHOODIE SAL MOET GETUIG

JOHANNESBURG
Dit is „ baie belangrik ” dat die Eschel Rhoadie, voormalige Sekretaris van Inligting, voor die regterlike kommissie van ondersoek na die Departement van Inligting moet verskyn. het regter Rudolph Erasmus, voorsitter van die kommissie, gisteraand oor die S.A.L.K. se televisienuus gesê.

„Die Rhoadie is tans nie in die land nie, maar ons sal die saak goed oorweeg en probeer om hom so gou moontlik terug te kry.”

„Myns insiens is dit baie belangrik dat hy voor die kommissie verskyn. het regter Erasmus gesê (Sapa).”

RTAS V

ASA for object 10.00
Is cost of Ludi Romani Programmes 12.00

ONDERSOEK IN VOLLE GANG

* VERVOLG VAN BL. EEN *

kan lig werp op die geldsake van die-gewese Departement van Inligting kan met die kommissie in verbinding tree. Ons sal aankondig wat die telefoonnommer is van die sekretaris van die kommissie, mnr Johan Geyster.

Regter Erasmus het gesê elke kommissie het sy eie regulasies en hy sal ook die regulasies van die Erasmus-kommissie so gou moontlik laat publiseer. „Dit sal van nou af dag en nag gaan. Dit hang net af hoe lank ons gestelle dit sal kan hou.”

GESLOTE

Adv George Smalberger, hoof-staatsreksadviseur, het gesê hulle het te doen met geheime projekte, maar hulle sal dit nietemin deeglik oorweeg of die verrigtinge van die kommissie geheel of gedeeltelik in die openbaar moet geskied of nie.

„Die voorsitter, regter Erasmus, sal in elk geval die bevoegdheid hê en behou om te besluit of en wanneer iets openbaar gemaak gaan word of nie. Dit is moontlik dat mense môre-middag (Dinsdag) reeds sal getuig, maar ek dink dit is 'n bietjie gou.”
43.89)
1.04)

Regter Mostert — wat gisteraand nog in Pietermaritzburg was — het gesê die gewone sittings van sy kommissie se ondersoek na valuta-oortredings sal oop wees vir die publiek, behalwe wanneer hy sy magte gebruik en sittings geslote verklaar.

Die moontlikheid dat nog getuënis afgelê sal word oor beweerde bedrywighede van die gewese Departement van Inligting is nie uitgesluit nie.

Adv Lategan het gesê die moontlikheid word ondersoek om getuies toe te laat om regsverteenvoerders te gebruik sodat kruis-ondervraging sal kan plaasvind.

we have already received our grant for '78/79 from CASA it is clear that we shall have to call on outside sources for help when, as is likely, the expenses connected with the above, recur this coming financial year.

J.C. SANG.
Sec./Treas., CASA (W.P.)
12.9.78.



REGTER MOSTERT

Min. Mulder 'Simson teen N.P.-pilare'

Burger 7/11/78 (259)

Van Ons Politieke Redaksie

PRETORIA

DIE koerant midde-in die Inligting-gedrang — The Citizen — het gister berig dat 'n vriend van dr. Connie Mulder, Transvaalse leier van die Nasionale Party, aan hom gesê het: "Min. Mulder of dr. Eschel Rhoadie kan te eniger tyd die rol speel van Simson en die Regering se pilare-omtrek as dit nodig is."

Die berig is geskryf deur 'n vertroueling van min. Mulder, mnr. Jaap Theron, politieke beriggewer van The Citizen en die man op wies se huis daar na bewering Saterdagdag in Pretoria skote ge- vuur is.

Volgens die berig was daar in die naweek ook 'n bedreigingsoproep aan The Citizen se hoofkantoor in Johannesburg.

In die berig skryf The Citizen ondermeer dat min. Mulder nie van plan is om te bedank nie.

GEHEIME PROJEKTE

Dit lui voorts dat bate Volksraadslede oor die hele land min. Mulder opgebel het om hom te sê dat hulle nie geweet het The Citizen word met staatsgeld gefinansier nie, maar dat die staat daarmee moet voortgaan as dit waar is, want ons meen staatsgeld word nou vir die eerste keer aan iets nuttigs bestee.

Volgens die berig sal min. Mulder getuenis lewer voor die Erasmus-kommissie van ondersoek.

Intussen het mnr. Koos Waldeck, gewese Adjunksekretaris van Inligting wat die diens van die gewese departement verlaat het, saam met dr. Deneys Rhoadie, broer van dr. Eschel Rhoadie, gister gesê hy beskikbaar is om voor die Erasmus-kommissie te getuig as hulle hom versoek om te getuig. Die geheime projekte gaan.

Mnr. Waldeck het gesê hy dink nie daar is iets bepaalds wat hy aan bydra nie. Hy het nog nie weer 'n draingement teen sy lewe gekry nie. Iemand het hom gister 'n versekeringspolis aangebied.

In 'n ander interessante ontwikkeling het adv. Retief van Rooyen gister 'n verklaring ontken dat hy ooit dreigemente teen sy lewe ont-

* VERVOLG OP BL. 3 *

R300.26	(43.89)	(1.04)
R437.42		
R437.42		
7.80		
12.00		
10.00		
250.00		
3.20		
10.50		
37.00		
8.40		
22.00		(32.10)
2.52		(2.55)
40.00		(41.00)
34.00		
77/78		76/77

Accumulated Fund	R301.15	77/78
Balance Sept. '77	43.89	
Savings a/c	1.04	
Petty cash	44.93	(50.18)
Statement of Assets		
Total	R437.42	
Surplus	R256.22	
	R181.20	
Honarium to secretary	10.00*	
of Classics, UCT for		
typing		
Printing of 250 pro-		
grammes for Ludl Romani	28.00	
Dr. Kraay's lecture to	5.00	
UCT towards costs		
Reading Comp.	29.00	
Ludl Romani	20.60	
Commentaries Project:		
Cash floats 2 x R5	10.00	
Xeroxing	3.20	
Stationery	6.18	(20.21)
Prizes: Quiz	20.40	(35.10)
Stamps	16.07	(9.04)
Xeroxing	32.75	
Expenditure	77/78	

CASA (WP) : FINANCIAL STATEMENT

SEPT 1978

a/c

ERASMUS-KOMMISSIE BY PREMIER

Mulder getuig dalk, mits...

Van Ons Politieke Redaksie

PRETORIA.

DR. CONNIE MULDER, gewese Minister van Inligting, sal heel waarskynlik die geleentheid gegun word om voor die Erasmus-kommissie te getuig as hy dit so verkies en as die kommissie dit nodig ag, het regter R. P. B. Erasmus, voorsitter van die kommissie, gister hier gesê.

Regter Erasmus het gesê 'n man wat uit eie wil voor die kommissie wil getuig sal nie gedagvaar word nie. Mense sal die geleentheid kry om hul kant van die saak te stel.

Regter Erasmus en die ander twee lede van die kommissie, adv Braam Lategan, Prokureur-generaal van Kaapland, en adv G. F. Smalberger, hoof-staatsregsadviseur, het gister in die Uniegebou 'n welwillendheidsbesoek van sowat 'n uur lank aan die Eerste Minister, mnr P. W. Botha, gebring.

Op die vraag of dr Eschel Rhodie ook sal moet getuig, het regter Erasmus gesê tot dusver is daar nog nie 'n besluit geneem nie.

Daar word nou gekyk na die regulasies ingevolge waarvan soortgelyke kommissies hul werk moet doen. Regter Erasmus het gesê sy kommissie se regulasies sal so gou moontlik uitgevaardig word nadat hy besluit het of daar

wysigings in die regulasies moet kom.

Die kommissie het reeds begin met die evaluering van die getuiens wat voor die Mostert-kommissie en die Pretorius-kommissie afgelê is. Daarna sal hulle besluit wanneer die eerste getuie voor die kommissie moet getuig. Regter Erasmus kon nie sê of hulle vanweë die ondersoek oorsee moet gaan nie, maar hulle sal hul uiterste bes doen om die verslag voor of op 6 Desember gereed te hê.

As lede van die publiek voor die kommissie getuiens wil aflê, sal hulle met die sekretaris van die kommissie, mnr. Johan Geysler, in verbinding moet tree.

Die kommissie het gister in Pretoria nog nie kantore tot sy beskikking gehad nie, maar die Departement van Openbare Werke skenk nou aandag aan die saak. Daar is ook nog nie besluit of die kommissie sy getuiens in die openbaar sal aanhoor nie.

R301.15

	'77/78	'76/77
50c (1978)	34.00	(41.00)
50c (1979)	40.00	
ngs a/c	2.52	(2.55)
r book prizes		(32.10)
	22.00	
	8.40	
	37.00	
	10.50	
ale of	3.20	----
w for	250.00	----
ct and		
CASA for project	10.00	----
ds cost		
Programmes	12.00	----
mmes for	7.80	----
	<u>R437.42</u>	
	<u>R437.42</u>	
<u>Statement of Assets and Liabilities</u>		
	15	
77/78		
Current Assets		
avings a/c	R300.26	(43.89)
petty cash	.89	(1.04)
	<u>R301.15</u>	

Note:

Of our current assets a very large portion is reserved for specific purposes: R200, being the balance in the Stellenbosch Farmers Winery a/c, is destined for the purchase of Asterix books which will be presented to various schools in the Western Cape and R28.50 is held in trust for the purchase of prizes. Thus a sum of R72.65 remains for routine expenses ('77-78 = R65 - see starred items in Exp. and Rev. a/c). This excludes the cost of prizes and of the commentaries project. As we have already received our grant for '78/79 from CASA it is clear that we shall have to call on outside sources for help when, as is likely, the expenses connected with the above, recur this coming financial year.

Expenditure and Revenue a/c

Burger 7/11/78 (259) 3
**Premier het my
 nie gestuur
 - Van Rooyen**

PRETORIA.

ADV. RETIEF VAN ROOYEN het gister hier bevestig dat nóg die Eerste Minister, mnr. P. W. Botha, nóg die Minister van Buitelandse Sake, mnr. Pik Botha, nóg die Minister van Binnelandse Sake, mnr. Alwyn Schiebusch, hom aangeraai het om voor die Mostert-kommissie te getuig

In Berig met dié strekking het eergister in 'n Sondagkoerant verskyn Dit is later deur die drie Ministers ontken

„Regter Mostert se naam is nooit in ons besprekings genoem nie. Beweringe dat ek uit my eie of ongevraag voor regter Mostert getuig het is vals.

Regter Mostert het my gevra om voor hom te getuig, en as ek my rywillig gegaan

het nie, sou hy my gedagvaar het om te getuig Die regter was bewus van die aard van my getuigenis en het my gevra om onder eed te getuig Die bron van regter Mostert se inligtinge is nie aan my bekend nie

„Oor implikasies in berigte dat ek gedreig is, moet ek dit duidelik stel dat ek hoegenaamd op geen manier gedreig is nie, het adv. Van Rooyen gesê. — (Sapa.)

Revenue	'77/78	'76/77
From CASA:		
subs. 68 at 50c (1978)	34.00	(41.00)
80 at 50c (1979)	40.00	
Int. in Savings a/c	2.52	(2.55)
Donations for book prizes		(32.10)
Staff of UCT	22.00	
Staff of UWC	8.40	
Staff of US	37.00	
Mr. Burgers	10.50	
Income from sale of commentaries	3.20	----
Grant from SFW for Asterix Project and <u>Ludi Romani</u>	250.00	----
Ad hoc Grant - CASA for commentaries project	10.00	----
Donation towards cost of <u>Ludi Romani</u> Programmes	12.00	----
Sale of programmes for <u>Ludi Romani</u>	7.80	----
	<u>R437.42</u>	
		<u>R437.42</u>

Statement of Assets and Liabilities

Accumulated Fund	R301.15	77/78	Current Assets		
Balance Sept. '77			Savings a/c	R300.26	(43.89)
Savings a/c	43.89		Petty cash	.89	(1.04)
Petty cash	1.04				
(50.18)	44.93				
Surplus for the period					
(-5.25) Sept '77-Sept '78	256.22				
	<u>R301.15</u>			<u>R301.15</u>	

Note:

Of our current assets a very large portion is reserved for specific purposes: R200, being the balance in the Stellenbosch Farmers Winery a/c, is destined for the purchase of Asterix books which will be presented to various schools in the Western Cape and R28.50 is held in trust for the purchase of prizes. Thus a sum of R72.65 remains for routine expenses ('77-78 = R65 - see starred items in Exp. and Rev. a/c). This excludes the cost of prizes and of the commentaries project. As we have already received our grant for '78/79 from CASA it is clear that we shall have to call on outside sources for help when, as is likely, the expenses connected with the above, recur this coming financial year.

J.C. SANG.
 Sec /Treas., CASA (W.P.)
 12.9.78.

S.A.U.K. 'wou nuus nie verswyg'

JOHANNESBURG.

DIE S.A.U.K. 'wou nie nuus verswyg nie, maar het net die voorwaardes wat deur die Staatspresident gestel is, nagekom, het die S.A.U.K. gister in 'n verklaring gesê na aanleiding van sy stilte oor regter Anton Mostert se bekendmaking van verlede week van beweerde korrupsie in die gewese Departement van Inligting

Die S A U K sê in sy verklaring dat daar geen hoer openbare belang bestaan as gehoorsaamheid aan die wette van die land nie.

Daarsonder kan daar geen behoorlik geordende gemeenskap wees nie. En wat ook al ander se vertolking van die openbare belang is, en hoe hulle ook al verkies om op te tree, die S A U K — as die nasionale uitsaier — het 'n spesiale verantwoordelikheid om die wet te gehoorsaam en daardeur 'n onberispelike voorbeeld te stel

Volgens die verklaring was 'n gewese direkteur-generaal van die B.B.C. sir Charles

Curran, toevallig verlede week in die land toe regter Mostert sy perskonferensie gehou en die S A U K sy houding daarvoor bekend gemaak het

Toe sir Charles vir kommentaar genader is, het hy gesê as hy voor die wetlike probleem te staan moes kom, sou hy moontlik dieselfde gedoen het totdat hy „duidelikheid gehad het” Hy het egter bygevoeg dat, sodra ander nuusmedia sulke openbaringe gepubliseer het, openbare omroepers ook daarvoor verslag moet doen

„Dit is wat die S.A.U.K. gedoen het” lû die verklaring — (Sapa)

TABLE 2

Sector	Industrial Classification of Participants	
	Number of Organisations	%
Manufacturing	257	79,0
Mining	9	3,0
Construction	9	3,0
Commerce	13	4,0
Services	27	8,0
Local authorities	11	3,0
	<u>326</u>	<u>100,0</u>

26. Financial Mail, 22 December 1972 p.1145. Cited in: R. Verster, Liaison Committees in the South African Industry, Bloemfontein, U.O.F.S., 1974, p.9.
27. Hansard 3 columns 160-161, 22 August 1974.
28. Hansard 10 column 691, 15 April 1975.
29. Rand Daily Mail, 22 May 1975. Cited in: Muriel Horrell and Tony Hodgson, A Survey of Race Relations in South Africa, 1975. Johannesburg S.A.I.R.R. 1976, p.212.
30. Op.cit. pp.14-16.
31. Ibid, p.17.

12.

tice

nerally employers have shown a marked preference her than the works committee. According to the liaison committees in existence at the end of the non-statutory works committees which were

inition of 'liaison committee'. By the end of 1973, while at the end of 1974 the number had

liaison committees, 750 were located in the Orange Free State (25,4%), 298 in the Cape (20,1%), and 58 in

By May 1975, 1 751 liaison committees had been formed. This fold increase does appear remarkable.

The Personnel Research Division within the Department of Labour at the University of the Orange Free State, conducted a study into the constitution and functioning of liaison committees. The survey included questionnaires addressed to 1 064 representatives of liaison committees and he received a suitable response from 437 (40%) employing 164 995 African workers covered by 437 organisations which participated in the investigation. The following industrial sectors:

Premier sal streng optree as dit nodig is — Steyn

12.

tice

generally employers have shown a marked preference
her than the works committee. According to the
liaison committees in existence at the end of
the non-statutory works committees which were

later, by the new definition of 'liaison committee'. By the end of

is had increased to 773,²⁷ while at the end of 1974 the number had

1 482.²⁸ Of these liaison committees, 750 were located in the

al (50,6%), 376 in Natal (25,4%), 298 in the Cape (20,1%), and 58 in

Orange Free State (3,9%). By May 1975, 1 751 liaison committees had been

red.²⁹ This fifteen-fold increase does appear remarkable.

1974, Ryno Verster, of the Personnel Research Division within the

ent of Industrial Psychology at the University of the Orange Free State,

ed an investigation into the constitution and functioning of liaison and

committees.³⁰ His survey included questionnaires addressed to 1 064

organisations on the subject of liaison committees and he received a suitable
response from 326 (roughly 30%) employing 164 995 African workers covered by 437
liaison committees. The organisations which participated in the investigation
were grouped in the following industrial sectors:³¹

TABLE 2

Sector	Industrial Classification of Participants	
	Number of Organisations	%
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30. Op.cit. pp.14-16.

31. Ibid, p.17.

KIMBERLEY
DIE Eerste Minister sal streng optree, as bevind word dat iets verkeerd in die gewese Departement van Inligting gebeur het, het mnr Marais Steyn, Minister van Gemeenskapsbou, Indiersake en Toerisme, in die naweek hier gesê.

Hy het op 'n vergadering gesê die Engelstalige pers vra elke keer 'n ondersoek, as daar tekens is dat iemand moontlik 'n fout begaan het. Dit word gedoen om die Nasionale Party „te betrap”. „Sommige mense het klaar geoordeel, maar al wat ons tot dusver gehoor het, is die aanklagte in die koerante. Die saak van die verdediging is nog nie gestel nie. Ek sê nie die verdediging sal slaag nie, maar 'n mens kan nie oordeel voordat jy nie albei kante gehoor het nie.

„Leierskap is, volgens my eie ervaring, onbreekbaar en het niks te doen met dinge

wat verkeerd en korrup is nie Die Oposisie en die Engelstalige koerante sal nie daarin slaag om die Nasionale Party op sy kniee te dwing nie,” het mnr Steyn, gesê. — (Sapa)

later, by the new definition of 'liaison committee'. By the end of

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31. Ibid, p.17.

Judge to call Rhoodie

7/11/78 AD 259

PRETORIA — The former Secretary for Information, Dr Eschel Rhoodie, will definitely be called to testify before the Erasmus Commission which sat here yesterday for the first time.

This was confirmed last night by the chairman of the commission, Mr Justice Erasmus, who said "I am sure we will call him — if we can get hold of him"

Dr Rhoodie is on a tour of several European countries with his wife, Katie, in what has been described as a trip combining business with pleasure.

He left South Africa over a week ago when the information scandal broke in the national press. He first went to Israel, where he stayed in a luxury Jerusalem hotel for nearly a week. His

destination after that has not been disclosed.

Another key witness expected to testify is Dr Connie Mulder, the former Minister of Information, who has indicated that he will volunteer to testify.

Judge Erasmus said last night Dr Mulder would be welcome to testify if he wanted to.

Asked if Dr Mulder would be subpoenaed, Judge Erasmus said, "If a man says he wants to give evidence of his own free will to defend his case, we will certainly not subpoena him."

Asked whether the commission would complete

its investigation by December, Judge Erasmus said "We will have to work around the clock to complete our work in time and special night sessions will have to be organised to beat the deadline."

Earlier yesterday, members of the commission met with the Prime Minister at the Union Buildings for 1½ hours and neither the Prime Minister nor members of the commission would reveal the nature of their talks, except to say that it was a courtesy visit.

Members of the commission then left for the Department of Justice headquarters where they

started their work. By last night, they had established themselves in a suite of offices and were sifting through the evidence of other commissions and committees of inquiry.

The evidence led by Judge Mostert's commission was included in their research material.

Meanwhile, it was established yesterday Judge Mostert is to call more witnesses this week — and the hearings will be public.

Among the witnesses to be called by Judge Mostert will be Mr David Abramson, chairman of the giant Hortors group, which once made a bid to print The Citizen — DDC.

Advocate backs Ministers' denials

PRETORIA — Adv Retief van Rooyen, confirmed here yesterday that neither the Prime Minister, Mr P. W. Botha, nor the Minister of Foreign Affairs, Mr Pik Botha, nor the Minister of the Interior, Mr Alwyn Schlabusch, had advised him to give evidence before the Mostert Commission.

A report to this effect appeared in a Sunday newspaper and was later denied by the three Ministers.

"Judge Mostert's name was never mentioned during our discussions," Mr Van Rooyen said.

"Judge Mostert asked me to give evidence before him and if I did not go voluntarily he would have subpoenaed me to give evidence."

"The judge was aware of the essence of the

unaware of the source of Judge Mostert's information.

"As regards implications in reports that I have been threatened, I must make it clear that I have not been threatened in any way whatsoever," Mr Van Rooyen said.

In a joint statement on Sunday, the Ministers said,

"With regard to a report in the newspaper Rapport that we advised Adv Retief van Rooyen to appear before the Mostert Commission of inquiry, we deny that we gave him such advice or even encouraged him to give such evidence before Mr Justice Mostert."

"We deny that we had anything whatsoever to do with the giving of evidence by Adv Van Rooyen before Judge Mostert" — SAPA

For a glorious few weeks after the repairs had been completed

2 /

3 /

Dear Forest Glader,

Half a year has passed since our last A.C. been, and is, happening in the Association.

1. COMPOSITION OF THE BOARD

We have sadly had to accept the resignation of G.C. Bunn from the Board.

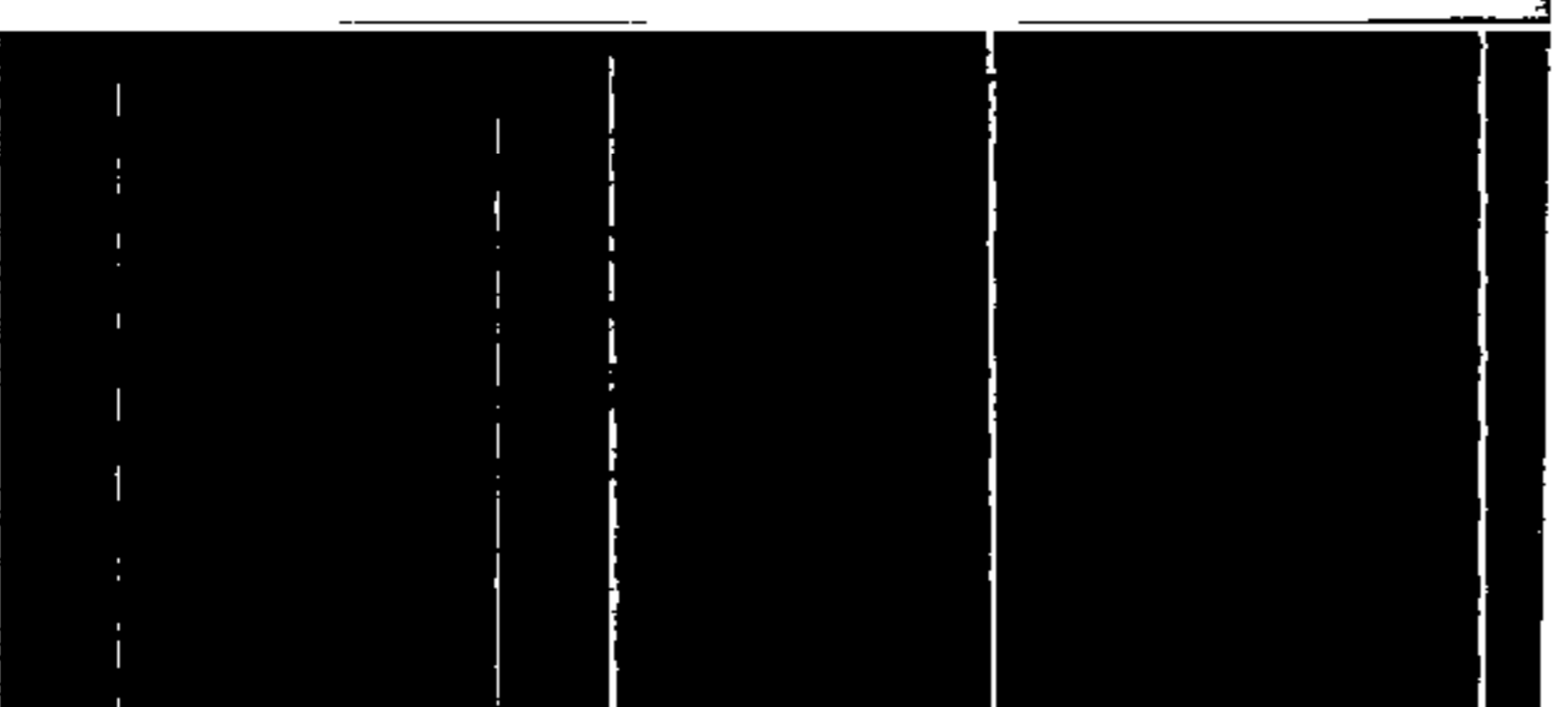
Mrs. Mary Greenhalgh, who was co-opted A.G.M., was elected as Chairman, J.O. was co-opted as a Director. The Board following:-

Mrs. Mary Greenhalgh (Chairman) - 75se
 J.O. Ford (Vice-Chairman) - Hse 10. 58
 A. Fook - Hse. No. 44 (Hamlet 4) Tel.
 D.S. Roberts - Hse. No. 1 (non resident)
 G.L. P. Burke - Hse. No. 20 (Hamlet 4)
 E.S. Monk - Hse. No. 39 (Hamlet 4) T

They will be glad to help you if they can. If you have problems about your like discussed at a Board Meeting.

2. FINANCES

Since the



SAIC wants to meet PM

PRETORIA — The South African Indian Council is to ask the Prime Minister, Mr P W Botha, for a declaration of intent on the removal of all institutionalised discrimination.

At its meeting in Durban last week the council resolved to appoint a committee to discuss this issue and other "grave disabilities" imposed on the Indian people with Mr Botha.

A member of the executive of the council, Mr I F.

Mayet, said yesterday the council wanted "acceptable answers" to a number of issues vital to the future development of South African Indians.

The issues to be discussed with the Prime Minister are:

- Full and unrestricted opportunity for the economic development of the Indian people in industry, commerce and the professions,
- Removal of all restrictions standing in the way of equal work oppor-

tunities for Indian workers in all parts of the country;

● Removal of restrictions on Indians on the owning and occupation of agricultural land;

● Substantial improvement in all levels of public transport facilities if necessary by the payment of state subsidies,

● A fixed timetable for the removal of the wage gap; and

● The removal of all disparities in the payment of social welfare grants. DBC

Industrial

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Nature of the

Residential Location Theory in the Cape Town Metropolitan Area.

Plumstead Retail Trade Areas and Consumer Behaviour.

Language Variation in Residential Areas of Cape Town

Labour Bureaux - A Study

Residential Patterns of the Coloured Population in Cape Town.

A Comparison between 2 Coloured Housing Schemes on the Cape Flats.

A Case Study of Pinelands as a Garden City/Residential Suburb.

Spatial Analysis of Burn Cases in Children in the Cape Peninsula.

Brasilia - Success or Failure ? Developmental Prospects.

Economic Blight in Muizenberg.

A Study of Land Use Change in Salisbury's Central Business District.

The Impact of the Rössing Uranium Mine on Swakopmund.

An Economic and Social Discussion about the Residential Component in the Mill Street/Orange Street Area of Cape Town.

An Evaluation of the O'Okiep Copper Company in the Namaqualand Copper District -

A consideration of the effect on the area if the copper mines were to close down.

The Transport System of a Bottling Industry in Lilongwe, Malawi.

A Study into the Effects of Seasonal Winds and Sea Temperature on the Catching of Yellowtail at Fish Hoek Beach by Seine-Net Fishermen.

Factors Determining the Ecological Environment of the Cape of Good Hope Nature Reserve, with Regard to the Alien Vegetation.

A Study in Coloured Shopping in Athlone and Claremont.

Models of Rural Land Reform - The Tanzanian Case.

The Way in which Perceived Distances Differ from Actual Distances Within an Urban Area.

Examination of the Importance of the Variable, "Length of Residence" on Local Imagery.

Transkei : An Illustration of its Potential.

Cape Town Electoral Districts.

Perceptions of the Cape Peninsula Landscape 1900 - 1977.

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Desert.

Boomerang that has come full circle

THERE is an acute irony in the fact that the secret funds of the now-disbanded Department of Information should have been allocated to polish the Government's image abroad

Because the boomerang has now come full circle. The whole exercise has finally been revealed as a lesson in counter-production. And, in Government, by no one less than the Minister of Foreign Affairs

Mr Pik Botha admitted at the weekend that South Africa's international credibility had suffered a severe blow by evidence in the Mostert report about alleged Info corruption. Though he tried to couch his meeting with South African diplomats overseas in low-key diplomatic terms, the anxiety of those officials came through with great clarity.

Mr Botha admitted the Info Scandal had jolted them — but not bowled them over. He admitted they felt "confused — but not defeated".

But the Minister could not suppress his own personal feelings. He called the circumstances of last week "tragic and oppressive". He called alleged actions of

the former department "distasteful"

And eventually he conceded that the "good faith and integrity (of the missions abroad) had been threatened and their effectivity jeopardised". Mr Botha added, "In this way, South Africa's interests have been damaged."

If a further saving grace exists in the Info Scandal, and its reception abroad, that can only lie in the way the reputation of our local Press and judiciary has been strengthened.

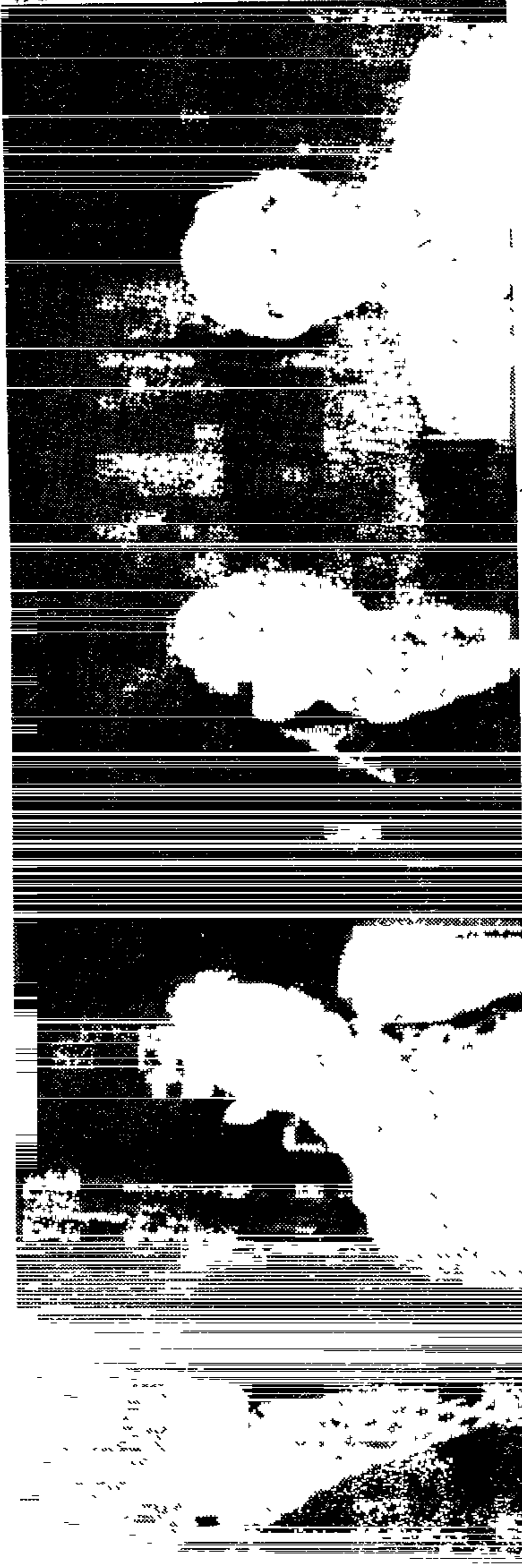
Both institutions were praised by the overseas Press at the weekend. In particular, the courage of Mr Justice Mostert was commended — as well as the part played by individual newspapers and reporters in uncovering the facts.

Possibly the London Guardian put it best when it said in an editorial on Saturday. "Again and again, the newspapers and the courts have served the South African Government much better than it deserves."

"A Parliament, an auditor-general, an inquiring Press, an independent judge — these are worth more to South Africa than any number of Government-inspired column inches."

100

newly appointed Erasmus Commission of Inquiry into the former Department of Information met the Prime Minister, Mr P W Botha (right), in Pretoria today. They are (from left), Mr George Smalberger, Mr Braam Latagan and Mr Justice Erasmus.



HOWEVER WORK

star 7/11/78 (259)

Early decision on private or public Info probe

By Hugh Leggatt and Tos Wentzel

being drawn up, will spell out whether public hearings would be held, Mr Justice R P B Erasmus said in Pretoria today.

The judge said it was highly likely that the former minister of information, Dr Mulder, would give evidence, but it was too soon to say whether Dr Eschel Rhoodie would be required to testify.

COMMUNIST REGULATIONS

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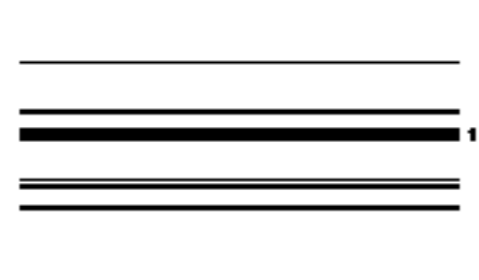
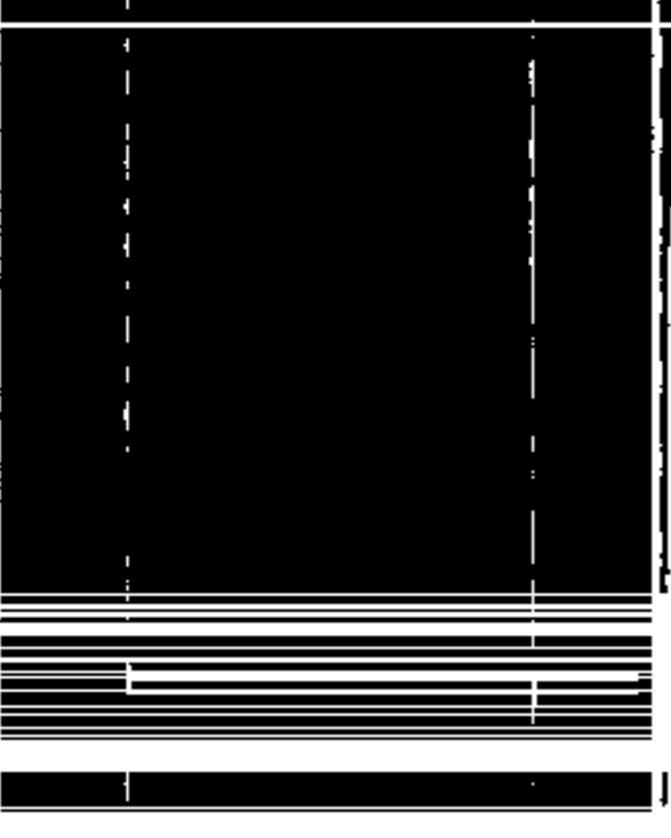
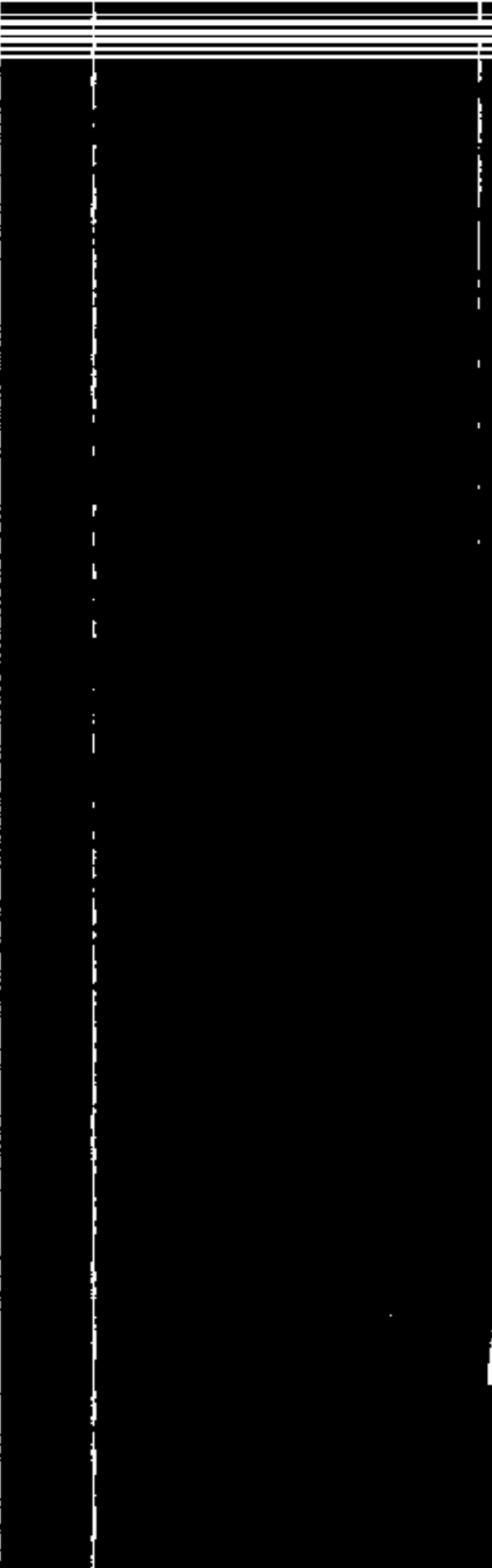
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WANTED FOR QUITS

AMM
 8/11/78
 259



259

8/11/78

Political Staff
Staff Reporters

THE LEADER of the Opposition, Mr. Colin Eglin, pledged yesterday in Cape Town that the Progressive Federal Party would not rest until the whole truth was known about the activities of the former Department of Information

Nationalist sources in Pretoria last night expected the Prime Minister, Mr. P. W. Botha, to make a major statement on Dr. Mulder's resignation and the Department of Information scandal in a speech in Sasolburg tonight.

Mr. Justice Anton Mostert said he had no comment to make on Dr. Mulder's resignation.

"My work investigating currency control contraventions will continue," Judge Mostert said last night. He would be taking evidence in public this week.

Mr. Eglin has contacted the Erasmus Commission about representation of the PFP at Commission's hearings.

Although the PFP caucus has decided to seek representation at the hearings, it is not yet clear whether that will involve retaining counsel or whether the party will seek permission for someone like Mr. Harry Schwarz to question witnesses.

The PFP caucus is

PFP's action pledge

unanimous that where allegations of corruption on the part of the government in relation to monies voted by Parliament are being investigated, it is important that the Opposition be represented," Mr. Eglin said.

"I pledge to the public of South Africa that the PFP will not rest until the whole truth is known and integrity in government re-established in our country."

A special PFP sub-committee has been set up to

co-ordinate the party's work in relation to the Erasmus Commission. The Committee consists of Mr. Schwarz, Mr. Eglin, Mr. Japie Basson and Dr. Zac de Beer. Mr. Nic Oliviers, PFP research director will act as research officer.

Mr. Eglin has called on the Prime Minister to say what the government is doing to recover the millions

□ To Page 2

Mostert probe axed

THE Mostert Commission of Inquiry into malpractices concerning exchange control regulations was terminated by the Government last night.

This statement was issued by the Prime Minister, Mr. P. W. Botha, late last night. — Sapa.

Info probe

Star 7/11/78 (259)

▶▶ From page 1

unlawful gaining of advantage by individuals or bodies or the misappropriation of public funds by the former Department of Information or people connected with the department.

● The methods and malpractices which were employed in connection with any irregularities or gaining of advantage or any misappropriation.

● Steps to be taken to put an end to such practices as well as any action against any person or persons who were involved in such actions, and

Any other matters relating to the above.

The commission would consider the Progressive Federal Party's request to be represented at the hearing, Mr Justice Erasmus said last night.

"But we have to remember it is a judicial committee, not a parliamentary one. We don't want politics brought into it," he said.

The special session of Parliament on the Information debacle is expected to last for two or three days.

● We've taken a knock says Pik — Page 7.

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BY MARTIN SCHNEIDER
DR CONNIE MULDER resigned from the Cabinet last night, declaring his innocence in the Information Department scandal and his determination to clear his name.

In a dramatic midnight statement, the Transvaal Nationalist leader and onetime "crown prince" said:

"To help the Prime Minister, Mr P W Botha, fend off the onslaught against the National Party, the Government and the country, I have decided to hand in my resignation as Minister of Plural Relations and Development.

"I am convinced of my innocence and therefore I am still prepared to give evidence before the Erasmus Commission to place my honesty and integrity above all suspicion.

"I have no remorse in my soul over the whole matter, because everything that I did, I did in my belief that I was serving the best interests of my country.

"I want to use this opportunity to stress that the Prime Minister treated this matter with the greatest dignity, correctness, integrity and decency towards myself. I still have the greatest regard for him.

"I will continue to support him in South Africa's interests and us all and I hope to still make my own contribution in my own way and time."

The sudden action by Dr Mulder, Minister of Information until his department was disbanded earlier this year amid allegations of maladministration, means that although he is no longer a Cabinet Minister from today. He remains leader of the National Party in the Transvaal and MP for Randfontein where he attended a constituency divisional council meeting last night.

His resignation came less than a week after he told the Rand Daily Mail he would not quit under any circumstances.



Dr Mulder, who resigned from the Cabinet "to fend off the onslaught against the National Party, the Government and the country"

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Erasmus probe to be secret

By BERNARDI WESSELS
Pretoria Bureau

Immediate speculation on his sudden action last night was that he had been prevailed upon to place party unity above all other considerations.

It was also clear that relations in the Mostert report, published the day after his emphatic statement that he would not resign, damaged his political reputation to such an extent that he had no option but to quit.

Dr Mulder's resignation came after a day of high drama in which the Prime Minister was being drawn increasingly deeper into the intense and divisive Transvaal Nationalist power struggle over the Department of Information debacle.

Supporters and opponents of the beleaguered Dr Mulder were making virtually irreconcilable demands on Mr Botha to resolve the growing scandal.

Though a split was not foreseen, divisions were running so deep in the Transvaal that many observers believed party unity was facing its most serious

To Page 2

THE THREE-man Erasmus Commission of inquiry into the former Department of Information will hold its proceedings behind closed doors, Mr Justice R. P. Erasmus, its chairman, announced in a statement issued by the office of the Prime Minister last night.

In the statement Mr Justice Erasmus said: "After the commission of inquiry into the former Department of Information had considered the nature of its terms of reference and the evidence which may be examined and tendered, it came to the conclusion that it would be desirable to conduct its proceedings in camera and it has been decided accordingly."

The statement added that all people who wished to tender evidence should contact the commission's secretary, Mr J. G. Geysers, Administrative Control Officer, Department of Justice, Private Bag X61, Pretoria, telephone 21114 or 21115.

The regulations governing the inquiry were also published yesterday in a special Government Gazette. They include provision for a R200 fine or six months' imprisonment for any violation.

The inquiry will be held on the sixth floor of Bauhaus Building, Andrews Street, Pretoria. "Evidence shall be heard in cam-

era unless otherwise directed by the chairman," the regulations say.

The evidence before the commission, its proceedings and its report are placed under strict control. They may only be published when the report has been released by the State President or has been tabled in Parliament.

"No person shall insult, disparage or belittle the commission or a member of the commission or prejudice, influence or anticipate the proceedings or findings of the commission," they say.

Any person designated or appointed to take down or record the proceedings is required to take an oath to do it to the best of his abilities. "No shorthand notes or mechanical record of the proceedings of the commission shall be transcribed except by order of the chairman."

A witness shall not be cross-examined unless this is allowed by the chairman. No person shall publish in any way whatsoever the name, address or other information likely to reveal the identity of a witness who has been summoned to give evidence. Witnesses may, in the chairman's discretion, be assisted by an advocate or an attorney.

"The chairman or any officer may, for the purposes of the inquiry of the commission, at all reasonable times enter and inspect any premises and demand and seize any documents on or kept on such premises."

All people employed to help the commission "shall assist in preserving secrecy in regard to any matter of information" that they may learn. They will also be required to take an oath of fidelity or secrecy.

"No person shall publish in any manner whatsoever or communicate to any other person any proceedings of the commission or any information furnished to the commission or any part of any such proceedings or information, or suffer or permit any other person to have access to any records in the possession or custody of the commission or any officer or any person (employed by the commission)."

The regulations also prohibit any person from publishing or furnishing any other person with the report of the commission or a copy or part of it unless and until the State President had released the report for publication or it has been tabled in Parliament.

Any person who contravenes any provision or willfully hinders, resists or obstructs a member of the commission or any officer in the exercise of any power "shall be guilty of an offence and liable on conviction to a fine not exceeding R200 or imprisonment for a period not exceeding six months".

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Mandela acquitted

BLOEMFONTEIN — Mrs Winnie Mandela, 43, who is restricted to the Brandfort area, was acquitted in the Bloemfontein Regional Court yesterday of interfering with or hindering a Brandfort police officer in the course of his duties. Judgment on another count — that Mrs Mandela contravened her restriction order by receiving a Johannesburg attorney's article clerk, Mrs Priscilla Jana, at her home on June 24, will be given today. — Sapa

It's today's brighter, better

Daily Mail

Fair

Inside today:
New wine column, and all about entertaining:
Page 7
Also: 'Mail' Beat — Page 11
Finding Out — Page 7
Wednesday's

Daily Mail

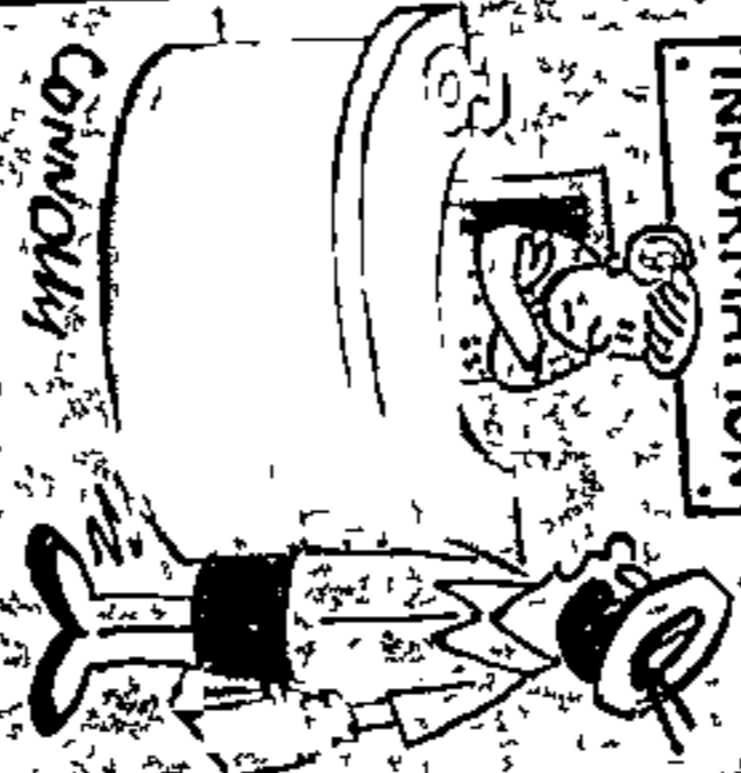
is brighter than ever

BPC man released

A MEMBER of Soweto's Committee of Ten, Mr Tom Mantsata, was released from detention yesterday after being held at Modder Bee Prison for over a year. Mr Mantsata, former executive member of the banned Black People's Convention, was detained in October last year during the clampdown on black consciousness organisations. Only one member of the Committee of Ten, Mr Rans Ramokgona, is still in detention. — Sapa

Breakfast Cup

INFORMATION



"How does it feel being sub judice?"

Daily Mail

Only the beginning

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A BARE six weeks after Dr Connie Mulder almost became Prime Minister of South Africa, he has resigned from the Cabinet.

That is the measure of the dramatic events which have taken place over the past 11 days, with the exposure of the greatest scandal in this country's history.

A scandal which, as a British newspaper put it, makes Watergate look like a parking offence.

Dr Mulder's decision is the first sensible and honourable thing to have been done by a member of the Government in this whole sordid business. He has done the right thing and must be respected for it. It cannot have been easy for a man who stood so high on the ladder of power to have stepped down from it.

But Dr Mulder's resignation, dramatic though it is, by no means puts an end to this matter. There is a great deal more to be done in the way of cleaning up.

Indeed, the revealing thing about Dr Mulder's resignation is that it didn't take place immediately. That would have been the natural course of action for a Minister who found himself in such a situation — having to accept ministerial responsibility for a scandal of such dimensions in his department.

But he didn't do so. He let it be known that he was going to fight to the last. He was even reported in his own party organ, Die Transvaler, yesterday, as saying that far from resigning he would seek a vote of confidence as Transvaal leader at the NP's provincial executive meeting on November 25.

And the reason given by his supporters for this "bittereinder" attitude was that they didn't see why he should go when he wasn't the only one involved.

The word was put about, and even published in The Citizen, that he and his erstwhile Secretary, Dr Eschel Rhoodie, were in a position to play the rôle of Samson and pull down the Government's pillars if necessary.

In other words, they were saying that Dr Mulder knew of the involvement of other Government people in this appalling scandal. And they must have been at the very top for him to be in a position to threaten to bring down the whole Government by exposing them.

He was saying in effect, Sack me, and I'll take the whole lot of you with me.

Which is obviously why the Prime Minister, Mr P. W. Botha, was so hesitant about acting against him, and why he has been delaying matters with the appointment of this new commission.

In the event, Dr Mulder has clearly now been prevailed upon by his party colleagues not to bring the whole house down with him.

But his threat to do so remains a matter of the highest importance. Indeed the implications of it now emerge as the most serious aspect of the whole affair.

Because it means that the involvement must go far beyond what the public is at present aware of, shocking though that is.

It must go right to the top. That is the awesome fact that must now be faced.

It means Dr Mulder's resignation is only a small start compared with the massive purge that must take place if we are to have a clean South Africa.

Sack for judge who defied Govt

The judge who bucked the system by releasing damaging details of the Information Department scandal had his commission axed last night by the Prime Minister.

Mr P W Botha announced that a commission of members of Parliament would take over from Mr Justice Mostert.

There was, he said, "an evident and untenable" difference between the Government and Mr Justice Mostert concerning disclosures of evidence

under the Commission's Act.

The Prime Minister said: "It is evident that because of Judge Mostert's broader interpretation of his commission there would be overlapping and duplication between his commission and that of Mr Justice Erasmus

"Because Judge Erasmus's commission has to complete its work before December 6, it is imperative that no obstruction be placed in its way.

"As the instructions to the Erasmus Commission entail certain aspects of the activities of the former Department of Information, there is no need to have these issues investigated by another commission."

Unverified

Mr Justice Mostert had apparently interpreted the terms of reference of his commission more widely and extensively than intended or justified.

By Hugh Leggat, Political Correspondent

"This point of view is borne out among other things by unverified evidence given to Judge Mostert which was made public in an unevaluated way," the Prime Minister said

Mr Justice Mostert's terms of reference had been to inquire into malpractices concerning the avoidance and evasion of exchange control regulations.

The issues Mr Justice Mostert was asked to investigate, the State President was asked to appoint a commission of MPs which would have the same instructions as those given to Mr Justice Mostert.

Chairman

The chairman of the commission of MPs would be Mr H J D van der Walt (NP, Schwaizer-Reneke).

- The members would be: Mr J C G Botha (NP Eshowe), Dr Z de Beer (PFP Parktown); Mr K D Durr (NP Matieland), Mr G J Kotze (NP Malmesbury); Mr T Langley (NP Waterkloof), Mr H H Schwarz (PFP Yeoville); Mr W M Sutton (NRP Mooi River); Dr L van der Watt (NP Bloemfontein East); Mr J A van Tohider (NP Germiston District); Mr J W E Wiley (SAP Simonstown), Dr D J Worrall (NP Cape Town Gardens)

In camera best—judge

Political Correspondent The decision to hold proceedings of the Erasmus Commission in secret was based on the nature of evidence on the commission expected to hear, Mr Justice Erasmus said last night.

The judge, who is chairman of the three-man commission, was asked to comment on the in camera decision.

He said he realised the decision would not please everybody.

But in the special circumstances surrounding the inquiry and in view of the nature of the commission's terms of reference and the evidence which might be examined or ten-



Mr Fanie van Zyl, a divisional council member of the National Party in Randfontein, apologises to newsmen outside the town hall for the treatment they received

JUSTICE MOSTERT

A wave for his supporters

Connie: I'll prove my innocence

Political Correspondent

Dr Connie Mulder resigned from the Cabinet last night but will remain M.P. for Randfontein and leader of the Transvaal National Party

In a surprise announcement at midnight the former Minister of Information said he resigned as Minister of Plural Relations and Development to "assist the Prime Minister in repulsing the onslaught against the National Party, the Government and the country"

Dr Mulder's resignation came suddenly after he had made repeated statements of resolve to stay or at least until the Erasmus Commission of Inquiry into his former department had reported

"INTERESTS OF UNITY"

It is thought that senior members of the National Party prevailed on him to resign in the interests of party unity and to avoid the build-up of pro and anti-Mulder factions

Sources said today Dr Mulder would wish to remain leader in the Transvaal to preserve his power base for a possible return to the Cabinet once the Erasmus Commission had reported

Dr Mulder said last night "I am convinced of my innocence and therefore I am still prepared to give evidence before the Erasmus Commission to prove my honesty and integrity beyond all doubt"

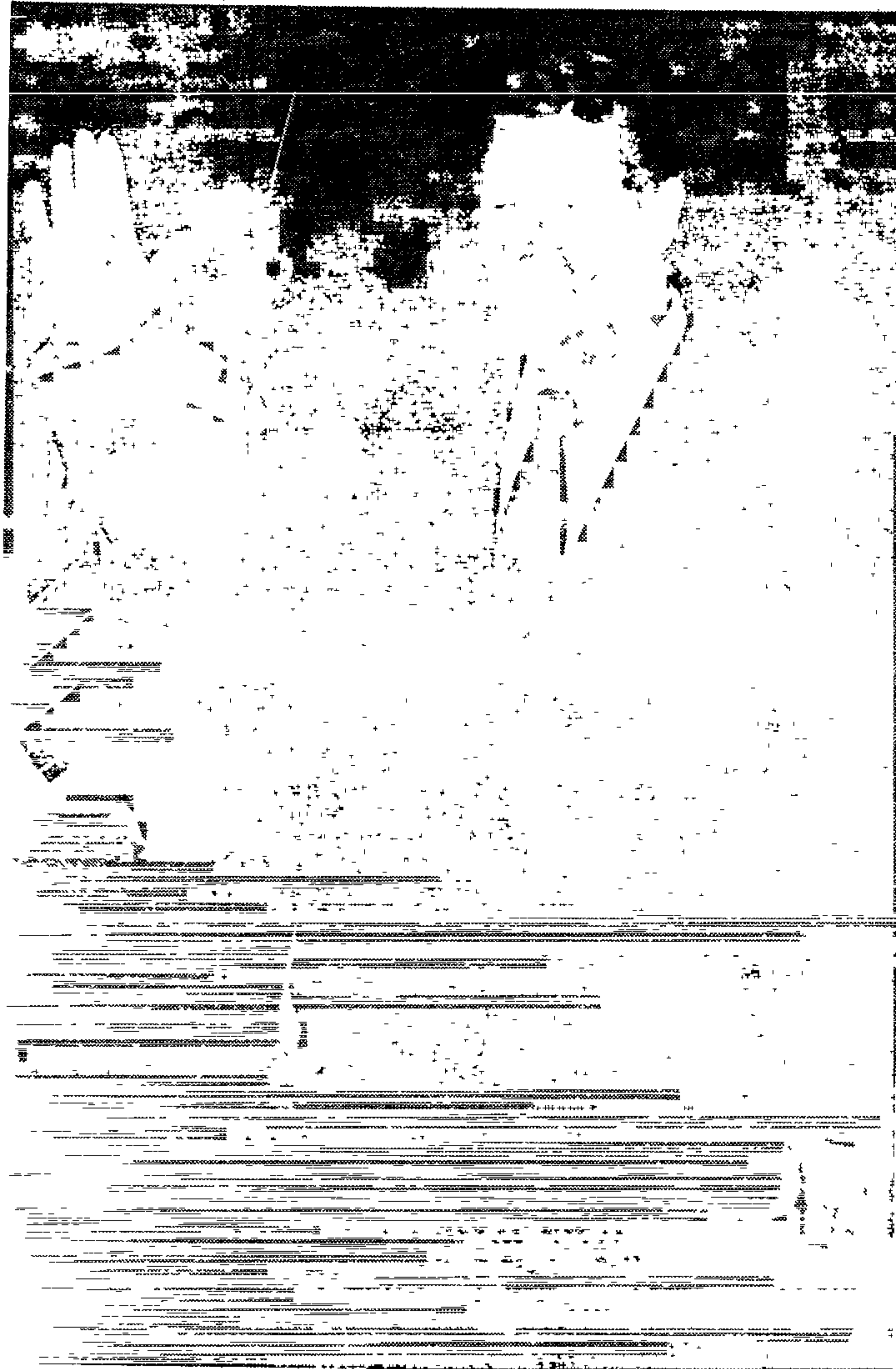
He had no pangs of conscience about the entire matter because everything he had done had been done in the conviction that he was serving his country in the best way

"I wish to take this opportunity to state emphatically that Prime Minister Mr P W Botha has handled this matter with the greatest dignity, correctness, honourableness and decency towards me

RESPECT

"I still have the highest respect for him I will continue to support him in the interests of South Africa and all of us I hope to still make my contribution in my own way and in my own time"

Dr Mulder attended a divisional committee meeting in his constituency last night to tell his supporters of his plans



Connie Mulder, Transvaal National Party leader and previously Minister of Information, greeting his supporters in Randfontein, where he announced his resignation from his top Cabinet post to NP constituency representatives. Dr Mulder won strong backing from his constituency. He represented Randfontein in Parliament for 20 years and before that mayor of the town. He will remain as member of Parliament for Randfontein.

CS2) 8/11/78

Commission move 'an insult to judiciary'

The leader of the Opposition, Mr Colin Eglin, said the replacement of the Mostert Commission was an abuse of executive power and an insult to the South African judiciary.

Speaking in Cape Town, the Progressive Federal Party leader said that what the Government could not control, it either gagged or closed down.

"To refuse to appoint a parliamentary commission to investigate alleged corruption by the Government in the use of funds

voted by Parliament and then to appoint a parliamentary commission on the subject of exchange control is the height of political cynicism," he said.

Millions of South Africans of all political parties will be left with the uncomfortable feeling that the Government has something to hide.

The MP for Yeoville, Mr Harry Schwarz, PFP described the move as "completely unbelievable and beyond reasonable understanding".

The leader of the New Republic Party, Mr Vause Raw, said the dissolution of the Mostert Commission was "an act of arrogance and defiance which strikes at the roots of the independence of the judiciary in South Africa."

When he learnt from The Star that the commission was to be replaced, Mr Raw said: "I can't believe it, it seems impossible."

The party's contrived arguments on interpretation, overlapping and

delay are the hallmarks of a dictatorship, which rejects the independence of the judiciary," he said.

South Africa has been plunged into a crisis which can no longer be resolved by the present Government.

Mr Raw said in Johannesburg that the NRP MP for Mooi River, Mr Bill Suttou, "was not consulted on serving on the Nationalist-dominated subcommittee for a judicial commission, and will not be serving on the parliamentary commission."

Mr Rupert Lorimer, P.F.P. MP for Orange Grove, said the decision to hold the Erasmus Commission of Inquiry "in camera" was "one of the most disgraceful decisions imaginable."

"If justice is to be done it must be seen to be done. The best interests of South Africa are not going to be served by this secrecy," Mr Lorimer said.

"They argue that South Africa's interests will be adversely affected if the inquiry is held in public. This just won't wash."

Secrecy orders proclaimed for inquiry

Political Correspondent

A blanket of secrecy has been placed over the proceedings of the Erasmus Commission of inquiry in to the former Department of Information

Besides the hearings being heard in camera, the regulations of the commission, published last night, stipulate that

● Every person employed by the commission, including those appointed to record and transcribe proceedings, must assist in preserving secrecy, about information that comes in to their possession in the course of their duties.

● They must take an oath of fidelity or secrecy before assuming duties that they will not communicate to anyone any

information about the inquiry or permit anyone access to records

● No one shall publish anything about the proceedings of the commission.

● No one can publish or communicate to anyone else the report of the commission, or a copy of part of it, until the State President has released the report or it has been laid on the Table of both Houses of Parliament

● If a witness before the commission so requests, no one shall publish, in any manner, the name or address of the witness or any information likely to reveal his identity

Any contravention of the regulations carries a penalty of a R200 fine or six months' jail.

By Mike Cottee

National Party supporters of Dr Connie Mulder resorted to strong-arm tactics in Randfontein last night in an effort to shield him from the Press

Reporters and photographers besieged the Riebeeck High School in the West Rand town after news leaked out that the party's Transvaal leader had resigned from the Cabinet.

Dr Mulder was at the school reporting his resignation to the National Party's divisional council for his constituency.

LOCKED IN

Few missed the irony that Dr Mulder's supporters were told of his fall from power at this school, for it was here that he taught history, Afrikaans and German before being elected to Parliament in 1958

Five reporters and photographers who went there early in the evening said they were locked in the principal's office for about 10 minutes before being told to leave. Party officials later vehemently denied that this was so

After the council meeting finished and the divi-

'Strong-arm' tactics used to shield Mulder

Divisional chairman, Mr Nic Smuts, was reading a statement to reporters in the principal's office, but by NP supporters cornered photographers in the corridor outside as they were waiting for Dr Mulder to emerge from another room.

A heated argument developed when they were prevented from leaving the school and one official was overheard giving an instruction to smash the camera of any photographer who attempted to go up the stairs.

Shortly afterwards when journalists clustered around the school gates waiting for Dr Mulder to drive out they had to leap out of the way as several council members drove at speed at the group

Miss Susan Booyesen (24), a Beeld reporter, had no time to move out of the path of one car.

The driver slammed on his brakes and stopped she said, only about 10 cm from her

After attempts to send the Press away failed Dr Mulder finally emerged in his car. He smiled and waved to newsmen who

followed him to the town hall

The divisional council of the National Party in Randfontein said last night Dr Mulder was attacked because he personified a realistic conservatism in South African politics.

DISQUIET

The council said in a statement read to newsmen by the chairman, Mr Nic Smuts, it had noted the resignation of Dr Mulder as Minister of Prural Relations "with deep disquiet"

"We have known him for more than 30 years as a person of unimpeachable integrity and honour.

"We believe that this global attack is directed against the Government and South Africa as a whole.

"We believe that the attack was directed against the person of Dr Mulder because he always personified a realistic and healthy conservatism in South African politics. Therefore he was a stumbling block and had to be removed from power."

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Mr Justice Mostert photographed at Jan Smuts Airport today after his brief visit to Pretoria.

I deny these links? Luyt is still paying interest on R12-m loan used to found Citizen

A public relations consultant acting for Mr David Abramson today issued the following statement:

"Reports linking my name with Mr Louis Luyt, Triomf and The Citizen newspaper, appeared this afternoon in the Press. Neither I, nor Mr John Heinrich, nor Homerus Finance Corporation (Pty) Ltd (a company of which I and Mr Heinrich are directors) has any direct or indirect links with Mr Luyt, Triomf or The Citizen."

"Neither Homerus, nor any other company with which I am or have been associated, has or had at any stage, direct or indirect links with Mr Luyt, Triomf or Citizen."

"Homerus Finance Corporation (Pty) Ltd was formed on 17th March, 1978, and conducts a bank account at Volkskas Bank. Its account number is 020-400-714."

"Up to and including Thursday, 26th October — the last date of which the bank account was reconciled — there was no sum credited to the account from or on behalf of Mr Luyt, Triomf or The Citizen. There is no arrangement for any payments to be made at any stage in the future by or on behalf of Mr Luyt, Triomf or The Citizen."

Loud screams save woman

Crime Reporter

A Halfway House woman was attacked by two men in her home, yesterday afternoon but her loud screams put her attackers to flight. Mrs M Ford (50) was hit in the face several times by the men who demanded money. No arrests have yet been made.

Dear Forest Glader,

Half a year has passed, and is, happened

1. COMPOSITION OF THE

We have sadly missed and G.C. Bunn by Mrs. Mary Green. A.G.M., was elected as following:-

Mrs. Vary Cree
J.O. Reid (Vice)
A. Fook - Vice
D.S. Roberts -
G.L.R. Furne -
E.S. Monk - 4.

They will be taken if you have like circumstance

2. FINANCES

Since the in and to use t raised for t houses. The satisfactor to maintain books, audg,

3. PROBLEMS WITH

The Director have been or the common a to it. If a whole open-7 between reid

These enclos or by less o or grouping, varying pos, the interest It is not po without appe the members

Members are allowed on t and the Divisional Council. The common are. No full enclosures of any sort can be permitted, and enjoyment of all members. Barriers or obstructions all which have been made must be completely opened up.

Barclays-Nationale Bank Bpk. Barclays National Bank Ltd 25-19-05-02
 BPA/... JOHANNESBURG 2/3 1985
 Notchlas b./h. mit Kredit no. refering no. 020-400-714
 Two million rands handed over
 R2,194,446.00
 LOUIS LUYT
 #008 251905 1317385 04

A post-dated cheque for R2 194 446 made out by Mr Louis Luyt to a Volkskas Bank account number in Pretoria. The Star has established that the account (number 020-400-714) belongs to Homerus Finance Corporation (Pty) Ltd. The cheque is repayment on the loan arranged by Dr Eschel Rhodie to pay for the founding of The Citizen. This cheque is for capital redemption in the 1980s, but interest payments are going to the same account.

▶▶ From page 1

being paid into an account opened in the name of Homerus Mr Heinrich said he had no comment to make. Subsequently he said he would think about the matter and might contact The Star again

However The Star was able to establish that the company is a fairly new one and was registered earlier this year. Its registered number is 78/960. Mr Abramson was to have given evidence before Mr Justice Mostert, whose Commission of Inquiry into exchange con-

trol irregularities was terminated by the Government yesterday. Last year he sought control of the Hortor's group — a publishing and printing company listed on the Johannesburg Stock Exchange. Mr Abramson's partner in the takeover was Mr Stuart Pegg, a former associate of the British tycoon, Mr Jim Slater.

Mr Abramson financed his purchase of Hortor's with profits from the sale of his interests in the big British publishing company Morgan Gramplan.

He originally bought into Morgan Gramplan with a loan raised in his own name for which he was given Reserve Bank permission.

Recently Hortor's was involved in negotiations to take over the printing contract of The Citizen — however he is reported to have said the negotiations had not succeeded.

Pupils complain over matric maths paper

Education Reporter
Matric pupils have complained that today's mathematics paper was "very difficult," while a maths teacher said it was more difficult than last year's.

"It wasn't as easy as one might have hoped," said the teacher. "A few parts were quite tricky. But it was not unreasonable."

Transvaal Education Department candidates wrote

their second maths paper this morning.

Pupils at Edenvale High School thought the paper was "just plain lousy — a swine" said the parent of one.

And Greenside High Pupils Antony Edmunds, Andrew Kelly and David Sheidon said they found the paper more difficult than the first maths paper which they wrote on Monday

7. EXTERIOR LIGHTS For a glorious few weeks after the repair work completed

SEPTEMBER, 1978

2 /

GREAT INFORMATION CONTROVERSY GOES ON

Man of secrecy disliked the English press

GENERAL "Lang Hendrik" van den Bergh, the man who is alleged to have said he would blanket the Department of Information scandal under the Official Secrets Act, lived in the shadows of secrecy for the past 15 years.

General Van den Bergh, appointed by the former Prime Minister, Mr John Vorster, in June to investigate the affairs of the department, is alleged in evidence released by Mr Justice Mostert this week, to have said he would drag the inquiry out until such time it died down.

He is alleged to have told Mr Rettef van Rooyen he was prepared to "save" the former prime minister and Dr Connie Mulder and would spend two years doing it if necessary.

He would also make sure the newspapers were informed the whole affair was under the Official Secrets Act.

The general, a tall thin man was used to secrecy. When he was appointed head of the Security Branch in 1963 he did not want anyone to know about it.

He is quoted as having asked the "two Johns" — Mr Vorster and Police Commissioner, John Keey — not to make his appointment public.

"I didn't want the communists to know at that stage here was a change. I wanted to do the job at hand in silence and secrecy."

This interview, published in an Afrikaans newspaper earlier this year, was one of the few occasions

the general spoke to the press.

It is known that he had confidantes among Afrikaans journalists and many an unsourced scoop found its way out of his office in the Union Buildings.

But he loathed the English press. And it was all because of the word coined to abbreviate the Bureau State Security of which General Van den Bergh became the first head in 1969, BOSS.

The imposing policeman, the "terroriser of terrorists," probably the second most powerful man in country, could not stand being called the Boss of BOSS.

"I am no boss or super-boss," he said, and accused the English press of maliciously changing the name of his organisation from Bureau for State Security to Bureau of State Security. He demanded that the abbreviation BSS be used.

But BOSS it stayed in many newspapers.

In 1972 General Van den Bergh nearly lost his life when he was shocked by 380 volts of electric current while welding on his farm. He clung to the live cable for several minutes while an African labourer ran to disconnect the power.

The Rand Daily Mail telephoned to ask how he was. The general told the reporter to tell his editor he would not speak to the Mail because it used the term BOSS.

During his career as security chief and head of BOSS the odd paragraph appeared in newspapers

from time to time — "Van den Bergh in Israel," "Security chief in Portugal."

What was the man responsible for South Africa's security doing on official business in foreign countries?

When the information bomb started exploding in June, it all came out.

The general had been travelling the world for years, as South Africa's "secret diplomat."

Rapport reported that "unnoticed reconnaissance missions" in the past decade had taken him to North and South America, Europe and "deep into Africa."

He travelled abroad regularly to visit BOSS agents employed in foreign missions, the paper reported.

General Van den Bergh's climb to success probably began in an internment camp at Koffiefontein during World War II. There he met Ossewabrandwag general, John Vorster, who was to become Minister of Police and with whom he would form the powerful partnership of Prime Minister and security adviser.

But the end of his career came as swiftly as his rise to the top.

Days before Mr Vorster resigned officially as Prime Minister he announced that the general would be retiring at the same time — although the inquiry into the Department of Information was not finished.

The same day General Van den Bergh went to his office, said goodbye to his staff and walked out. They didn't see him again. — DDC.

General Van den Bergh . . . has lived in the shadows of secrecy for 15 years until the Mostert commission revelations.



Koornhof must act on SABC says Dalling

PRETORIA — The blatant partisanship of the South African Broadcasting Corporation demanded the urgent attention of the Minister of National Education, Dr Piet Koornhof, according to the Progressive Federal Party's broadcasting spokesman, Mr Dave Dalling

The corporation had deteriorated into an unabashed apologist for the Government and as a propaganda channel for the policies of the National Party.

"Just as the Department of Information scandal is now being investigated by a judge so the SABC as a public corporation, totally sustained by taxpayers'

money, should also be the target of an in-depth investigation"

Criticism of the SABC and its management from whatever quarter it came was imperiously shuffled off and ignored

"The blatant non-reporting of the Information scandal is rapidly mushrooming into a scandal of its own"

Mr Dalling said Dr Koornhof — a close friend of the former Minister of Information and Transvaal leader of the National Party, Dr Connie Mulder — was the minister responsible for the SABC.

He pointed out that although the SABC refused to broadcast the

Mostert revelations about the Department of Information, it was prepared to give Dr Mulder television time to put his side of the affairs

"The whole thing smacks of political nepotism, and its long past the time when the issue should be taken up strongly on behalf of the taxpayer"

Mr Dalling demanded that Dr Koornhof "calls the SABC to order immediately"

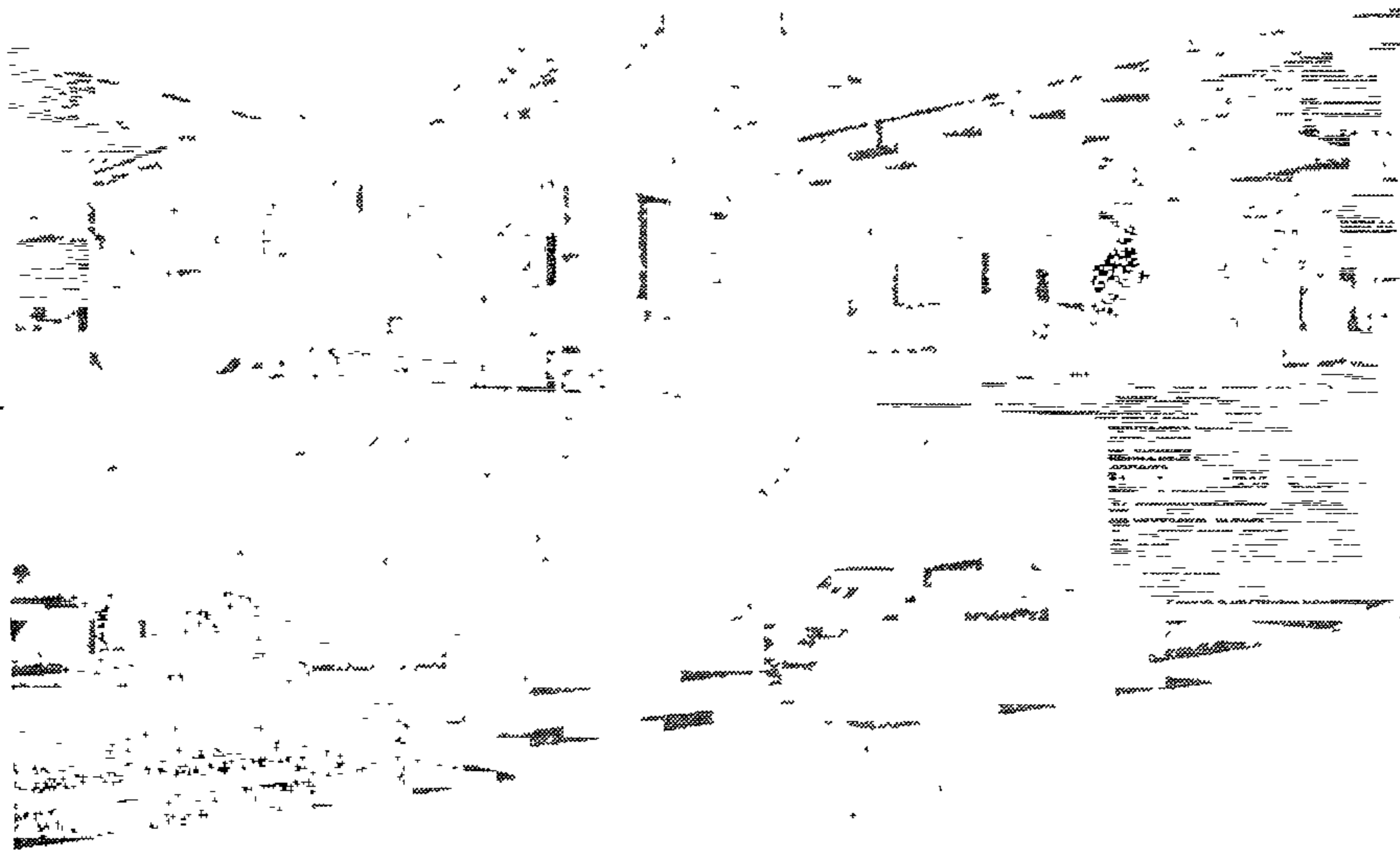
"Its role as a Government apologist must be stopped. Objectivity must somehow be brought back into South African broadcasting," Mr Dalling said

Meanwhile an editorial in Beeld has said the im-

portant role of newspapers was underlined in the past few days by the strange policy of the SABC

The radio and television, Beeld went on, originally did not broadcast the substance of the evidence given under oath before Judge Mostert but the corporation was prepared to give Dr Mulder the hospitality of the air to give his side of the case — after the other side of the case had been censored

"The SABC must know that the Information affair shows that in a whole lot of places there is a screw loose one of them is possibly at the SABC," the newspaper said — DDC



This is the house that Eschel bought — for R71 700. Dr Rhodie later signed a contract for more than R30 000 for alterations. The house is in Bantry Bay, Cape Town.

Cabinet collectively responsible says prof

CAPE TOWN — The notion of collective cabinet responsibility was seldom honoured but it should apply in South Africa's Information Department debacle, Prof David Welsh, of the University of Cape Town said

Prof Welsh, a political scientist, was assessing the relevance of the notion of collective responsibility to the Information Department controversy now under investigation by the Erasmus Commission of Inquiry.

As the inquiry formally started its work, two Afrikaans newspapers raised the question of where responsibility for the debacle started and ended.

Die Transvaler, official newspaper of the National Party in the Transvaal, asked in an editorial. "At what level of decision-making must the possible guilt be sought?"

It then asked a further question of direct relevance to the concept of collective responsibility. "What if a person with pro forma responsibility is guilty of no more than the sin of neglect or of excessive trust in subordinates?"

In a front page article, Die Vaderland said. "One of the important questions which still had to be cleared up in the Information Department debacle

is how many people knew of the projects that the department was busy with and at what level was approval given for them"

Quoting from an authority on constitutional law, Prof Welsh listed two indispensable ingredients in the idea of collective responsibility

- All members of a cabinet must defend all aspects of government policy in public.

- All cabinet members have theoretically had the opportunity of speaking for or against all aspects of Government policy and are therefore involved in and responsible for it.

"But in modern times the notion is honoured more in the breach than in observance I would be hard put to think of a single incidence where a Government has resigned because of a scandal in a single department," Prof Welsh said.

In spite of the non-observance of the strict notion of collective responsibility, however, Prof Welsh felt that the South African Government should resign if the Erasmus Commission findings substantiated the evidence released by Mr Justice Anton Mostert last week

Prof Welsh gave two reasons for his view. the

extent of the alleged misappropriation of public funds and the claim that expenditure of secret funds by the Department of Information had the approval of a three-man cabinet committee.

Of the department's expenditure of secret funds, Prof Welsh said. "The crucial issues are to what extent was it discussed by the full cabinet and to what extent was the whole cabinet involved in the alleged cover-up"

Prof Gerrit Olivier, professor of Political Science at the University of Pretoria, had a different concept of what collective cabinet responsibility meant.

The cabinet was a committee of Parliament and was collectively responsible to Parliament for its actions, he said.

If its decisions and explanations for them were acceptable to Parliament, then it was not obliged to resign in terms of the convention of collective responsibility.

The caucus of the National Party meets on December 6 to determine what decisions to take on the Information Department affair. The Prime Minister will then formally seek Parliament's approval of the decisions at the special session on December 7 and 8 — DDC

Mr Dalling . . . SABC a scandal of its own.

Info's US man refuses to talk

CAPE TOWN — Mr Donald de Kieffer, Dr Eschel Rhoodie's "back-door diplomat" in Washington DC said from the American capital that the current inquiry into the now-defunct Department of Information was "too sensitive to talk about — I don't want to fuel the fires of speculation"

In October, Mr De Kieffer met with Dr Rhoodie in Pretoria and although he would say nothing at the time about the nature of the "informal talks," he said he was now answerable to his "new boss — Minister of Foreign Affairs, Mr Pik Botha"

Mr De Kieffer, who has worked for more than five years as "the department's underground man in Washington", had hoped to continue his "secret projects on behalf of South Africa" but would not say to what extent the work he had undertaken for Dr Rhoodie for a fee of R150 000 a year was still on-going

"It should be very clear that I can't go into this issue at the present, considering the inquiry on the go in Pretoria. It is therefore with a degree of humility that I decline to comment," he said — DDC

PFP, NRP criticise Govt Info handling at joint protest

PIETERMARITZBURG — Severe reservations about the scope of terms of reference of the Erasmus Commission of Inquiry into the Department of Information were expressed yesterday by Mr Ray

evidence under oath to the Mostert Commission.

"If not, then there is much to be answered for by those in high places, not least of which is Dr Connie Mulder"

Mr Swart said Dr

party-goers had been amazed at the lavishness of some functions.

"I haven't met even one supporter of the Government who doesn't feel disgust at the allegations against the Department of

Bill for Rhoodie pad not yet fully paid

CAPE TOWN — The bill for more than R30 000 for alterations to Dr Eschel Rhoodie's seaside pad has not yet been paid in full.

The contractors who carried out the renovations are still

PFPP warn

on sub-judice rule

CAPE TOWN — Exaggerated interpretations were being placed on the sub-judice rule to inhibit discussion of the Information scandal, Mr Derrick de Villiers, Progressive Federal Party MP for Con-tantia, said at a constituency meeting.

He said that attempts had been made, and might continue, to prevent full publication of relevant acts.

“Exaggerated interpretations are now being placed on the sub-judice rule to restrain public discussion of the general issues, irrespective of whether such matters are actually being testified to before a judicial court and are pre-judicial to its findings.”

“There are strong indications that attempts might be made to exclude certain evidence on the rounds of state security,” he said — DDC

waiting for a portion of their money — a sum “large enough to affect our business if it is not paid,” a spokesman for the contractors said.

The spokesman would not disclose what the balance was. He said he was still hoping to be paid.

The house, bought by Dr Rhoodie a year ago for R71 700, is everyone's dream of a seaside retreat — a few steps from the beach.

But the exception in Dr Rhoodie's case is that his beach pad is a few steps from one of the most popular beaches in the country, in the heart of Cape Town. And it cost more than R100 000.

A team of reporters went to see what a hundred grand's worth looks like, inside and out.

Its position is superb — on Beach Road, Bantry Bay, right opposite Saunders Rocks. And that is what Dr Rhoodie must have paid for. For the rest it is basically an ordinary, elderly house with two poky bedrooms, no garden and right on a busy main road.

The renovations include the enclosing of the front verandah to extend the living room to cricket-pitch proportions. A large picture window provides a view of the sea.

A second bathroom has been built and no expense has been spared on moulded, gilt-handled,

built-in cupboards in every room. Nice, if you like that sort of thing; a rhapsody in kitsch if you don't.

The house has been carpeted throughout in neutral beige — just the colour to show off Persian rugs to perfection.

At present there are no rugs and very little furniture in the house. It is let to tenants at a rent believed to be about R500 a month.

Dr Rhoodie was also involved in the purchase of flats at Clifton by the Department of Information front organisation, Thor Communicators.

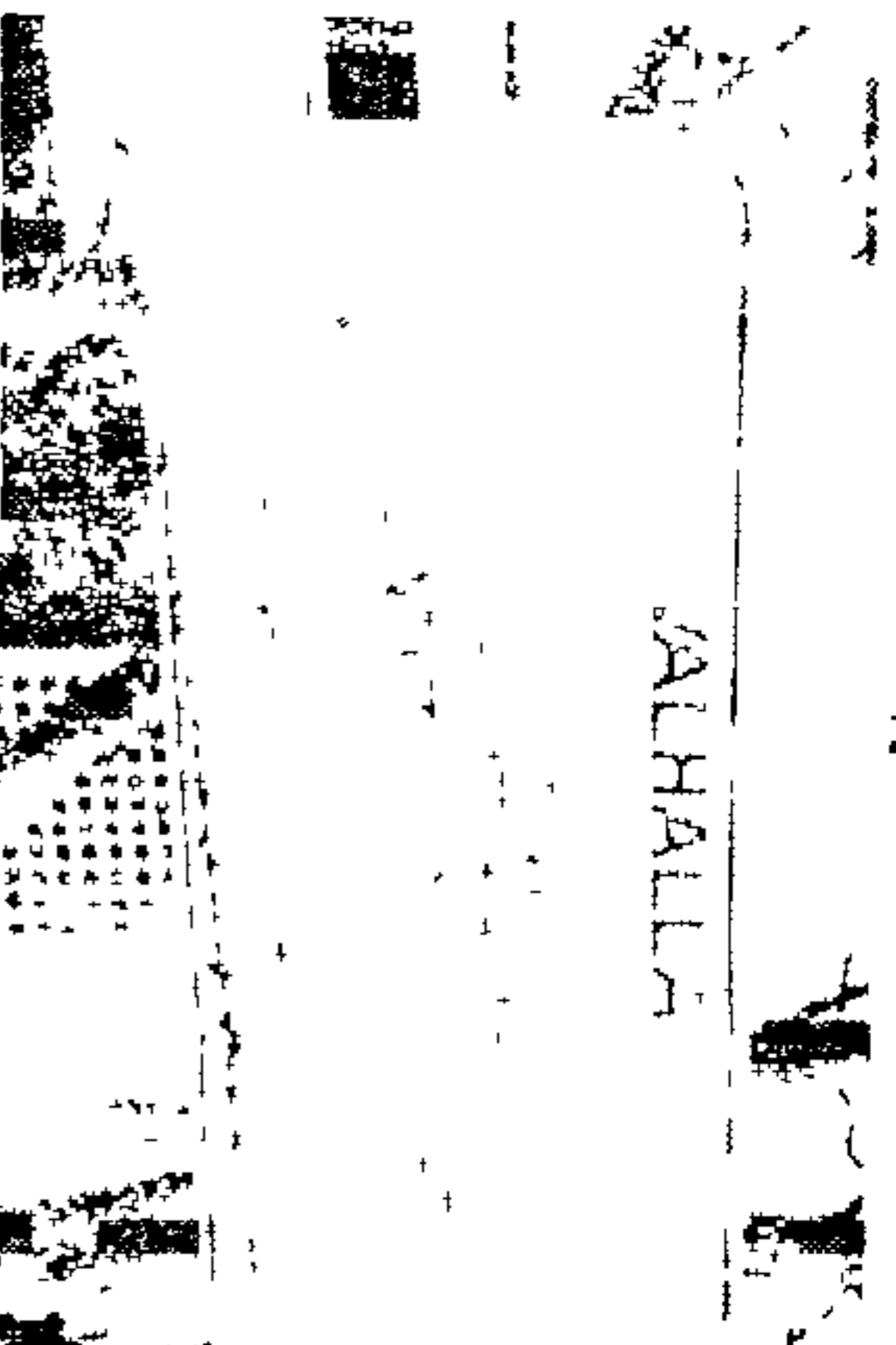
Thor spent more than R1m on flats in the block which overlooks first beach.

Mr Rethel van Rooyen said in evidence before Mr Justice Mostert that the flats were bought as an investment but that one of them was empty for 11 months in 1976 and 1977.

The agent for the block, Mr Clive Parkes, was approached because it was felt there ought to be a high demand for the flats.

“The explanation was that the apartment concerned adjoined Dr Rhoodie's flat.”

Mr Parkes is at present in Hong Kong on business. — DDC



According to evidence before Mr Justice Mostert, Mr Clive Parkes negotiated the purchase of the Valhalla flats in Clifton, Cape Town, by Thor Communicators. His name appears on the board which is still displayed outside the flats. Mr Parkes, who occupies a R40 000 flat in the block, is in Hong Kong on business.

Banal capitalism says author

JOHANNESBURG — The Information Department scandal was yesterday described as an inevitable stage in the rise of Afrikaaner capitalism by Mr W. A. de Klerk, author of a best-selling study of Afrikaanderdom.

In his book “The Puritans in Africa,” Mr De Klerk wrote of the relentless pursuit of wealth leading a “culture of banality” personified by a golden bath with golden taps as the ultimate status symbol.

The scandal surrounding the defunct Department of Information was typical of the golden bath syndrome, Mr De Klerk said.

It was an inevitable rise of capitalism in a puritan society, whether the puritans were in Africa or America, “as history has proved over and over again.”

Describing himself as a modern Afrikaaner, Mr De Klerk, who was recently honoured by the Federasie van Rapport-ryeskorpse for his play “Die Markplein,” prescribed a return to the “original Calvin and his ideas of equity and honesty in civil government.”

Mr De Klerk said “I think I speak for many modern Afrikaaners when I say the church should express itself on public morality. For God's sake let us Afrikaaners have no illusions — we are also very human and very fragile.” — DDC

Chairman of the Progressive Federal Party

Addressing a protest meeting attended by about 600 people here Mr Swart voiced reservations about the adequacy of the commission's operation within terms of the Com-missions Act.

“But it obviously has a significant role to play and no one will want to impede or obstruct its investigation.”

“I am concerned however that its proceedings may not be given the full degree of public ventilation which the situation demands. And I want to know how Members of Parliament are going to be equipped to debate its findings on December 7, when it seems likely to report only on the previous day.”

Mr Swart said the fact that another commission was sitting “must not be allowed to prevent people from making their own assessment of the situation on the facts now, nor must it be used to muzzle the public from expressing its views on the revelations of Judge Mostert, the general issues involved, and on the government's handling of the situation so far.”

He said certain facts regarding the scandal were already public knowledge and on those grounds the government and certain ministers and other people in high places were answerable now.

If inconsistencies were found in evidence presented to the new commission, then charges of perjury must be laid against those who gave

particularly vulnerable By accepted norms in other Western democratic societies he should have by now at least offered to stand down from any position of authority in the Government.

Mr Swart warned that if Dr Mulder did not stand down, “we are likely to be offered the magic and mis-used word ‘patriotism’ as the reason.”

He described the Department of Information scandal as a threat of “subversion from within — the threat of subversion of the due process of democratic government and the free press, from within the government itself.”

It carried with it the seeds for undermining the moral fibre and integrity of South Africa and the danger of Government by deceit and duplicity.

Hair-raising stories of the misuse of taxpayers' money by the Department of Information were circulating in the United States in May last year during his tour of the country, Mr Frank Martin, MEC, told the meeting.

And high-ranking officials in the South African Government knew, of the allegations at the same time but kept denying the charges.

Mr Martin said American officials remarked that the Department of Information was spending money, “like a drunken sailor.”

On one occasion all members of the department in North and South America had been flown to New York for a party. Even hardened American

Mr Martin said it was now clear why an early general election had been called.

He pointed out that if the Natal Provincial Council had channelled secret funds into the launching of an Afrikaans newspaper to counter lack of publicity from the existing newspaper, neither he nor his NRP colleagues would still be in office.

“No one, irrespective of office, can ignore the feelings of the people any longer,” Mr Martin said.

The Prime Minister, Mr P. W. Botha, should be called to answer for his part in the cover-up of the Department of Information scandal, Senator Warrick Weber, Natal leader of the NRP, told the meeting.

Amid applause, Senator Weber called for the entire board of control of the SABC to be “sacked forthwith” for deliberately suppressing news of the scandal.

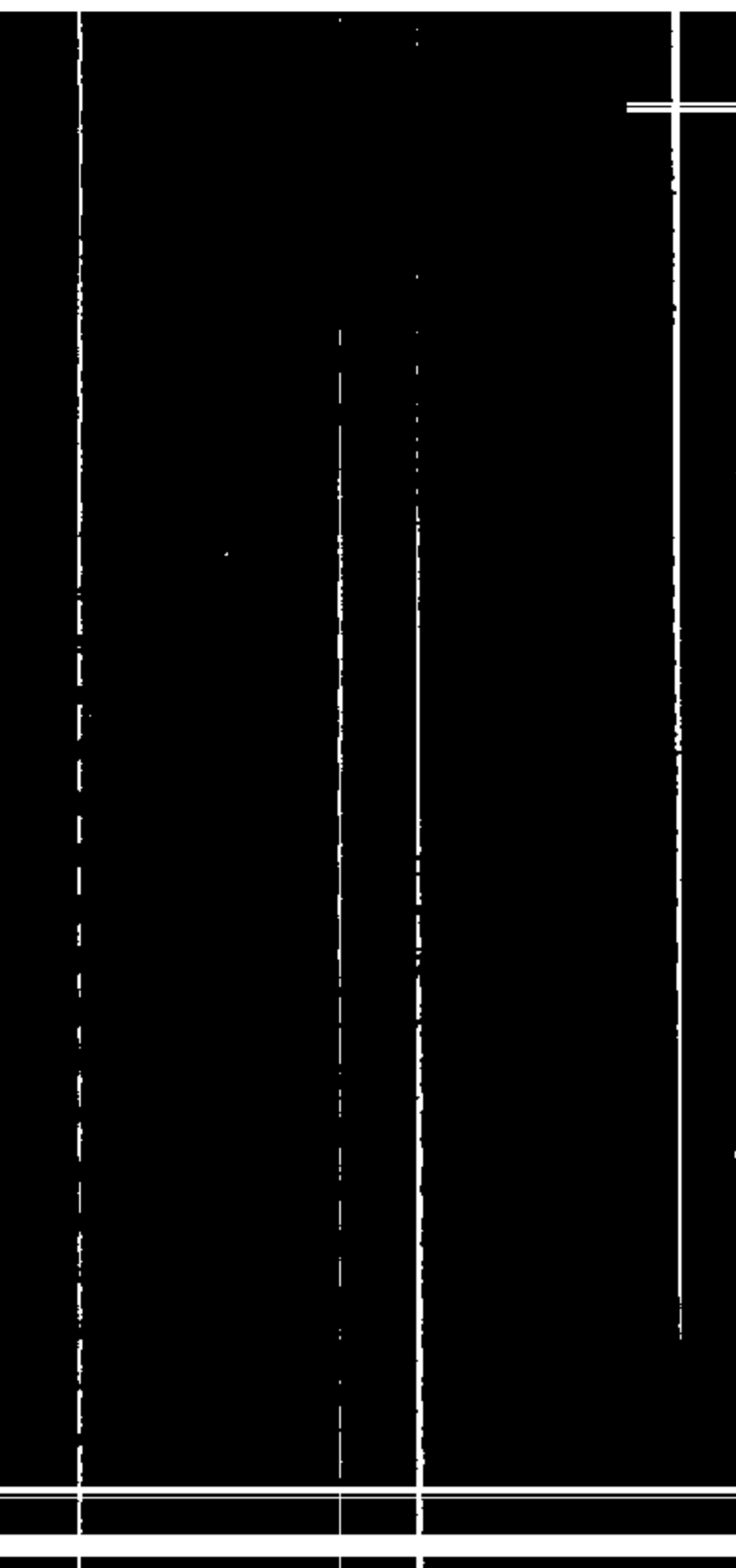
He pointed out that the Prime Minister had asked Mr Justice Mostert not to make public the information given to him.

Senator Weber said the Prime Minister had “threatened the judge, the judiciary and the free press of South Africa.”

The Prime Minister had then used a public corporation — the SABC — to publish his views on the controversy.

He urged Mr Justice Erasmus to rule that the hearing of evidence be held in public and not in camera. “It is your right to know what is happening in your country,” he said — DDC

INSIDE MAIL



[Faint, mostly illegible text from a document, possibly a letter or report, with some recognizable words like 'I have', 'because', 'serving', 'country', 'South Africa', 'best way']



Doctor Mulder "I have no pangs of conscience about the entire matter because everything I have done I did in the conviction that I was serving my country, South Africa, in the best way

Just an ace away . . .

PATRICK LAURENCE

A BRIEF six years ago Dr Cornelius Petrus ("Cornie") Mulder experienced the penultimate triumph for a National Party politician when he was overwhelmingly elected Transvaal leader of the party.

Next to election as national leader of the party, it was the most important position in the NP. With the Transvaal contributing nearly half of the party MPs, the Transvaal leader was virtually assured of election as the next premier.

It required a major political miscalculation to deprive him of the opportunity of succeeding the then Prime Minister, Mr Vorster. Dr Mulder made that mistake.

Ironically it was made in the same year as his triumphant election as Transvaal NP leader 1972, as Dr Mulder explained later, marked the start of a new aggressive and unorthodox propaganda campaign by his Department of Information.

Dr Mulder described it in a speech to Parliament in that year as one which involved new priorities and modern techniques. One of those techniques was the decision to make secret funds available to the Information Department.

The year of his triumph saw the germination of forces which were to destroy him.

well-nigh irresistible last week when Mr Justice Anton Mostert released evidence given before his commission.

But it is a sign of Dr Mulder's resilience as a politician and of his will to gain power that he came within an ace of being elected as successor to Mr Vorster on September 28, with only six votes separating him from the winner, Mr W Botha.

Had Dr Mulder won that election, there is little doubt that events would have taken a different course.

Dr Mulder was born 53 years ago in Warmbaths, Transvaal, into what was then a typically large Afrikaner family. The man who was to come so close to assuming the highest office was the youngest of 10 children.

He schooled at Potchefstroom and Krugersdorp before obtaining his BA from the University of Potchefstroom in 1944. After taking a teacher's diploma, he

taught at various schools on the West Rand until 1958.

In his years as a teacher Dr Mulder studied at the University of the Witwatersrand in his spare time, where he was awarded a doctorate on the influence of the Bible on character formation of the Afrikaner people.

His thesis of a pointer to the man a respected intellectual determined to serve his people first in the classroom, in local government (he was Mayor of Randfontein from 1953 to 1957) and finally in national government.

Dr Mulder was first elected to Parliament in 1958 as MP for Randfontein. A popular MP, he became a disciple of then Prime Minister, Dr Hendrik Verwoerd, and was rapidly earmarked as a man to watch.

After the sustained campaign for his resignation, conducted with fervour by his erstwhile admirers in the Afrikaans press, it requires a concerted act of

recall to remember that Dr Mulder was once a man with charisma, at least to his own Afrikaner people.

He spoke passionately in defence of separate development and earned praise in NP ranks for his oratorical skills and ideological conviction. He was the young MP to watch, a man whose appeal might be compared to that exercised today by his arch-rival, Mr Pik Botha.

Dr Verwoerd gave Dr Mulder his first real break when he appointed him assistant information officer of the NP.

About 18 months later Dr Mulder was made chief information officer of the NP. Verwoerd was dead, but his ideological successor was there, as a potential heir apparent when the time came.

During the first years of Mr Vorster's premiership Dr Mulder continued to rise, being made Minister of Information, Social Welfare, Pensions, and Im-

migration in 1968. Later he shed Social Welfare and Pensions and Immigration to take over as Minister of Interior (retaining his Information portfolio).

His conservatism came to the fore as he passed tough anti-drug laws and administered censorship with an iron hand. He made enemies among the hippie and intellectual communities with these measures — but not among the NP faithful.

But a change overcame Dr Mulder as he entered the sophisticated world of big money and wheel-dealing propagandising on behalf of South Africa.

A glossy veneer of the jet-setting information chief began to first obscure and then to virtually exorcise the former ideologue with a pedagogical background.

At the beginning of the year Dr Mulder was chosen to succeed Mr M C Botha in the key portfolio of black affairs. It was an indication of the confidence Mr Vorster had in

him that he took over from Mr Botha.

Dr Mulder, like his early mentor Dr Verwoerd, was poised to use his new platform to make his position as heir apparent to Mr Vorster impregnable.

But before he could do so he was fighting for his political life, as disclosure followed disclosure about the Information Department's unorthodox methods.

Dr Mulder tried to compensate for disasters on the information front by innovation and consultation in his new department, but he did not have sufficient time.

He changed the name of his department from Bantu Administration and Development to Plural Relations and Development, thereby showing sensitivity to black objections to the term "Bantu."

If the new title was little more than a surface change, Dr Mulder did bring two new qualities to his new office — politeness and a much greater willing-

ness to consult with blacks.

His willingness to meet Dr Nthato Motlana, who was snubbed by Mr M C Botha and interred by the Minister of Justice, Mr J T Kruger, was one sign. His good humoured tolerance of demonstrating blacks from the Inkatha Youth Brigade was another.

He has at least one qualified success of a more substantial nature — the acceptance of the Community Council Act, in spite of the sustained opposition of radicalised young blacks.

His resignation as Minister Of Plural Relations is of importance not only to white politics but also to the millions of blacks who fall under the tutelage of the department. He has no obvious successor, although he has three deputy ministers.

If the resignation results in a less tactful man taking over as Minister of Plural Relations, its ramifications will spread quickly beyond the confines of white political reshuffles.

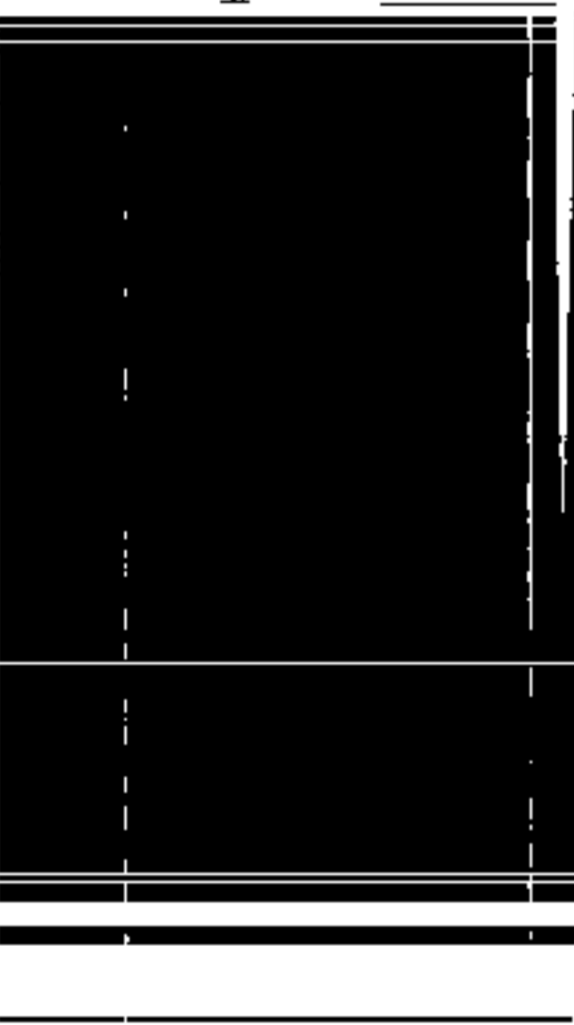
cluding the appointment of his controversial former Secretary for Information, Dr Eschel Rhodie

The 1972 revision of department techniques and the rise from the ranks of Dr Rhodie led to the use of "unorthodox" methods by the department — and the political downfall of first Dr Rhodie and then his master.

Those forces first surfaced public less than eight months ago when the Sunday Express gave prominence to an expensive trip to the Seychelles by Dr Rhodie and a select entourage.

From then on Dr Mulder fell under increasingly relentless pressure from the Press and, consequently, from the ranks of the National Party itself.

The pressure became



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Axings was arrogant —ex-judge

The Government's decision to end the work of Mr Justice Mostert, chairman of a commission of inquiry into exchange control contraventions, was arrogant and extremely unwise, a leading academic lawyer and former judge said today.

One of the reasons given by the Prime Minister, Mr. Botha, for the termination of the commission, was "the evident and untenable difference between the Government's point of view and the action taken by Judge Mostert".

Mr Kowitz Marais, a former Transvaal Supreme Court judge and PFP MP for Johannesburg North, said: "To my knowledge it has never happened that a judge was sacked before he could complete the task that was assigned to him.

"I wonder whether the Government fully appreciates the national and international implications of the step it has taken, especially because Mr Justice Mostert has been

widely praised for the work he has done."

The move to terminate the Mostert Commission would be interpreted internationally as a conflict between politicians and the judiciary — "with the judiciary being the loser".

Mr Marais added that the action taken against Mr Justice Mostert was "a vote of no confidence and worse. He was told to discontinue his inquiry for no sufficient reason. He would not take hints and orders from the Government".

Professor Anthony Mathews, professor of law at the University of Natal, said: "In my view the offence which Mr Justice Mostert has given is that he has been too fearless and persistent in the task that he was assigned to do.

"I believe the Government is not serious in wishing to have the whole matter probed, right to the very depth."

Connie Mulder's lack —black reaction mixed of insight a danger—Beeld

Black civic and homeland leaders were mixed today, in reactions to the resignation of Dr Connie Mulder, Minister of Plural Relations, from the Cabinet.

Several expressed regret that the person who had brought a new image to the old Department of Bantu Administration had gone so suddenly. Mr David Thebehali, chairman of the Soweto Community Council, was disappointed to hear of Dr Mulder's resignation.

"A lot of pressure has been building up against him. He worked well with the people of Soweto and the Council and everything he promised was fulfilled."

Dr Cedric Phatudi, Chief Minister of Lebowa, said Mr Mulder's resignation showed that recent Press allegations involving him with the information scandal had some substance.

"Dr Mulder during his short term of office made an impression on us, and if he had continued we would have expected some positive change."

The pro-Nationalist Afrikaans daily Beeld today welcomed Dr Connie Mulder's resignation and said he had shown a "dangerous" lack of insight in his Information and other portfolios.

Its main competitor Die Transvaler, published by the Perskor group of which Dr Mulder is a director, said final judgment should be reserved.

Beeld said in an editorial Dr Mulder's resignation was the correct step. "There was no other way out — the fact that he did not resign sooner, made the painful embarrassment that was already being experienced widely in the Nationalist community, only more wretched."

By removing himself from the active scene, Dr Mulder created a better climate, enabling the Erasmus Commission to do its work in calmer circumstances, Beeld said.

His resignation was a shattering end to a career that was once regarded as being most promising.

In his last portfolio, Plural Relations, he

trouble and expense enclosures have been the least possible than all, plants. of the board, will be doing this, and we plants should contact

will consider applicability of private enterprises of any private enterprise.

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For The Citizen to retain any credibility, the sources of its funds had to be made public, Beeld said.

People have washing line all the houses have yards for, it is quite possible other houses. place or at a level where

SABC broke news to parliamentary commissioner

Mr Hennie van der Walt, MP, said he first learned on the SABC radio news today of his appointment as chairman of the 12-man Parliamentary Commission which replaced Judge Mostert's inquiry into alleged foreign currency contraventions.

Interviewed on Radio Today, Mr van der Walt said he was surprised at the turn of events "up to a certain extent."

He had not been informed about the commission beforehand nor of his appointment as its chairman. He could not comment on the terms of reference as he had not received them.

Mr van der Walt said he learned of his appointment today "through the SABC news."

He added he did not think it unusual for people to be appointed onto commissions without being informed beforehand. He said it was the prerogative of the Prime Minister.

Mr. Vause Raw, leader of the New Republic Party, has called on National Party MPs to join the NRP "in establishing a national front government of all South Africans prepared to defend the fundamentals of the democratic system"

"The dissolution of the Mostert Commission struck at the independence of the judiciary," he said.

"South Africa has been plunged into a crisis which can no longer be solved by the present Government" — Sapa.

promising for better relations between black and white, Beeld said

However, what had happened in other positions had brought home to the keen observer that Dr Mulder "showed a dangerous lack of insight, apart from information."

FINALITY

Die Transvaler expressed its "appreciation" that Dr Mulder resigned "as a gesture of his willingness to make sacrifices in the interests of the country and the National Party"

'Impossible' decision for Vorster

It could be very difficult, or even impossible, for the State President, Mr Vorster, to testify before a commission which would ultimately have to report to him in his position as State President.

This was said in Pretoria today by Professor Marinus Wiechers, professor of constitutional law at Unisa.

He was commenting on Mr Vorster's personal decision to testify before the Erasmus Commission which is inquiring into the Department of Information affair.

In law, Mr Vorster, as State President, could not be compelled to give evidence, but he could personally decide to testify.

Professor Wiechers said the Government would have to assess Mr Vorster's evidence and this was something the State President could not allow.

Jussen still unavailable

Despite demands from the Afrikaans Press for the head of The Citizen, Mr Hubert Jussen, to reveal the newspaper's South African shareholders, Mr Jussen remains unavailable for comment.

Asked whether Mr Jussen, chairman of The Citizen, would be available today, his secretary replied: "Not at all."

battle, undermines the free Press.

The man who nearly got to the top

CAPE TOWN — The dramatic fall of Dr Connie Mulder, who has announced his resignation from the Cabinet, came within weeks of his nearly reaching the pinnacle of his political career.

On September 29, he came within a whisker of being South Africa's new Prime Minister.

In the voting at the Nationalist caucus meeting in Cape Town, he got 74 votes, against the 98 for Mr P. W. Botha.

It was only the votes of some of the small group of P. J. Botha supporters that ensured victory for Mr P. W. Botha.

Before that caucus meeting, Dr Mulder was unanimously and enthusiastically re-elected as a static leader of the National Party.

In Pretoria, City Hall, more than 1 000 delegates jumped to their feet to signify their support for him.

The next day, he was cheered to the rafters when he dismissed the information debacle as "a storm in a teacup".

After disclosures by Mr Justice A. Mostert of evidence suggesting that Dr Mulder knew of secret information Department funds being invested in The Citizen newspaper, Dr Mulder's career started crumbling fast.

At first, Dr Mulder expressed his determination to stay in the job until a judicial commission had completed its work.

But more and more nationalist newspapers suggested that he should step down and there was also pressure on him from within the National Party.

Last night, Dr Mulder resigned from the Cabinet, still maintaining he was convinced of his innocence.

He is staying on as MP for Randfontein and Transvaal leader of the National Party, but it is just a question of time before he quits the post of provincial leader.

WUABERESIGNATIONS

PRETORIA — Dr Connie Mulder resigned from the Cabinet last night.

In a dramatic midnight statement, the Nationalist Transvaal leader and one-time "crown prince" said "To help the Prime Minister, Mr P. W. Botha, fend off the onslaught against the National Party, the Government and the country I have decided to hand in my resignation as Minister of Plural Relations and Development.

"I am convinced of my innocence and therefore I am still prepared to give evidence before the Erasmus Commission to place my honesty and integrity above all suspicion.

"I have no remorse in my soul over the whole matter because everything that I did, I did in my belief that I was serving the best interests of my country.

DR MULDER . . . "I am convinced of my honesty and integrity above all suspicion."

time." Dr Mulder, Minister of Information until his department was disbanded earlier this year amid allegations of maladministration, remains leader of the National Party in the Transvaal and MP for Randfontein.

His resignation from the Cabinet came less than a week after he said he would not quit in any circumstances.

It also followed threatening statements by his supporters casting him in the role of Samson collapsing the pillars of the Biblical house — a clear warning to the Prime Minister that, if necessary, they would implicate other Ministers and other top Nationalists in the information scandal.

Immediate speculation on his sudden action last night was that he had been prevailed upon to place party unity above all other considerations.

It was clear also that revelations in the Mostert report published the day after he said he would not resign damaged his political reputation to such an extent that he had no option but to quit.

Dr Mulder's resignation was preceded by a day of high drama in which the Prime Minister was being drawn increasingly.

tion Department debacle. Supporters and opponents of the beleaguered Dr Mulder were making virtually irreconcilable demands on Mr Botha to resolve the growing scandal.

A split was not foreseen, but divisions were running so deep in the Transvaal that many observers believed party unity was facing its most serious threat since the right-wing Hertzog break 10 years ago.

The Transvaal battle was seen as an intense continuation of the struggle between Dr Mulder and the Minister of Foreign Affairs, Mr P. W. Botha, whose supporters denied Dr Mulder victory over Mr P. W. Botha in the recent struggle for the premiership.

They were demanding his resignation as a prerequisite for the "cleansing of the Afrikaner soul" and his return to what they regarded as his Christian ethics after the scandal.

Dr Mulder's supporters compared him with Samson collapsing the pillars of the Biblical house and declared they would not allow him to be used as a scapegoat.

Suggesting other Ministers were involved in the scandal, they threatened to use such alleged information if Dr

Mulder's resignation was demanded or if his position became untenable. Their warnings were a clear threat to the Prime Minister that they were prepared to bring down the house if necessary.

Within hours of the Mostert report revealing that Dr Mulder and his associates had given Mr Louis Luyt R13 million of Information Department money to establish the English Nationalist newspaper, The Citizen, Mulder supporters formulated their battle plan.

One of them said "First they tried to make Eschel Rhoodie the scapegoat, now it is Dr Mulder. The question will have to be asked: How much did the former Prime Minister know and how much did the present Prime Minister know?"

Meanwhile opponents of Dr Mulder centering on Mr P. W. Botha were calling on the Transvaal Nationalist leader to resign or at least step down until the report of the Erasmus Commission was tabled during the special parliamentary session on December 7.

They demanded that the Prime Minister carry out his election pledge to ensure honest and clean administration by exposing the full facts of the scandal and guaranteeing action against those involved — DDC

Mostert probe axed

been instructed by the State President to complete its work and make recommendations before December 6, it was imperative that no obstruction be placed in its way.

"Seeing that the instructions to the Erasmus Commission already entail certain aspects of the activities of the former Department of Information, there is no need or necessity to have these issues investigated by another commission," the Prime Minister said.

"According to the Government's interpretation of the stipulations of the Commissions Act of 1947 and the regulations promulgated thereunder regarding the Mostert Commission in so far as the public disclosure of evidence and information given to the commission, there is an evident and untenable difference between Government's point of view and the action taken by Judge Mostert.

"The Government has accordingly advised the State President to withdraw Judge Mostert's commission and terminate the investigation behind closed doors."

counts which first gave a glimpse of the extent of the activities of the Information Department under Dr Connie Mulder and his secretary, Dr Eschel Rhoodie.

Other members of the parliamentary commission will be Dr Zac de Beer, Mr Harry Schwarz, Dr Denis Worrall, Mr John Wiley, Mr Bill Sutton, Mr Kent Durr, Mr Thomas Langley, Dr Louis van der Walt, Mr J. C. G. Botha, Mr G. J. Kotze and Mr J. A. van Tonder.

This commission will be instructed to inquire into and recommend on: ● Malpractices concerning the avoidance and evasion of exchange control regulations ● Ways and means of combating such malpractices ● Any exchange control, tax and other implications which may follow.

In his statement, the Prime Minister said that although Judge Mostert had presented an interim report he had not completed his investigation.

"Regarding his interpretation of the State President's instruction, it is clear that the Government's commission and the investigation behind closed doors."

PRETORIA — The Government silenced the commission of Mr Justice Mostert last night and appointed a parliamentary commission of inquiry of 12 MPs to take its place with the same terms of reference.

The Prime Minister, Mr P. W. Botha, gave as the Government's reason the "evident and untenable difference between the Government's point of view and the action taken by Judge Mostert."

In what must be the most insulting slap in the face ever administered to a South African judge, the Government terminated Judge Mostert's commission with immediate effect.

It instructed the judge to hand over immediately any documents, evidence and statements he had collected to the Secretary for Finance or his authorized representative.

The Government gave as another reason that it wanted to avoid possible overlapping and duplication of work by Judge Mostert's commission and the investigation behind closed doors."

interests and I hope to still make my own contribution in my own way and

and divisive Transvaal Nationalist power struggle over the Informa-

Scandal goes on, page 13

Erasmus hearings closed to the public

PRETORIA — The hearings of the Erasmus Commission of Inquiry into alleged irregularities in the former Department of Information will be closed to the public.

This was announced last night by the chairman of the commission, Mr Justice Erasmus.

He said after the commission had considered the nature of its terms of reference and the evidence which might be examined and tendered, it came to the conclusion it would be desirable to conduct its proceedings in camera.

Yesterday, the Leader of the Opposition, Mr Eglin, pledged that the PFP would not rest until the whole truth was known about the activities of the former Department of Information.

Erasmus

It was Mr Justice Mostert who released for publication evidence by Mr Louis Luyt, Adv Rehler van Rooyen, and the South African movie mogul, Mr Andre Pieterse.

Their evidence confirmed a number of bombshell reports that The Citizen newspaper had been funded by the Government's old Department of Information.

In a lengthy statement last night, the Prime Minister outlined the Government's point of view.

The chairman of the new parliamentary commission will be Mr H J D van der Walt who was also chairman of the parliamentary select committee into public ac-

Judge Mostert has apparently seen it as wider and more extensive than intended or justified by the terms of reference of instruction.

"This point of view is borne out inter alia by unverified evidence given to Judge Mostert which was made public in an un-evaluated way."

Mr Botha referred to the appointment of the three-man Erasmus Commission and its terms of reference.

"It is evident that because of Judge Mostert's broader interpretation of his commission, there could be overlapping and duplication between his commission and that of Judge Erasmus."

Because Judge Erasmus' Commission had

"We would ask the commission to call him if the commission itself did not decide to do this."

The inquiry without Dr Rhoadie would be like Hamlet without the Prince.

"In my view he is the central figure, and it is absolutely essential that he should testify," Mr Schwarz said.

Mr Justice Erasmus, was quoted as saying in Pretoria earlier this week that Dr Rhoadie would be called to testify — "if we can get hold of him" — DDC

Disgraceful says Eglin

CAPE TOWN — The Leader of the Opposition, Mr Colin Eglin, strongly denounced the government's decision to sack the Mostert Commission as "disgraceful" and "authoritarian."

In the absence of a credible explanation it would leave many with the feeling that the government had something to hide.

Mr Eglin said "This is a disgraceful abuse of executive power" and an insult to the South African judiciary. It is authoritarianism of the worst kind — what the government cannot control it either gags or closes down.

"To use the decision of Judge Mostert to have his commission sit in public as a reason for closing down the commission entirely will fool nobody."

Judge Erasmus said he would consider a written request from the PFP to have legal representation if it was received.

A special caucus sub-committee has been set up to co-ordinate the party's work in relation to the commission. The committee comprises Mr

Although the PFP caucus has decided to seek representation at the commission, it is not yet clear whether this will involve retaining counsel or whether the party could seek permission for someone like Mr Harry Schwarz, a lawyer, to attend and question witnesses.

Mr Schwarz said yesterday "We still want to make representations that the commission should change its mind, and that evidence should be heard in public, and that the public should only be excluded from the hearings where national security is involved."

Mr Eglin said the Erasmus Commission would decide what had been done in the past, but Mr Botha owed the public an explanation of what was being done now.

The Prime Minister should also give an immediate public assurance that not one more cent of taxpayers' money was being used to subsidise The Citizen's continuing losses.

These questions involved executive action by the Government, for which the Prime Minister

Vorster to testify

CAPE TOWN — The State President, Mr Vorster, will give evidence before the Erasmus Commission of Inquiry into the Department of Information — at his own request.

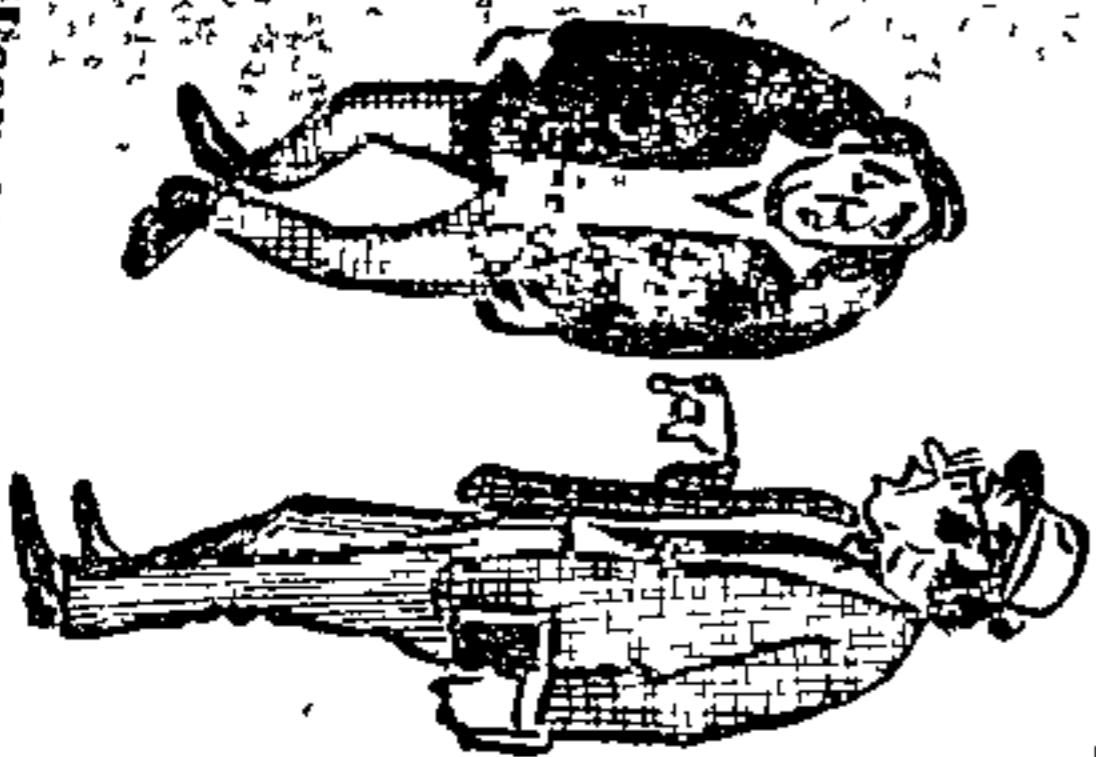
This was learned after yesterday's Cabinet meeting in Pretoria at which Dr Mulder, Minister of Plural Relations, tendered his resignation.

As State President, Mr Vorster, who has become a

central figure in the information row because of evidence released by Mr Justice Mostert, is precluded from becoming involved in a public controversy.

However, it is understood Mr Vorster requested permission from the Cabinet to be given an opportunity to state his position and that his request was granted. It is unprecedented for

QUICK QUIP



"I say, are you a sub judge of this city . . ."

"The public is entitled to ask why this desperate and cynical manoeuvring on the part of the government?"

"In the absence of a credible explanation, millions of South Africans will be left with the uncomfortable feeling that the government has something it wants to hide."

Mr Justice Mostert refused to comment. — DDC

Editor accuses Govt

WINDHOEK — Mr Kurt Dahlmann, one of the editors ousted in this year's takeover of two independent newspapers in South West Africa, said yesterday he believed the Government was involved in the R1,6 million deal.

Mr Dahlmann said he was prepared to give evidence before the Erasmus Commission into

the Information Department scandal.

"The information I have received has led me to the conclusion that the South African Government is involved in the Windhoek newspaper deal," he said.

He claimed the newspapers were taken over in order to promote the Democratic Turnhalle Alliance.

Two newspapers in the John Meinert publishing house — the Windhoek Advertiser and Allgemeine Zeitung — were taken over at the end of April by Dr Dieter Lauenstein, a German publisher who is unknown in South West Africa.

Mr Dirk Mudge, chairman of the DTA, said yesterday it was "absolute

rubbish" to suggest the DTA had received Government money for its coffers or for the takeover of any newspapers in the territory.

"We are not afraid to subject ourselves to any investigation. We have not taken over any newspapers and we have no influence over them" — DDC

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'PM should be quizzed about cover-up role'

Own Correspondent
MARITZBURG. — Senator Warrick Webber, Natal leader of the New Republic Party, said amid applause from an audience of 600 yesterday that the Prime Minister, Mr P W Botha, should be called to answer for his part in the cover-up of the Department of Information scandal.

Speaking at a protest meeting in the Maritzburg City Hall called by the two opposition parties, Sen Webber also called for the entire Board of Control of the SABC to be "sacked forthwith" for deliberately suppressing news of the scandal.

He said the Prime Minister had "threatened the judge, the Judiciary and the free Press of South Africa."

The Prime Minister had then used a public corporation — the SABC — to publish his views on the controversy.

Sen Webber pointed out it was the attempted cover-up of the Watergate scandal in America and not the initial activity, which had caused former President Richard Nixon to fall.

He urged Mr Justice Erasmus to rule that his commission hearings be held in public and not in camera.

"It is your right to know what is happening in your

country," he told his audience.

Mr Ray Swart, MP, national chairman of the Progressive Federal Party, told the same meeting he feared the Erasmus Commission proceedings "may not be given the full degree of public ventilation which the situation demands. And I want to know how Members of Parliament are going to be equipped to debate its findings on December 7, when it seems likely to report only on the previous day."

Mr Swart said the fact that another commission was sitting "must not be allowed to prevent people from making their own assessment of the situation on the facts now, nor must it be used to muzzle the public from expressing its views on the revelations of Judge Mostert, the general issues involved, and on the Government's handling of the situation so far."

He said certain facts regarding the scandal were already public knowledge and on those grounds the Government, certain Ministers and other people in high places were answerable now.

If inconsistencies were found in evidence presented to the new commission, then charges of perjury should be laid against those who gave evidence under

oath to the Mostert commission.

"If not, then there is much to be answered for by those in high places, not least of whom is Dr Connie Mulder."

Mr Swart said Dr Mulder appeared to be particularly vulnerable. By accepted norms in other Western democratic societies he should have by now at least offered to stand down from any position of authority in the government.

Mr Swart warned that if Dr Mulder did not stand down, "we are likely to be offered the magic and misused word 'patriotism' as the reason".

He described the Department of Information scandal as a threat of "subversion from within — the threat of subversion of the due process of democratic government and the free Press, from within the Government itself". It carried with it the seeds for undermining the moral fibre and integrity of South Africa and the danger of government by deceit and duplicity.

Mr Frank Martin, MEC, of the New Republic Party, told the meeting that hair-raising stories of the spending of taxpayers' money by the Department of Information were circulating in the United States in May last year during his tour of the country.

He said high-ranking officials in the South African Government knew of the allegations at the same time but kept denying the charges.

He said American officials remarked that the Department of Information was spending money "like a drunken sailor".

On one occasion members of the department in North and South America had been flown to New York for a party. Even hardened American party-goers had been amazed at the lavishness of some functions, he said.

"I haven't met even one supporter of the Government who doesn't feel disgust at the allegations against the Department of Information."

He welcomed the appointment of a judicial commission of inquiry.

He said that if the Natal Provincial Council had channelled secret funds into the launching of an Afrikaans newspaper to counter lack of publicity from the existing newspaper, neither he nor his NRP colleagues would still be in office.

Beeld challenges Citizen on losses

Political Staff
BEELD, the Afrikaans morning newspaper, yesterday again called on The Citizen to disclose the identities of its shareholders. In a leading article headlined "Whose money?" Beeld said:

"Mr Hubert Jussen, chief of The Citizen, has a problem: few people will simply accept his statement that in his time no State money has been put into this strange daily newspaper."

"The previous regime at The Citizen also denied that the paper received State money. Now the same people have admitted under oath that enormous sums of taxpayers' money were put into The Citizen."

"The admission after earlier denials is one albatross which Mr Jussen is carrying around his neck. There is only one way he can get rid of it and convince the public that his company is carrying the paper on its own strength."

"He must publish audited statements — every other

Press group does this frequently — but above all he must say who the people are that own the paper."

"Who is carrying those losses? If it is not the State, surely it is shareholders? Who are they?"

"The only ones ever mentioned are a Dutchman (Mr Jussen), two Americans, and a former Prince of Austria and Hungary who is now a German citizen. It was said they had few shares. The majority are said to be in South African hands."

"But only foreigners are prepared to admit that they have something to do with the paper's money, the alleged South Africans remain top secret."

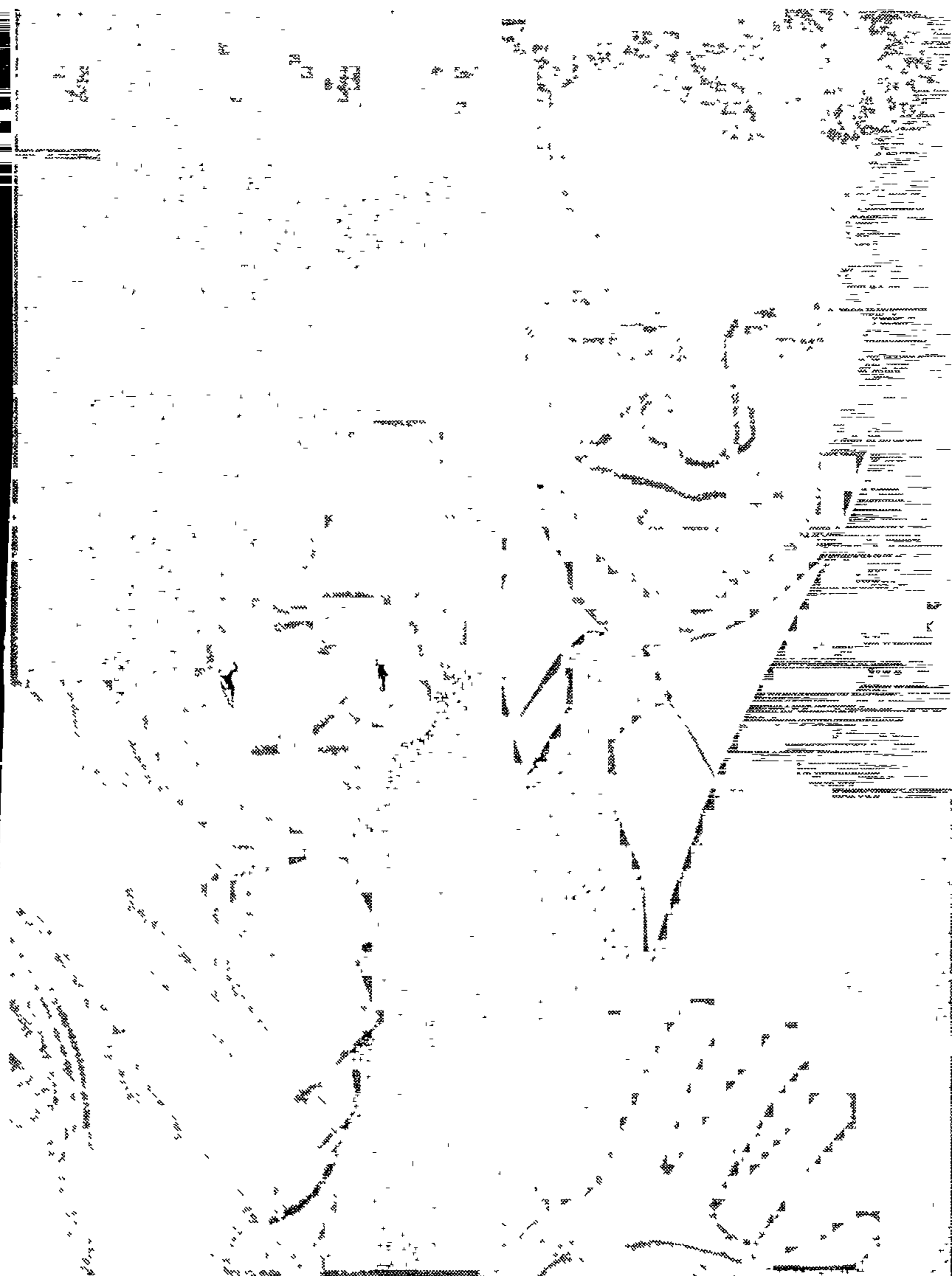
"This is Mr Jussen's second albatross without their names it is impossible to judge whether they are actually able to carry losses of hundreds of thousands of rands a month and without that test the public will remain highly sceptical about Mr Jussen's assurances."

Parties' Royalty Boards' Inquiries

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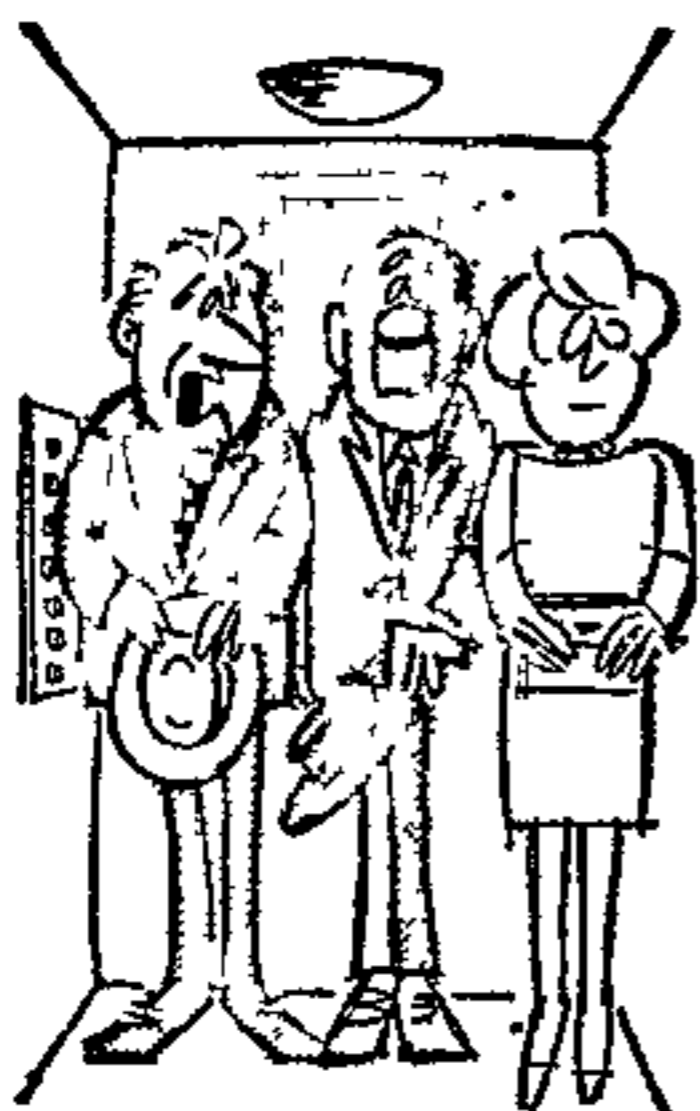
Tom



The man in the limelight, Dr Connie Mulder, gives his wife Suzanne a comforting hug last night just after his bombshell announcement that he is resigning from the Cabinet.

● Picture: RUPHIN COUDYZER.

BY GEORGE!



"What's Watergate in Afrikaans? Mulder's Drift."

● More stories on Pages 3, 5 and 21.

Nat backers predict Dr Mulder will bounce back

Political Reporter

Nationalist MPs loyal to Dr Connie Mulder predicted today that he would be able to stage a political comeback and regain his position in the Cabinet.

In interviews today, MPs who have supported Dr Mulder in the past made it clear that they were remaining loyal to him.

"South Africa cannot lose this man," said one MP.

Mulder loyalists are maintaining that he has

done nothing wrong and that "what he did, he did for South Africa." They appeared confident that he would be able to survive probes into the activities of his former Department of Information and be able to stage a political comeback.

It is being pointed out that Dr Mulder has not resigned as leader of the NP in the Transvaal or as MP and that he therefore still has a strong political power base. Supporters in his constituency are also remaining loyal to him.

Even MPs who have been critical of Dr Mulder

in the past conceded today that it was not impossible for him to again become a Cabinet Minister.

The few Nationalist MPs who were prepared to speculate on a possible successor to him in the Cabinet, pointed to the Minister of Education and Training, Mr Willem Cruywagen, as a likely candidate.

The Prime Minister's office said today Mr Botha would consider the appointment of a successor to Dr Mulder as Minister of Plural Relations and Development tomorrow.

Durban

The Progressive Federal Party and the New Republic Party have refused to serve on the parliamentary commission replacing the one-man judicial commission headed by Mr Justice Anton Mostert.

The Prime Minister, Mr P W Botha, appointed the Parliamentary commission after dropping the judge and had named PFP and NRP MPs, one South African Party MP and a National Party majority. The move came after Mr Justice Mostert released evidence of alleged Government corruption. Today, the Leader of the Opposition Mr Colin Eglin said to serve on the Parliamentary commission would be to collaborate with the Government in silencing Judge Mostert.

Mr Eglin said the judge had courageously upheld the integrity and independence of the judiciary.

Two PFP MPs — Dr Zac Beer (Parktown) and Mr Harry Schwarz (Yeoville) — had been named as having been requested to serve on the new commission.

Mr Eglin said neither Dr de Beer nor Mr Schwarz had been consulted by the

Government in this matter.

The leader of the New Republic Party, Mr Vause Raw, said the dissolution of the Mostert Commission was "an act of arrogance and defiance which strikes at the roots of the independence of the judiciary in South Africa".

Eglin opposes 'gag' on Mostert

Mr Bill Sutton of the NRP said that although he was a supporter of the principle of Parliamentary select committees he was refusing in this case to serve on the new committee. He had not yet been approached by the Government.

In an interview today, Mr Sutton said "What we are seeing now is the professional National Party struggling to maintain its existence at the expense of all the people of South Africa."

Mr Justice Mostert flew from Durban today and spent 20 minutes in the Pretoria office where he was conducting an inquiry into exchange control contraventions.

When he arrived at Jan Smuts Airport this afternoon, to take a flight back to Durban a few bystanders who recognised him went up to him and shook his hand.

Judge Mostert declined to speak to journalists, but said that his visit to Pretoria had been for "administrative reasons".

Cabinet discretion

The Erasmus Commission of Inquiry into the Information Department started work in Pretoria today under heavy police guard.

Mr Brian Bamford, SC, PFP chief whip in the Assembly, pointed out today that in terms of existing legislation commissions of inquiry were set up by the State President-in-Council.

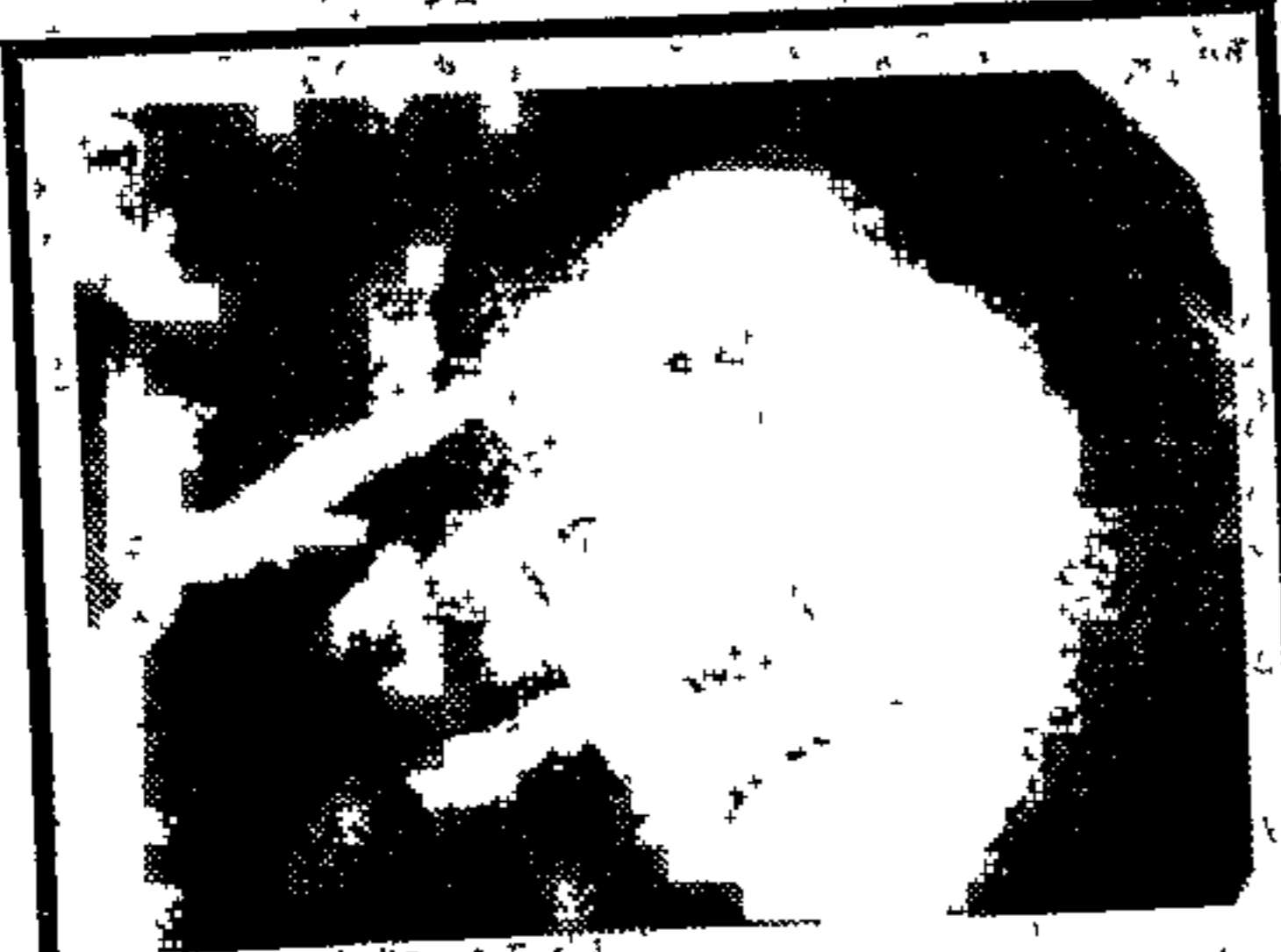
In effect, from then on, it was entirely at the discretion of the Cabinet what to do with the commission's report.

Such a report could be totally suppressed or it could be made public in full or in parts.

The Cabinet could also decide to make public only the recommendations of such a commission.

He added that if the Government did not make such a file record available the PFP would demand it.

1/11/78
Eglin



Mr Luyt... no comment.

Luyt still paying

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8/11/78

interest

By Kevin Stocks

Mr. Louis Luyt is still paying interest on the R12-million lent to him to start The Citizen. The money is going to a bank account in Pretoria belonging to a company called Homerus Finance Corporation (Pty) Ltd.

The Star has established that the directors of Homerus are two prominent Johannesburg businessmen, Mr David Abramson and Mr John Heinrich.

According to evidence given by Mr Luyt to the now defunct Mostert Commission of Inquiry, the money was lent to him in the name of the then Secretary of Information, Dr Eschel Rhoodie, and he invested it in Triomf at an interest of 12,5 percent a year.

The interest was used to finance The Citizen.

The Star has established that when Mr Luyt withdrew from The Citizen, he was instructed to pay the

interest into the Pretoria bank account.

Mr Abramson and Mr Luyt have refused to comment on The Star's information.

Mr Abramson would not accept a call from The Star, and later had a public relations consultant telephone this newspaper and say he was not prepared to speak to a reporter or make any comment.

Mr John Heinrich, who heads the Heinrich restaurant group, told The Star he had no connection with The Citizen or the former Department of Information.

Asked if he and Mr Abramson were directors of Homerus Finance Corporation, he replied that he was a director of many companies, and could not possibly remember all of them.

When told that the interest on the money provided by Dr Rhoodie to start The Citizen was

To Page 3, Col 4

25a 2/11/78

A toast and a shock for Judge Mostert

OWN Correspondent
MARITZBURG — Arriving home after a leisurely dinner at the exclusive Victoria Club here with other members of the Natal Bench, Mr Justice Mostert was met with the rude shock that he was to be relieved of his duties as commissioner investi-

gating currency control investigations. The judge who has become a household name since his revelation of evidence on the Department of Information last week declined to comment last night on the Government's decision.

It is understood that at the dinner party, two brother judges stood and toasted him for revealing the evidence which has rocked the South African political scene.

Earlier in the day, at the city hall, across the road from the Supreme Court where he is based, 600 people at a Joint New Republic Party/Progressive Federal Party meeting cheered at length the courage shown by Judge Mostert.

The Department of Information scandal is to be debated in the Natal Provincial Council. Mr F. A. K. Martin, Natal's senior MEC, today gave notice of a motion to congratulate Judge Mostert upon his moral courage and his appreciation of the public interest in disclosing the appalling apparent corruption involving public representatives and state officials. It calls on the council to condemn the Government's dismissal of the judge from the commission of inquiry.

Press takeover claim by SWA editor

Africa Bureau
WINDHOEK — Mr Kurt Dahmann, one of the editors ousted in this year's takeover of two independent newspapers in SWA/Namibia, said yesterday that he believed the South African Government was involved in the R1,6 million deal.

Mr Dahmann said he was prepared to give evidence before the commission of inquiry into the Information Department scandal.

"The information I have received has led me to the conclusion that the South African Government is involved in the Windhoek newspaper deal," he said.

He claimed the newspapers were taken over in order to promote the Democratic Turnhalle Alliance (DTA) during the first all-race election before independence in the territory.

His offer came at the same time as further

CPM Luvu 2/11/78
calls on the government to state whether secret funds were used to take over or gain the support of any newspaper in the territory.

Mr Dirk Mudge, chairman of the DTA, said yesterday that it was "absolute rubbish" to suggest that the DTA had received government money for its coffers or for the takeover of any newspaper in the territory.

"We are not afraid to subject ourselves to any investigation. We have not taken over any newspapers and we have no influence over them."

He was reacting to a question on whether he supported the call by the Namibian National Front (NNF) for the South African Government to state whether government money was used, either directly or indirectly, towards the acquisition of any SWA/Namibia newspaper or in support of any political group in the territory.

The NNF did not name any newspapers or political groups in its telegram to the Minister of Foreign Affairs, Mr Pik Botha.

The two newspapers in the John Meinert publishing house — the Windhoek Advertiser and Allgemene Zeitung — were taken over at the end of April by Dr Dieter Lauenstein, a German publisher who is unknown in SWA/Namibia.

Asked whether he wanted to appear before Mr Justice Moser's commission or that of Mr Justice Erasmus, Mr Dahmann said, "I have interesting news for both of them. It doesn't matter which one."

"I am prepared to give them the facts and information I have received. I'm not prepared to say anything more at this stage."

The editor of the Windhoek Advertiser, Mr Hannes Smith, who was also forced to quit his

post after the deal, said he was prepared to appear before the commission if called.

"It is in the interests of South Africa and South West Africa to put the record straight and for the government to say whether they were involved or not."

Dr Lauenstein has categorically denied having received money from South Africa to take over the two newspapers.

Mr Andreas Shipanga, leader of the Swapo Democrats, joined the call yesterday for the government "to come clean on the whole issue."

Mr Mokganele Tlhabanello, Swapo's publicity secretary, said he was convinced the South African Government was channeling money to the DTA.

Mr A.H du Plessis, leader of the National Party's election front, Akur, refused to comment.

Prime Minister gives his reasons

Cape Times 8/11/78
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Political Staff
PRETORIA — The government last night silenced the commission of Mr Justice Anton Mostert and appointed a parliamentary commission of inquiry of 12 MPs to take its place with the same terms of reference

The Prime Minister, Mr P W Botha, gave as the government's reason the "evident and untenable difference between the government's point of view and the action taken by Judge Mostert"

Earlier in the evening, Mr Justice Erasmus announced

that his commission would do its work behind closed doors

In what must be the most insulting slap in the face ever administered to a South African judge, the government terminated Mr Justice Mostert's commission with immediate effect

It instructed the judge to hand over immediately any documents, evidence and statements which he had collected to the Secretary for Finance, or his authorized representative

The government gave as another reason that it wanted to avoid the possible overlapping

and duplication of work by Mr Justice Mostert's commission and that of Mr Justice Erasmus

It was Mr Justice Mostert who released for publication the evidence given by Mr Louis Luyt, Mr Retief van Rooyen, and the South African movie mogul, Mr Andre Pieterse

The evidence under oath confirmed a number of bombshells that the Citizen newspaper had been funded by the government's old department of Information

Continued on page 2

Botha's reasons

Continued from page 1

Here is the full Sapa text of the Prime Minister's statement

"On December 22, 1978, the State President appointed Judge Anton Willem Mostert as a one-man commission, instructing him to inquire into and recommend on (a) malpractices concerning the avoidance and evasion of the Republic's exchange control regulations, (b) ways and means of combatting such malpractices, and (c) any exchange control, tax and other implications which may follow from the investigations referred to in (a) and (b) above

Although Judge Mostert has to date presented an interim report to the Honourable the Minister of Finance, he has not yet completed his investigation

Regarding his interpretation of the State President's instruction, Judge Mostert has apparently seen it as wider and more extensive than intended or justified by the terms of reference of the instruction. This point of view is borne out inter alia by unverified evidence given to Judge Mostert which was made public in an unevaluated way

On November 3, 1978, the State President appointed a commission consisting of Judge R P B Erasmus and Messrs Smalberger and Lategan to inquire into and recommend on (a) any irregularities or unlawful gaining of advantage by individuals or bodies or the misappropriation of public funds by the former department of Information and/or any person who was connected with that department, (b) the methods and malpractices which were employed in connection with any irregularities or gaining of advantage or any misappropriation which may be found (c) steps to be taken to put an end to such practices as well as any action against any person or persons who were involved in such actions and (d) any matters relating to (a), (b) and (c) above

It is evident that because of Judge Mostert's broader interpretation of his commission, there could be overlapping and duplication between his commission and that of Judge Erasmus

Because Judge Erasmus's commission has in terms of its instruction from the State President to complete its work and make recommendations to the State President before December 6, 1978, it is imperative that no obstruction be placed in its way

Seeing that the instructions to the Erasmus commission already entail certain aspects of the activities of the former department of Information, there is no need or necessity to have these issues investigated by another commission

According to the government's interpretation of the stipulations of the Commissions Act of 1947 and the regulations promulgated thereunder regarding the Mostert commission in-

sofar as the public disclosure of evidence and information given to the commission, there is an evident and untenable difference between the government's point of view and the action taken by Judge Mostert

The government has accordingly advised the State President to withdraw Judge Mostert's commission, to terminate the commission of which he is the only member and chairman and to instruct him to hand over immediately any documents, evidence and statements to the Secretary for Finance or his authorized representative

Because the government still deems it important that investigations be instituted and a report be brought out on the issues which Judge Mostert was requested to investigate and report on to the State President, the government has decided to request the State President to appoint a commission, consisting of Members of Parliament, which will have the same instruction as that of Judge Mostert

The following members of the House of Assembly have been requested to serve on the commission: Mr J C G Botha (NP Eshowe), Dr J de Beer (PFP Parktown), Mr K D Durr (NP Maitland), Mr G J Kotze (NP Malmesbury), Mr T Langley (NP Waterkloof), Mr H H Schwarz (PFP Yeoville), Mr W M Sutton (NRP Mooi River), Mr H J D van der Walt (NP Schweizer-Reneke), Dr Louis van der Watt (NP Bloemfontein East), Mr J A van Tonder (NP Germiston district), Mr J W E Wiley (SAP Simonstown) and Dr D J Worrall (NP Cape Town Gardens)

Mr H J D van der Walt will act as chairman of the commission

Earlier Mr Justice R P B Erasmus announced his commission into alleged irregularities in the former department of Information had decided to conduct its proceedings in camera

Here is the text of his statement

"After the commission of inquiry into the former Department of Information had considered the nature of its terms of reference and the evidence which may be examined and tendered, it came to the conclusion that it would be desirable to conduct its proceedings in camera and it has been decided accordingly

The commission will conduct its proceedings on the 6th floor of Bauhaus Building, Andries Street, Pretoria, and all persons desiring to tender evidence or able to throw light upon the inquiry of the commission should contact the secretary of the commission, Mr J F Geyser, administrative control officer, Department of Justice, Private Bag X81, Pretoria, telephone 21114 or 21115"

Mulder 'could tell govt

Cape Times 8/14/78
Political Correspondent

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SUGGESTIONS that Dr Connie Mulder or his former Secretary for Information, Dr Eschel Rhoodie, could collapse the government by telling what they knew have been reported in the Citizen newspaper

The newspaper — centre of the storm which caused Dr Mulder's resignation — carried the report by its political correspondent, Mr Jaap Theron, on what Dr Rhoodie and Dr Mulder might tell the Erasmus Commission. The suggestion was attributed to "one of Dr Mulder's friends"

"Dr Mulder or Dr Eschel Rhoodie can at any time play the role of Samson and pull down the government's pillars if necessary," the person was reported as saying

The report said Dr Mulder could name the financial sources "who signed the certificates for the financing" of successful secret Information Department projects at a time when no secret funds were available

MOSTERT STOPPED
MULDER
ERASMUS

8/11/39 (259)

By MICHAEL ACOTT
Political Correspondent

DR CONNIE MULDER last night resigned from the cabinet in a night of dramatic developments surrounding investigations into his former department of Information.

In other major moves, the government announced the termination of the Mostert commission of inquiry which first released evidence concerning the department and Mr Justice Erasmus said his commission into alleged irregularities would sit in secret.

The Mostert commission, whose revelations about the funding of the Citizen newspaper prompted last night's developments, is to be replaced by an all-party parliamentary commission with the same terms of reference to investigate currency regulation malpractices.

The Prime Minister, Mr P W Botha, who tried unsuccessfully to prevent Mr Justice Mostert from making public his evidence last week, said in a statement that the judge had interpreted his task more widely than warranted.

There was also "an untenable difference between the government's point of view and the action taken by Judge Mostert" over the release of evidence.

The leader of the Opposition, Mr Colin Eglin, denounced the termination of the Mostert commission as "disgraceful misuse of executive power, authoritarianism of the worst kind and indication the government had something to hide".

Still MP

Dr Mulder resigned from the cabinet still determined to clear his name over allegations of misuse of public money by his former department of information.

He indicated he would not resign his Randfontein parliamentary seat after his constituency passed a unanimous vote of confidence in him last night and asked him to stay on as MP.

His resignation as Minister of Plural Relations climaxes 10 months of scandal, rumour and accusations about the way his former Information department spent secret funds.

It followed a cabinet meeting at which the effects on the government of Dr Mulder's continued presence in the cabinet would have been discussed.

The move also follows persistent Nationalist press calls for

his resignation, to which Dr Mulder replied he would only consider his position on publication of the findings of the Erasmus commission, due by December 6.

Integrity

The sudden decision is interpreted as the result of representations made to him both within the cabinet and by National Party officials concerned at the prospect of internal division if Dr Mulder remained in the government.

Dr Mulder made it clear, however, that he was not admitting guilt, that he would still seek to prove his integrity and that he had only been forced into resigning by the attack unleashed by evidence published last week.

His midnight statement said "To help the Prime Minister, Mr P W Botha, fend off the onslaught against the National Party, the government and the country, I have decided to tender my resignation now as Minister of Plural Relations and Development.

"I am convinced of my innocence and therefore I am still prepared to give evidence before the Erasmus commission to place my honesty and integrity above all suspicion.

"I have no pangs of conscience (sleawroeing) over the whole matter because everything I have done I did in the belief that I was serving the best interests of my country.

"I wish to take this opportunity to stress that the Prime

Continued on page 2



Vorster to testify before Erasmus probe

Political Staff

THE State President, Mr Vorster, will give evidence before the Erasmus commission of inquiry into the Department of Information - at his own request.

This was learnt after yesterday's Cabinet meeting in Pretoria at which Dr Connie Mulder, the Minister of Plural Relations, tendered his resignation to the Prime Minister, Mr P W Botha.

As State President, Mr Vorster, who has become a central figure in the information row because of evidence released by Mr Justice Anton Mostert, is precluded from becoming involved in a public controversy.

However, it is understood that the State President requested permission from the Cabinet to be given an opportunity to state his position and that his request was granted.

It is unprecedented for a State President to be drawn into a public controversy of such dimensions in this way.

Mulder resigns

Continued from page 1

Minister, Mr P W Botha, treated this matter with the greatest dignity, correctness, integrity and decency towards myself. I still have the greatest regard for him.

"I will continue to support him in the interests of South Africa and all of us, and I hope still to make my own contribution in my own time and way."

Dr Mulder's decision not to resign his parliamentary seat means he will be able to take part in the special parliamentary session on the information scandal next month. Observers believe that, depending on public reaction and the Erasmus commission findings, he might subsequently resign from parliament and from the Transvaal National Party leadership.

The Randfontein NP divisional committee said in a statement they stood firmly behind Dr Mulder, whom they regarded as a man of "unimpeachable integrity and honour".

They regarded the events leading to his cabinet resignation as part of a global attack

on the government and the country as a whole.

"We believe the attack has been aimed against the person of Dr Mulder because he always personified realistic and healthy conservatism in South African politics.

"He was therefore a stumbling block and had to be removed," the statement said.

There is no indication yet who will succeed Dr Mulder as Minister of Plural Relations, but speculation that it will be the Minister of the Interior, Mr Alwyn Schibusch, is believed to be incorrect.

Informed Nationalists believe the portfolio will be given to another minister within the cabinet, and that the vacancy will be filled by someone from the Cape.

If it is not an existing MP, there is strong speculation that the Administrator of the Cape, Dr L A P A Munnik, will be elevated to the cabinet.

The Prime Minister is to address a mass meeting at Sasolburg tonight and is expected to deal at length with the latest developments.

Economics

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quoted in Buchanan, 1969, p 16)

Not end of story, says Eglin

*Cape Times
9 Jul 48
259*

Political Correspondent

THE Leader of the Opposition, Mr Colin Eglin, described Dr Connie Mulder's resignation as correct but said it was not the end of the story.

Dr Mulder had been "only one cog in a system of executive licence" and the Prime Minister, Mr P W Botha, would have to ensure secret funds were never again used to subvert South Africa's democratic institutions.

Mr Eglin said in a statement "Dr Connie Mulder has done the correct thing — for whoever else is involved he, as the minister concerned, must accept responsibility for the activities of his department."

"But the matter cannot rest there. His resignation is not the end of the story."

"The investigations by Mr Justice Mostert and Mr Justice Erasmus and, in due course, by Parliament, must go on. They must get to the root of the matter."

"It is clear that Dr Mulder was only one cog in a whole system of executive licence, shadowy deals and murky cover-ups. For this reason it will take more than Dr Mulder's resignation to restore the broken bond of trust between the government and the people."

"The investigations must go on regardless of what embarrassing facts they reveal. On the shoulders of Mr Botha rests an awesome responsibility."

"He will have to show that he is prepared to cut, and cut deep where necessary, in order to purge the government of any taint of deception and deceit."

Expressionism	I	11th	"	18
French Lit. till 1920	S	12th	"	
English Lit. till 1920	E	13th	"	
Theatre in 20th c. till 1930		14th	"	
Cubism & Cezanne	S	24th	"	
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L.V.'S NEEM OOR

MOSTERT VAN TAAK ONTHEF

Burger 8/11/78 (259)

Van Ons Politieke Redaksie

PRETORIA.

DIE Eerste Minister, mnr. P. W. Botha, het die ondersoek van regter Anton Mostert na valuta-oortredings gestaak omdat dit, wat die Inligting-kwessie betref, met die regterlike ondersoek van regter Rudolph Erasmus oorvleuel.

Omdat die Regering dit egter nog van belang ag dat ondersoek ingestel en verslag uitgebring word oor die aangeleenthede waarvoor regter Mostert gevra is om ondersoek in te stel, is 'n parlementêre kommissie van ondersoek met dieselfde opdrag as dié van die kommissie van regter Mostert aangestel.

Die Premier het gisteraand in 'n verklaring gesê dat met die openbaarmaking van getuens en inligtinge wat aan die Mostert-kommissie verstrekk is, 'n klaarblyklike en onhoudbare verskil tussen die standpunt van die Regering en die optrede van regter Mostert was.



VERSLAG

Regter Mostert het gisteraand gesê dit is die eerste woord wat hy van die nuwe ontwikkelinge hoor en hy het geen kommentaar daarop nie.

In sy belangwekkende verklaring sê die Eerste Minister dat die Staatspresident regter Mostert op 22 Desember 1977

REGTER MOSTERT

aangestel het as 'n eenmans-kommissie met die opdrag om ondersoek in te stel na en aanbevelings te doen oor onder meer wanpraktyke wat die omseiling en ontduiking van die land se deviesebeheermaatsreels behels.

* VERVOLG OP BL. 7 *

Mostert van ondersoek onthef

* VERVOLG VAN BL. EEN *

Hoewel regter Mostert al 'n tussentydse verslag aan die Minister van Finansiële oorhandig het, het hy nog nie sy ondersoek voltooi nie.

Die Premier se verklaring lui voorts dat regter Mostert in sy interpretasie van die Staatspresident se opdrag klaarblyklik 'n wyer en meer eksteniewe uitleg daaraan gegee het as wat die terme van die opdrag regverdig en wat daarmee bedoel was. Hierdie standpunt word gestaaft deur onder meer getuenis wat deur regter Mostert afgeneem was en wat hy ongehoorsam en ongevalueer openbaar gemaak het.

Die Premier gee voorts in sy verklaring die opdrag van die Erasmus-kommissie wat ondersoek instel na ondermeer onreëlmatighede of onregmatige bevoordeling van individue of instansies wat aan die gewese Departement van Inligting verbonde was en sê dan: „Dit is duidelik dat, as gevolg van regter Mostert se wyer interpretasie van sy opdrag, daar oorvleueling en duplisering kan wees tussen sy kommissie en dié van regter Erasmus.”

Die verklaring lui verder soos volg.

„Aangesien regter Erasmus sy kommissie se taak in terme van die opdrag van die Staatspresident spoedeisend moet

afhandel en verslag moet doen aan die Staatspresident voor 6 Desember 1978, is dit noodsaaklik dat geen belemmering in die pad van sy kommissie geplaas moet word nie.

VERSKIL

„Aangesien die opdragte van regter Erasmus en sy kommissie spesifiek sekere aspekte van die aktiwiteite van die voormalige Departement van Inligting behels, bestaan daar geen rede of noodsaaklikheid vir ondersoek na hierdie aangeleenthede deur 'n ander kommissie nie.

„Volgens die Regering se interpretasie van die bepalinge van die Kommissiewet van 1947 en die regulasies daarop, uitgevaardig met betrekking tot die Mostert-kommissie insake die openbaarmaking van getuenis en inligtinge wat aan die kommissie versterk is, is daar 'n klaarblyklike en onhoudbare verskil tussen die standpunt van die Regering en die optrede van regter Mostert.

„Die Regering het gevolglik die Staatspresident geadviseer om die opdrag aan regter Mostert terug te trek en die kommissie waarvan hy die

enigste lid en voorsitter is, te beëindig.

„Omdat die Regering dit egter nog van belang ag dat ondersoek ingestel en verslag uitgebring word oor die aangeleenthede waarvoor regter Mostert gevra is om ondersoek in te stel en verslag te doen aan die Staatspresident, het die Regering besluit om die Staatspresident te versoek om 'n kommissie, bestaande uit lede van die Parlement, aan te stel met dieselfde opdrag as dié van regter Mostert.”

Die Eerste Minister het gesê die volgende lede van die Volksraad is versoek om as lede van die Parlementêre kommissie te dien: mnr Stoffel Botha, LV vir Eshewe; dr Zach de Beer, Parktown; mnr Kent Durr, Maitland; mnr Gert Kotzé, Malmesbury; mnr Tom Langley, Watterkloof; mnr Harry Schwarz, Yeoville; mnr Bill Sutton, Mooirivier; mnr Hennie van der Walt, Schweizer-Reneke; dr. Louis van der Watt, Bloemfontein-Oos; mnr Tonie van Tonder, Germiston-Distrik; mnr John Wiley, Simonstad; en dr. Denis Worrall, Kaapstad. Tuine Mnr. Hennie van der Walt is voorsitter van die kommissie.

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<u>1975</u>	<u>1972</u>

ntu Labour Officers

In 1972 there were only seven white Bantu Labour Officers throughout the whole country but by 1975 they had increased to thirty and they were located in the

(F) to chair such committees. 21

- (a) to acquaint themselves with the wishes, aspirations and requirements of African employees in their areas;
- (b) to maintain close contact with the Native (Bantu) Commissioners and Inspectors of Labour;
- (c) in collaboration with the Native (Bantu) Commissioners, to act as intermediaries between employers and African workers;
- (d) to keep the Inspector of Labour and the Regional Native (Bantu) Labour Committees (and, where appropriate, industrial councils) informed of any labour disputes;
- (e) in collaboration with the Inspectors of Labour, to try to settle any such disputes, with the assistance of the Regional Native (Bantu) Labour Committees; and

The Act also provided for white Native (later Bantu) Labour Officers whose duties were:

Vorster kan ook getuig

Burger 8/11/78 (259)

Van Ons Politieke Beriggewer

DAAR is 'n sterk moontlikheid dat die Staatspresident, mnr. B. J. Vorster, getuie sal lewer voor die Erasmus-kommissie, wat die beweerde wanbesteding van geheime geld in die voormalige Departement van Inligting ondersoek.

Pres. Vorster se naam is genoem in sekere onge-toetste hoorsê-getuie wat verlede week eensydig deur regter Anton Mostert bekend gemaak is.

Uit hoofde van sy amp kan die staatshoof nie sonder die verlof van die Regering in enige openbare polemieë betrokke raak nie.

Die Burger vernêem op goeie gesag dat die Staatspresident die saak by die Regering geopper het en dat daar geen beswaar van die kant



MNR VORSTER

van die Regering is as pres Vorster nou besluit om self te getuig nie.

In ingeligte kringe word verwag dat die Staatspresident waarskynlik die geleentheid sal gebruik om voor die kommissie te getuig oor die sake waarin sy naam genoem is.

Dit is die enigste weg wat vir hom oop is nadat regter Mostert verlede week onge-toetste hoorsê-getuie eensydig geopenbaar het. Slegs op die wyse kan hy die beweringe wat volgens die gelewerde getuie op hoorsê gegrond is, regstel.

As die Staatspresident getuig, sal dit die eerste keer wees dat 'n staatshoof dit doen.

Ondersoek in camera

Burger 8/11/78 (259)

— Erasmus —

Van Ons Politieke Redaksie
PRETORIA.
DIE regterlike kommissie van ondersoek na die geldsake van die gewese Departement van Inligting sal agter geslote deure sit.

Die voorsitter van die kommissie, regter Rudolph Erasmus, het gisteraand in 'n verklaring bekend gemaak dat die kommissie besin het oor die aard van sy opdrag en oor die getuie wat ondersoek en aangebied mag word.

Die kommissie het tot die slotsom geraak dat dit wenslik sal wees om sy verrigtinge in camera te hou en dit is so besluit, het regter Erasmus gesê.

Die kommissie sit sy verrigtinge voort op die sesde verdieping van die Bauhausgebou, Andriesstraat, Mense wat getuie kan lewer of lig op die ondersoek kan werp moet in verbinding tree met die sekretaris van die kommissie, mnr. J. G. Geysler, Beherende administratiewe amptenaar, Dept. van Justisie, Privaatsak X81, Pretoria of tel. 21114 of 21115, Pretoria.

In 'n beeldradio-onderhoud gisteraand het regter Erasmus gesê hy het tot die slotsom gekom dat dit nodig kan wees dat "van die laagste klerk tot die hoogste in die land" voor hom sal moet getuig. Gevra of enige Ministers hul bereidwilligheid getoon het om te getuig, het hy gesê hy meen dit is die geval.

- 25. Some of the comment elicited by the and Dudley Horner. A Survey of Race Johannesburg, S.A.I.R.R., 1974 pp. 2
- 24. Hansard 17 column 8390, 6 June 1973
- 23. Ibid.

During the 1973 Labour unrest the Govern- system and published a draft Bill embody proposals, in the words of the Minister and comment as well as proposals for its of the major employers' organisations, and other bodies".²⁴ As a result the and later introduced the Bantu Labour R the new machinery retained the three-ti twenty years, with certain important d-

In 1973 there were 47 labour disputes w 3 846 African workers. These were usu A further 115 disputes, where work stop strikes occurred and these involved 22 strikes in which 67 338 Africans took I It would not be unfair to infer that th imposed upon Africans by the State was to stress it cracked. African workers marked reluctance to use it in a meanin It without vitality.

Inligting-storm op spits gedryf

Burger 8/11/78

(259)

Van Ons Politieke Beriggewer

DR. CONNIE MULDER het uit die Kabinet bedank. Hiermee is die yslike storm om die voormalige Departement van Inligting tot 'n nuwe dramatiese hoogtepunt gevoer.

In 'n verklaring wat om middernag bekend gemaak is, het dr. Mulder volgehou dat hy onskuldig is en geen sielewroeging het nie. Hy het verwys na die opsienbare woelinge rondom sy ou departement, wat die land tot in sy fondament geruk het. (Dr. Mulder se verklaring is hiernaas.)

Dr. Mulder se bedanking volg op 'n op-laaierende reaksie by Nasionaliste oor die beweerde skandale om die departement en 'n groeiende aandrang dat hy moes bedank.

Dr. Mulder het gisteraand ná 'n vergadering van die afdelingsbestuur van die Nasionale Party in sy kiesafdeling, Randfontein, gesê dat hy sy posisie as Transvaalse leier van die N.P. later sal oorweeg. Die bestuur het hom eenparig versoek om as Volksraadslid aan te bly en terselfdertyd 'n mosie van absolute vertroue in sy integriteit aanvaar.

Volgens mnr Nic Smuts, voorsitter van die afdelingsbestuur, het dr. Mulder „gere-delik” ingewillig om as L.V. aan te bly.

Met dr. Mulder se be-danking het die belangrike portefeulje Plurale Betrek-kinge en Ontwikkeling in die Kabinet vakant geraak. Dr. Mulder het die portefeulje begin vanjaar oorgeneem en hom met ywer aan die taak gewy.

Die Eerste Minister, mnr P. W. Botha, het gisteraand nie op dr. Mulder se bedan-king gereageer nie. Hy tree vanaand saam met die Vry-staats N.P.-leier, min Alwyn Schiebusch, op 'n open-bare vergadering op Sasol-burg, waar hy na verwagting na dr. Mulder se bedanking en die woelinge in die ou

Departement van Inligting sal verwys

Dr. Mulder se bedanking beteken dat geneen van die sleutelfigure van die gewese Departement van Inligting oorgebly het nie. Die omstrede Sekretaris van die departement, dr. Eschel Rhoodie, en sy twee adjunkte, dr. Deneys Rhoodie en mnr L. E. S. de Villiers, het reeds uitgetree.

Met die bekendmaking ver-lede week van die opsienbare getuents voor die Mostert-kommissie, het dr. Mulder gesê dat hy sy poli-tieke toekoms eers sou oor-weeg nadat die nuwe Eras-mus-kommissie se bevindinge in Desember bekend word.

As leier van die Nasionale Party van Transvaal, het dr. Mulder 'n sterk magsbasis gehad. In September het hy in die eindronde van die pre-miersverkiezing teen mnr P.

* VERVOLG OP BL. 2 *

'MY ONSKULD SAL EK BEWYS'

Burger 8/11/78 (259) Van Ons Politieke Redaksie

PRETORIA.

DR. CONNIE MULDER, gewese Minister van Inligting, het gisteraand in 'n verklaring gesê hy is oortuig van sy onskuld en dat hy geen sielewroeging oor die saak het nie.

Die verklaring waarin hy sy bedanking as Minister aankondig, lui soos volg:

„Ten einde die Eerste Minister, mnr. P. W. Botha, te help om die aanslag teen die Nasionale Party, die Regering en die land af te slaan, het ek besluit om as Minister van Plurale Betrekkinge en Ontwikkeling te bedank.

„Ek is oortuig van my onskuld en daarom is ek steeds bereid om voor die Erasmus-kommissie te getuig om my eerbaarheid en integriteit bo alle verdenking te bewys.

„Ek het geen sielewroeging oor die hele aangeleentheid nie omdat ek alles wat ek gedoen het, gedoen het in die oortuiging dat ek my land Suid-Afrika ten beste daardeur dien.

„Ek wil van hierdie geleentheid gebruik maak om dit nadruklik te stel dat die Eerste Minister, mnr. P. W. Botha, hierdie aangeleentheid met die grootste waardigheid, korrektheid, eerbaarheid en ordenlikheid teenoor my gehanteer het. Ek het steeds die hoogste agting vir hom. Ek sal hom bly steun in belang van Suid-Afrika en ons almal en hoop om nog my eie bydrae op my eie wyse en in my eie tyd te doen,” het hy gesê.

machinery retained the three-tier system, which had operated for years, with certain important differences.

sard 17 column 8390, 6 June 1973.

e of the comment elicited by these Bills is recorded in: Muriel Horrell Dudley Horner. A Survey of Race Relations in South Africa, 1973. Johannesburg, S.A.I.R.R., 1974 pp.276-281 and 286-291.

Storm op spits gedryf

* VERVOLG VAN BL. EEN *

W Botha verloor

As dr. Mulder die Transvaalse leierskap neerlê — soos algemeen verwag word — sal daar waarskynlik 'n heftige opvolgingstryd ontstaan. Ministers wie se name as moontlike kandidate reeds gisteraand genoem is, is min. Fanie Botha, senior ondervoorsitter van die Transvaalse party, die twee ander ondervoorsitters, min. Hendrik Schoeman en min. Jimmy Kruger, asook mnr. P. Botha, Minister van Buitelandse Sake. Hy was ook 'n kandidaat in die premiersverkieping.

Die dagbestuur van die N.P. van Transvaal vergader aanstaande week in Pretoria en daar word verwag dat die dagbestuur aandag sal gee aan die situasie wat nou ontstaan vanweë dr. Mulder se

bedanking uit die Kabinet

Daarby is 'n vergadering van die hoofbestuur van die party — 'n groot verteenwoordigende liggaam van Transvaalse kiesafdelings — vir 25 November belê. Gewoonlik is die Transvaalse leier ook die voorsitter van die hoofbestuur. As dr. Mulder as leier sou bedank, sal 'n nuwe voorsitter van die hoofbestuur dus verkies moet word.

Sen Jack Steyl, hoofsekretaris van die Nasionale Party van Transvaal, het gisteraand gesê die Transvaalse kongres het dr. Mulder as leier gekies en net die Transvaalse kongres kan hom uitstem. Hy kan natuurlik self bedank.

„Die feit dat 'n man lid is van die Kabinet het niks te doen met die Transvaalse leierskap nie. Die een pos is 'n regeringspos en die ander is 'n partyamp. Ek dra geen kennis dat hy dit oorweeg om as Transvaalse leier te

bedank nie.”

Sen Steyl het gesê hy dink dr. Mulder sal in elk geval aanbly as Volksraadslid sodat hy in die Parlement teenwoordig kan wees om sy kant van die saak te stel wanneer die Inligting-kwessie in die buitengewone Parlementsitting in Desember ter sprake kom.

Mnr. Fanie Botha, Minister van Arbeid en van Mynwese, kon gisteraand nie vir kommentaar op dr. Mulder se uitrede uit die Kabinet opgespoor word nie.

Een van die ander ondervoorsitters, mnr. Hendrik Schoeman, Minister van Landbou, het aan Die Burger gesê: „Ek dink dr. Mulder doen in die omstandighede die regte ding. Soos ek hom ken, stel hy die belange van Suid-Afrika en die Nasionale Party bo sy persoonlike belange en ek sal hom altyd daarvoor respekteer.”

Swart airs doubts on inquiry into Information

Mercury Bureau

8/11/78

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PIETERMARITZBURG — Reservations about the scope of terms of reference of the Erasmus Commission of Inquiry into the Department of Information were expressed yesterday by Mr. Ray Swart, MP and national chairman of the PFP.

Addressing a protest meeting attended by about 600 people in the city hall, Mr Swart voiced reservations about the adequacy of the commission's operation within terms of the Commissions Act

"But it obviously has a significant role to play and no one will want to impede or obstruct its investigation"

"But I am concerned that its proceedings may not be given the full degree of public ventilation which the situation demands

"I want to know how Members of Parliament

are going to be equipped to debate its findings—on December 7 when it seems likely to report only on the previous day"

Situation

Mr Swart said the fact that another commission was sitting "must not be allowed to prevent people from making their own assessment of the situation on the facts now, nor must it be used to muzzle the public from expressing its views on the revelations of Judge Mostert, the general issues involved and on the Government's handling of the situation so far"

He said certain facts regarding the scandal were already public knowledge and on those grounds the Government, certain ministers and other people in high places were answerable now

If inconsistencies were found in evidence presented to the new commission then charges of perjury had to be laid against those who gave evidence under oath to the Mostert Commission

"If not then there is much to be answered for by those in high places, not least of which is Dr Connie Mulder"

Mr Swart said that Dr Mulder appeared to be particularly vulnerable By accepted norms in other Western democratic

societies he should have by now at least have offered to stand down from any position of authority in the Government

Mr. Swart warned that if Dr Mulder did not stand down "we are likely to be offered the magic and mis-used word 'patriotism' as the reason"

He said that the Information scandal carried with it the seeds for undermining the moral fibre and integrity of South Africa

Stories

Mr Frank Martin MEC told a protest meeting here yesterday that hair-raising stories of the misuse of taxpayers' money by the Department of Information were circulating in the United States in May last year during his tour of the country

And high-ranking officials in the South African Government knew of the allegations at the same time but kept denying the charges

Mr Martin was speaking at a meeting called by the two opposition parties to protest against allegations concerning the now defunct Department of Information

He said American officials remarked that the Department of Information was spending money "like a drunken sailor."

Occasion

On one occasion all members of the department in America had been flown to New York for a party. Even hardened American party-goers had been amazed at the lavishness of some functions

"I haven't met even one supporter of the Government who doesn't feel disgust at the allegations against the Department of Information"

Mr. Martin praised the part played by Mr Justice Mostert in making public allegations of misuse of funds.

"This has put the judiciary of South Africa where we believed it to be"

No previous Prime Minister has been confronted with such massive problems so soon after getting the job as Mr P W Botha seen here making a point during his speech at Sasolburg last night in which he warned of possible curbs on newspapers. The president of the Newspaper Press Union, Mr R W J Opperman, today declined to react to Mr Botha's speech. He said leading members of the NPU had discussed Mr Botha's statements, but the union did not want to react at this stage.

● PM questions role of Press — Page 25

● Picture RUPHIN COUDYZFR



Mosster Harndover

STAR
9/11/78
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detectives

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documents

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Pretoria Bureau

Dr Eschel Rhoodie and former Boss chief General Hendrik van den Bergh arrived at the Department of Justice offices in Pretoria today within minutes of each other.

General van den Bergh reacted violently to his photograph being taken

when he arrived shortly after 8 am at the Veritas Building in Volkstem Lane. But later joked with the photographer.

"If you take another photo I will donder you," he told the photographer, waving a handkerchief in front of the lens. He answered questions quite amiably while wait-

ing for the lift in the lobby, saying he had come to see the Secretary for Justice, Mr J P J Coetzer.

● Experts stunned by bid to gag judge—
Page 20.

about "personal" matters. The general said if he was called to give evidence to the Erasmus Commission of Inquiry

into the defunct Department of Information he would tell them "what I know." But he had not

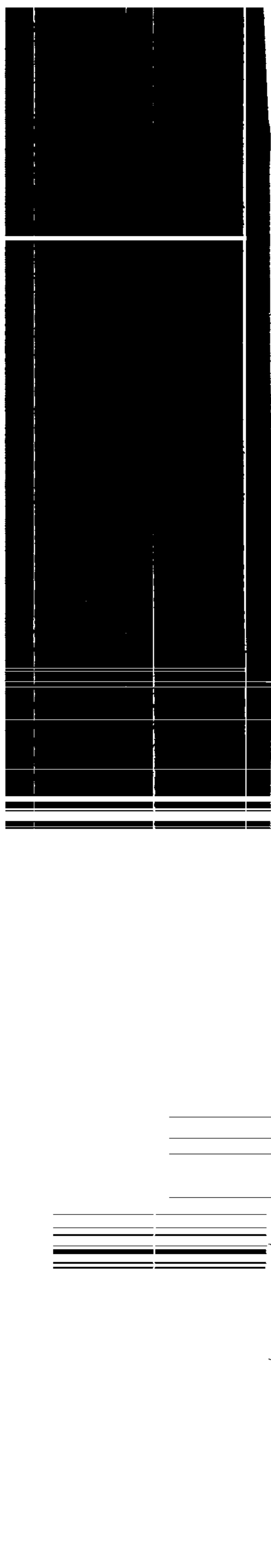
been approached by the commission. Within five minutes Dr Eschel Rhoodie, the former Information Secy

came striding up the lane and paused with a smile for his photograph to be taken

Dr Rhoodie, fresh back from overseas, declined to say whom he would be seeing at the Department of Justice. He said his day would be spent mostly with legal advisers and "other people I want to

talk to" about the Erasmus Commission and of Mr Rhet van Rooyen. Mr van Rooyen gave evidence before the Mos-

tert Commission that implicated the former Secretary for Information in alleged misuse of public money. Dr Rhoodie was quoted
To Page 3, Col 4



Maritzburg

Documents containing evidence of a far more startling nature than already revealed in the growing Department of Information scandal were handed to the Registrar of the Maritzburg Supreme Court by Mr Justice Mostert today.

The documents were handed over at the judge's home to the Registrar, Mr C P Verwey, who was accompanied by three of his staff and two detectives

Schlebusch appointed Mulder stand-in



MR SCHLEBUSCH

Political Correspondent

Mr A L Schlebusch has been appointed by the State President as Acting Minister of Plural Relations and Development, the Prime Minister, Mr Botha, announced today

The Prime Minister did not elaborate on the acting capacity of Mr Schlebusch's appointment, such as why this was necessary and how long it would last

ROUTINE

Interviewed at his office, Mr Schlebusch said it would be wrong to read anything of great significance into his appointment

It was a "routine acting appointment" to tide over the Department of Plural Relations until the Prime Minister appointed a permanent Minister.

He would be acting as a caretaker.

The appointment of an Acting Minister strengthens National Party speculation that Dr Mulder may make a comeback after the Erasmus Commission has reported on December 6.

The leader of the Opposition, Mr Colin Eglu, said today the appointment of Mr Schlebusch as Acting Minister seemed a strange way of dealing with one of the most important departments in the Government

"Mr Schlebusch must surely have his hands full with the Department of the Interior and does not seem to have any special expertise in the field of plural relations. To appoint an Acting Minister is quite unsatisfactory," Mr Eglu said.

Mr Verwey left the home after collecting the judge's mail, including a registered letter, at the front door.

He had been in the home with the judge for about 45 minutes when he left, telling reporters he would issue a statement later

Asked if the judge of the Supreme Court, Natal Division, or any other division had made an order in connection with the documents which had to be collected, he replied in the negative

Mr Verwey rushed off accompanied by two detectives in a police car after saying he was already an hour late for an urgent meeting

"I spoke to Senator Horwood on the telephone at 3.30 pm yesterday. I arranged with him to hand over the documents at 11 am today," the judge said today

The handing over of the documents follows a day of intrigue and wild rumour during which an unsuccessful attempt was made to get an interdict to prevent Mr Justice Mostert from making the documents public

Rocked

The judge, who rocked the country when he made evidence public last week which he said revealed "corruption in the wider sense of the word," was fired by the Government on Tuesday from his post as one-man commissioner investigating currency control contraventions

When Government lawyers yesterday sought an interdict there was growing speculation that the judge was to make public further evidence in the statement he was to issue in Maritzburg

However, after his flights from Maritzburg to Pretoria and back yesterday he issued a very brief statement which read "I have nothing to say at this stage, nor is it likely that I will make a statement at any later stage.

"I appeal to the Press corps to respect the privacy of my family and myself and assist in our removal from the glare of publicity, and to allow us to return to a normal family life"

Judge Mostert later declined to say whether evidence he had collected while conducting the now disbanded commission of inquiry contained further facts on the activity on the

Rhoadie is

NM 2/11/78

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back to talk

Division over PM's action

Doubts at legality of 'sacking' judge

Court Reporter

PRETORIA — Dr. Eschel Rhoadie is back in South Africa to testify before the Erasmus commission.

The former secretary of the now defunct Department of Information said here last night "Within an hour of my arrival I was in telephonic contact with the commission."

He also said he would brief lawyers today to launch legal proceedings against Mr. Rehief van Rooyen, a key witness before the Mostert commission.

Mr. van Rooyen's evidence formed a large part of the testimony released by Mr. Justice Mostert to the Press last week

MEMBERS of the legal profession have condemned the dismissal of Mr. Justice Mostert and have questioned the legality of the move.

In a statement issued yesterday the chairman of the General Council of the Bar of South Africa, Mr Douglas Shaw QC, said

"The General Council of the Bar is of the opinion that if a judge is appointed as a commissioner, presumably the reason for his appointment is that he is required to have the quality of independence and the judicial approach characteristic of a judge."

"The General Council is therefore strongly of the opinion that nothing should be done which gives the impression that the independence of the commissioner is being interfered with."

The Commissions Act did not make provision for the dismissal of a commissioner

Other members of the legal profession said that although the dismissal was not a direct attack on the judiciary, if a judge was appointed to a commission, he should be independent. Opinion was that Mr Justice Mostert had been at liberty to use his discretion and release the information given to him.

Concerned

Meanwhile our London Correspondent reports that the International Commission of Jurists in Geneva yesterday said it was "extremely concerned" that the judicial commission of inquiry into the Information Department scandal and Judge Anton Mostert's role had ended along with Dr Connie Mulder's career as a Cabinet minister

Mr Hans Thoolser, the

ICJ's executive secretary, said

"What we have read and heard so far leaves us extremely concerned and we will be issuing a statement as soon as we have received the full facts"

In Port Elizabeth, reports Sapa, the Law Society of the Cape of Good Hope did not view the termination of the Mostert Commission, as interference by the Government in the independence of the judiciary, the president of the society, Mr E R. Liefeldt, said yesterday

Interference

In considering whether the termination of Mr. Justice Anton Mostert's services on the one-man commission represented State interference, it had to be remembered that as chairman and sole member of the commission the judge was acting as commissioner and not as a judge of the Supreme Court.

"The appointment of the commission was an executive act on the part of the Government and constitutionally the termination of that commission is within its powers

Dr. Rhoadie from the department's secret fund, to Mr Louis Luyt to start the Citizen.

The "ibellious nature" of evidence presented to the Mostert commission was the second reason which had made him cut short his overseas visit, Dr. Rhoadie said.

The first was his decision to testify before the Erasmus commission of inquiry into the department Dr Rhoadie said

"I have cut short my visit to Europe and the U.S and returned to South Africa this afternoon instead of November 16 as scheduled

"I wish to dispel rumours and allegations that I left the country for a holiday visit abroad in order to escape the furore over the secret activities of the ex-Department of Information, or to elude the Press

"My visit abroad was largely a business one, paid for by one of the foreign companies for which I work, and was arranged weeks before the first article on the Citizen appeared on October 29

"Hotel and airline reservations will bear this out.

Reports

"I have, on my own, decided to curtail my visit abroad in order to return

Vorster

may refute evidence

ORMANDE POLLAK
Political Correspondent

CAPÉ TOWN — President John Vorster is expected to refute evidence about his alleged role in the formation of the Citizen when he appears before the Erasmus Commission which is investigating the former Department of Information

The evidence was given to Mr Justice Anton Mostert who, until Tuesday was investigating exchange control contraventions

It was learned on Tuesday that the Cabinet, after its weekly meeting, had given the go-ahead for the State President to make an unprecedented appearance before a State commission.

In terms of protocol, the State President is usually precluded from becoming involved in a public con-

IT was a day of anticlimax for Mr Justice Anton Mostert yesterday as he took the first steps to wind up one of the most controversial commissions in the history of South Africa. He said in a statement to Sapa: "I have nothing to say at this stage, nor is it likely that I will make a statement at any later stage I appeal to the Press corps to respect the privacy of my family and myself, to assist in our removal from the glare of publicity and to allow us to return to a normal family"

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9/1/78

"In this strict sense we do not think the Government's action can be taken as interference with an independent judiciary"

Erasmus commission.

"I have not been asked by any person, nor by the commission to return home.

"I took this decision after reading reports in the European Press.

"Within an hour of my arrival I was in telephonic contact with the commission. For more than four months since I retired as Secretary for Information, I have been questioned thoroughly by the Van den Bergh and Kemp committees on every single project and expenditure in which I and the department were ever involved.

"They will be able to testify that I have given only my fullest co-operation in their investigation and evaluation. The Erasmus commission will find me no

Consent

However, the Cabinet consented in this case at the specific request of Mr. Vorster himself who has clearly taken strong exception to being named as one of the instigators in forming the Citizen while still Prime Minister.

It is understood that the Cabinet agreed to allow him to testify because he had been drawn into the controversy on what was regarded as untested and hearsay evidence.

The evidence President Vorster is likely to contest was given by Mr Louis Luyt founder of the Citizen to which it is alleged R12 million in secret funds was channelled

Mr Luyt told the Mostert Commission that after a take-over bid for



■ TURN TO PAGE 2

★ TURN TO PAGE 2

NW 9/11/78 (259)

Rhodie flies back t

FROM PAGE 1

... forthcoming

"A second reason for returning home earlier was because of the libellous nature of evidence presented to the Mostert commission and released to the Press

"I am referring here in particular to parts of the evidence presented by Mr. Retief van Rooyen.

"I would have preferred to present the Press with a full statement concerning Mr van Rooyen's allegations, more so because Judge Mostert never approached me to give

evidence, although I was at all times available.

"However, in view of the appointment of the Erasmus commission and the *sub judice* rule which now applies, I have no option but to present my evidence first to the Erasmus commission

"I have received this

afternoon a statement from Mr. Les de Villiers in New York, referring to remarks he allegedly made to Mr Retief van Rooyen

"A statement by Mr. de Villiers, under oath and containing the same information, is in the mail

"I will hand both docu-

ments to the Erasmus commission"

The Erasmus Commission started proceedings yesterday the Bauhaus Building behind closed doors - under heavy police

The sixth floor of building has been allocated to the commission

Vorster to give evidence

FROM PAGE 1

South African Associated Newspapers' had failed, he had discussed the possibility of starting a new newspaper.

His talks were with Dr Connie Mulder former Minister of Information, who has resigned from the Cabinet; Dr Eschel

Rhodie, the former secretary of the department, Mr Les de Villiers, a former deputy secretary, and General Hendrik van den Bergh, former head of the Bureau for State Security.

According to the evidence Mr Luyt said, without naming any specific individual, that he had been told that the Prime Minister (then Mr Vorster) had chosen him to start the newspaper because he was neither "Left nor Right" and had a "moderate approach"

The Erasmus Commission has to complete its investigations and report by December 6 - the eve of a special parliamentary session to discuss the whole information controversy.

The commission has already started its work but it is not known when the President will testify.

testify

armed police constables were seen guarding the corridors

Three of the four opposition members of Parliament nominated to serve on the parliamentary commission into exchange control malpractices have refused to have anything to

do with it

They are Mr Harry Schwarz and Dr Zac de Beer, of the PFP, and Mr Bill Sutton, of the NRP

Mr John Wiley, the S A P MP nominated to the commission, said he would take part - (Sapa)

INSIDE MAIL

Rom 9/11/78 (259)



NATIONAL

The National Party after 30 years... strength and weakness

Picture: VITA PALESTRANT

Nats and the lesson of the golden calf



Eschel Rhodie
Mulder, lieutenant

PATRICK LAURENCE

THE Information Department debacle is obviously the most important internal political crisis which the ruling National Party has faced in its 30 years of power, but does it point to a deeper crisis within Afrikanerdom itself?

Mr W A de Klerk, author of a best-selling study of his own Afrikaner people, "The Puritans in Africa", believes it; does So, too, apparently does Ebbe Domisse, Beeld's columnist

Mr De Klerk talks of Afrikanerdom's betrayal of its original "socio-political" ideal and its pursuit of wealth as an absolute end in itself. In a telephone interview he quoted a single sentence from his book which he believes sums up the situation "The holy cow is always pregnant with the golden calf"

On the same day Ebbe Domisse related the recent telling of the scriptural account of Aaron and the Golden Calf by Professor Tjaart van der Walt, of Potchefstroom University

He then added "Professor Van der Walt's inference was clear even if 3 000 men tall, then it is necessary for the continued survival of a pure nation"

Mr De Klerk describes the Information debacle as an inevitable stage in the rise of Afrikaner capitalism and a warning of even worse consequences if the insatiable search for riches is not abandoned as an end in itself

Already it has led, as it did among the Puritans in America, to a "culture of banality," exemplified by the golden bath with golden taps as the ultimate status symbol

He writes in his book of his own Afrikaner people "By the beginning of the 1970s, it (the ultimate status symbol) had become sought after by as motley a company as one could imagine"

Then he warns of the total nemesis which lies ahead unless the course is abandoned "In the gurgling waters being emitted through the hole in the golden bath, one can dimly discern the stirring sounds of La Marseillaise and The Red Flag"

The predicament's origins lie in the abandonment of the original ideal as outlined by the veteran dominee, J D Kestell, during the Voortrekker centenary celebrations of 1938

Vader Kestell called for a readingsdaad, an act of redemption, for the 300 000 of "our own flesh and blood (who) had sunk into hope-

less poverty — material-moral and spiritual"

But the act of redemption which came via the Afrikaner economic revival led the volk away from the original ideal to a "burgeoning and aggressive capitalism" and, through it, to the golden bath society

Afrikanerdom was on the march to capitalist prosperity via its specially forged instruments for the economic advance of the Afrikaner people from Federale Volksbeleggings through the Reddingsdaadbond to the Afrikaanse Handelsinstituut

Pushed into the background was the early puritanical scepticism of capitalist jingoism, once described by Smuts, the Boer general, as the "modern peril which threatens to become as dangerous to mankind as the political tyranny of the old Eastern world and the religious despotism of the Middle Ages"

Instead of reforming or taming the rapacious "Hoggenheimers", Afrikaners produced their own magnates who were as tough-minded in maximising profit and taking the volk increasingly out of "high-minded puritanism" into the "culture of banality"

But even if the De Klerk thesis is accepted (where do the Aghotti, Marenda and Faros scandals fit it?), there are clearly reinforcing factors which made the social climate congenial to the irregularities uncovered in the Information Department by the former Auditor-General and the alleged abuse of public money now under investigation by the Erasmus Commission

One is the state of siege which South Africa's race policies have brought upon the country and the associated belief that South Africa is involved in a decisive struggle for survival

The siege mentality encourages the development of an amoral attitude about means, on the grounds that South Africa's enemies are not bound by the normal scruples

Dr Connie Mulder, the former Minister of Information, put it succinctly in Parliament in May "When the survival of South Africa is at stake, no rules apply. Then we fight with everything we have"

But the environment which encourages the emergence of super-patriots armed with secret funds and a belief that there are "no rules" must test human

fragility severely

In examining the Information scandal there is another dimension which demands explanation. the manner in which Dr Mulder and his lieutenants were subject to attack from within the National Party camp

At one level the answer may lie in the very strength of the NP, which with one unimportant exception, the 1970 general election, has steadily increased its support at the polls

To a degree, as Dr Andre du Toit, of Stellenbosch University, notes, the NP has had to create its own opposition within its own ranks. Thus political factions have emerged, epitomised by the verkramppte-verligte camps but in reality far more diffuse and complicated

The style of the 12-year premiership of Mr Vorster may have accentuated the divisions, Dr Du Toit believes

Mr Vorster, Dr Du Toit says, adopted a "chairman of the board" approach to his Cabinet, in which every Cabinet Minister ran his own department with little interference from above

But Mr Vorster's style encouraged the growth of "empires" within the regime, some of which were seriously at loggerheads with one another. The "empires" included Information, Foreign Affairs, Defence and Plural Relations.

Some of the rivalries within a regime which had become politically incestuous after 30 years, overlapped with economic and political rivalries outside the administration as such

Thus the Defence vs Plural Relations rivalry was simultaneously a battle between Nasionale Pers and Perskor, into which were poured all the past bitter-nesses of the South-North division in Afrikanerdom

But if Afrikanerdom is not a monolithic whole its internal quarrels over the Information Department are unlikely to herald its imminent breakup

Dr David Welsh's conclusion in a penetrating analysis of Afrikaner nationalism in 1974 seems to be true for today, in spite of the resignation of Dr Mulder.

"However much strife occurs within, the truth is that the forces holding Afrikaner nationalism together are far stronger than those which might cause it to break up. But the evidence suggests that it is changing its character"

9/11/78

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PM questions role of Press on Information

available authentic texts, be translated through lithos and photos of the Bible

17 Hajo Holborn, A History of Modern Germany, vol 1, The Reformation (1959), 106
18 Eugene F Rice, Jr, The Renaissance Idea of Wisdom (1958), 94

-6-

By Hugh Leggatt,
Political Correspondent

The Prime Minister, Mr P W Botha, last night questioned the role of the Press in the Department of Information affair.

He warned that the Press was subject to the laws of Parliament and if the law was not strong enough "Parliament must look to it."

Speaking at a lively National Party rally attended by about 4 000 people at Sasolburg, the Prime Minister said he was meeting the Press in the next few weeks

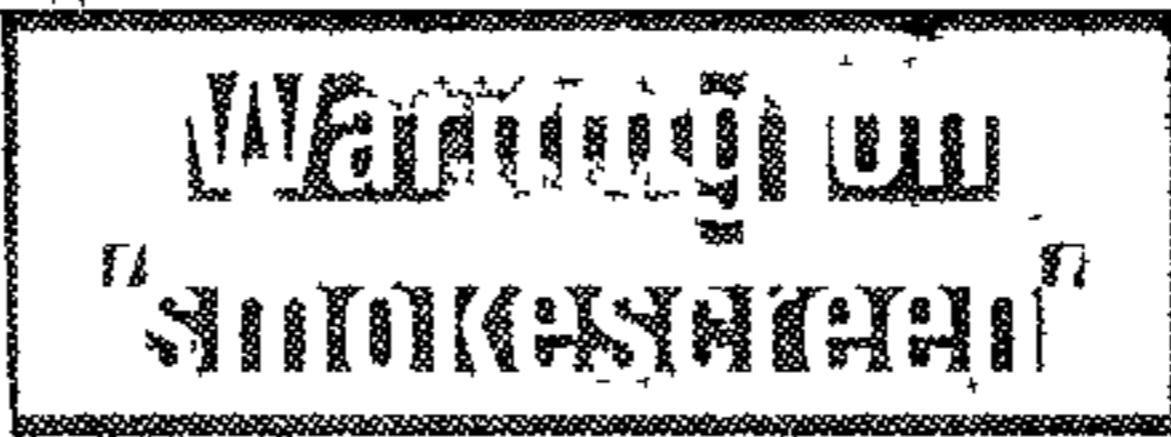
He would want an answer to the question "When you got this one-sided evidence (from Mr Justice Mostert) did you publish it in the interests of South Africa or because it would push up circulation?"

Target

Later in his speech he said the Press had ignored his appeal to allow the Government to deal with the Information affair in an orderly way because it was not in the first instance interested in the department but wanted to increase sales and to besmirch the Government

He said the regulations of the Mostert Commission provided that no details of Mr Justice Mostert's inquiries be published before he had reported to the State President

When Mr Justice Mostert made certain disclo-



Political Reporter

South Africans should reject the tactic of using the smokescreen of so-called patriotism to smother gross irregularities in their administration, Mr Ray Swart, national chairman of the Progressive Federal Party, said last night

"I can think of few things which can do more harm to us overseas at the present time than allegations of corruption in government, currency irregularities, sacking of judges and cover-up operations," Mr Swart said at a gathering in Johannesburg

"The irony of it all is that the people who are involved in all this are the self-styled super-patriots who are forever condemning others for harming South Africa's image overseas

"Even now there is a strong attempt to proclaim that the whole Information drama was a great patriotic operation designed to help South Africa outside This was certainly the ploy used by Dr Connie Mulder and others during the last parliamentary session

"I predict that the same defence will again be heard loudly and often before this drama ends South Africa must once and for all reject the tactic of using a smokescreen of so called patriotism to cover all sorts of assaults on our national integrity and to smother other gross irregularities in our administration"

SABC for being the only medium to behave in accordance with the regulations of the Mostert Commission and in the interests of orderly government.

Mr Botha referred to

three cases of "blatant lies" in the newspapers and said that he was a proponent of Press freedom, but that freedom should be built on truth.

(One of the "lies" referred to was a

statement in an editorial in The Star that Mr Botha appointed Mr Justice Mostert. The judge was appointed by the Minister of Finance and the State President on May 26, before Mr Botha became Prime Minister)

Rights remain

In the course of his hour speech Mr Botha also made these points

● By terminating the Mostert Commission the Government was not taking away the rights of any individual judge or interfering with the Bench

● In a large organisation like the civil service things could go wrong from time to time The question was not whether things went wrong but whether the Government had the courage to put things right "I give my assurance again that the Government will put right what is wrong."

● Every country including South Africa had secret funds and secret projects. But there had to be proper control of these.

● The Opposition had asked for an inquiry but when they were asked to come and help they walked away from it

Mulder move has made

Lassier - PW

HEYMAN
The cremation service for Denus Thomas (Den) of 38 Webb-st, Northmead, ext 5, will take place at the Church of Christ on Saturday November 11 at 10 am prior to a private cremation. No flowers by request. Suggested donations to the SA Bible Society, Church Gov. ext 10, Church of Christ Great Northmead, Benoni. Tel 54-0926

HOLMES
The cremation service for Christopher Leslie (Les) late of 141 Waverley will take place at 4 pm at the Crematorium, 8 pm at the funeral home, 8 pm at the funeral home, 8 pm at the funeral home.

LAZAR
Aaron (Gobbi) passed away peacefully on Saturday November 4 1978. Deeply mourned by his wife and children. Mervyn Segel and children. Isaac and nephews. Rosalyn and Mervyn Segel and children.

KATZ
Isaac our dear friend deeply mourned Isaac and Henny Mat-

ALTAIS
The loving memory of our dear friend and sister-in-law Ethel, our deeply mourned and sadly missed by families. Deeply mourned by Noemi.

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19 E Harris Harbison, The Christian Scholar in the Age of the Reformation (1956), 58
20 For what follows, see Harbison, Christian Scholar, 61, 69-78, Johan Huizinga, Erasmus of Rotterdam (tr 1952)

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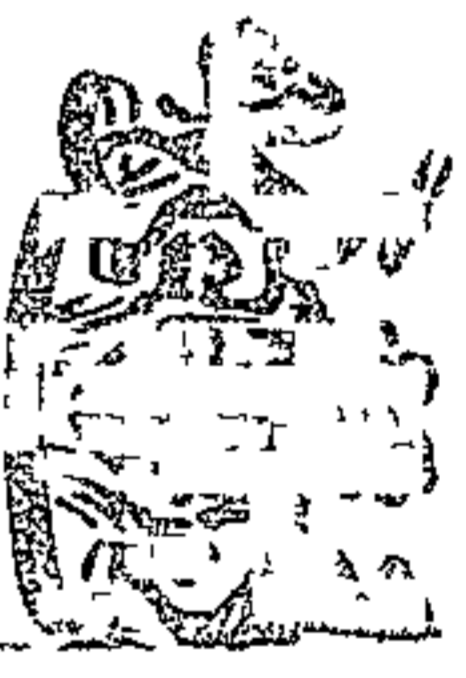
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OFF

'EVE' Inside Today

RAIN

IDENTITY



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JOHANNESBURG, THURSDAY, NOVEMBER 9, 1978.

Price 12c

Own Correspondent

DURBAN — Dr Connie Mulder was "bearing the brunt of something in which he is not alone," Chief Gatscha Buthelezi said yesterday.

For this reason Chief Buthelezi, the Chief Minister of KwaZulu, sympathised with Dr Mulder but said he had had no choice in resigning his Minister of Plural Relations portfolio.

Dr Mulder had been head of the Department of Information and had to carry the responsibility, he said. Chief Buthelezi said the Department of Information

Mulder

not alone

— Gatscha

had interfered in Zulu politics for many years and had even abused the Zulu monarchy by "by attempting to drag the King (Goodwill Zwelithini) into the heat and dust of politics".

The Citizen newspaper had denigrated Chief Buthelezi since its inception, the Chief Minister said.

Jawnty Rhoojie ready to talk

RDM 9/11/78

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Something to hide

SO THE GOVERNMENT has fired the judge-commissioner who exposed its involvement in corruption.

That, in effect, is what the Prime Minister's dismissal of Mr Justice Anton Mostert from his commission of inquiry amounts to

It is a disgraceful insult to our independent judiciary, unprecedented in the history of South Africa. Indeed it is even worse than that. These are acts of blatant authoritarianism that strike at one of the main foundation stones of our national system.

Why should a government go to such extraordinary lengths?

There can be only one logical explanation. It must be a desperate government to do such desperate things.

Desperate to limit the disclosure of damaging acts in this appalling scandal, and conceal from the public just how far its ramifications go.

The disclosures made so far have forced Dr Ronnie Mulder to resign, which is a severe enough hook for the Government. Now it is frantically trying to stop more disclosures from doing even more serious damage.

BY BRIAN O'FLAHERTY

DR ESCHEL RHOODIE, former Secretary of Information, returned suddenly to South Africa yesterday, cutting short an overseas trip because "of the libellous nature" of evidence given to the Mostert commission linking him and the defunct Department of Information with The Citizen newspaper.

Dr Rhoodie said he would testify to the Erasmus commission of inquiry into the activities of the Department of Information and would brief lawyers today to institute legal proceedings against Mr Retief van Rooyen, an advocate and one of the chief witnesses before the Mostert commission.

He said he had decided to return home on his own and had not been asked to do so by the Erasmus commission or anyone else.

Mr Van Rooyen, who was a director of Thor Communitors — a Department of Information front company — and fertilizer magnate Mr Louis Layt, testified before the Mostert commission about R12-million which was allegedly lent by Dr Rhoodie from the department's secret funds to finance The Citizen.

Mr Justice Mostert released this evidence to the Press last week. On Tuesday the Government scrapped his commission and appointed a Parliamentary commission to replace it.



111



Price 12c

Today's Big Special

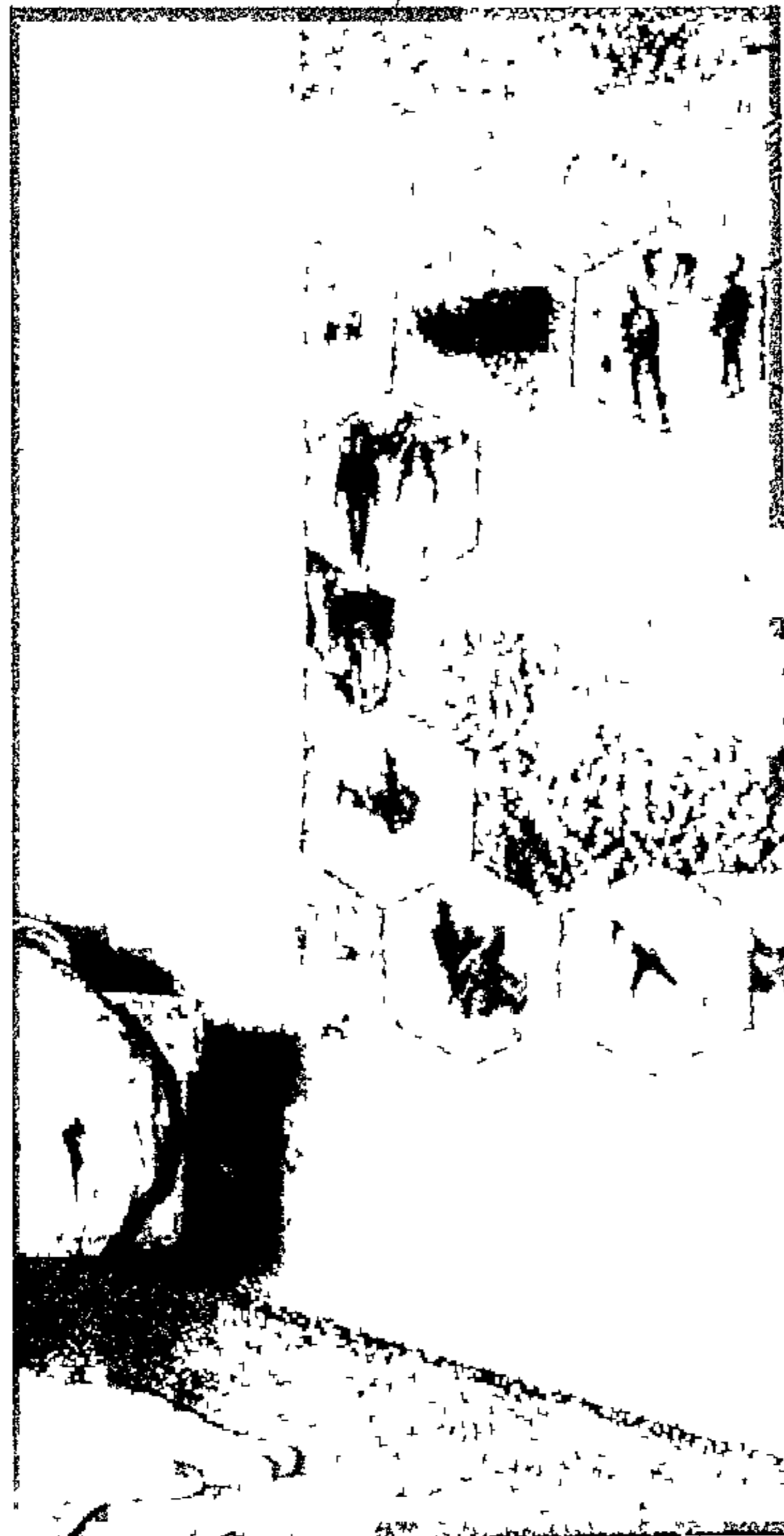
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By ORMONDE POLLOK

CAPE TOWN. — The State President, Mr Vorster, is expected to reject evidence about his alleged role in the formation of The Citizen newspaper when he appears before the Erasmus Commission which is investigating the former Department of Information

The evidence was given to Mr Justice Anton Mostert who, until Tuesday, was investigating exchange control contraventions

It was learned on Tuesday that the Cabinet had given the go ahead for the State President to make an unprecedented appearance before a State commission

In terms of protocol, the State President is usually precluded from becoming involved in a public controversy

However, the Cabinet consented in this case at the specific request of Mr Vorster, who has clearly taken exception to being named as one of those involved in the formation of The Citizen while he was Prime Minister

It is understood that the Cabinet agreed to allow him to testify because he had been drawn into the controversy on what they regarded as untested and hearsay evidence

The evidence Mr Vorster is likely to contest was given by Mr Louis Luyt, the founder of The Citizen, to which it is alleged R12-million in secret funds was channelled

Mr Luyt told the Mostert Commission that after a take-over bid for South African Associated Newspapers had failed, he had discussed

Vorster to deny role in Citizen

the possibility of starting a new newspaper with Dr Connie Mulder, the former Minister of Information who has resigned from the Cabinet, Dr Eschel Rhoodie, the former secretary of the department, Mr Les de Villiers, a former deputy secretary, and General Hendrik van den Bergh, former head of the Bureau for State Security

According to the evidence Mr Luyt said, without naming any specific individual, that he had been told that the Prime Minister (then Mr Vorster) had chosen him to start the newspaper because he was "neither left nor right" and had "a moderate approach"

The Erasmus Commission has to complete its investigations and report by December 6 — the eve of a special parliamentary session to discuss the whole information controversy

The commission has already started its work but it is not known when the President will testify

PM warns Press

Staff Reporter

A WARNING to the South African Press that, "if it

would like to do," Mr Botha told a political rally in Salisbury

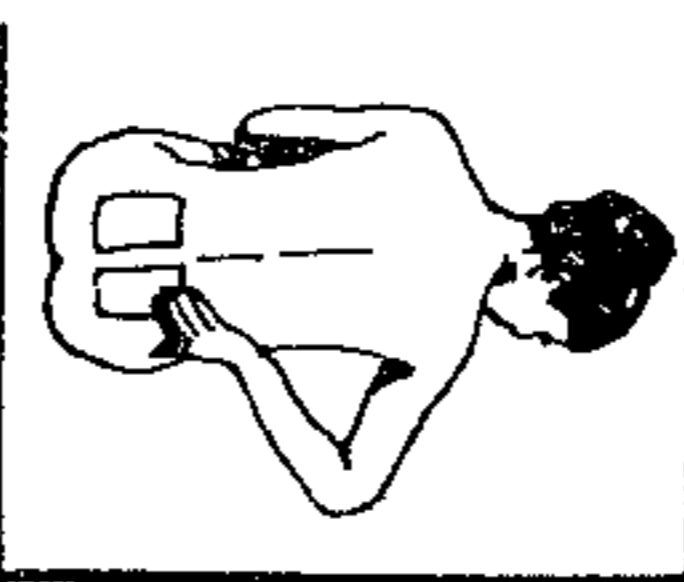
Mr Botha also hit at re-

more s taken a, 1 re ev cence, 1 tal, top party men must have known about it and covered it up for a year or more.

They see this cancer of corruption as a dire threat to their party's Christian principles, as shattering the Afrikaner's self-image as a stern, upright, incorruptible people devoted to a noble cause — the Israelis of Africa, fighting for their God-given right to survive.

They looked to Mr P W Botha to clean it up. They grew angry when he hesitated to remove Dr Mulder.

How do they feel now, we wonder, with these acts of desperation that show so glaringly that here must be much more to hide?



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are well-known restaurateur and Mr David Abramson, chairman of the printing company and publishing house, Hortors

Both of them have their registered office at a Pretoria firm of auditors, Strindom and Boshoff, Standard Bank Chambers, Church Square, Pretoria

The Rand Daily Mail was unable to establish that any interest payments had been made to Homerus Finance, either from Mr Luyt or from any companies with which he is associated

'Mail' information suggests the company's only known bank account in Pretoria had not received any such funds up until the end of September

Breakfast Quip

"I told you heads would roll."

CONNOLLY

A protest meeting is to be held by the PFP in the Johannesburg City Hall at 1 pm on Friday which will be addressed by Mr Harry Schwarz, MP for Yeoville and by Mr Kowie Marais, MP for Johannesburg North

Cover-up: public anger warning

By HELEN ZILLE
Political Correspondent

DR Connie Mulder's resignation from the Cabinet did not absolve the Government in any way from responsibility for the Information scandal, Mr Ray Swart, national chairman of the Progressive Federal Party, said yesterday

Addressing about 3 000 people in Durban at a protest rally against the Government's actions of the past week — in particular

the dismissal of the Mostert Commission and the decision of the Erasmus Commission to hold its hearings behind closed doors — Mr Swart said

'I must warn the Government that irrespective of the findings of the Erasmus Commission, the public of South Africa will not tolerate any attempted cover-up of the facts already available or any attempt to whitewash those who are responsible

'If there is any attempt by the Government to mount a whitewash operation, or to shield people in high places from the revelations which have already been made, I believe public anger may well demand a co-operative and concerted operation to clean up our public administration so that our national integrity and morality can be safeguarded'

The demand would transcend party political differences and would include dissatisfied Nationalists as well as the opposition, Mr Swart said

He described the dismissal of the Mostert Commission as "an act of gross cynicism, an insult to the judge and to the South African judiciary by a group of frightened men who proclaim themselves to be super-patriots"

'It is tantamount to taking punitive action against a judge because his judgments are not acceptable to one of the parties to a dispute. If this principle were carried through to its extreme, the decision to disband the public of South Africa will not tolerate any attempted cover-up of the facts already available or any attempt to whitewash those responsible.

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'If there is any attempt by the Government to mount a whitewash operation, or to shield people in high places from the revelations already made, I believe public anger may well demand a co-operative and concerted operation to clean up our public administration so that our national integrity and morality can be safeguarded'

A follow-up protest is to be held by the PFP in the Johannesburg City Hall at 1 pm on Friday. A scheduled mass meeting will be addressed by Mr Harry Schwarz, PFP national executive chairman, and by Mr Kowie Marais, MP for Johannesburg North and a retired judge

Mr Douglas Shaw QC, chairman of the General Council of the Bar of South Africa — which represents all the country's advocates — said nothing should ever be done to impinge on the independence of a judge serving as a Government commissioner

Prof A S Mathews, one of the country's most respected academic lawyers, described Judge Mostert as a fearless investigator whose fearlessness may have led to the decision to disband

Record R220 405 racing jackpot

By DAVID MOLLETT
Racing Editor

TWO LUCKY punters will each receive the astonishing amount of R220 405 following yesterday's record jackpot payout at Newmarket racecourse

The dividend, the highest figure ever paid out for a winning jackpot in South Africa, sounds like an overseas Pools win, but on a day of shock results two investors managed to come up

The R220 405 dividend easily beats the previous record when there were three winning tickets at the Vaal three years ago which each paid R147 000

Many racegoers survived yesterday's first jackpot leg, which was won by the 5-1 chance, Dashing Home. But then the fireworks began with 33-1 shot, Berry-lum, winning the second leg, 3-1 chance, Dead Cert, the third; and 16-1 outsider, Sea Spray, the fourth



The give-away cue to this lies in the threats that members of the Mulder camp were making before he resigned. Why should he be the only one to go, they said, when there were others who were implicated too?

The word was put about, and even published in The Citizen, that he and his erstwhile Secretary, Dr Eschel Rhoodie, were in a position to play the role of Samson "and pull down the pillars of government if necessary".

Consider the implications of that threat. It can only mean that Dr Mulder knows of the involvement of other Government people in the scandal — and they must be very important people for his supporters to suggest that he is in a position to threaten to bring down the whole Government by exposing them.

How important? Well, just ask yourself how many people there are in the Government who are more important than the Transvaal leader of the National Party.

That, we believe, is the only possible explanation for the Government taking such extreme action as the axing of a Supreme Court judge from its judicial commission.

Meanwhile, the Erasmus Commission is to take its evidence behind closed doors, and its proceedings have been placed under strict control so that nothing can leak out.

One can only wonder what the substantial number of deeply concerned members of the National Party must feel about this. This group was shocked at the glimpse it had of widespread corruption with the Government — and even

sion, headed by Mr Justice Erasmus, to investigate the Department of Information's activities.

Dr Rhoodie was in a friendly, happy mood when the Rand Daily Mail approached him at his plush Pretoria home last night. He said he would release his statement to Sapa and would make no further comment. He then posed for pictures.

● Full Text — See Page 2
Editorial Comment — See Page 12

Homerus shares

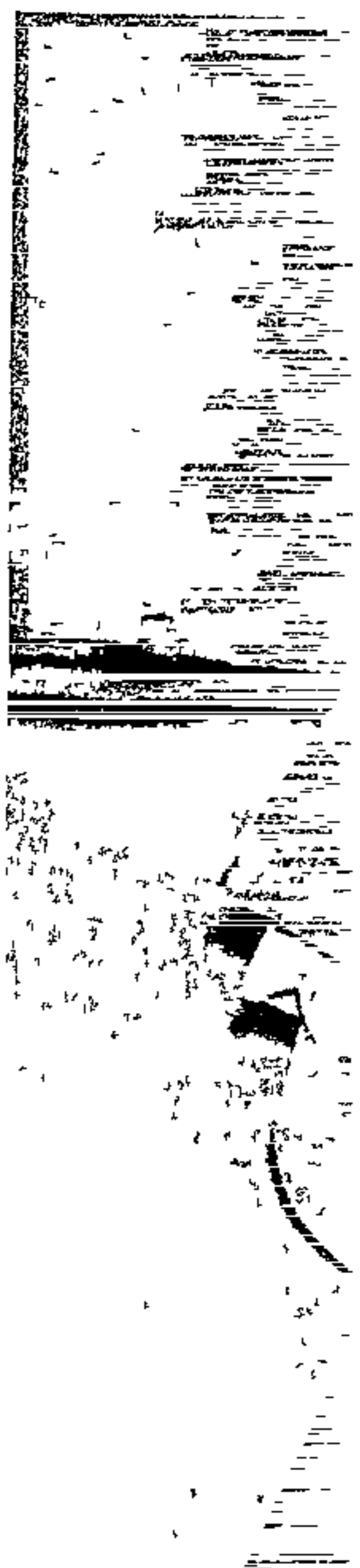
Thor office

By TONY STIRLING

THE Homerus Finance Corporation shares the same registered office as the Department of Information's secret-fund company, Thor Communicators.

Homerus was yesterday reported to be the vehicle for receiving interest payments on the R12-million in Government funds lent to Mr Louis Luyt to finance The Citizen.

The directors of Homerus



Mr Justice Mostert at Jan Smuts Airport yesterday before catching a plane home to Durban. Picture DANIE COETZER

Public anger at dropping of Mostert

Political Staff

A WAVE of public anger over the disbanding of the Mostert Commission and charges that the Government was covering-up the Department of Information scandal, swept the country yesterday.

Mr Justice Anton Mostert, the Natal judge who defied the Prime Minister by releasing evidence which he said pointed to corrup-

tion involving millions of rands, was given high praise as the recently-appointed Erasmus Commission started its hearings behind closed doors and under heavy police guard.

The strongest protest was lodged by the Progressive Federal and New Republic Parties which gave notice they would under no circumstances serve on the Parliamentary Select Committee appointed by the

Prime Minister earlier this week to replace the Mostert Commission.

Then, in a series of other protests

● Notice was given in the Natal Provincial Council for a debate to be held tomorrow condemning "with the utmost contempt" the disbanding of the Mostert Commission as an insult to the judiciary and as "classical Marxist-Communist methodology".

The motion, introduced by the NRP leader in the Provincial Council, Mr Frank Martin MEC, congratulated Judge Mostert on his moral courage and his appreciation of the public interest.

● More than 3000 people showed anger at a combined PFP — NRP meeting in Durban. The PFP's National chairman, Mr Ray Swart, told the meeting: "I must warn the Government that

Prof Barend van Niekerk " . bizarre move"

A whitewash — top UK jurist

BY IAN HOBBS

LONDON — A distinguished British Queen's Counsel with an expert knowledge of South African affairs, Mr Louis Blom-Cooper, said in London yesterday the Government's abandonment of Mr Justice Mostert's inquiry sounded like "gerrymandering and whitewashing of the worst kind"

"It seems as though the Government is putting a very large brush into the hands of three gentlemen, expecting them to sweep the dirt under the carpet"

He said Mr Justice Mostert's independence had been widely welcomed in the legal world "It is wonderful to see that South Africa still has people with standards of justice — and sad that he has apparently been silenced"

He said the British legal profession disliked seeing judges having to take on "quasi-political" roles, as had happened to Mr Justice Mostert, but in such cases they should be given total independence of action

Repression of judges only meant that men of high quality would in future be reluctant to take part in similar exercises

A Labour MP, Mr Alex Lyon, who is a former Home Office Minister and

spokesman on African affairs and who is also a well-known lawyer, was in Johannesburg last week when, as he put it, "the whole bag burst over your Prime Minister's head"

He said yesterday "I met a number of leading Rightwing Afrikaners, and the one thing we agreed on was that Mr Botha would get rid of Mulder and then put a tight lid on the whole affair"

"From what I read and hear this morning, I have no doubt that this is what has happened and that world opinion will not be fooled into thinking otherwise"

He said the "expected reaction" was a pity because Mr Justice Mostert had been bold He doubted that the judge would go much further in his career or public declarations

Mr Lyon saw the Information scandal as "really irrelevant" and said that, as much as anything else, it served to distract attention from South Africa's immediate crisis — the situation in the black townships

In Soweto, he said, he found the blacks had decided that the Government had shown by example that it would use "anything", including deceit, to maintain minority power

Referring to the LEASING commission he said its decision to hold hearings in camera was totally unsatisfactory

"I don't like it It will do nothing to remove the growing suspicion in the public mind that the Government is trying to wriggle out of the Information scandal"

Prof Rabie said if the commission's hearings were not held in public the Government's credibility would suffer more damage and would be seriously suspect

The Law Society of the Cape of Good Hope did not view the dismissal of the commission as Government interference in the independence of the judiciary, its president, Mr E R Liefeldt, said yesterday

In a statement, Mr Liefeldt said in considering whether the dismissal of Mr Justice Mostert represented state interference, it had to be remembered that as chairman and sole member of the commission he was acting as a commissioner and not as a judge of the Supreme Court

"The appointment of the commission was an executive act on the part of the Government and constitutionally the termination of that commission is within its powers In this strict sense we do not think the Government's action can be taken as interference with an independent judiciary"

Mr Liefeldt said, in practical terms where a confrontation arose between the executive and a commissioner, the termination of the commission could not be unexpected

"Whether it was justified in these circumstances is another matter Whether the judge was entitled to discuss the evidence is a matter on which we respect his views

"Whether the judge has rendered a public service by disclosing the evidence is not a matter on which the law society needs to comment," he said

"And I'm not referring to any one newspaper but to the Press as a whole, he said"

Mr Jan Jordaan (NP Griqualand East) said he had no comment to make at this stage

The organiser for the National Party in East London, Mr Ryno King, said simply "No comment"

Probe by world law body

Own Correspondent

LONDON — The axing of the Mostert Commission has prompted the International Commission of Jurists to appoint a leading international lawyer to examine the present situation in South Africa with the aid of the country's legal profession

The lawyer, Mr John Woodhouse of New Zealand, represents the Centre for the Independence of Judges, an important new wing of the ICJ, which is increasingly concerned about judges accepting quasi-political roles only to find their mandates broken by governments

The Geneva-based ICJ said yesterday it was "extremely concerned" at the ending of Mr Justice Mostert's role in the Information affair along with Dr Connie Mulder's Cabinet career

Mr Hans Thoolen, the ICJ's executive secretary, said "We want to find out the exact legal situation — whether or not any mandate has been broken, what Judge Mostert's position is"

"What we have read and heard so far leaves us extremely concerned and we will be issuing a full statement as soon as we have received the full, detailed facts"

SAP to serve on committee

THE South African Party would certainly be represented on the select committee appointed to investigate the old Department of Information's activities, Mr John Wiley said in Johannesburg yesterday

"We do not believe in boycotts and abrogating from our responsibilities," he said

"We believe in participating and trying to play a constructive, and not a negative, role." — Sapa

'Govt acts like Reds'

MARTIZBURG — The Natal Provincial Council will today debate a motion condemning "with the utmost contempt" the disbanding of the the Mostert Commission as an insult to the judiciary and as "classical Marxist-communist methodology"

Notice of the motion was given yesterday by Mr Frank Martin the senior MEC in the council

The motion congratulates Mr Justice Anton Mostert on his moral courage and his appreciation of the public interest

It calls on public representatives and State officials who could be either involved

or responsible for the alleged corruption to apply for suspension from duty

The suspensions should last until the various appointed commissions have established either culpability or innocence

The motion also declares the Natal Provincial Council apologises to the judiciary, "on behalf of all democratic public representatives in South Africa and the general public for the attack on their integrity and independence"

If the motion is approved in the Natal Provincial Council today a copy of the motion will be sent to the Prime Minister, Mr P W Botha — Sapa

Police guard as inquiry begins

legal adviser to the Government

The commission will be assisted by a secretary, Mr. Geyser, and two advisers, Mr. Hendrik Klem and Mr. Francois van Zyl. They will assist with the

leading of evidence and its evaluation

The commission members started arriving at offices specially put aside in Bauhaus Building, Andries Street, at about 8 30am. The whole of the sixth

floor of the building has been allocated for the commission's use. Furniture has been placed in various rooms where secretaries will type from the tape recordings of evidence heard.

Armed police constables were seen guarding the corridors leading from twin lifts on the sixth floor. Uniformed men were also seen in a police car parked at the entrance of the building. — Sapa

Judge in quick trip

DURBAN — Mr Justice Mostert, who held the one-man judicial commission of inquiry into currency control contraventions, made a jet dash from Durban to Pretoria and back again yesterday.

Mr Justice Mostert, whose commission of inquiry into alleged exchange control contraventions was replaced on Tuesday by a parliamentary commission of inquiry into alleged contraventions, spent only 20 minutes in his Pretoria office.

A spokesman for the judge said the evidence gathered by the Mostert commission had not yet been handed over to the Secretary for Finance.

Most of the evidence and documents were still at Mr Justice Mostert's home in Maritzburg. At Jan Smuts Airport, near Johannesburg, Mr Justice Mostert declined to speak to journalists.

But he said his visit to Pretoria had been for "administrative reasons".

Mr Justice Mostert yesterday appealed to the Press to respect his privacy. He said "I have nothing to say at this stage, nor is it likely that I will make a statement later. I appeal to the Press to respect the privacy of my family and myself, to allow us to return to a normal family life." — Sapa

'Govt in SWA paper deal'

By David Forret
'Mail' Africa Bureau

WINDHOEK — The private secretary of Mr Dirk Mudge, chairman of the Democratic Turnhalle Alliance (DTA), had a hand in editorial appointments on the two most influential newspapers in South West Africa after they were taken over earlier this year.

This was confirmed yesterday by the secretary, Mr Charlie Hoeflich, a Stellenbosch Farmers' Wineries' employee who was "loaned" to Mr Mudge for four months at the beginning of the year.

Mr Hoeflich admitted that while he was Mr Mudge's private secretary he also acted as an "advisor" on the appointment of editorial staff on the two independent newspapers — the Windhoek Advertiser and Allgemeine Zeitung — after their takeover by Dr Dieter Lauenstein, a German publisher.

He said he managed to put Dr Lauenstein in contact with the present editor of the Advertiser, Mr Leon Kok, a former reporter on The Citizen who was working as a roving correspondent for Perskor at the time.

"But I didn't receive a single cent for my services," Mr Hoeflich added. "I was acting in my personal capacity because I used

to work for the Meinert group."

Both newspapers have taken a pro-DTA stance since they were bought and the two former editors, Mr Hannes Smith and Mr Kurt Dahlmann, were forced to quit their posts.

Mr Dahlmann said this week that he believed the South African Government was involved in the newspaper deal because it wanted to promote the DTA during the territory's first all-race election.

Dr Lauenstein has denied the allegation. He said he had insisted on the sacking of Mr Dahlmann when he took over because of his pro-Swapo sympathies.

Dr Lauenstein admitted, however, that he employed the new chief editor of the Zeitung, Arthur Soren, after being introduced to him by Dr Ben Africa, vice-president of the DTA.

Soren, a former German civil servant and editor of an education journal, said that although Dr Africa was responsible for the introduction, he was not present when he was interviewed for the job by Dr Lauenstein.

Questioned about being "on loan" from the SFW to Mr Mudge, Mr Hoeflich said he had taken leave so that he could work at the Republican Party offices.

Afrikanerdom reflects growing moral crisis

Political Staff

APE TOWN — The moral crisis in Afrikanerdom generated by the decision at the Erasmus Commission would sit in a mirror, was reflected in the varying views of academics, theologians and writers yesterday.

"I don't like dark and secret things," every Afrikaans writer Jan Rabie said. "Up here in that place called Pretoria the people are so pleased with themselves

"They think they can do what they like they have an 'I'm the boss, I'm the father' attitude. The Afrikaners have up to now allowed their authorities too much power. Professor J J Degenaar, head of the department of political philosophy at the university of Stellenbosch, said the decision was a great pity.

"It is not in the interests of the country to try and do anything in secret now. It is a datable what is meant by the public interest," he said.

"The concept is too difficult to define. If I accept that someone should be solely

entrusted with watching the public interest then who will watch the watchers?"

Afrikaans author W A "Bill" de Klerk, said "There may be practical difficulties attached to an open session. Important witnesses may not testify in public.

"But in the light of what has happened it seems important that the whole thing should be open. The more the whole matter is discussed in public the better.

"Whatever happens, the criterion of good faith will be a full and open debate in the parliamentary session that follows."

Many prominent Cape Afrikaners carefully avoided voicing any opinion on the decision.

Dr J D "Koot" Vorster, brother of the State President and former Moderator of the Dutch Reformed Church said that he had nothing to say.

Professor W P Esterhuysen, head of the university's department of philosophy, said he could not commit himself on the issue until he had taken a closer look at the details.

THE INFORMATION SCANDAL

The hallmarks of a cover-up, says law prof

Own Correspondents

DURBAN — Mr Douglas Shaw, QC, chairman of the General Council of the Bar of South Africa, which represents all advocates, said in a statement yesterday that nothing should ever be done to impinge on the independence of a judge serving as a Government commissioner

The statement comes after the Government's termination of Mr Justice Mostert's commission of inquiry into alleged exchange control contraventions

"The General Council of the Bar is of the opinion that if a judge is appointed as a commissioner, presumably the reason for his appointment is that he is required to have the quality of independence and the judicial approach characteristic of a judge," it said

"The general council is therefore strongly of the opinion that nothing should be done which gives the impression that the independence of the commissioner is being interfered with"

GERALD REILLY reports that a Natal Universi-

ty law professor, Prof Barend van Niekerk, said yesterday that, seen together, the holding of Erasmus commission hearings in camera and the termination of the Mostert commission would add credibility to the public feeling that a cover-up operation was in progress,

Whatever the undoubted merits of the secret deliberations might be — "and I must assume the objectivity of the Erasmus commission will be above question" — the average South African would be deeply suspicious that the whole Department of Information affair was being brushed under the carpet, he said

"As far as I am concerned the Government has with one blow destroyed the credit-worthiness of its hesitant efforts to clear up the Information scandal"

The situation created by the Government had all the makings and hallmarks of a cover-up operation

"The situation as it has developed in the past few weeks is consistent with the Prime Minister appointing

the former head of BOSS, General J H van den Bergh, to investigate the department

"As it turns out now this was a bizarre move against a background of the alleged involvement of the general in the very activities he was ordered to investigate"

Prof Van Niekerk said he knew Mr Justice Mostert had the greatest support and admiration of his fellow judges, at least in Natal, for his courageous stand against extreme pressure from the highest level of Government

"One would hope that his brother judges will make their until-now silent support public," he said

Prof Willem Joubert, Northern Transvaal chairman of the Progressive Federal Party and a member of the University of South Africa's law faculty, said "The Government's closing down of the Mostert commission is a calculated insult to Judge Mostert"

It appeared to be part of a cover-up effort which could bring disastrous discredit to South Africa, he said

Prof Joubert said recent moves by the Prime Minister pointed to "a Government in desperate straits, with serious and growing doubts about its morality and integrity"

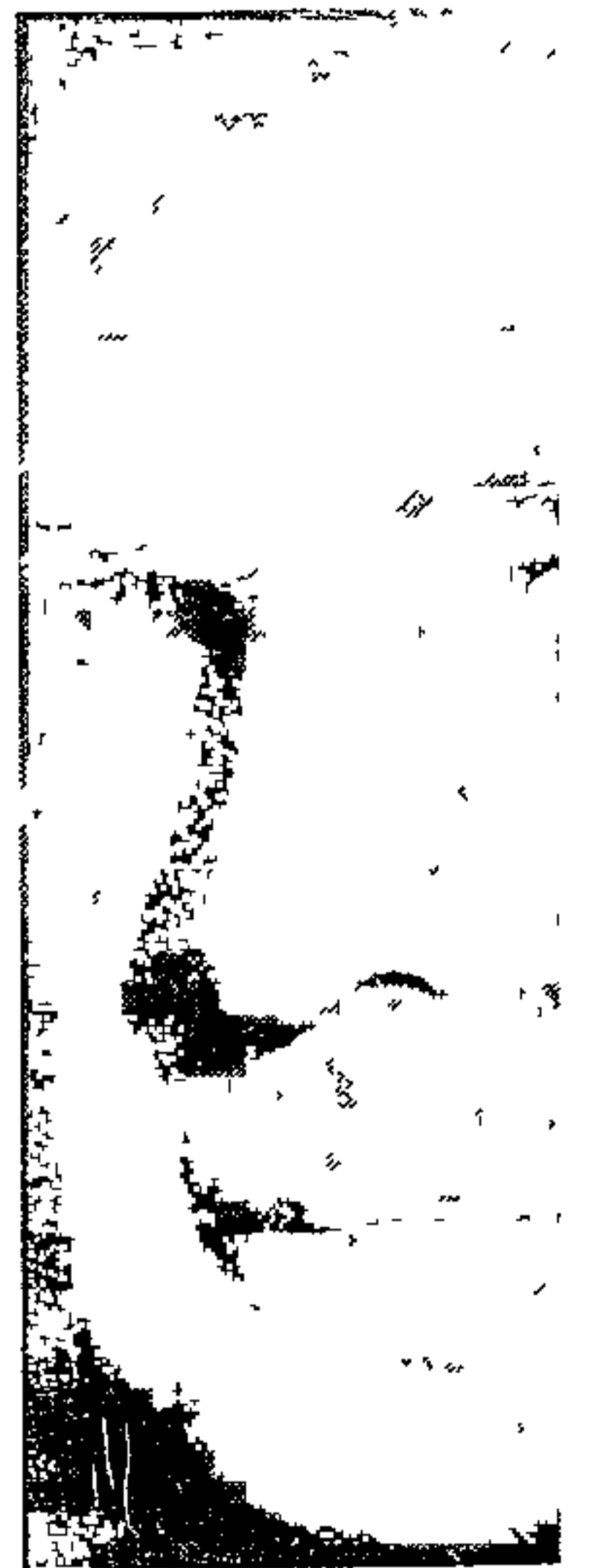
Prof Andre Rabie, of the University of Stellenbosch law faculty, said the axing of the commission was a calculated insult to Mr Justice Mostert and to the independence of commissioners as a whole

"I deplore the Prime Minister's action. Even if his work overlapped with that of the Erasmus commission this was no justification for closing down the commission"

In fact, Prof Rabie said, the more information which could be unearthed, the better for all concerned

THE Erasmus Commission of Inquiry into the former Department of Information started its proceedings in Pretoria yesterday behind closed doors and under heavy police guard

The members of the commission are Mr Justice Gubbins, Mr Justice van der Merwe, Mr Justice Erasmus, the chairman, and two advocates: Mr Braam Lategan, the attorney-general, and Mr George Smalberg.



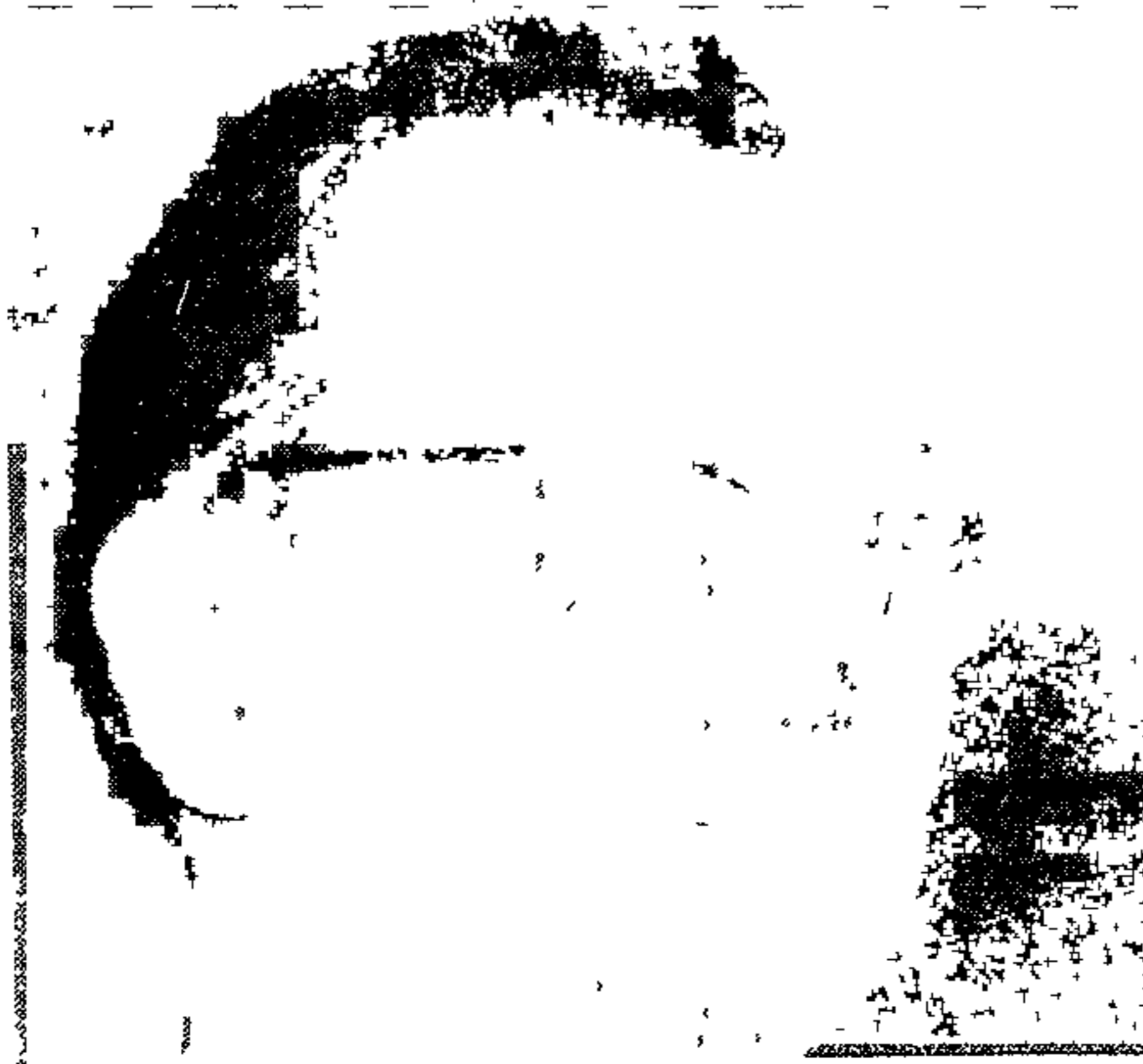
DR KOOT VORSTEF
... nothing to say

Mulder correct — Nat M

Own Correspondent
EAST LONDON — The National Party MP for I William's Town, Mr I drik Coetzer, said yesterday that Dr Connie Mulder's resignation from the Cabinet had been the correct move

Asked if he had in mind a successor to Dr Mulder, he said "I really can't say anyone"

Mr Gert Myburg (East London City) said the Press had played a considerable part in pressuring



How the nation's Press sees it . . .

The Star continued. It needs to be clearly understood that the National Party is not on trial over the Information Department scandal. At stake here are not party political interests, but the principles of good government and honest administration. Mr. Botha does not need to adopt defensive attitudes. He should be acting like a national leader, not a party politician, and his action in converting the Independent Mostert inquiry into a Select Committee with a predominance of National Party members is the very antithesis of the role

demanded of him today. We will know in one month whether Mr. Botha is intent on a cover-up, or on cleansing South Africa of people and systems who have shockingly abused their powers. But the manner in which he is going about it today engenders little confidence.

In Cape Town Die Burger wrote: It is not easy for any politician in a position of leadership to sacrifice a Cabinet career, especially if he is still relatively young and has shown that he enjoys strong support in his striving after the highest

circumstances could, however, arise in which he would be forced and feel that he has no other choice but to take his hat and go. This has now happened to Dr. Commie Mulder. The insistence that he should withdraw from the Cabinet on account of already proven irregularities in, and still unproved charges of grave transgressions against, the former Department of Information, has compelled him to consider his position.

When all is said and done, he was the responsible minister, even if — as he steadfastly maintains — he was not to blame for any of the

ignation from the Cabinet, announced last night, can do little to purify an atmosphere at once squalid and sinister and murky with cover-ups at the highest level. Dr. Mulder's withdrawal to the wings, motivated by the exigencies of internal nationalist politics, rather than the national interest, does little to clear the air.

The doctrine of the end justifying the means signifies a kind of moral nihilism which, in Afrkanerdom's own historical experience, was resisted to the death by the Afrikaner republics.

everything he did, he did in the belief that he was serving the best interests of his country. Last night the Randfontein NP Divisional Committee said they stood firmly behind Dr. Mulder whom they regarded as a man of unimpeachable integrity and honour. They regard the events which led to his resignation as part of the global attack on the Government and the country.

The attitude reflected in the statements by Dr. Mulder and his Nationalist supporters in Randfontein is a cause for serious concern to all South Africans who place a high value on priority and morality in public life. Is this perhaps the attitude also of the other Cabinet Ministers who have secret funds at their disposal? One awaits the special session of Parliament with interest.

In Port Elizabeth, the Evening Post said Dr. Commie Mulder's resignation

Citizen cash queried again

Staff Reporter

THE NATIONALIST morning newspaper, Beeld, yesterday renewed its calls on The Citizen to disclose identities of its domestic shareholders.

The newspaper said in an editorial

"The more the chiefs of The Citizen talk, the more mysterious becomes the newspaper's affairs

"The chairman says that since he took control, no State money has been pumped into the newspaper

Beeld

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THE INFORMATION SCANDAL

Nat paper warns of anti-Mulder 'venom'

Staff Reporter

NATIONALIST newspapers in the Transvaal yesterday all welcomed Dr Connie Mulder's resignation from the Cabinet.

But while Die Vaderland hoped that he could prove his innocence, both Beeld and Die Transvaler appeared to press for the severing of his links with the National Party as well.

Die Vaderland said Dr Mulder's decision to resign in order to strengthen the Prime Minister's hand in his struggle against the "onslaught on the Government and the country" deserved appreciation in all responsible circles.

"But at the same time he protested his innocence, and

it is our sincere hope that his innocence and integrity will be proved."

It also expressed concern about the "venom" which had surfaced in Afrikaner circles against an Afrikaner leader.

It would, however, be optimistic to hope that the "total opposition onslaught" against the Government could be warded off by crucifying Dr Mulder. "The opposition has got the scent of blood," Die Vaderland said, and its aim was clearly to break the Government itself.

The onslaught could only be warded off by making public any real corruption and rooting it out — and by convincing the public again

of the necessity to resist the onslaught as effectively as possible "also by unconventional methods", Die Vaderland said.

Die Transvaler said while Dr Mulder's resignation was a rare event, it was not a decision which came without anticipation and expectation.

The newspaper had taken the position that Dr Mulder should also temporarily cut his political ties with the party until his position had been clarified.

While his resignation from the Cabinet was appreciated, there were uncompleted matters surrounding Dr Mulder which would have to reach finality soon, Die Transvaler said.

COMMENTING on Dr Connie Mulder's resignation the Star said in an editorial yesterday.

When Prime Minister Botha had Judge Anton Mostert appointed to investigate exchange control irregularities, he took a tiger by the tail. Subsequent events have shown that if Mr Botha had known how independent and resolute the judge was prepared to be, he would probably not have appointed him at all.

Now the judge has been told his investigative abilities are no longer needed — and it remains to be seen just how caged this particular tiger is prepared to be.

But one thing is clear Mr Botha is anxious to keep details of the info scandal as much "under wraps" as he possibly can.

It is now a matter of speculation whether South Africans will ever know the full details of how the Government secretly financed a party political newspaper.

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alleged contraventions

As regards Dr Mulder's own conviction that he is without guilt, that he is still prepared to give evidence before the Judicial Commission of Inquiry, and that he has no qualms about the matter because he believes that he served his country to the best of his ability, it is only right and fair that he should be given the opportunity to state his side of the affair as well.

After his courageous action — and we say this in spite of the feeling that he should have done this sooner — Minister Mulder deserves such an opportunity.

All the consequences of his step cannot be foreseen, but if it could contribute to a speedy cleansing and the dispersal of the cloud of suspicion that threatens to paralyse the country, it is to be welcomed.

The Cape Times said: When the survival of my country is at stake, no rules apply. These words, attributed to Dr Connie Mulder, express the fundamental principle underlying the secret activities of the late Department of Information, or so Prof F I J van Rensburg noted in the letter columns of the Burger yesterday, declaring that this conception — "the law of the jungle" — is in total conflict with the fundamental values of Afrikanerdom.

No doubt it is. Yet Mr P W Botha's administration, like its predecessor, has itself thrown such values to the winds and throughout the information debacle has acted on the amoral assumption, avowed or unavowed, that the end justifies the means.

Dr Mulder's belated res-

QUOTE

WHAT is the point of fighting communism if, in so doing, you pervert your own society with the very evils of communist societies?

— Cape Times

In a society where "no rules apply" men are as beasts of the field. Civilised life in community is abandoned. Rules of moral conduct in government are scorned. Whatever the shortcomings of political life in a fallen world, only at the peril of the national soul can such a doctrine be invoked at the highest levels of government. On such a basis, government is deprived of legitimacy or title.

On such a basis, society will tear itself apart, as it did in Nazi Germany. To place survival at all costs above survival in justice and rectitude, paradoxically, is to imperil survival in the most fundamental way. It is to glorify material values at the expense of the spiritual.

What is the point of fighting communism if, in so doing, you pervert your own society with the very evils of communist societies?

The Cape Argus says: In announcing his resignation from the cabinet, Dr C P Mulder still protested his innocence and repeated that

from the Cabinet has not come as a surprise. Indeed, we wonder how he has been able to delay the move for so long. Some will no doubt gloat and rejoice. But most South Africans will have greeted the news with sadness and shame.

The Daily News, Durban, said: Public confidence in the Government, already rudely shaken by the events of the past week, must now be a breaking point and Mr P W Botha, whose premiership began so well with the South West Africa negotiations, has now secured an unenviable place in history as the first South African Prime Minister to silence a judge.

This is the only interpretation that can be placed on the decision to dismiss the Mostert Commission.

Having failed to persuade Judge Mostert to stay silent, Mr Botha has now used the powers of the Government.

The public should consider what the position would have been if Judge Mostert had not made his disclosures. Dr Connie Mulder would still be Minister of Plural Relations. Mr Eschel Rhoodie would still be a misunderstood patriot.

One or two others would still be regarded with a reverence that has now faded a little. The Citizen would still be raving about a smear campaign by the "PFP Press".

The Erasmus Commission would not exist, nor would the newly-appointed Parliamentary Commission. The SABC would still be interviewing Drs Mulder and Rhoodie from a kneeling position. — Sapa

"The managing director puts it another way. He says the newspaper will continue, but he does not want to talk about the increasingly serious questions over money. Questions about this can only be answered after December 6, he says.

"He chooses an interesting date. On December 6 the Erasmus Commission reports on the affairs of the former Department of Information.

"Why must Mr Van Zyl Alberts waiver for almost a month? His chairman has already spoken, although his answer is less acceptable in the light of the evidence made available by the Mostert Commission. According to this the newspaper lost in a single year over R6-million, and its total loss until the end of February was almost R12-million.

"With whose money is The Citizen still being maintained? According to earlier statements by the present bosses at The Citizen the newspaper is carried by South African shareholders who refuse to allow their connection with The Citizen to be made known.

"The public can therefore not judge how independent this newspaper is to put its own point of view because the enormous amounts it is losing are paid by nameless, ghostly figures about whose bona fides no-one can judge.

"To rescue some of The Citizen's credibility, Mr Alberts must make public his finances."

UK tribute to the 'campaigning Press'

Own Correspondent
LONDON — The British Press, which has given major coverage to what is commonly termed the "Muldergate scandal", has paid tribute also to South Africa's "campaigning Press".

Yesterday a leading Brit-

ish journalist — the foreign editor of The Times, Mr Charles Douglas-Home — said it was always encouraging to see that a Cabinet Minister's resignation could follow Press revelations.

"This is particularly so in a country such as South Africa where rather less Par-

liamentary pressure can be expected. I think it is generally recognised that newspapers such as the Rand Daily Mail have made a splendid effort to fearlessly explore suspect avenues in the country's administration."

Mr Douglas-Home said

the British Press was not only historically interested in South Africa because of the close ties between the two countries but were also keen to see what the "trail of inquiry will throw up regarding clues to how the Department of Information's money has been spent in Britain."

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RAND DAILY MAIL, Thursday, Nov. 9, 1978.

Questions PFP members snub about SA PM's parliamentary commission of inquiry in SWA

By DAVID FORRETT
Mail Africa Bureau

WINDHOEK — The Namibian National Front is pressing the South African Prime Minister, Mr P W Botha, for an explanation of the ways South African Government money may have been used in South West Africa.

In a telegram yesterday, the NNF called upon Mr Botha to say whether any State money had been used, directly or indirectly, in support of any political party or towards the takeover or support of any newspaper in SWA.

The Prime Minister... decision slammed.



Own Correspondent

CAPE TOWN — Three of the four opposition members of Parliament nominated by the Government to serve on the parliamentary commission into exchange control malpractices have refused to have anything to do with the commission.

The leader of the Opposition, Mr Colin Eglin, said yesterday the PFP would not serve on the commission, which replaced the Mostert commission terminated by the Government.

"In the circumstances in which the commission has been appointed, no PFP member would serve on it, for to do so would be to collaborate with the Government in silencing Judge Mostert who has so courageously upheld the integrity and independence of the South African judiciary," he said.

The Government nominated two PFP MPs, Mr Harry Schwarz and Dr Zac de Beer, both of whom were members of the Parliamentary Select Committee which investigated Information Department spending.

The nominated New Republic Party member, Mr Bill Sutton, also refused yesterday to take part. None of the three was consulted in advance about the Government decision.

The other opposition MP, Mr John Wiley, leader of the South Africa Party, said he would be prepared to serve on the commission.

The other eight MPs are from the National Party.

Approached later for further explanation, Mr Eglin said the PFP still wanted a parliamentary commission to investigate allegations about public money spent by the former Department of Information.

"We are not prepared to allow the public to believe it has have a proper substitute for the Mostert commission. I believe we have to take a stand on principle," Mr Eglin said.

"Parliament has a right and a responsibility to investigate allegations of corruption relating to public funds voted by Parliament and placed in the hands of the executive.

"This is a very different issue from having a com-

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2 THE INFORMATION SCANDAL

'Bravery may have called down axe'

BY PATRICK LAURENCE
Deputy Political Editor

MR JUSTICE Anton Mostert was a fearless investigator whose fearlessness may have led to the decision to dissolve his commission, Professor A S Mathews, head of faculty of law at the University of Natal, said yesterday

"It is my conviction that Judge Mostert was fulfilling his task with fearlessness and thoroughness and that there was no need to replace him," Prof Mathews said.

"One wonders whether it was that very fearlessness which led the Government to recommend the dissolution of his commission."

In his statement announcing the decision to dissolve the Mostert Commission, the Prime Minister, Mr P W Botha, referred first to the judge's decision to release "unverified" evidence to the public, and then to an "evident and untenable difference between the Government's point of view and the action

taken by Judge Mostert."

Prof Mathews said: "There is nothing in the evidence released by Judge Mostert which can be said to threaten State security."

The chairman of the Johannesburg Bar Council, Mr W H Schreinerd, declined to comment, but a senior member of the Bar described the decision to dissolve the commission as an "unprecedented attack" on the judiciary's independence.

"Although Mr Justice Mostert was sitting as a commissioner and not as a judge, it has always been accepted by lawyers and judges in this country and in others with similar judicial systems that once a judge is appointed as commissioner he is entitled to the same independence from government inference as he would have when sitting on the bench.

"Further, it is for the judge and not the Government which may have appointed him to interpret the mandate given him by the State President

"To withdraw a judge's commission because the Government does not like the manner in which he is carrying it out is both morally and in practical effect no different from an attempt to interfere with the conduct of a case in his own court."

Professor Marius Wiechers, of the University of South Africa, said the Government's decision to appoint a select parliamentary committee to replace the Mostert commission was clear evidence that the Mostert commission was necessary.

Professor Barend van Niekerk, of the University of Natal, said. "The Government's action is certainly a motion of no confidence in the judiciary from the point of view of mistrusting its integrity in a matter in which Mr Justice Mostert has clearly had overwhelming support from all population groups"

The Chief Justice, Mr Justice F L H Rumpff, said "I have no view at all because I have none of the facts, except what I have read in the papers"

Botha warns the Press to 'stay within the law'

IF THE Press regarded itself as being above the law, Parliament would have to take another look at the situation, the Prime Minister, Mr P W Botha, said last night.

Addressing a large political rally in Sasolburg, the Prime Minister said he was in favour of a free Press in South Africa, provided that it stayed within the law.

There were radicals who thought they could take over South Africa by extra-parliamentary means.

"My advice to them is to rather not try it," Mr Botha said.

The Prime Minister said he had, on various occasions, emphasised the necessity of orderly government in South Africa, but apparently there were still people who did not under-

Hortors: Mervis defers

Staff Reporter

MR JOEL Mervis, Progressive Federal Party MPC for Orange Grove and former editor of the Sunday Times, has deferred taking up the position of editorial consultant to the Hortors group, whose chief executive is Mr David Abramson.

Asked whether he would reconsider his decision to join Hortors in the light of the Mostert commission's invitation to Mr Abramson to give evidence before it, he said "I have discussed the matter with Mr Abramson who assures me that he has not contravened any exchange regulation or any other law I have no reason to doubt his assurances.

"However, as I have not yet taken up my duties as editorial consultant to Hortors, Mr Abramson has agreed that I defer taking up my post for the present time."

POLITICAL comment in this issue by Allister Sparks, Benjamin Pogrand, John Ryan and Trevor Bisseker, newsbills by Howard Preece, headlines and sub-editing by Colin Thompson, cartoons by Bob Connolly, all of 171 Main Street, Johannesburg

Late Classification

CHARNAS

Milly Passed away on November 8. Deeply mourned and sadly missed by her husband, sons, daughters-in-law, grandchildren and great grandson. Funeral at 1.45 pm, today, Thursday (9th November) at West Park Cemetery. Prayers tonight (Thursday) only, at 229 Voortrekker Road, Krugersdorp, at 8 pm.

stand what he was trying to say. It simply meant that Parliament was the highest authority in the country and that the Government was there to maintain order and peace, subject to the law.

The security forces were likewise subject to the law, and so were individual citizens, the private sector as well as the public media.

Last year the Government had considered taking steps against the Press. After legislation had been introduced, there had been a great furore about the whole matter and he and his predecessor, Mr Vorster, had been instrumental at that time in holding back the measures that were to be introduced.

"We said the Press should be given an opportunity to keep their own house in order. After consultation with the Newspaper Press Union, this had been agreed upon.

"I prefer a free Press in South Africa, but as Prime Minister I cannot do what I would like to do.

"The Press, likewise has an obligation to obey the laws of the country," Mr Botha said.

After the events of the last few days in connection with the termination of the Mostert Commission, he wished to say that his government was not taking away the right of any judge or interfering in the judiciary in any way whatsoever.

Mr Botha said he had read in a newspaper that a former judge, Mr Kowie Marais, had said that this was the first time a government in South Africa had disposed of a judge.

"I do not know of any judge who had been disposed of. We terminated the instructions of a commission, which is something completely different."

The Prime Minister said another newspaper had said that by appointing Judge Mostert he had "taken a tiger by the tail."

"I did not appoint him. He was appointed by the late State President, Dr Nico Diederichs, and the Minister of Finance, Sena-

tor Owen Horwood, before I became Prime Minister.

"The newspaper said I had taken a tiger by the tail. I say they have the cat by the tail and a short-tailed cat at that."

The instruction of the late State President and the Minister of Finance was for Judge Mostert to investigate malpractices with regard to exchange control measures. His instruction was also that nothing should be made public before his report was submitted to the State President.

Referring to his meeting with Judge Mostert last week, Mr Botha said he had told the judge that as soon as the Pretorius Committee had reported to him he would enable the chairman of the committee to co-operate with him (Judge Mostert) in the completion of his task. Judge Mostert then told him that this was the first time that a Prime Minister had prescribed to a judge and left the room.

The Prime Minister said that, on inquiry from the Press, he had stated that he had no comment to make. He had, however, drawn the attention of the Press to the regulations promulgated in the Government Gazette on May 26 this year.

Despite this, the newspapers had gone ahead and published evidence which was one-sided and had nothing to do with money leaving the country illegally.

When this happened, he regarded it as necessary to take certain steps.

The only news medium which had honoured the regulations of May 26 was the SABC and he wished to thank the corporation for its responsible attitude.

All the newspapers, on the other hand, ignored the regulations and published one-sided evidence.

The Prime Minister said a Sunday newspaper had also published a report that he, the Minister of Foreign Affairs, Mr P W Botha, and the Minister of the Interior, Mr Alwyn Schlabusch, had advised a certain person to give evidence before the Mostert Commission. The person concerned had later said that this was not so.

"I am a champion of Press freedom, but then it has to be built on the truth. The reports I quoted are all blatant lies. I am meeting the NPU within a few weeks. I have one question to ask the Press: 'When you obtained this one-sided evi-

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Delay in publication

DUE to technical difficulties, a special Expo Africa '78 page which was due to appear today will now be published tomorrow.

Rhodie cuts short overseas 'business' visit

DR Eschel Rhodie, former Secretary for Information, and a central figure in the Information row, released this statement to Sapa last night.

"I have cut short my visit to Europe and the United States and returned to South Africa this afternoon instead of November 16 as scheduled. I wish to dispel rumours and allegations that I left the country for a holiday visit abroad in order to escape the furor over the secret activities of the ex-Department of Information, or to elude the Press.

"My visit abroad was largely a business one, paid for by one of the foreign companies for which I work and was arranged weeks before the first article on the Citizen appeared on October 29.

"Hotel and airline reservations will bear this out.

"I have, on my own, decided to curtail my visit abroad in order to

return home to testify before the Erasmus commission. I have not been asked by any person or by the commission to return home.

"I took this decision after reading reports in the European Press.

"Within an hour of my arrival I was in telephonic contact with the commission. For more than four months since I retired as Secretary for Information, I have been questioned thoroughly by the Van Den Bergh and Kemp committees on every single project and expenditure in which I and the ex-Department of Information was ever involved.

"They will be able to testify that I have given only my fullest cooperation in their investigation and evaluation. The Erasmus commission will find me no less forthcoming.

A second reason for returning home earlier was because of the libellous nature of evidence pre-

sented to the Mostert commission and released to the Press.

"I am referring here in particular to parts of the evidence presented by Mr Retief van Rooyen.

"I would have preferred to present the Press with a full statement concerning Mr van Rooyen's allegations, more so because Judge Mostert never approached me to give evidence, although I was at all times available.

"However, in view of the appointment of the Erasmus commission and the rule of sub-judice which now applies, I have no option but to present my evidence first to the Erasmus commission.

"I have received this afternoon, a telex statement from Mr Les de Villiers in New York, referring to remarks he allegedly made to Mr Relief van Rooyen.

"A statement made by Mr de Villiers, under oath and containing

the same information as the telex message, is in the mail.

"I will hand both documents to the Erasmus commission.

"As far as the Press is concerned, I have already pointed out that the allegations that I left the country to get out of the crossfire, or that I wanted to put myself out of reach of the Press, are untrue.

"I have consistently, over a long period, refused to talk to some reporters from the Sunday Times, the Sunday Express, the Rand Daily Mail and Die Beeld.

"But I have always been available and have talked to other reporters and other newspapers.

"I have also said invariably that I will not comment or talk to them about secret funds or secret projects. This is still the case until such time as the Government, by whatever act, should free me from this obligation."

Blow to judiciary — Swart

treme and the same right was extended to ordinary individuals, you would end up with anarchy."

Mr Swart said the Government's action would undermine the purpose of the Commissions Act.

"Commissions appointed in the future are bound to be influenced by the knowledge that if their findings do not meet with the approval of the Government they can be dismissed.

"As a result their objectivity and impartiality are bound to be impaired, and the public is hardly likely to have any confidence in their findings.

"And remember, these

From Page 1

are the acts of people who proclaim themselves to be super-patriots and who are forever preaching about what is in the interests of South Africans.

While South Africans were aware of the external threat and the need to solve the race issue to come to terms with the internal threat, the country now had to contend with an additional threat. "It is a threat of subversion of the due process of democratic government and the free press from within the Government itself.

"It is a threat to our security and stability as a nation because it carries with it the danger of government by deceit and duplicity. It suggests secrecy and intrigue which breed suspicion and mistrust.

"And when a Supreme Court judge talks of corruption in the wider sense of the word, and against precise releases evidence on the matter, it suggests misappropriation of public money on a large scale to serve the nefarious purposes of those who plot and intrigue, not in the interests of the security of the State but to advance their own narrow party political purposes."

Carlicks

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Toilette Atomiser 70 ml

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dence, did you publish it in the interest of South Africa or because you thought that it would increase your circulation?"

"You can tread on my corns as much as you like, but don't lie - I want to see Press freedom in this country. All I ask is if I am subject to the law, as judges and the security forces, why not the Press as well? If the law, as it stands is not strong enough, then Parliament will have to take another look at it."

Mr Botha said: "I hope the responsible newspapers, and there are responsible newspapers, will come forward and set a standard that will make us all proud of them." Mr Botha said. — Sapa.

Pik Botha's, reply to similar questions, had been neither negative nor affirmative and had dealt only with his own department.

Mr Botha had said only that his department obtained its funds primarily from the normal Budget — which would indicate what they were used for.

A relatively small amount had been authorised annually through a special account since 1967.

Since the establishment of that special account, the purposes and requirements of legislation had been scrupulously complied with.

In that connection he and the Department of Foreign Affairs were responsible to the South African Parliament and would account to nobody else.

The NNF said, however, it was of vital importance for the Prime Minister to clarify the position by furnishing the information it had asked for.



Mr Colin Eglin snub

mission of MPs examining irregularities in relation to exchange control."

The Government had appointed a parliamentary commission without consulting the legislature or the political parties concerned and had set the regulations, conditions and restrictions which would apply.

Arguments in favour of serving on the parliamentary commission were outweighed by those against and for this reason the two PFP MPs would not be serving on it.

"The opposition parties cannot be expected to play along with the executive and give them a pretext for silencing the Mostert judicial commission."

Mr Eglin said the PFP was still making representations to the Erasmus commission to be represented at their hearings and would still press for a proper parliamentary inquiry into the affairs of the Information Department.

Luyt R14m for finance company

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JOHANNESBURG — Postdated cheques worth nearly R14 million — drawn on Mr Louis Luyt's personal banking account at Barclays Bank in Braamfontein — were made out in favour of a Volkskas bank account belonging to Homerus Finance Corporation, a company controlled by top Johannesburg businessmen, Mr David Abramson and Mr John Heinrich, according to evidence before the Mostert Commission last week.

The cheques were signed by Mr Luyt in terms of an agreement signed by the former Information chief, Dr Eschel Rhoodie, or the repayment by Mr Luyt of money lent to him by the Department of Information to finance The Citizen newspaper.

The agreement, a copy of which was released by the Mostert Commission last week was dated June 8 of his year and witnessed by Mr Luyt's auditor, Mr P. du Preez.

His co-director in Homerus, Mr Abramson, vehemently denied any links with Mr Luyt, Tromf or The Citizen, however.

“Reports linking my name with Mr Louis Luyt, Tromf and The Citizen appeared this afternoon in the press,” he said.

Neither Homerus, nor any other company with which I am or have been associated has or had at any stage direct or indirect links with Mr Luyt, Tromf or The Citizen.

“Homerus Finance was founded on March 8 and conducts a bank account at Volkskas. Its account number is 020400714.

“Up to and including October 26 — the last date on which the bank account was reconciled — there was no sum credited to the account from or on behalf of Mr Luyt, Tromf or The Citizen.

“There is no arrangement for any payments to be made at any stage in the future by or on behalf of Mr Luyt, Tromf or The Citizen.

“I further undertake that the eight cheques will be handed to Volkskas with the following express conditions

“The said cheques will not be presented for payment on March 1 of each year until either Mr Luyt or Mr P. F. du Preez of the auditing firm, Malan, Du Preez, has been consulted.

Arrangements will be made by Mr Luyt before March 2 of each year for telegraphic transfers of funds to be made to the trust account of Malan, Du Preez at Volkskas, Paul Kruger Street branch, where such funds will be transferred to the credit of account number 020400714 (Mr Luyt's cheque in question will, after the money has been paid into the Volkskas account 020400714 be handed back to Mr Du Preez by the Volkskas head office.

“In particular, no questions will be asked by Volkskas of any financial institution with whom Mr Luyt has dealings concerning

WINDHOEK — The Namibian National Front is pressing the Prime Minister, Mr P. W. Botha, for answers relating to Government money in SWA after Mr P. Botha's “non-committal” reply.

The NNF called on the Prime Minister yesterday to state whether the Government had used any state money, either directly or indirectly, in support of any political party or towards the takeover or support of any newspaper in South West Africa.

PW pressed on money in SWA

In a telegram to the Prime Minister, the NNF said the Foreign Minister's reply to the questions was “neither in the negative nor the affirmative”.

It said his answers dealt solely with the Department of Foreign Affairs.

Mr P. Botha said his department obtained its

funds “primarily from the normal budget” which would indicate what the funds were used for.

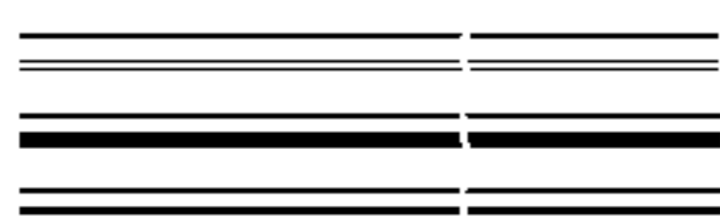
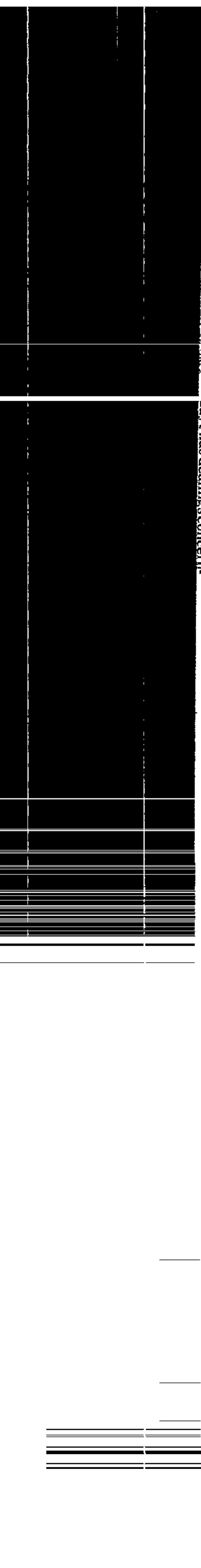
“In addition, a relatively small amount has been

authorised annually through a special account since 1967.

“These limited funds are subject to the financial controls laid down by legislation. The disbursement of these funds are subject to certain objectives and controls stipulated by law.”

Mr Botha said since the establishment of the special account, the purposes and requirements of legislation had been “scrupulously complied with” — DDC

Botha warns the Tories



Homerus Finance shares the same registered office as the Department of Information's secret fund company, Thor Communicators.

The directors of Homerus are Mr John Heinrich, top Johannesburg socialite, businessman and restaurateur who is also a member of the Club of Ten and Mr David Abramson, sometime whizzkid of the mutual fund industry and more recently architect of a foreign-controlled takeover of the giant South African printing and publishing group, Horos.

The shares of Homerus are vested on a 50-50 basis between Johannes and Mr Abramson. Mr Heinrich, a director of Homerus last year, is reported to be receiving or was scheduled to receive interest and capital redemption payments from Mr Luyt.

Mr Heinrich conceded in an interview that a refusal to comment could be interpreted as acknowledgment of the allegation that Homerus had been set up for the purpose of receiving Mr Luyt's repayments. It was tricky time to discuss the matter, Mr Heinrich said, but he would consider making a statement when the issue had matured.

Citizen.

"The fact that copies of post-dated cheques purporting to be signed by Mr Luyt for the benefit of the abovementioned bank account have been handed to the press in no way affects my statement that neither I nor Homerus have any arrangement to receive such sums and that neither I nor Homerus has any director or indirect link with Mr Luyt, Triomf or The Citizen."

The bank account number referred to in Mr Abramson's statement corresponds with that on the post-dated cheques issued by Mr Luyt.

The cheques, the first of which falls due on March 21 next, were issued by Mr Luyt at the end of the year, until the end of 1975, for a total of R2 287 526 is now dated to March, 1986.

The agreement between Dr Rhoadie and Mr Luyt says: "I, Eschel Mostert Rhoadie hereby accept that the following eight cheques, payable to Volkskas for the credit of account number 020-400-714 are in full and final settlement for all obligations which Mr Louis Luyt has had to me (capital and interest) following a loan agreement dated April 2, 1976 and April 7, 1976."

ag. 1e creques.

"Copy of a covering letter when the relevant cheques are handed to Volkskas will be given to Mr Du Preez." — DDC.

Rhoadie will give evidence

PRETORIA — Dr Eschel Rhoadie, a central figure in the Information Department scandal which has rocked the country, returned to South Africa yesterday.

The former Secretary of the defunct Department of Information said last night he had cut short his overseas visit to testify before the newly appointed Erasmus Commission and the ex-Department of Information was ever in mission.

Dr Rhoadie said he was "libellous nature" and that evidence presented to the Mostert Commission of inquiry into the contravention of exchange control regulations was "misleading and returned early".

He disclosed he would brief lawyers today to institute legal action against Adv Rieffers, Rooyen, key witnesses before the Mostert Commission. Mr Van Rooi said:

SANSURIC — The press regarrec. itself as being above the law, Parliament would have to take another look at the situation, the Prime Minister, Mr P. W. Botha, said here last night.

Addressing a large political rally, the Prime Minister said he was in favour of a free press in South Africa provided that it stayed within the law.

There were radicals who thought they could take over South Africa by extra-parliamentary means.

"My advice to them is to father not try it," Mr Botha said.

The Prime Minister said he had on various occasions emphasised the necessity of orderly government in South Africa, but apparently there were still people who did not understand what he was trying to say. It simply meant that Parliament was the highest authority in the country and that the Government was there to maintain order and peace, subject to the law.

The security forces were likewise subject to the law, and so were individual citizens.

The private sector as well as the public media were also subject to the law.

Last year the Government had considered taking steps against the

Mr Botha said he read in a newspaper last night a former judge, Mr Kowme Marais, had said that this was the first time that a government in South Africa had disposed of a judge.

"I do not know of any judge who has been disposed of. We terminated the instructions of a commission, which is something completely different."

Referring to his meeting with Judge Mostert last week, Mr Botha said he had told the Judge that as soon as the Pretorius Committee had reported to him, he would enable the chairman of the committee to cooperate with him (Judge Mostert) in the completion of his task. Judge Mostert then told him that this was the first time that a Prime Minister had prescribed to a judge and left the room.

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Judge dashes to Pretoria

DURBAN — Mr Justice Mostert, who held the one-man judicial commission of inquiry into currency control contraventions, made a jet dash from Durban to Pretoria and back here again yesterday.

Judge Mostert, who has been replaced by a parliamentary commission of inquiry in his probe into alleged exchange control contraventions, spent only 20 minutes in his Pretoria office before leaving for his return trip.

A spokesman for the judge said the evidence gathered by the Mostert Commission had not yet been handed over to the Secretary for Finance. Most of the evidence and documents were still at Mr Justice Mostert's Petermaritzburg home.

At Jan Smuts Airport, Mr Justice Mostert declined to speak to journalists, but said his visit to Pretoria had been for "administrative reasons."

He later appealed to the news media to respect his and his family's privacy.

"I have nothing to say at this stage, nor is it likely that I will make a statement at any later stage," he said. — SAPP.

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part of the evidence presented by Mr. Mostert to the press. After legislation had been introduced, there had been a great furor about the whole matter and he and his predecessor (Mr Vorster), had been instrumental at that time in holding back the measures that were to be introduced.

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gone ahead and published evidence which was one-sided and had nothing to do with money leaving the country illegally. When this happened, he regarded it as necessary to take certain steps.

The only news medium which had honoured the regulations of May 26 was the SABC and he wished to thank the corporation for their responsible attitude. Referring to Dr Connie Mulder's resignation from the Cabinet, Mr Botha said Dr Mulder had acted honourably and was making the task of the Government and the National Party easier.

Dr Mulder's resignation was consistent with the high demands of clean administration. They had been political rivals but even at the height of the struggle for the premiership there had been no ill-feelings between them.

"I accept that Dr Mulder is an honourable man. My acceptance of his resignation had nothing to do with the question of trust, but in our system a Minister carries responsibility for the department of which he is the head."

Dr Mulder had "put the cause of South Africa before other interests," Mr Botha said. — SAPA

Mulder stays on as MP

JOHANNESBURG — Dr Connie Mulder has decided to continue as National Party MP for Randfontein. He will make a decision on his continued position as the party leader in the Transvaal, "as soon as I'm ready."

The former Minister of Plural Relations, who resigned from the Cabinet at midnight on Tuesday, said yesterday he spent the day clearing out his office. Asked about his political future, Dr Mulder said: "I had a very successful meeting last night with the head committee of my party in my constituency. They unambiguously requested me to remain the Member of Parliament for Randfontein."

Constitutionally he had been elected party leader of the Transvaal at the party's congress in September and his term of office only expired next September, Dr Mulder said.

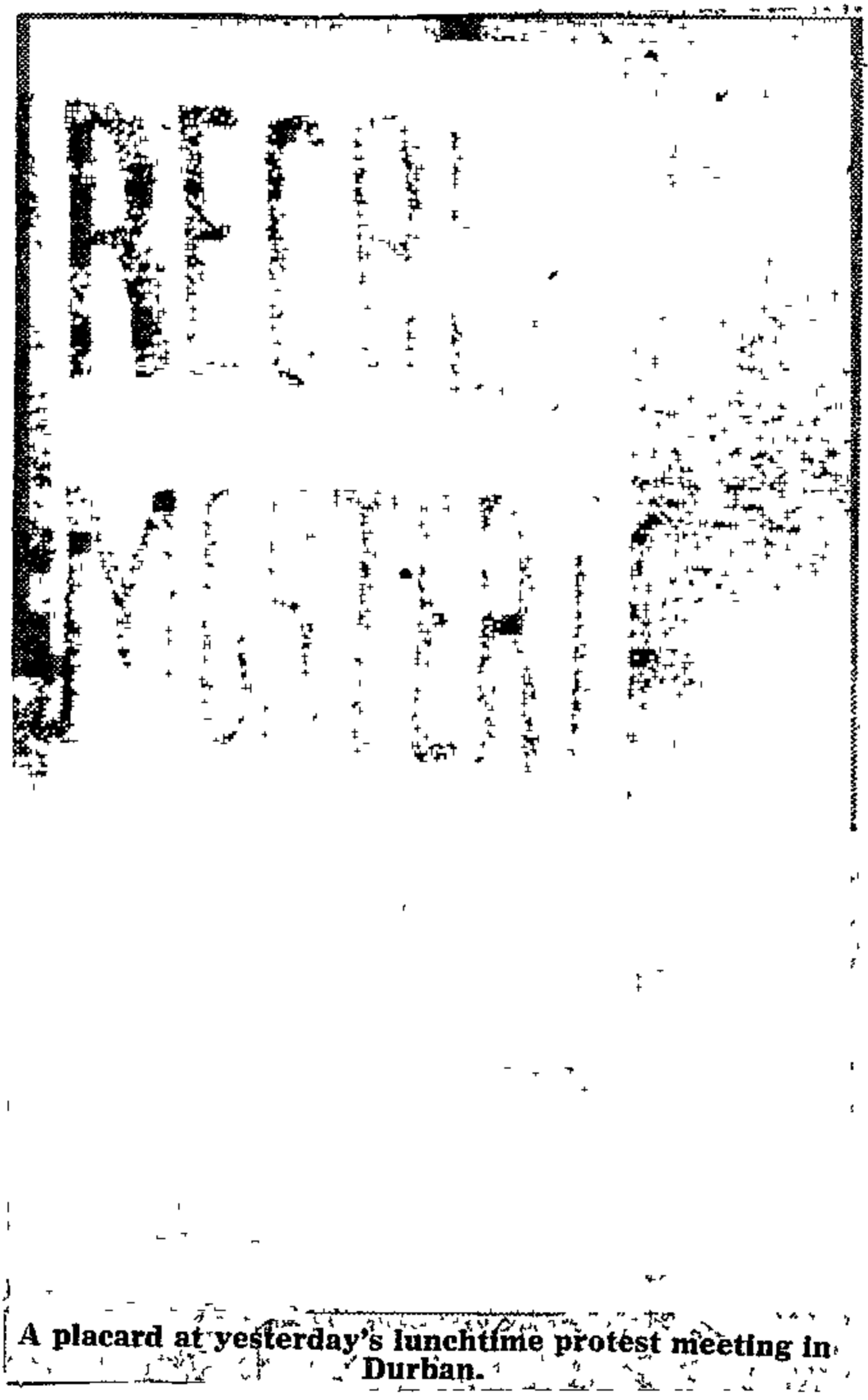
"But in view of everything that's happened so far, I believe I will consider all the implications and will decide on this issue as soon as I'm ready," he said.

"I'm convinced of my innocence and I think this will create the opportunity to place my integrity and honesty beyond all doubt.

Everything I've done, I've done in the interests of my beloved country, South Africa. I have no regrets whatsoever.

"As far as my person is concerned, I will definitely accept the findings of these commissions unreservedly," he said. — SAPA

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JUSTICE IN REVERSE

Am 9/12/88

(259)

By Bob Connolly



Rhodie and Van den ^{Star} PFP men's Bergh at Justice HQ ^{9/11/78} ⁽²⁵⁹⁾ move to Hortors deferred

▶ From page 1

in a morning newspaper as saying he would brief lawyers today to institute legal proceedings against Mr van Rooyen

When asked today if he would sue Mr van Rooyen, he replied: "That depends on my legal advice I do not not want to comment on the substance of his remarks" The matter was sub judice, he added

Mr van Rooyen's evidence formed a large part of the testimony released by Mr Justice Anton Mostert to the Press last week and concerned R12 million al-

legedly lent by Dr Rhodie from his department's secret funds to Mr Louis Luyt to start The Citizen newspaper

The "libelous nature" of evidence presented to the Mostert Commission was one of the reasons which Dr Rhodie cut short an overseas visit, Sapa reported Dr Rhodie stating

The first reason was his decision to testify before the newly-appointed Erasmus Commission Inquiry into the Department of Information, Sapa added

In a statement to Sapa Dr Rhodie said "My visit abroad was largely a

business one, paid for by one of the foreign companies for which I work and was arranged weeks before the first article on The Citizen appeared on October 29

"Hotel and airline reservations will bear this out

"I have, on my own, decided to curtail my visit abroad in order to return home to testify before the Erasmus Commission

"I took this decision after reading reports in the European Press"

The Erasmus Commission sat until late last night on its first day of inquiry into the affairs of the former Department of Information

The appointments of two senior Progressive Federal Party members to positions with the Hortors group, whose chairman Mr David Abramson has been named in connection with Department of Information secret funds, have been deferred

Mr Max Borkum, Transvaal chairman of the PFP, was to have joined the board of Hortors and Mr Joel Mervis, MPC for Orange Grove, was to have become editorial consultant in the group

Mr Borkum refused to comment on the reasons for the deferment. However, The Star understands both men discussed their position with Mr Abramson and it was decided their appointments should be deferred

DECISIONS

The decisions follow a report in The Star yesterday that Mr Abramson is a director of a company into whose bank account Mr Louis Luyt paid post-dated cheques to repay the loan made through Dr Eschel Rhodie to enable Mr Luyt to start the Citizen

Mr Abramson, who is one of two directors of Homerus Finance Corporation, today denied his company knew anything of the millions in post-dated cheques written out to the company's account by Mr Luyt

Homerus Finance Corporation has the same registered office as Thor Communicators (Pty) Ltd — the known Department of Information front

However, a spokesman for Mr Abramson said the address was that of the company auditors who also handled several hundred companies besides Thor and Homerus

Mostert handover

From Page 1

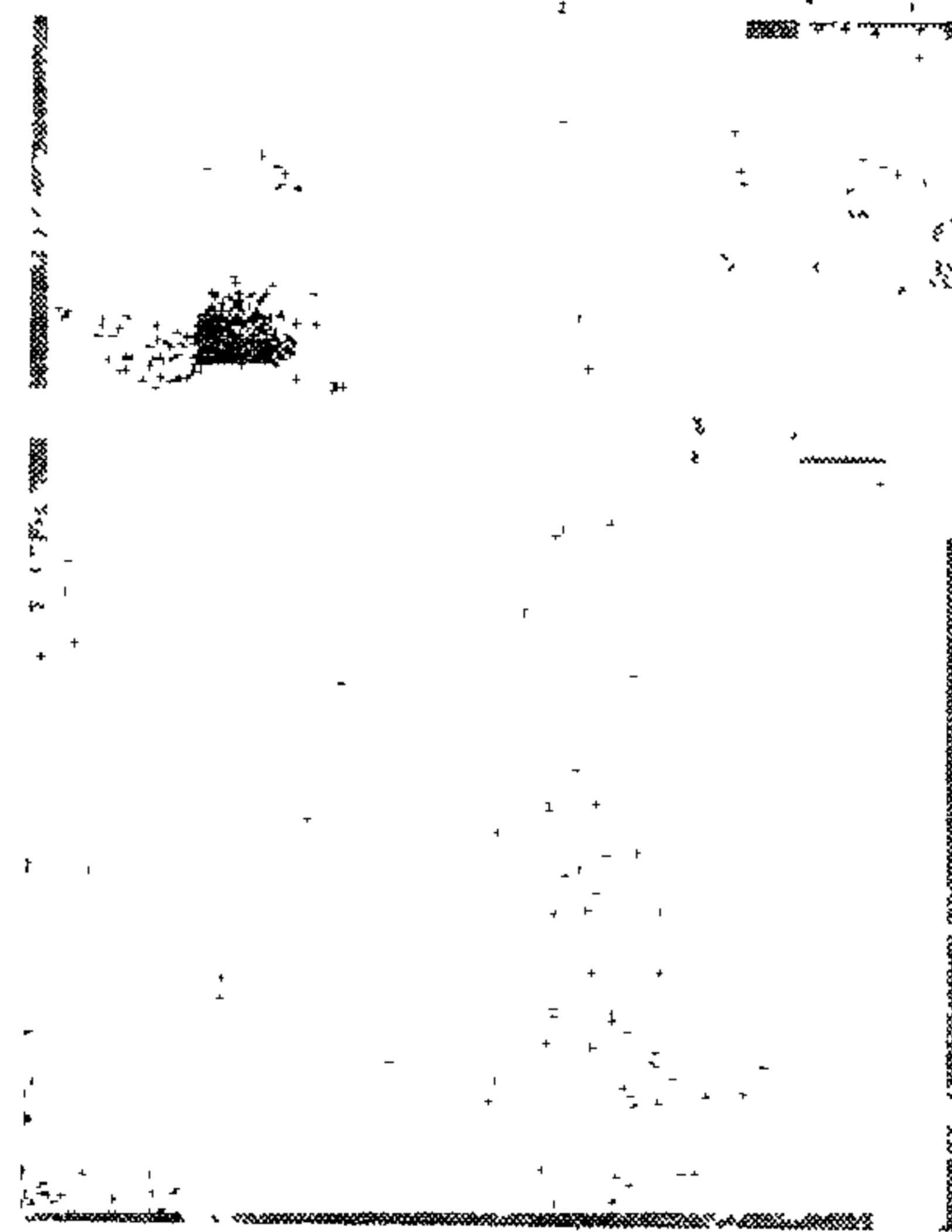
Department of Information

At an impromptu Press conference held after he had handed over the evidence and documents relating to the commission at his home to Treasury officials, Judge Mostert was asked whether there was further evidence relating to the department

After a pause he replied "I prefer to make no statement on that"

At the Press conference Judge Mostert said the men would be visiting him in his chambers at the Supreme Court in the afternoon, to look at reference books of International Tax "on which I am still composing a memorandum as part of my work for the commission"

Asked whether he would give evidence if requested to do so, he replied "I will leave it for when the time comes"



Mr Justice Mostert stands at the front door of his home to welcome in Government representatives Two of the group of four are seen in the picture The visitor in the background is Mr C P Verwey, Registrar of the Supreme Court, Maritzburg.

'Ominous' attack on Press — Eglin

Political Staff

The attack on the Press by the Prime Minister, Mr P W Botha, had "ominous overtones," the Leader of the Opposition, Mr Colin Eglin, said today

Mr Eglin, referring to Mr Botha's speech last night at Sasolburg, said "In the light of the circumstances which have been disclosed by the

Press and the evidence disclosed before the Mostert Commission I would have expected members of the Government to show a degree of humility and not political pique

"Mr Botha says the Press is not above the law

"Of course no one is above the law — not the Press, nor the judges, nor

State officials, nor for that matter Cabinet Ministers

"As recent events are showing, no one is perfect, but I would have thought that the Prime Minister could have had the good grace to acknowledge the role which the Press has played in helping to expose the Information scandals

"In this way the Press

has played a constructive role in helping to restore good, clean government in South Africa

"A free Press remains vital if the parliamentary system is to function — move so in a situation where radio and television is controlled by the Government"

● PM questions role of Press — Page 25.

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'Impossible to defend'

UTZBURG — The disbanding of the Mostert Commission made it impossible for South Africa's friends to defend the country now, Mr Frank Martin, leader of the Provincial Council, said in the council today.

He moved that the council congratulate Mr Justice Mostert upon his moral courage and call upon those public representatives and State officials who could be involved in or were responsible for the apparent corruption, to apply for suspension of

duty until various commissions have established culpability, or otherwise.

Mr Martin said that hitherto South Africa could be defended for its parliamentary opposition, its independent Press and free and independent judiciary.

Because of the uncertainty of what had happened international jurists would come with their own version of the events of this week.

So many rumours, which could not be nailed, were circulating now that the implication to the man in

the street was that the public administration was not quite honest.

The disbandment of the Mostert Commission would cause as much irreparable harm overseas as the incidents involving the Japanese jockey and Basil d'Oliveira.

It was very difficult for South Africa to get her point across overseas even when the Government acted fairly. "With things like this happening it is going to be impossible," Mr Martin said.

The council adjourned.

Opposition parties refuse to serve on commission

(259) RD
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EAST LONDON — Both the Progressive Federal Party and the New Republic Party have refused to serve on the parliamentary commission of inquiry into malpractices of the exchange control regulations.

The parties announced this yesterday after the Prime Minister, Mr P. W. Botha, replaced the Mostert Commission with

the parliamentary inquiry.

The PFP leader, Mr Colin Eglin, said that to serve on the commission would be "to collaborate with the Government in silencing Mr Justice Mostert, who has so courageously upheld the integrity and independence of the South African judiciary."

And the leader of the

Butter, nor clouds direct
Congaled by sharp frost, falling in white flakes,
Violates, but an ever-cloudless sky
Invests them, smothering with wide-spreading light.
Moreover all their wants Nature provides,
And there is nothing there at any time
Can marish their tranquillity of soul.

R C. TRAVELLYAN (1937)

THE BEGINNINGS OF CIVILIZATION

The human beings that peopled these fields were far tougher than the men of today, as became the offspring of tough earth. They were built on a framework of bigger and stouter bones, fastened through their flesh to stout sinews. They were relatively insensitive to heat and cold to unaccustomed diet and bodily ailments in general. Through many decades of the sun's cyclic course they lived out their lives in the fashion of wild beasts roaming at large. No one spent his strength in gauding the curved plough. No one knew how to cleave the cart with iron, or to plant young saplings in the soil or lop the old branches from tall trees with pruning hooks. Their hearts were well content to accept as a free gift what the sun and showers had given and the earth had produced unsolicited. Often they stayed their hunt

NRP, Mr Vause Raw, called on National Party MPs to join his party "in establishing a national front government of all South Africans prepared to defend the fundamentals of the democratic system."

Mr Raw added: "On the basis of the news as reported, the dissolution of the Mostert Commission is an act of arrogance and defiance which strikes at the very roots of the independence of the judiciary in South Africa."

Two PFP MPs — Dr Zac De Beer (Parktown) and Mr Harry Schwarz (Yeoville) and one NRP MP, Mr Bill Sutton (Mool River) — are among those named by the Prime Minister as having been requested to serve on the new commission.

Mr Eglin said that neither Dr De Beer nor Mr Schwarz had been consulted by the Government in this matter.

Dr De Beer was out of the country until today and Mr Schwarz was "out of town on duties related to the defence portfolio."

"They will no doubt make statements on their own account on their return."

"However, I must state that in the circumstances in which the commission has been appointed no PFP member would serve on it."

The PFP was making representations to be represented at the sitting of the Erasmus Commission.

"When Parliament meets we will press our demand for a fullscale parliamentary inquiry into the whole information debacle," Mr Eglin said.

Mr Raw said the law provided a clear procedure for action against any judge which

involves both houses of Parliament.

"The patently contrived arguments of interpretation, overlapping and delay are the hallmarks of a dictatorship which rejects the independence of the judiciary."

"South Africa has been plunged into a crisis which can no longer be solved by the present Government. I call on all National Party MPs who do not want to become the tools of totalitarian dictatorship to join with the NRP in establishing a national front government of all South Africans who are prepared to defend the fundamentals of the democratic system."

"Mr Bill Sutton was not consulted on serving on this Nationalist-dominated parliamentary commission and will not serve on it," he said. — SAPA

Govt running scared says PFP's Swart

DURBAN — The dismissal of the Mostert Commission, gives every indication that the Government is running scared, according to Mr Ray Swart, national chairman of the PFP

would ask for his extradition, were he required to give evidence.

Mr Swart said: "The dismissal of the Mostert Commission is an act of gross cynicism on the part of the Government"

Erasmus Commission the public of South Africa will not tolerate any attempted cover-up on the facts already available or any attempt to whitewash those who are responsible.

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"Judge Mostert's revelations of last week are obviously unpopular in Government circles and the public will question very closely why the judge should now be dismissed by cabinet decision from his task," Mr Swart said.

"These events will certainly not be lost on the South African public nor, tragically, will they be lost on world opinion."

At a joint Progressive Federal Party/New Republic Party protest meeting here yesterday, Mr Swart said the dismissal of Mr Justice Mostert was "a cynical, petulant act of frightened men, totally destructive in every sense of the word."

Speaking at the same meeting, Senator Warwick Webber, the NRP's Natal leader, described the action "as a scandalous continuation of a massive cover-up by the Government."

The meeting was called by both parties as a "corruption protest."

Senator Webber said the latest developments made a mockery of the Prime Minister's assurances of clean administration.

He also demanded to know why Dr Eschel Rhodie, former Secretary for Information, was out of the country and whether the Government

sult to the judge and to the South African judiciary.

"It is tantamount to taking punitive action against a judge because his judgments are not acceptable to one of the parties to a dispute. If this principle were carried through to its extreme and the same right was extended to ordinary individuals, you would end up with anarchy

"And remember these are the acts of people who proclaim themselves to be super-patriots and who are forever preaching about what is in the interests of the South Africans," he said.

South Africa had learnt to face security threats but "we now face a threat of a different kind. It is the threat, not of outside subversion, not of internal race conflict, but of subversion from within — the threat of subversion of the due process of democratic government and the free press, from within Government itself.

"It is as great a threat as the others to our security and stability as a nation, because it carries with it the seeds for undermining the moral fibre and integrity of the nation.

"I must warn the Government that irrespective of the findings of the

"These are matters of the gravest concern to the nation as a whole which transcend normal party political differences.

"I believe there are people of all political persuasions who share this concern and who see this situation as a threat to the integrity and stability of our entire structure of Government.

"Just as on this platform today, there are representatives of two opposition parties which have significant policy differences, but who share a loathing and abhorrence of the alleged corruption in the Information scandal, so I believe there are others in other political parties who feel with us on this.

"If there is any attempt by the government to mount a whitewash operation, or to shield people in high places from the revelations which have already been made, I believe we could well have a situation where public anger may demand a moratorium on policy differences, while political leaders who are concerned, mount a co-operative and concerted operation to clean up our public administration so that our national integrity and morality can be safeguarded," Mr Swart said.
— DDC-SAPA.

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Public will feel it is a cover-up says profs

PRETORIA — Seen together, the holding of the Erasmus Commission hearings in camera and the dismissal of the Mostert Commission would add credibility to the public feeling that a cover-up operation was in progress, a Natal University law professor, Prof Barend van Niekerk, said yesterday.

Whatever the undoubted merits of the secret deliberations might be — “and I must assume the objectivity of the Erasmus Commission will be above question” — the average South African would be deeply suspicious.

“With one blow as far as I am concerned the Government has destroyed the credit worthiness of its hesitant efforts to clear up the information scandal.”

The situation created by the Government had all the makings and hall marks of an elaborate cover-up operation.

“The situation as it has developed in the past few weeks is consistent with the Prime Minister appointing former head of Boss, General J. H. Van den Bergh, to investigate the department.”

“As it turns out now this was a bizarre move against a background of the alleged involvement of the General in the very activities he was ordered to investigate.”

Prof Van Niekerk said he knew personally that Judge Mostert had the

greatest support and admiration from his fellow judges, at least in Natal, for his courageous stand against extreme pressure from the highest level of government.

“One would hope that his brother judges would make their until now silent support public,” Prof Van Niekerk said.

Prof Willem Joubert, Northern Transvaal chairman of the PFP and a member of the law faculty at the University of South Africa, said:

“The Government’s closing down of the Mostert Commission is a calculated insult to Judge Mostert. And what’s more it is seen as an insult by the public and by many of the country’s most distinguished lawyers”

It appeared to be part of a cover-up effort which could bring disastrous discredit on the whole country.

Prof Joubert said recent moves by the Prime Minister pointed to “a government in desperate straits with serious and growing doubts about its morality and integrity.”

Prof Andre Rabie, of the law faculty at the University of Stellenbosch, said the sacking of Judge Mostert from the foreign exchange commission was a calculated insult to him and to the independence of commissioners as a whole.

“I deplore the Prime Minister’s action. Even if his work overlapped with

that of the Erasmus Commission this was no justification for closing down the commission”

In fact, Prof Rabie said, the more information which could be unearthed the better for all concerned. — DDC.

Do not restrict judges — bar

DURBAN — Mr Douglas Shaw, QC, chairman of the General Council of the Bar of South Africa — which represents all the country’s advocates — said yesterday that nothing should ever be done to impinge on the independence of a judge serving as a government commissioner.

He was commenting on the Government’s termination of Mr Justice Mostert’s commission of inquiry into currency control contraventions.

“We feel very strongly that if a commission is appointed as a judicial commission then it is recognised that what is required from the commissioner is the same as what is expected of a judge.

“In these cases nothing should be done to give the impression in any way that his independence is being interfered with.” — SAPA.

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Police guards

for Erasmus probe start

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RETORIA — The Rasmus Commission of inquiry into the former department of Information started its proceedings here yesterday behind closed doors—and under heavy police guard.

The members of the commission are Mr Justice Rudolph Erasmus, who is also the chairman, and two advocates, Mr Braam Ategan, who is Attorney-General for the Cape, and Mr George Smalberger.

The commission will be assisted by a secretary, Mr Johan Geysler, and two advocates, Mr Hendrik Klem and Mr Francois van Zyl. They will assist with the leading to evidence and its evaluation.

The commission members started arriving at offices specially put aside in Bauhaus Building here at about 8.30 am

The whole of the sixth floor of the building has been allocated for the commission's use. Furniture has been placed in various rooms where secretaries and other officials will type from the tape recordings of evidence heard.

Armed police constables were seen guarding the corridors leading from the twin lifts on the sixth floor. Uniformed men were also seen in a police car parked at the entrance of the building. — SAPA.

Vorster silent on evidence

PRETORIA — The State President, Mr Vorster, had "no comment whatsoever" to make when he was approached about reports in morning newspapers that he might wish to give evidence before the Erasmus Commission on the former Department of Information.

One report said the State President might wish to give evidence in view of "certain untested hearsay evidence" that was released by Mr Justice Anton Mostert last week. Because of his office, the State President could not become involved in a controversy, but the

whatsoever"

The Daily Dispatch reported yesterday there were indications that Mr Vorster would testify before the Erasmus Commission.

It is understood that Mr Vorster requested permission from the cabinet to be given the opportunity to state his position and that his request was granted.

Informed sources expect Mr Vorster to state his position in respect of the matters in which he was named in the evidence put to Mr Justice Mostert. According to them, this is the only way in which Mr Vorster could rebut the charges to Mr Justice

INFORMATION CONTROVERSY GOES ON

Loyal supporters cheer Dr Mulder in his constituency

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Loyal supporters of Dr Connie Mulder formed a guard of honour and sang a hymn for him when he arrived at the Randfontein Town Hall.

Dr Mulder had just left a meeting of the divisional council of the National Party in Randfontein where he told members of his decision to resign as Minister of Plural Relations.

The meeting was held at the Hoerskool Riebeeck where Dr Mulder was once a teacher.

Barred gates and patrolling guards stopped the press entering the grounds of the school. Most of the building was in darkness, the only light part was the hall where Dr Mulder briefed 84 local National Party members about his decision to quit his position of power.

One of the men standing outside the hall was his private secretary, Mr I. I. van den Heever, also an ex-teacher. He told pressmen "Dr Mulder has nothing to add to the statement he had released."

While Dr Mulder was in the hall his wife, Suzanne, was kilometres away in the flower-bedecked town hall at a glittering function.

About 10 pm at the school NP members started leaving.

The chairman of the divisional council, Mr Smuts called the press into the headmaster's office and announced their motion of support for Dr Mulder.

Dr Mulder stayed upstarts in the building. Security men guarded the stairway and stopped the press when they tried to walk down the passage.

Dr Mulder's car was the last to leave the school grounds facing a barrage of cameras. One of the cars which left minutes before him sped towards the pressmen in the driveway outside, scattering them.

Dr Mulder's silver car was followed to the city hall by a convoy of pressmen and NP members. Waiting for him on the

steps was a guard of honour of party faithfuls who sang "Die Heer seen sal met u gaan" ("The Lord's blessings will go with you). This hymn is usually sung on festive occasions.

They cheered and clapped as Dr Mulder kissed his wife before entering the hall.

While photographers banged off hurried pictures, Dr Mulder shook hands with supporters and embraced their wives. Sipping his tea — served in a silver teapot — and eating sausage rolls and melktert, Dr Mulder gave terse answers to questions.

Question: How does this affect your position as Transvaal leader of the NP?
Dr Mulder: "I will decide that later."

Question: Will you make any other statements tomorrow?
Dr Mulder: "No"

Question: Depending on the outcome of the inquiry, is there any chance of you taking up a post as minister again?
Dr Mulder: "No comment"

Question: There will be talk that you were forced from your position. Do you have any comments on that?
Dr Mulder: "Have you read my statement? I have nothing to add to that"

Pressmen were then ushered from the hall by security men. They began arguing with the men Dr Mulder stood up and said: "Don't use force on them." Let them go quietly.

A row broke out on the steps of the town hall between NP members and press, who complained at their treatment by security guards. Mr Fanie van Zyl, one of the members, apologised profusely to the press who dispersed.

Meanwhile, the official Nationalist mouthpiece in the Transvaal, Die Transvaler, said yesterday that it was not often in South African politics that a minister resigned his position in circumstances such

as those that appeared in the case of Dr Mulder. Still his decision was not unexpected or surprising, the paper said.

After the publication of certain evidence before the Mostert Commission, Dr Mulder's involvement was of such a nature that his position as senior cabinet minister immediately became questionable.

Die Transvaler adopted the attitude that Dr Mulder should rather temporarily break his political ties with the party until his position became clear.

Dr Mulder's statement did not signify clearly whether he was also going to take this step.

While his resignation from the cabinet was appreciated, there were still unfinished matters concerning Dr Mulder which would have to be finalised soon, Die Transvaler said.

In conclusion, it said that final judgment should be held in abeyance — DDC-SAPA

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EAST LONDON — Reacting yesterday to the resignation of Dr Connie Mulder, the Member of Parliament for King William's Town, Mr Hendrik Coetzer, said the move had been the correct one.

"I think it was the right thing to do under the circumstances," Mr Coetzer said.

Asked if he had in mind a successor to Dr Mulder's Cabinet post, he said "I can't see anyone really at this moment."

The MP for East London City, Mr Gert Myburgh, said "I haven't seen his

Mulder step correct says Coetzer

(Dr Mulder's) statement yet. But he did say he hasn't done anything wrong.

"The whole thing has become rather confused and I haven't had a chance to really assess the position."

Mr Myburgh said the press had played a considerable part in pressurising Dr Mulder to resign.

The MP for Griqualand

East, Mr Jan Jordaan, said "No comment at this stage."

The Member for Albany, Mr Jaap Oikers, was not available for comment yesterday, nor was the other Border MP, Mr John Malcomess.

The organiser for the National Party in East London, Mr Ryno King, said "No comment." — DDR

Muldergate in UK press

LONDON — The media here, which has given major coverage to what is commonly termed the "Muldergate scandal," has paid tribute also to South Africa's "campaigning press."

Yesterday a leading British journalist, foreign editor of The Times, Mr Charles Douglas-Home, said that it was always encouraging to see that a cabinet minister's resignation could follow press revelations.

"This is particularly so in a country such as South Africa where rather less parliamentary pressure can be expected. I think it is generally recognised that newspapers such as the Rand Daily Mail have made a splendid effort to fearlessly explore suspect avenues in the country's administration."

The International Press Institute (IPI) said South Africans and the world should recognise Dr Con-

nie Mulder's resignation as the first "requirement" following the "responsible and concerned" expose conducted by the country's English press.

A spokesman said "this is further proof that South African society can benefit enormously from a press that is in the forefront of a fight to try to maintain the country as an open society. The independence shown latterly by the Afrikaans press has also been heartening."

Mrs Wendy Woods, wife of the exiled Daily Dispatch editor, Donald Woods, said "What is particularly interesting as I watch the Nationalist hierarchy hang itself with its own rope is that it affords to ignore what is going on amongst its own people, in spite of the fact that heads as big as Dr Mulder's are beginning to roll."

The International Commission of Jurists in Geneva said yesterday it was "extremely concerned" that the judicial commission of inquiry into the Information Department scandal and Judge Anton Mostert's role had ended along with Dr Connie Mulder's career as a cabinet minister.

Wiley agrees

JOHANNESBURG — The South African Party would certainly be represented on the Select Committee appointed to investigate the old Department of Information's activities, Mr John Wiley said here yesterday.

"We do not believe in boycotts and abrogating from our responsibilities. We believe in participating, and trying to play a constructive and not a negative role," he said — SAPA

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Gatsha sympathises

DURBAN — Chief Gatsha Buthelezi said yesterday he sympathised with Dr Connie Mulder, who resigned his portfolio of Minister of Plural Relations, "because he is bearing the brunt of something in which he is not alone."

At the same time he felt Dr Mulder had no choice but to resign.

He was head of the Department of Information and whatever happened he had to carry the responsibility.

The chief said he had suffered interference by the Department in Zulu politics for years and the department had even

abused the Zulu monarchy "by attempting to drag the King into the heat and dust of politics"

The Citizen newspaper had, since its inception, denigrated him at every opportunity.

The chief added "I am one of the people who bore the brunt of the clandestine activities of this department."

It was a pity, however, that "Dr Mulder has left before we learnt to know him because he gave the impression that he was at least a human being who could take criticism of his Government's policy even from us blacks, unlike his predecessors." — DDC.

could ask permission from the cabinet to be given an opportunity to give evidence.

The official reply from the Presidency when these reports were referred yesterday morning was: "No comment

Mostert concerning statements, allegedly made by him while he was Prime Minister.

They point out that the evidence given before Mr Justice Mostert was hearsay and untested. — SAPA.

Mudge man took part in deal

WINDHOEK — The private secretary of Mr Dirk Mudge, chairman of the Democratic Turnhalle Alliance, had a hand in editorial appointments on the John Meinert newspapers after they were taken over earlier this year.

This was confirmed yesterday by Mr Charlie Hoeflich, a Stellenbosch Farmers' Wineries employee who was "loaned" to Mr Mudge for four months at the beginning of the year.

Mr Hoeflich admitted that while he was Mr Mudge's private secretary he also acted as an "adviser" on the appointment of editorial staff on the two independent newspapers — the Windhoek Advertiser and Allgemeine Zeitung — after their takeover by Dr Dieter Lauenstein, a German publisher.

He said that he managed to put Dr Lauenstein in contact with the present editor of The Advertiser, Mr Leon Kok, a former Citizen reporter who was working as a roving correspondent for Perskor at the time

"But I didn't receive a single cent for my services," Mr Hoeflich added "I was acting in my personal capacity because I used to work for the Meinert group."

Both newspapers have taken a pro-DTA stance since they were bought and the two former editors, Mr Hannes Smith and Mr Kurt Dahlmann, were forced to quit their posts.

Mr Dahlmann said this week that he believed the South African Government was involved in the newspaper deal because they wanted to promote the DTA during the territory's first all-race election

Dr Lauenstein has denied the allegation and said that he had insisted on the sacking of Mr

Dahlmann when he took over because of his pro-Swapo sympathies

Dr Lauenstein admitted, however, that he employed the new chief editor of the Zeitung, Mr Arthur Soren, after being introduced to him by Dr Ben Africa, vice-president of the DTA.

Dr Africa stayed with Dr Lauenstein while on a visit to West Germany.

Mr Soren, a former German-civil servant and editor of an education journal, said that although Dr Africa was responsible for the introduction, he was not present when he was interviewed for the job by Dr Lauenstein.

Questioned about being on "loan from SFW to Mr Mudge, Mr Hoeflich said he had taken leave so that he could work at the Republican Party offices

"It was a personal thing between Mr Mudge and myself," he insisted

Mr Mudge said that he had no influence over any newspapers in the territory and he was not consulted by the Meinert group after Dr Lauenstein's takeover.

He said Mr Hoeflich had a "private arrangement" with the publishing company for about a week after the take-over, and he had nothing to do with it

In Pretoria, the Minister of Foreign Affairs, Mr Pik Botha, refused to state how secret funds from his department were used.

"In this connection my department and I are responsible to the Parliament of the Republic of South Africa and we do not account to any other body," he said.

This follows a telegram on Monday from the Namibian National Front, asking whether funds from the South African Government were used to take over or gain the support of any newspaper in South West Africa — DDC

Star 9/11/78

We are not interested in blacks — Paulus

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Unionizing Bureau

"We know how to protect whites. We are not interested in black people," Mr Arrie Paulus, chief secretary of the SA Mineworkers' Union, told a jubilant crowd of about 400 Iscor employees in Vanderbijlpark last night.

His speech was part of the union's campaign to recruit members from the steel industries in Vanderbijlpark.

Mr Paulus launched a bitter attack on the 10 trade unions which had signed an agreement with Seifsa (the Steel Engineering Industries Federation of South Africa) which effectively

does away with job reservation, calling for the retention of job reservation.

He said the trade unions which signed the agreement, known as Section 35, tried to make out that it protected the white worker.

"But its basic principle is to promote and recruit according to merit, or to promote equal job opportunities for all groups of employees, black, yellow and pink," he said, and the crowd cried "skande" (shame).

Mr Gert van der Berg, chairman of the local branch, which claims to have 1 000 members, said

that no worker needed to fear discrimination against him if he joined the Mineworkers' Union.

"If they fire you, we all walk," he said.

PREMIER OOR MOSTERT:

Regering vat nie aan regbank

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Burger 9/11/78



MNR. BOTHA

Van Ons Politieke Redaksie

SASOLBURG.

DIE Regering is nie besig om aan een enkele regter te vat nie en hy is ook nie besig om hom in te meng met die regbank nie. Geen regter is ontslaan nie. Wat gebeur het, is dat 'n kommissaris se opdrag beëindig is, het die Eerste Minister, mnr. P. W. Botha, gisteraand hier gesê.

Mnr. Botha het voor 'n skare van vyfduisend mense opgetree. Sy verwysing na die herroeping van die opdrag aan regter Anton Mostert, wat getuienis oor bedrywighede van die gewese Departement van Inligting in sy ondersoek na oortredings van valuta-beheerregulasies ingewin en dit openbaar gemaak het, was een van verskeie aspekte van die saak wat deur hom aangeroei is:

Mnr. Botha het ook gepraat oor die bedanking van dr. Connie Mulder uit die Kabinet, die optrede van koerante en die Regering se vaste voorneme om reg te maak wat verkeerd is."

Die Eerste Minister het gesê hy het regter Mostert nie aangestel nie. Regter Mostert is deur die gewese Staatspresident, dr. Nic Dierichs aangestel en in sy opdrag aan regter Mostert is uitdruklik gesê dat niks bekend gemaak mag word, deur niemand, nie voordat regter Mostert se verslag nie aan die Staatspresident voorgeleë is nie.

Die Premier het gesê hy het regter Mostert nog net een maal ontmoet. "Ek het toe vir hom 'n koppie tee aangebied. Hy het my tee gedrink en geloop sonder om my te groet."

Mnr. Botha het gesê hy het die laaste vyf weke nie eens vir sy familie tyd gehad nie. Omdat hy regter Mostert nie dadelik kon spreek nie, het regter Mostert boodskappe en telegramme na hom gestuur deur Min Owen Horwood. By die ontmoeting het regter Mostert sy saak gestel, maar dit het daardie oggend al in die koerante verskyn dat hy dieselfde middag 'n perskonferensie sou hou.

Mnr. Botha het gesê hy spreek die Persunie binne enkele weke en hy wil hê die koerante en die Regering

* VERVOLG OP BL. 2 *

Proklamasie

Op navraag van koerante het die Eerste Minister agterna daarop gewys dat die verslae volgens proklamasie aan die Staatspresident voorgeleë moet word, en toe word hy deur 'n sekere koerant beskuldig dat hy 'n verbod op die publikasie van die getuienis van regter Mostert wou plaas. Mnr. Botha het gesê dit was geensins sy bedoeling nie. Hy het bloot by navraag gewys op die bepalinge van die proklamasie.

Die Premier het gesê daar is in die koerante getuienis gepubliseer wat met die uitvloer van valuta niks te doen het nie. Die getuienis is nie getoets nie en mense se name het verskyn sonder dat hulle geraadpleeg is.

Net die S A U.K. het hom soos in 'n ordelike staat in terme van die wet gedra en dit nie uitgesaai nie.

Mnr. Botha het gesê: "In die Suid-Afrikaanse regstelsel hoor jy eers 'n man se kant van die saak, voordat jy hom ophang."

As die wet waaronder koerante opereer nie sterk genoeg is nie, sal die Parlement daarna moet kyk.

Die Premier het gesê hy wil persvryheid in Suid-Afrika sien, maar koerante "moenie lieg nie".

Mulder sal sê, sodra hy gereed is

Burgers 9/11/78 (259)

JOHANNESBURG.

Hy het besluit om aan te gaan met die voorbereiding van die nasionale kongres van die Nasionale Party, het dr. Connie Mulder gisteraand in die SAUK se TV-nuusprogram gesê.

Die gewese Minister van Plu-rale Betrekkinge, wat eergister om middernag bedank het, het gesê hy het gister sy kantoor ontduim. Toe, hy uitgevra is oor sy politieke toekomst, het hy gesê: "Ek het gisteraand baie suksesvolle vergadering met die afdelingsbestuur in my kiesafdeling gehad. Hulle het my eenuitig versoek om aan te gaan as Volksraadslid vir Randfontein."

In antwoord op 'n vraag het dr. Mulder gesê hy is oortuig dat 'reg sal geskied deur middel van die Erasmus-kommissie en die Parlementêre kommissie van ondersoek.

WÊRELDORLOG

Ek is van my onskuld oortuig en ek dink dit sal die geleentheid skep om my integriteit en eerlikheid bo alle twyfel te plaas. Ek wil dit in hierdie stadium wêreldoerlog aan die gang sien. Suid-Afrika en as deel van die wêreld is as deel van die wêreldoerlog aan die gang.

Ná oorweging van al die verwickelinge het ek besluit om as lid van die Kabinête bedank, maar as Volksraadslid vir my kiesafdeling in Randfontein aan te gaan.

Maar in die volgende jaar, het dr. Mulder gesê.

Maar in die volgende jaar, het dr. Mulder gesê.

Liaison and Works Committees

Instead of simply providing for the in-plant works committees at the lower end of the pyramid, a dual system of works and Liaison committees was introduced. A Liaison committee in any establishment consists of some members appointed by those elected from the ranks of his African employees. At the functions of a Liaison committee must be elected by the African man may be designated by the employer and need not be a committee, or may be appointed in a manner determined. As we shall see, employers have preferred the it is true that it takes precedence over the works. The functions of a Liaison committee are very simply "to consider matters which are of mutual interest to the employees and to make to the employer such recommendations of employment of such employees or any other matter as . . ." The law does not limit the period of office which would presumably be bound by the terms of its

In the other hand, is a wholly elected body. In any more than twenty African workers, where no Liaison workers may elect a works committee consisting of no more than twenty persons. However, representation is of the total number of African workers in the establishment at the time of the election. The Bill extended sense that it allowed for more than one works committee in larger firms, therefore, sections of the African elect their own works committees.

trust exists on one or both sides, this particular date for resolving what may be a fundamental conflict of present definition of a labour dispute is far wider about the assistance of the Regional Bantu Labour should intervene in an attempt to effect settlement there

trouble shortcoming in this connection. The Act

MOSTERT SE ONTSLAG, NIE INMENGING

9.

frican. In other words, a rather narrow definition. workers involved were covered either by an t, or an arbitration award, or a conciliation board n force, the machinery which the Industrial Concilia- preferred to settle a dispute provided the Central rted on the dispute to the Minister who was empowered e Wage Board. In the case of a wage determination applicable to other racial groups would be used if n operation for less than two years.

„DIE beëindiging van die Mostert-kommissie kan nie gesien word as inmenging in 'n onafhanklike regterlike mag nie," het mnr. E. R. Liefeldt, voorsitter van die Wetsgenootskap van die Kaap die Goede Hoop, gister in Port Elizabeth 'n verklaring gesê

„As voorsitter, en enigste lid van die kommissie het regter Anton Mostert as 'n kommissaris en nie as 'n regter van die Hoogeregshof nie opgetree," het hy gesê

Volgens die verklaring is die regsberoep bekommerd oor die vraag of die beëindiging van die kommissie deur die Regering bestempel kan word as inmenging in die onafhanklike regbank.

„Die aanstelling van die kommissie is deur die uitvoerende gesag van die Regering gedoen, en grondwetlik is die beëindiging van die kommissie binne die mag van die uitvoerende gesag. Daarom meen ons nie dat die besluit van die Regering inmeng in

die onafhanklike regbank nie. Of regter Mostert 'n diens aan die publiek gelewer het deur die getuienis wat aan hom bekend was te openbaar, is nie 'n saak waarop die Wetsgenootskap kommentaar hoef te lewer nie. Of regter Mostert daarop geregtig was om die inligtinge te bespreek of nie, is 'n saak waarin ons sy siening eerbiedig," het mnr Liefeldt gesê.

„Uit 'n praktiese oogpunt dink ek dit is geregverdig om te sê dit is nie onverwags as 'n kommissie ontbind word nadat daar konfrontasie tussen die uitvoerende gesag en die kommissaris was nie. Of dit in hierdie saak geoorloof was of nie, is 'n ander saak," het hy gesê

disputes with no stoppage of work involving these were usually settled by Bantu Labour Officers. The work stopped, but which could not be regarded as involved 22 744 Africans. There were also 246 cans took part.²³

fer that the alternative system of labour relations State was inadequate and that when it was subjected can workers eschewed it, employers showed a in a meaningful way, and even the State implemented

it without vitality.

THE BANTU LABOUR RELATIONS REGULATION ACT (NO. 70 OF 1973)

During the 1973 labour unrest the Government moved quickly to overhaul the system and published a draft Bill embodying its aims in this regard. Its proposals, in the words of the Minister of Labour "... evoked wide interest, and comment as well as proposals for its improvement were received from most of the major employers' organisations, from trade unions, individual employers and other bodies".²⁴ As a result the authorities altered the original Bill and later introduced the Bantu Labour Relations Regulation Amendment Bill.²⁵

The new machinery retained the three-tier system, which had operated for twenty years, with certain important differences.

23. Ibid.

24. Hansard 17 column 8390, 6 June 1973.

25. Some of the comment elicited by these Bills is recorded in: Muriel Horrell and Dudley Horner. A Survey of Race Relations in South Africa, 1973. Johannesburg, S.A.I.R.R., 1974 pp.276-281 and 286-291.

WOLFFENBUTTEL

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Van Ons Politieke Redaksie *Burgers* 11/18
PRETORIA

TWEE amptenare van die Tesourie, die griffier van die Natalse Hooggeregshof, 'n lid van die griffier se personeel en twee speurders het gister tasse, vol getuienis by regter Anton Mostert se huis in Pietermaritzburg gaan haal.

Die gebeurtenis om die af- Inlging bekend sou maak al die getuienis in sy kantoor esette kommissaris wat val- Dit was net 'n dag nadat na Pietermaritzburg te verwy- abebeer voortredings onder- die Mostert-kommissie op ad- der. Regter Mostert het die Staatsprokureur gehanteer is, die Staatsprokureur gehanteer is, is na die Natalse Hooggeregs- hof verwys. Geen interdik is egter in Natal teen regter Mostert aangevra nie Ander

... could intervene in an attempt to effect settlement there out the assistance of the Regional Bantu Labour the 1953 legislation, and a Bantu Labour Officer and/or present definition of a labour dispute is far wider ate for resolving what may be a fundamental conflict of strust exists on one or both sides, this particular re is unlikely. However, where relations are cool or r employer enjoy a reasonably harmonious relationship ned or his authorised representative. Obviously where elect a works committee is held under the chairmanship elect their own works committees.

hof om 'n dringende interdik aansoek gedoen is om hom te probeer verhinder om nog getuienis wat voor hom gele- wer is, te laat uitlek Regter Charl Theron het egter besluit dat hy geen juris- diksie in die saak het nie en die aansoek, wat deur die Staatsprokureur gehanteer is, is na die Natalse Hooggeregs- hof verwys. Geen interdik is egter in Natal teen regter Mostert aangevra nie Ander

ontwikkelinge in die Inlig- ting-skandaal was gister soos volg ● Dr Eschei Rhoadie en genl. Hendrik van den Bergh het afsonderlik met die Sekre- taris van Justisie, adv J. P. J. Coetzer, beraadslaag Albei het hul bereidwilligheid te kenne gegee kommissie te getuig Erasmus-kommissie te getuig ● Die aandeel van mnr Erasmus-Louis Luyt se kunsmismaat- skappy, Tromf, het op die

Johannesburgse Effektebeurs met 42 persent gedaal ● Mnr Alwyn Schlebusch, Minister van Binnelandse Sake en Vrystaatse leier van die Nasionale Party, is aange- stel as waarnemende Minister van Plurale Betrekkinge en Ontwikkeing in die plek van dr Connie Mulder. ● Die Erasmus-kommissie het sy werk in Pretoria voort- gest Die sekretaris het gesê hulle is ontsetend besig, daar is skaars tyd om te eel Die twee amptenare van die Tesourie wat gisteraan na Pietermaritzburg gegaan het om die getuienis by regter Mostert te gaan haal, is mnr F. W. J. Jonker en R. P. Wronsley Regter Mostert het gister- middag gesê hy het die doku- mente vrywillig aan die amp- tenare van die Tesourie oor- handig Al wat hy nog in sy besit het, is sekere wets- boeke wat hy ook sal terugbe- sorg sodra „ek met 'n sekere akademiese takkie“ klaar is Hy verwag om, sodra hy daar- mee klaar is, weer heeltyds vir die regbank beskikbaar te wees Hy weet egter nie hoe lank die taak sal duur nie. ● Op sy beurt het mnr A. J. Pretorius, Sekretaris van die Tesourie, gister in Preto- ria gesê dat daar nog nie besluit is wat om met al die getuienis te doen nie Daar is nog nie besluit of die Parle- mentêre kommissie, onder voorsitterskap van mnr. Hen- nie van der Walt, L. V. vir Schweizer-Reneke, bloot op die getuienis van die Mostert- kommissie sal voortbou en of hy heeltemal voor sal begin

The All-White Scandal

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It is surprising that all the wealth of information that has flowed over the past 10 weeks seems to have been an all-white affair when so much that was done by the defendant parliament overseas had to do with blacks and how well they are governed here

And to maintain theateness of the debate a black community sat in silence perhaps founded at the relations

But one man I spoke to the weekend mentioned nothing I had not thought of when he said her one thinks of the resumes involved in one subject in which there have been allegations of

misappropriation of funds, one wonders how much more has been wasted on other projects

"Surely it is hard to believe people can take more than R10m on the very first project they have some to when using funds they should not use

"I mean one normally starts with a small sum and gradually builds up bigger sums before taking millions and if this is the case one wonders whether we would be paying the sales tax we have to pay today if some of the money had been used as it should

have been"

For me this was an eye-opener and I wondered how pensioners who are paid R37.50 every two months would be better off if some of the funds had been used to augment their incomes

But the issue should go beyond just the payment of such funds to pensioners. It covers the whole spectrum of expenditure on black education, housing, health services, salaries to civil servants and even railways workers
If the need to influence



The Leslie Ximwa column

white thought would even go as far as starting a newspaper from public funds then it has become clear that improving the lot of blacks is not a top priority

in influential government circles

What the whole disclosure on information and The Citizen now boils down to is that major issues the government is prepared to get to grips with do not necessarily include the improvement of the lot of the blacks when the question of putting money where mouths are has to be faced straight

Even the general press had so much material to handle over the two weeks that hardly any new paper has had time to find out from black

leaders' what they think about the events of last week

The dust has not dried down yet and there could be more when the special session of Parliament sits next month and in the confusion that is now going on one would not be surprised if the Plurais Department stays without a top singular for some time while other problems hitherto unrevealed are still being sorted out

South African politics have never been open to blacks and whenever issues like the Info Citizen

scandal break, blacks have a time to sit back and watch with some interested detachment as all the parties go for each other

After all the disorganised opposition parties who got a drubbing at a General Election at just about the time the issues breaking out now were coming to light (as Advocate Van Rooyen testified), now have a chance to crow to the electorate about how they have kept a government in power for so long that it has forgotten its obligations to the taxpayers
Those who are taxed without being represented can only sit and wait, only hoping some sense will prevail in the end

Mulder's drift

FM 10/11/78

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The Information scandal — and especially the evidence that Judge Mostert made available last week — has rocked the National Party to its foundations. Are the unity and solidarity on which the party has thrived these past 30 years now in jeopardy as a result?

It will be very interesting to watch how the Nationalist press jumps now. It has given great prominence to Mostert and the allegations made to his commission. It has not commented on his public defiance of Prime Minister P W Botha. How will it now react to his dismissal?

How will it react to the refusal of the Progressive Federal Party and the New Republic Party to serve on the parliamentary commission to which Mostert's exchange-control investigation has now been entrusted?

The Nat papers can move in one of two broad directions. They can either take the line that the full details of the goings-on at Information must be exposed, even if it means that other top Nats might be damaged in the process. Or it could take the line that Connie Mulder's resignation from the Cabinet — which most Nat papers were demanding earlier this week — is sacrifice enough and that the main task now is to re-build party unity.

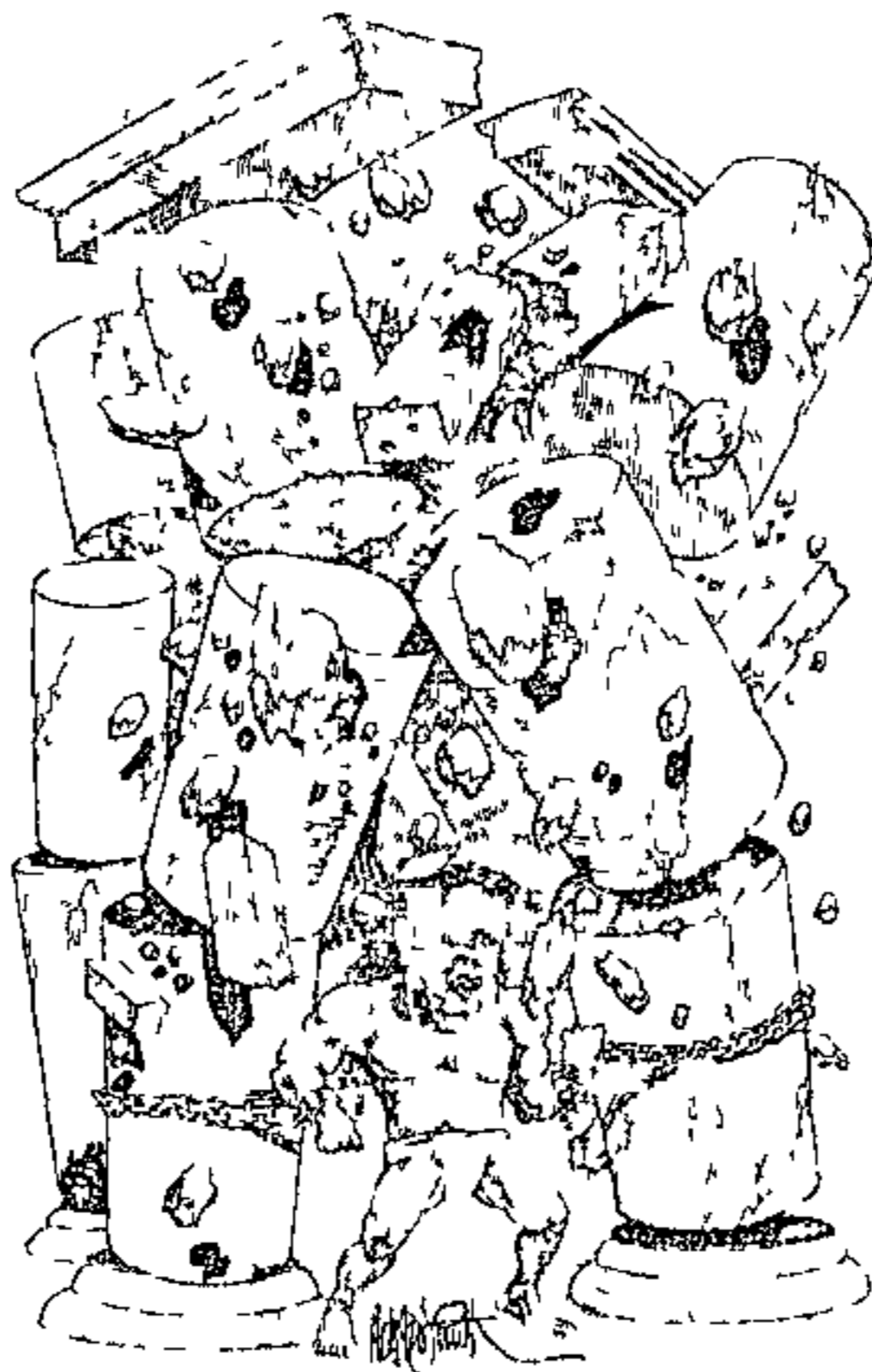
Die Vaderland said in a front-page editorial on Wednesday night that any "real corruption" should be exposed and rooted out. But it also said that the Opposition had smelt blood. And it went on: "The total onslaught against South Africa has now also become an onslaught from inside."

The editorial ended with an appeal for support for the "firm action" taken by the PM — an indication that the paper was prepared to condone the sacking of Mostert and that party unity was now to be the prime consideration.

Like its press, the party's dilemma is how to isolate the Information scandal by limiting it to a Mulder-Rhoodie affair without involving other Nationalists and without splitting the party apart. When the shouting is over, will Mulder's supporters resign themselves to the defeat of their hero, or will they fight for him to regain political prominence?

There is little doubt that the drama of the past 10 days reflects a serious and

bitter struggle in the party, involving both ideological and personality differences. In the premiership battle only six weeks ago P W Botha supporters were openly using the damaging facts that have now been exposed by Mostert in their campaign against Mulder. Indeed, P W Botha's par-



icipation in the leadership contest, which he clearly had no chance of winning, was basically a stop-Connie campaign.

His intervention proved crucial because in the second ballot 20 of his 22 supporters — almost all from the Transvaal — switched their support to P W Botha, who defeated Mulder by 98 votes to 74.

The P W Botha victory brought to an end the domination of the powerful Transvaal — constituting almost half of the NP Parliamentary caucus — in the affairs of the NP.

In the background is the question: who will be the next PM if, as seems likely, P W Botha becomes executive president under the Nat's proposed new constitution?

Until a month ago Mulder seemed assured of winning this contest. The Information revelations have now boosted the chances of P W Botha. But is Mulder's career really finished?

It is significant that he has not resigned his seat in the House; nor has he stood down from the Transvaal leadership of the party. In the Transvaal he almost certainly still commands the majority support of Nationalist parliamentarians, many of whom believe his actions as Information Minister were in the interests of the country.

Moreover, the political and personal hatred for P W Botha among Mulder supporters, even those who are wavering in their support, is a very real and crucial fact of life in NP politics today.

There are several questions asked about Mulder. Is he going to fight in the party to regain his political position? As part of his fight, will he now tell all, revealing who and at what level others were involved with him in the handling of secret funds and the financing of the Citizen?

Only a few days ago unnamed Mulder supporters were threatening that Mulder could "like a Samson" bring down the whole government if he so wished.

Mulder's last resort is Parliament, — which he could use should he feel that he and his officials have publicly been made scapegoats to cover up the involvement of others. Ten days ago, in a private discussion with some conservative supporters who warned him about attempts to push him out of the Cabinet, Mulder was adamant that even if it happened he would not give up his platform and power base in Parliament.

Mulder's political fate, as well as the future unity of the NP, will be decisively affected by three party meetings in the near future: the Transvaal executive committee is meeting next week; the (larger) Transvaal head committee meets on Saturday November 25, and finally the national caucus will gather on December 6, the day before the special session of parliament begins.

The crucial test for Mulder will be the head committee. It annually elects a chairman, who is traditionally the party's provincial leader — for the past six years Mulder himself. If Mulder is re-elected chairman, his position at the caucus meeting and at the special session of parliament will be strengthened.

But P W Botha's supporters had threatened to walk out of the party, unless

Mulder resigns as minister and provincial leader. On the other hand, Mulder supporters have been openly saying that if Pík were to replace Mulder as Transvaal leader, they would break away. Whether either faction would carry out its threats is another question of course.

Pík Botha's dilemma is that his obvious public support is reflected neither on the head committee nor necessarily among rank and file delegates at the party congress, which would have to elect a new Transvaal leader if Mulder were to resign or be pushed out.

Other Transvaal leadership candidates could be Fanie Botha, Minister of Mines

and of Labour, and senior vice chairman, Hendrik Schoeman and Jimmy Kruger, both vice chairmen, Piet Koornhof; and Dr Andries Treurnicht, who enjoys the support of a large number of conservatives. It is possible that Mulder supporters might consolidate behind Kruger, who proposed Mulder in the recent premiership fight.

In 30 years of power there has never been as much personal animosity, bitterness, and dirty political infighting in the NP as at present, not even at the time of the HNP break away in 1969.

One difficulty the NP and its newspapers face is the continued existence of

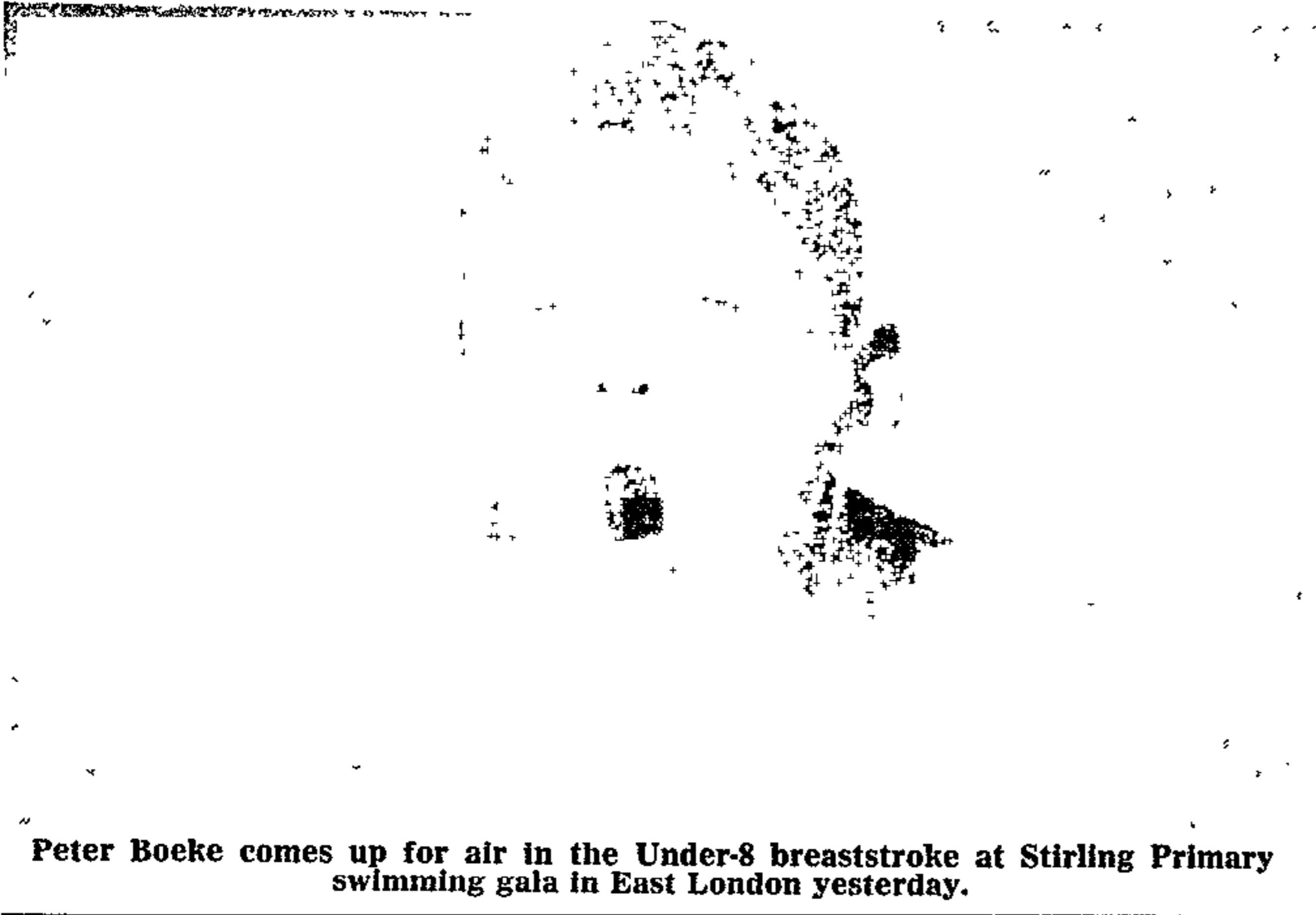
the *Citizen*. Both P W Botha and several government newspapers have made it clear that a newspaper financed by government funds cannot be tolerated.

But the biggest question of all facing the party — and the entire government — is: if Mulder finally goes, will he go quietly? Will he put the interests of party unity above personal ambition and his (perfectly natural) desire not to be made a lone scapegoat for actions in which others were also involved?

Will he, as some of his supporters have been threatening, bring down the whole structure of the party, and therefore of the government, like Samson?

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Peter Boeke comes up for air in the Under-8 breaststroke at Stirling Primary swimming gala in East London yesterday.

Mulder may be planning return

Mostert hands over evidence

JOHANNESBURG — Mr. Alwyn Schlebusch, the Minister of Interior and Immigration, has been appointed Acting Minister of Plural Relations

The Prime Minister's office announced the appointment yesterday following Dr Mulder's resignation from the Cabinet.

The decision not to appoint a man permanently sparked speculation yesterday that Dr Mulder might be planning a comeback after the Erasmus Commission has reported to the State President.

The commission has been given a mandate to complete its report by December 6, the day before Parliament meets for a special session to

debate the Information Department debacle.

Dr Mulder initiated speculation that he planned a return as a major political figure by his decision not to resign as MP for Randfontein or as Transvaal leader of the National Party

Mr Botha's appointment of Mr Schlebusch may mean no more than putting a loyal man there to quash hopes in the Mulder camp of a comeback while Mr Botha awaits the opportunity to reshuffle the Cabinet and appoint a new Minister of Plural Relations

Mr Schlebusch, Free State National Party leader, backed Mr P. W. Botha in the battle for the Premiership — DDC

PIETERMARITZBURG — Tight security measures were enforced when controversial evidence was handed over by Mr Justice Mostert to Treasury officials at his home here yesterday afternoon

Judge Mostert was closeted in his curtained lounge for several hours with two Treasury officials and a local Supreme Court clerk before the men emerged and loaded trunks of evidence into the back of a waiting Government car

Police at the scene made sure that pressmen pre-

sent did not enter the grounds, and at one stage ordered a photographer out of the judge's garden

Two trips to the house were made by the officials who were forced to remove the spare wheel from the boot of the vehicle so that the trunks could be loaded

The handing over of the evidence followed an unsuccessful attempt by the Government to interdict Judge Mostert from making further statements on the evidence he collected while conducting a one-man commission of inquiry into currency control regulations

At the time the attempt at the interdict was made there was growing speculation that the judge was to make known further evidence in a statement he said he would be issuing from Pietermaritzburg

Speaking from his home yesterday, the judge said it had not been his intention to make known further evidence. His one day trip to Pretoria had been made simply so he could correlate all the evidence to be handed over to the Treasury.

The attempt by the Government to get an interdict prohibiting him from making further disclosures had followed "wild rumours," he said.

Judge Mostert said he had handed over the evidence voluntarily "as the Treasury was entitled to it"

He refused to say whether the evidence included further disclosures on expenditure by the defunct Department of Information.

He did not know whether he would be called to give evidence before the Erasmus Commission, but would make a decision "when the time arose." — DDC.

Triomf shares price plummets

JOHANNESBURG — More than R9 million was lopped off the market value of Mr Louis Luyt's Triomf fertiliser investments on the Johannesburg Stock Exchange yesterday.

The share price fell by 65c from 155c to 90c, a drop of more than a third. There are 14 million issued ordinary shares in Triomf.

At yesterday's price of 90c, that puts a JSE valuation of R12 600 000 on the company.

This compares with a value of more than R31 million in 1975, when the share price reached 450c. There were fewer issued shares then.

Triomf's share price was firm on the JSE until the end of last month when a persistent buyer at 165c withdrew from the market.

A few shares changed hands at 165c on the day before the Mosferu Commission's release of information which linked Mr Luyt and The Citizen with secret funds.

Since then, sellers have been unable to tempt buyers into the market at prices anywhere near those which have prevailed for the past five months. An 80c buyer yesterday persuaded the seller to come down to 90c where 1 400 shares changed hands.

Later, the shares hardened to 100c buyers, but there were no sales at that level.

Triomf disclosed in its latest report to shareholders that it had R101 million of long-term borrowings and R45 million of short-term debt. Shareholders' funds were R24 million after a revaluation of assets and a R7 million rights issue.

The Louis Luyt group of companies was shown to be owed just less than R6 million. Other major creditors are Sentrale Bando, a farmers' cooperative, and AECI, Triomf's partner in the Richards Bay phosphoric acid plant.

Mr Luyt has often argued that the group's high gearing — the relationship between borrowings and equity — should not be critically viewed in Triomf's case because the major creditors would be happy to convert their loan capital to equity.

What worries some investors now is that some of Triomf's loan capital may not be as readily convertible and that the financial strain of any unexpected additions to the group demands on the group might be too strong to resist — DDC

Absolutism on the march

Last week was too good to be true. For a brief moment, thanks to a brave judge and a vigilant press, South Africans had a glimpse of democracy in action. Authoritarianism, like the corruption that so often goes with it, thrives on secrecy. Thus in releasing some of his commission's evidence to the public, Anton Mostert struck a greater blow for democracy than probably even he realised at the time.

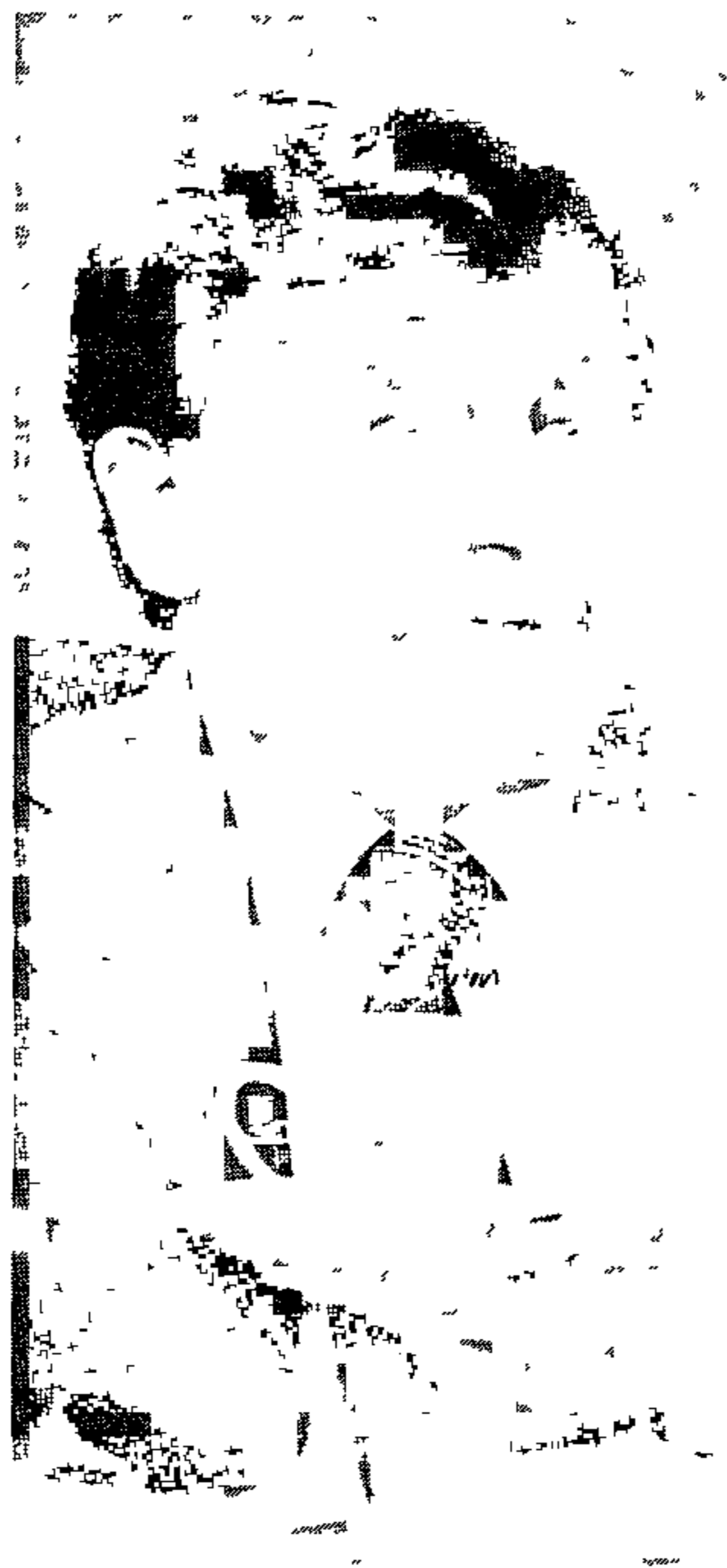
It was all too much for Pretoria to stomach. A government which has got used to the untrammelled exercise of power over three decades does not take kindly to being defied by a judge who exercises his independence too vigorously. So Mostert's commission had to be liquidated.

In retrospect it is clear that the events of last week were an aberration — a glorious aberration, but an aberration nonetheless. Government of South Africa under 30 years of Nationalist rule has become steadily more authoritarian and more secret, while the rights of the people have been just as steadily diminished. For Pretoria to allow itself to be defied by a judge who refused to toe its line was no more conceivable than for it to allow an independent judicial commission of inquiry into deaths in detention.

Twenty-five years ago SA witnessed a spectacle that, in essence, was not very different from what happened to Mostert this week.

It started when the Appellate Division of the Supreme Court rejected as unconstitutional the Act of Parliament that threw the Cape coloured people off the common voters' roll. Enraged that the AD should demand that they adhere to the constitution, the Nationalists then put through a High Court of Parliament Act, whose aim was to make the Nationalist majority in Parliament the highest court in the land and thus enable it to overrule the AD. However, determined to defend the constitution against such political tricks, the AD threw the High Court of Parliament Act out too.

Their fury matched only by their unscrupulous resourcefulness, Prime



Mostert . . . not Pretoria's cup of tea

Minister D F Malan's Nationalists devised an even more elaborate scheme to get their way and circumvent the spirit of the constitution. This consisted of "packing the Senate" with enough additional Nationalist nominees to give the Nationalists a two-thirds majority at a joint sitting of both Houses of Parliament. The simple majority which they had had until then was not enough to alter the clause in the constitution which had attempted to entrench the voting

rights of coloured people.

Its work done, and the coloured franchise obliterated, the enlarged Senate was then reduced to its normal size.

The whole sorry episode revealed two things: the Nationalists' utter disregard for the rights of coloured people; and their contempt for the constitution itself.

The sacking of Mostert reveals an equal contempt for the people — the taxpayers — of South Africa, white as well as black. Like children who must be seen and not heard, taxpayers must pay up and not watch what happens to their money. If their taxes are being used to finance a new strategy of fighting off the world communist onslaught from private boxes at Loftus Versfeld, they are evidently not allowed even to hear about it.

Whatever the official excuses, Judge Mostert was sacked for one simple reason: he refused to cover up the proceedings of his commission under a blanket of secrecy. The movement towards greater and greater secrecy has indeed become one of the most sinister hallmarks of Nationalist rule.

The trend is evident far beyond the goings-on of Mulder and Rhodie and their merry men. It impinges on every aspect of our national life. The Schlebusch/Le Grange Commission met in secret — and to this day the vast majority of South Africans are still ignorant of what went on behind those closed doors. The invasion of Angola was conducted in secret. People are banned for reasons which, invariably, we are told, "it would not be in the public interest to disclose." People disappear into detention for reasons which remain secret, often even to the victims themselves. Newspapers are closed down for reasons which are kept secret.

Parts of Wrab's proceedings go on in secret. Until the *FM* (July 7) managed to obtain a copy, the report of a government committee of inquiry into violence on the mines was kept secret. The Broederbond deliberates in secret. Which person or persons killed Steve Biko is still a secret a year after his death.

As surely as a free press and an independent judiciary are the watchdogs of the rights of the people and their protectors against corruption and tyranny, secrecy is the handmaiden of political absolutism. The sacking of Mostert and

the transfer of the inquiry into the Department of Information to a commission which will meet in secret are an attempt not only to cut off the processes of government from public scrutiny but also to muzzle the press

Like the banning of the *World* and the black consciousness organisations a year ago, the liquidation of Mostert means that absolutism is on the march. With Mostert axed, the press is clearly next in line

Abramson silent *14/11/78*

On Info Dept, *(254)*

Rhodie links

Businessman Mr David Abramson, centre of the latest Department of Information row, has refused to confirm or deny links with the former department or with its former secretary Dr Eschel hoodie.

His public relations consultant assured The Star that a statement was being drawn up covering that aspect. The statement was never issued.

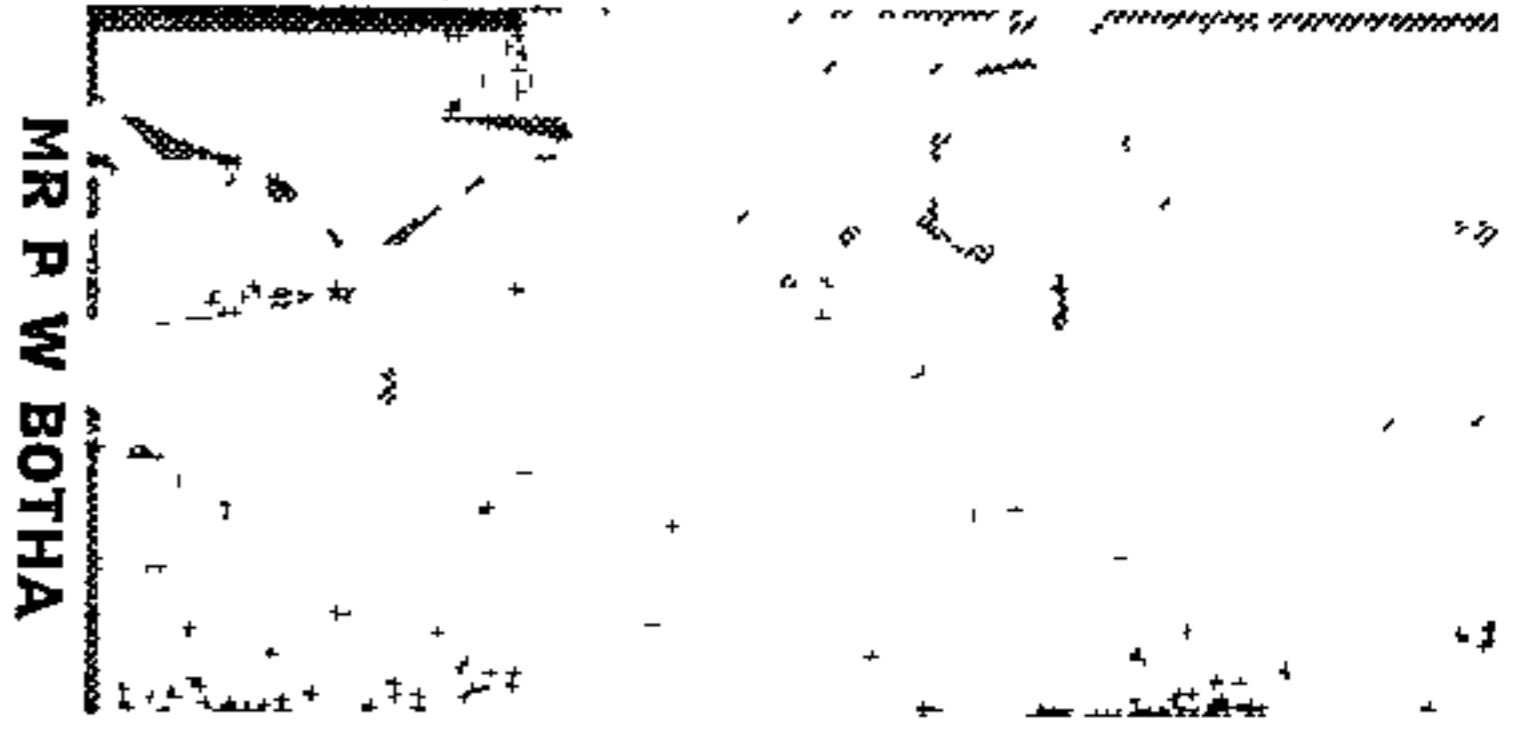
Mr Abramson is a director of Homerus Finance Corporation — a company into whose bank account Mr Louis Luyt paid millions of rands in postal cheques repaying the secret funds allegedly provided to start The Citizen.

When The Star revealed on Tuesday that the cheques had been drawn on his account, Mr Abramson issued a statement that he and Homerus had no links with Mr Luyt, The Citizen or Tromf Fertilisers.

The Star then pointed out to Mr Abramson's consultant that the statement did not deny links with the former Department of Information and asked whether there were such links. No answer has yet been received.

Since then The Star has asked Mr Abramson whether, in view of his denial of any knowledge of Mr Luyt's cheques, he intended to ask Dr Rhodie why Mr Luyt had been instructed to make out the cheques to the Homerus bank account. No answer has been received.

The Star also asked whether Mr Abramson would publicly call on Dr Rhodie to explain why he felt he could use the Homerus bank account in view of the fact that Mr Abramson claimed neither he or his fellow Homerus director, Mr John Heinrich, knew anything about the matter. No answer has been received.



MR P W BOTHA

Citizen gives thousands of free copies to SADF

Thousands of copies of The Citizen — the newspaper in the centre of the defunct Department of Information scandal — are "donated" to the South African Defence Force every month.

They are transported and circulated with military vehicles and aircraft to various military establishments in South Africa and the operation area.

Representatives of the Newspaper Press Union have been called to a meeting with the Prime Minister, Mr Botha, following his public questioning of the role the Press played in the Department of Information affair.

Mr Botha said in Sasolburg this week that the Government might have to reintroduce legislation to control the Press.

A spokesman for the NPU, Mr Peter Erasmus, said today the meeting would take place next week.

He did not know what the meeting would be about.

Speaking at a lively National Party rally in Sasolburg on Wednesday Mr Botha said he would be meeting with the Press in the next few weeks.

It has been confirmed that 2 000 copies of The Citizen are "donated" to the SADF every week for distribution to the operational zone.

An officer in the leisure-time utilisation branch of the SADF said a number of newspapers were purchased regularly for the "Boys on the border."

Asked about the large number of The Citizen, he said: "As far as I know we do not pay for them. They are given to us."

A senior officer at Defence Headquarters said "I am sure we do not pay for such a large number of newspapers. They are donated to us. Many other newspaper companies give regular or irregular donations. If the newspapers are given to us we transport them in our vehicles."

In addition to the thousands of newspapers "donated" to the men in the operational zone each month, several thousand other copies of The Citizen are "donated" to soldiers in military establishments throughout South Africa.

PW Botha summons the Press

The Prime Minister's decision to meet the NPU follows.

● an attempt to prevent the Press from publishing details of the evidence revealed by Mr Justice Mostert's one-man commission of inquiry into exchange control conventions;

● the sacking of Mr Mostert and replacement of his commission;

● the decision by the Erasmus Commission to hold its hearings in camera.

● and threats against the Press newspapers have defended the Press against criticism from the Prime Minister.

Some Nationalist MPs have expressed surprise at moves to get the conservative Dr Andries Treurnicht to stand for the Transvaal leadership if Dr Mulder resigns.

They fear that such a move would spark an ideological battle that could threaten party unity in the province.

Supporters of Mr Pik Botha would not sit still if Dr Treurnicht was drawn into the battle.

Defence cash probe?

The alleged use of secret defence funds for non-military projects, reported in The Star last Friday, might be examined by the Van der Walt inquiry into exchange control irregularities.

The Star reported that millions of rands of such funds had been channelled to projects by other Government departments.

The total amount diverted to such projects amounted to about R28-million over the last five years, The Star revealed.

Mulder under pressure to quit

Political Correspondent

Mr Connie Mulder is fighting for his political life as ressure mounts inside the National Party to resign his powerful Transvaal leadership position.

MPs believe Dr Mulder should resign to make way for someone else.

Names being mentioned are Mr P. Botha, Minister of Foreign Affairs, Mr P. Botha, Minister of Labour and Mines, and Mr Hendrik Schoeman, Minister of Agriculture.

At the moment the party's attention is focused on next week's Transvaal executive meeting where Dr Mulder's position as Transvaal leader is expected to be the main point of discussion.

Calls could be made on Mr Mulder's name.

Foreign Affairs

'Crisis averted'

H-11112
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(259)

Schwartz calls for top level talks

Political Reporter

South Africa is heading for a constitutional crisis, Mr Harry Schwarz, chairman of the federal executive of the Progressive Federal Party, warned at a protest meeting attended by 2,000 people in Johannesburg today.

He called on the Prime Minister, Mr P.W. Botha, to invite the Opposition to have discussions with him in efforts to resolve the information debacle.

"If you call on the Opposition you will find that we will put South Africa first," he said.

asked his legal advisers to investigate possible steps against Mr Justice Mostert.

● P W Botha summons the Press. — Page 15

Nat MP hits Press

Pretoria Bureau

Certain newspapers must be summarily closed when it was shown that their reports about the defunct Department of Information were untrue, the Nationalist MP for Sunnyside, Mr Jan van Zyl said today.

In a statement to the Pretoria afternoon newspaper, Hoofstad, which reported that he had said the following:

"When the Kemp commission's investigation is completed and it appears (en dit blyk) from the report, that the reports of certain English newspapers about the old Department of Information are untrue, these newspapers must be summarily closed

"It is not the old department that is being attacked, that is just a show. This is an attack on the Nationalist Afrikaner. The struggle is to destroy the Afrikaner

"The English Press started the struggle against the National Party and South Africa 30 years ago. Today they have changed their tactic and are using certain instances, persons and even treacherous (slinkse) methods by serving up news that causes a stir," said Mr van Zyl

PFP call in Info row

The Progressive Federal Party strongly deplored at a meeting in Johannesburg today the termination by the Government of Mr Justice Mostert's one-man commission

Addressing a capacity crowd in the City Hall, the MP for Johannesburg, Mr Kowie Marais, said the attitude of the Government in the Information debacle would bounce back on the Government and particularly on the Prime Minister, Mr P W Botha

Mr Marais called on people connected with the matter to come forward and reveal their involvement publicly

not report to Parliament

It was not the function of party politicians, or members of the legislature to interrogate private citizens on currency exchange transactions. This was essentially a function of the judiciary

EXCLUDED

The terms of reference of the Van der Walt Commission excluded an investigation into the activities of the defunct Department of Information

"It is part of a Government strategy to silence Judge Mostert and to put an end to his commission."

It would be a very different matter if the terms of reference included an investigation into the financial transactions of the defunct department and other Government departments, and if it were allowed to report directly to Parliament, Mr Eglin said

Referring to the Prime Minister's criticism of the Press following publications of revelations on the defunct Department of Information's activities, Mr de Villiers said the Government was aggressively on the defensive

"It is fighting for its credibility amidst the worst political scandal in modern South African history

"If its credibility goes, it will go

TARGET

"Inevitably, as so often when the Government is in trouble, the first target is the Press

"In this case the Press had the audacity to tell you what you are entitled to know, what you had a right to know, what a judge thought fit to give to the Press for publication, but what was also a grave embarrassment to those in authority

The Prime Minister's Sasolburg speech made it clear beyond doubt that the Press is once again in danger

"It is the freedom of newspapers, acting strictly within the law, to tell the public what is happening in its country and what is being planned in its name, as the Press has been doing throughout this Information saga"

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country was heading for a constitutional crisis because South Africans would not tolerate the removal of a judge from his position as a judicial commissioner

He said that if one listened to Mr Botha, one got the impression it was the Opposition and the Press who were creating the crisis

Mr Schwarz posed questions for the Prime Minister

● Was The Citizen still being funded by taxpayers money?

● Would he have ever appointed the Erasmus Commission if it had not been for the Opposition, the Press and Judge Mostert?

● Would Dr Connie Mulder have resigned if it had not been for evidence released by Judge Mostert?

● Who was the third man on the three-man Cabinet committee which screened Information projects?

Change

Mr Schwarz, amid loud applause from the audience, paid tribute to both English and Afrikaans newspapers for what they had done in exposing the Information debacle

Mr Schwarz earlier indicated that the PFP was likely to change its mind and take part in the Van der Walt commission of inquiry into foreign currency contraventions if the Prime Minister, Mr P W Botha gave certain assurances

He said he personally felt the party could reconsider taking part in the commission, which replaces the axed Mostert Commission, if three conditions were met

It was important he said, that the commission be allowed to investigate Department of Information activities where foreign exchange was concerned, because of claims that funds for The Citizen came from abroad

This was one of his

To Page 3, Col 1

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Crisis ahead, warns Schwarz

From page 1

conditions The others were

● PFP members of the commission to be allowed to call witnesses

● No restrictions on the questions PFP members might want to ask

The Prime Minister, Mr Botha, could not be reached for reaction today

According to a morning newspaper the chairman of the commission, Mr Hennie van der Walt, said the powers of the commission were wide enough to cover currency contraventions by any Government department

He also said he had been in contact with the Prime Minister and was told the commission would proceed with its task, although the official Opposition had refused to take part

Letters of appointment were in the process of being dispatched to all the members of Parliament approached to serve on the commission

"It would be for each member to decide whether he wished to serve on the commission or not"

The Erasmus Commission's report will be presented to a special session of Parliament next month

● Dr Eschel Rhoodie has confirmed that he has asked his legal advisers to investigate possible steps against Mr Justice Mostert

● P W Botha summons the Press. — Page 15

Nat MP hits Press

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"When the Kemp commission's investigation is completed and it appears (en dit blyk) from the

Eglin calls for Govt to quit

Own Correspondent

CAPE TOWN — More than 1500 people gave the Leader of the Opposition, Mr Colin Eglin, an ovation at a mass protest meeting in the Cape Town City Hall today when he attacked what he called the Government's cynical manoeuvring

"Events of the past two weeks have shattered the confidence of millions of South Africans in the integrity of this Government," Mr Eglin said

"The public have received shock after shock after shock They feel let down, they feel sore, they are angry The public has been deceived" he said

"They realise that Parliament has been given false information

BALLOT BOX

"So serious are the charges against the Government that I believe the Government should resign and allow the voters of South Africa at the ballot box to express their feelings on the Government's administration of public funds," Mr Eglin said to sustained applause.

Commenting on the appointment of the Van der Walt Commission, Mr Eglin said that this was not a parliamentary commission It had not been appointed by Parliament, it was not responsible to Parliament, and it would not report to Parliament.

It was not the function of party politicians, or members of the legislature to interrogate private citizens on currency exchange transactions This was essentially a function of the judiciary

EXCLUDED

The terms of reference of the Van der Walt Commission excluded an investigation into the activities of the defunct Department of Information

"It is part of a Government strategy to silence Judge Mostert and to put an end to his commission."

It would be a very different matter if the terms of reference included an investigation into the financial transactions of the defunct department and other Government departments, and if it were allowed to report directly to Parliament, Mr Eglin said

'Press is Nats' target'

CAPE TOWN — The Nationalists were reaching the stage where they could no longer afford to allow South Africa to have a free Press, Mr Rene de Villiers, a retired newspaper editor and former MP for Parktown, said today

At a lunchtime meeting in the city hall which was called by the Progressive Federal Party to protest at the Information debacle, Mr de Villiers said that cherished right of free societies the world over was becoming a luxury the Nationalist Government could no longer afford

Referring to the Prime Minister's criticism of the Press following publications of revelations on the defunct Department of Information's activities, Mr de Villiers said the Government was aggressively on the defensive

"It is fighting for its credibility amidst the worst political scandal in modern South African history"

"If its credibility goes, it will go

TARGET

"Inevitably, as so often when the Government is in trouble, the first target is the Press"

"In this case the Press had the audacity to tell you what you are entitled to know, what you had a right to know, what a judge thought fit to give to the Press for publication, but what was also a grave embarrassment to

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10/11/78

Mostert fearless says prof

JOHANNESBURG — Mr Justice Mostert was a fearless investigator and this might have led to the decision to dissolve his commission, Prof A S Matthews, of the University of Natal, said yesterday.

Prof Matthews said: "There is nothing in the evidence released which can be said to threaten the state security."

The chairman of the Johannesburg Bar Council, Mr W H Schreiner, declined to comment, but a senior member of the Bar said: "A judge is not a civil servant to be taken off a task because the Government does not like the way in which he is carrying it out."

He said it was an unprecedented attack on the judiciary's independence.

"Although Mr Justice Mostert is sitting as a commissioner and not as a judge, it has always been accepted by lawyers and judges in this country, and in others with similar judiciary systems, that once a judge is appointed as a commissioner, he is entitled to the same independence from government interference as he would have when sitting on the Bench."

Prof Marinus Wiechers of the University of South Africa rejected the Government view that the danger of overlapping areas of concern between the Mostert and Erasmus commissions necessitated the scrapping of the Mostert Commission. "I would have thought that would be a matter for the two commissions to work out," he said.

The Chief Justice, Mr Justice Rumpff, refused to comment. — DDC.

"How many are they?" The other question is how widely spread is the whole operation?" Mr Mosala said.

Mr S M Motsuenyane, President of the National Federated Chambers of Commerce, said Dr Mulder had done the right thing.

"I do not wish to comment further at this stage because it is for the commission to decide his innocence as far as this scandal is concerned. But of course we must deplore this money scandal involving millions of rands of taxpayers' money," Mr Motsuwnyane said.

Mr Baldwin Mudau, leader of the Venda Independence Party, said Dr Mulder's stepping down was the most honourable and sensible thing he could have done under the pressure of a band of brothers who did not want him to be a Samson.

Mr W L Seriti, a Pretoria attorney, said the resignation was long overdue. Dr Mulder knew all along about the scandal, and he should have resigned immediately this came out in the press.

The secretary of the Soweto Teachers' Action Committee, Mr Fanyana Mazibuko, said "It doesn't impress me and I have no reason for jubilation" — DDC.

...the main attack on Government while Mr Villiers, a former news-editor and PFP Member of Parliament, is likely to deal largely with the less aspects

A motion to be put to the meeting reads

'We, the citizens of Cape Town

'Express our dismay and disgust at the abuse of public funds as has become evident over the last few months, and at the apparent attempts to prevent a full disclosure of all the relevant facts

'Deplore the dismissal of the Mostert commission and the threats made by the Prime Minister against the freedom of the Press We press deep appreciation the courage displayed by Judge Mostert and the press in fearlessly exposing the malpractices that have occurred

'Appeal to the Prime Minister, in terms of his commitment to clean and orderly government as expressed by him on his election as Prime Minister, to deal without fear and favour with all those whose actions have cast a slur on the integrity of the Government and who have ruthles-

writing particulars of dates and parties of or to any document intended to be used at a trial on December 6 in which the film's director, Mr Ashley Lazarus, is suing the company for R27 000

Mr Lazarus claims that the books of account and all documents pertaining to the production costs of "Golden Rendezvous" are vital to his case His attorney said Mr Lazarus was claiming R22 718 for his services as director of the film and R4 370 for living expenses incurred during shooting of the film

Film Trust is denying liability The company claims that in terms of an agreement it was entitled to deduct from Mr Lazarus' fee any additional costs incurred in the event of his failing, because of negligence, to adhere to the budget, cross-plot or shooting schedule of the film

certain documents available to them but have failed to do so"

Because the case would be heard in a month's time and a detailed analysis of Film Trust's books of account and all documents and vouchers pertaining to the cost of production of the film would be necessary before then, his client was being severely prejudiced by the failure to produce the documents

Mr Justice de Kock ordered that Film Trust make discovery on oath in terms of Rule of Court 35(1) within five days of the order being served on the company's attorneys, failing which Mr Lazarus was authorised to apply to the Supreme Court for Film Trust's defence to be struck out

Mr Peter Hodis (instructed by Miller Gruss Katz and Traub) appeared for Mr Lazarus

Judge Mostert hands over

Owen Correspondent

MARITZBURG — Tight security measures were enforced when controversial evidence was handed over by Mr Justice Mostert to Treasury officials at his home yesterday afternoon

Judge Mostert was closed in his curtained lounge for several hours with two

representatives of the Treasury Department and a local Supreme Court clerk before the men emerged and loaded trunks of evidence into the back of a waiting Government car

Police at the scene insisted that Pressmen did not enter the grounds, and at one stage ordered a photographer out of the judge's garden

Two trips to the house were made by the officials, who were forced to remove the spare wheel from the boot of the vehicle so that bulky trunks of evidence could be loaded

The car then left at high speed with an unmarked police car travelling behind

The handing over of the evidence followed an unsuccessful attempt by the Government to interdict Judge Mostert from making further statements on the evidence he collected while conducting a one-man commission of inquiry into

defence... patriotism, Mr Swart called on South Africans to reject it as a smokescreen designed to "cover all sorts of assaults on our national integrity and to smother gross irregularities in our administration"

A protest meeting against the dismissal of Mr Mostert Commission — organised by the PFP — will be held at 1 pm today at the Johannesburg City Hall

Mr Harry Schwarz, MP, and Mr Kowe Marais, MP, a retired judge, will address the meeting

Open up probe — We knew all along — Goboza

Political Staff

THE Afrikaans morning daily, Die Transvaler, yesterday warned in an editorial that the ending of the Mostert Commission could be detrimental to South Africa

"The impression could be created that open cards have not been played in the expose' of allegations of a Government scandal with-

These rumours of scandals and misuse of money were involving the Government and any confidence people might have in the Government was being eroded, he declared

"The only way an end can be put to the rumours is to have a full, frank, and open inquiry into them and lay the ghost to rest once and for all"

He said the Government's actions had not only antagonised South Africa's friends but also its enemies

CAPE TOWN — Blacks had shown little reaction to the resignation of Dr Connie Mulder because they had known all along that things were wrong in the South African Government, Mr Percy Goboza said last night

Mr Goboza, editor of Post (Transvaal), was addressing the annual meeting of the Western Cape region of

Botha and the Newspaper Press Union meet next week

By SHEILA STEVENS

THE Prime Minister, Mr P W Botha, will meet with representatives of the Newspaper Press Union next week

This was confirmed yesterday by Mr Neville Krige, the Prime Minister's Press Secretary, and Mr G G A Uys, general manager of the NPU

Mr Krige could not say what would be discussed at the meeting and Mr Uys said "We do not know what

publication by newspapers of the evidence of alleged corruption in the former Department of Information made public by Mr Justice Mostert, whose one-man commission of inquiry into exchange control regulations was dismissed earlier this week

It also follows hot on the heels of Mr Botha's warning at Sasolburg on Wednesday night that the Government might have to reintroduce legislation to control the

"In the most recent days it seems to me that the South African Press has been conducting itself extremely responsibly — what makes it sound as though he could be more responsible than reporting the facts about a major piece of Government mismanagement?"

"If we haven't kept with in the law, the Prime Minister's course is clear We must be prosecuted

"I find it deeply disappointing that the new Prime Minister, who had such a great chance to

ing' tactics to gag the Press

Allister Sparks, Editor of the Rand Daily Mail, said "The Prime Minister makes it sound as though he could be more responsible than reporting the facts about a major piece of Government mismanagement?"

"If we haven't kept with in the law, the Prime Minister's course is clear We must be prosecuted

"I find it deeply disappointing that the new Prime Minister, who had such a great chance to

Eglin slates PM's attack on the Press

CAPE TOWN — The attack on the Press this week by the Prime Minister, Mr P W Botha, had "ominous overtones", the leader of the Opposition, Mr Colin Eglin, said yesterday.

Referring to Mr Botha's speech at Sasolburg on Wednesday night, Mr Eglin said "In the light of the circumstances which have been disclosed by the Press and the evidence disclosed before the Mostert commission, I would have expected members of the Government to show a degree of humility and not political pique

"Mr Botha says the Press is not above the law. Of course, no one is above the law — not the Press, nor the judges, nor State officials, nor, for that matter, Cabinet Ministers

"As recent events are showing, no one is perfect, but I would have thought that the Prime Minister could have had the good grace to acknowledge the role which the Press has played in helping to expose the Information scandals

"A free Press is vital if the parliamentary system is to function — more so in a

situation where radio and television are controlled by the Government"

Meanwhile, a mass meeting to protest at alleged corruption and the scandal surrounding the former Department of Information is to be held in the Cape Town City Hall during the lunch hour today

Mr Eglin, and the Cape chairman of the Institute for Race Relations, Mr Rene de Vilhiers, will be two of the three speakers. The third will be announced today

Mr Eglin is expected to deliver the main attack on the Government while Mr De Vilhiers, a former newspaper editor and PFP Member of Parliament, is likely to deal largely with the Press aspects

A motion to be put to the meeting reads

"We, the citizens of Cape Town

● "Express our dismay and disgust at the abuse of public funds as has become evident over the last few months, and at the apparent attempts to prevent a full disclosure of all the relevant facts

● "Deplore the dismissal of the Mostert commission and the threats made by the Prime Minister against the freedom of the Press. We express deep appreciation at the courage displayed by Judge Mostert and the Press in fearlessly exposing the malpractices that have occurred

● "Appeal to the Prime Minister, in terms of his commitment to clean and orderly government as expressed by him on his election as Prime Minister, to deal without fear and favour with all those whose

PM angry at SWA query

WINDHOEK — Mr P W Botha was involved last night in another controversy over the suspected misuse of public money

He had been asked by the Namibia National Front if the South African Government had channelled money to support any political party or newspaper in South West Africa

In his reply Mr Botha said "I strongly deprecate any attempt to drag the South African Government into party politics in South West Africa to serve your own purposes

"South Africa's aim is to safeguard the inhabitants' security and thus make it possible for them to exercise their right to self-determination

"In this process the South African authorities are spending hundreds of millions of rands annually to protect South West Africa against Swapo terrorist attacks"

After receiving the Prime

group if had voluntarily involved itself in party politics. If not, it should say so

In its message to the Prime Minister, the NNF had also asked for details of aid which the five Western powers were said by Mr P W Botha to have given to Swapo. But, it said, the reply completely ignored the question

Earlier, Mr Percy Niehaus, a former senator and now an executive member of the Action Committee for the Retention of Turnhalle Principles, said that he had demanded an unequivocal answer to the question about government funds from the Foreign Minister, Mr P W Botha

The Minister, he said, had told the NNF in reply to an earlier question that he was responsible only to the South African Parliament

"Theoretically he may be correct, but there exists also a South West African nation which has a right to

BY MARTIN SCHNEIDER
Political Editor

MR Justice Erasmus has agreed to hear a final Progressive Federal Party appeal for Opposition representation on his commission investigating the Department of Information

The PFP executive chairman, Mr Harry Schwab, said yesterday he had been asked to make the appeal before the judge at 9 am Monday

The move follows Opposition fears that the Government was attempting to cover-up the Department of Information scandal holding the Erasmus co

Pieterse produce

Own Correspondent

CAPE TOWN — Film producer Pieterse was yesterday before the Cape Town Supreme Court to produce accounts of the film "vous", which was financed by the Department of Information

Mr Justice de Kock is directing Mr Pieterse's Trust Overseas (Pty) Ltd to write particulars of details or to any document intended for production in a trial on December 6 in Cape Town. Mr Ashley Lazarus, director of the film company for R27 000

Mr Lazarus claims that the account and all documents relating to the production costs of "vous" are vital to his case. He said Mr Lazarus was claiming his services as director for R4 370 for living expenses during the shooting of the film

Film Trust is denying Lazarus' claim that in terms of the contract it was entitled to deduct from the fee any additional costs incurred as a result of his failing to adhere to the budget and shooting schedule of the film

Botha Press

By SHEILA STEVENS

THE Prime Minister, Mr P W Botha, will meet with representatives of the Newspaper Press Union next week.

This was confirmed yesterday by Mr Neville Krige, the Prime Minister's Press Secretary, and Mr G G Uys, general manager of the NPU

Mr Krige could not say

attempt was made there was growing speculation that the judge was to make known further evidence in a statement he said he would be issuing from Maritzburg

However, the expected statement was not forthcoming and the judge said in a terse release to Sapa that he would not be making any further revelations.

Speaking from his home yesterday, the judge said it had not been his intention to make known further evidence. His one day trip to Pretoria had been made simply so he could correlate all the evidence to be handed over to the Treasury Department.

The attempt by the Government to get an interdict prohibiting him from making further disclosures had followed "wild rumours" he said

Judge Mostert said he had handed over his evidence voluntarily "as the Treasury was entitled to it"

The officials would be visiting his chambers at the Supreme Court later to check other documents, he said

Most of the documents were "purely academic," he said but would be checked by the Treasury officials

It was an on-going process which he expected would take the remainder of the day

All the evidence handed over yesterday morning contained all documents relating to currency control regulations

He did not know whether he would be called to give evidence before the Erasmus Commission of Inquiry, but would make a decision "when the time arose"

Mr Justice Mostert said he was still giving "urgent attention" to a memorandum on international taxation, however.

ng trap

as used to trap the man and to be completed in an office the money was handed over, have led to an arrest, the tied with the diamonds and for several days later arrested but the diamonds are apparently still missing

spokesman at Glencoe con- day that a man had been held earlier this week but had released Detectives from an- e investigating the matter

bers in the Erasmus Commission, feelings of suspicion, unease and misgivings could continue

"The accusations of a Government cover-up operation can only be stilled if the Erasmus Commission makes as many of its findings public as possible

"Naturally, there are State interests at stake, in the form of essential secret projects, and these must be protected. But where these projects are not involved, the commission must be as open with the public as is possible"

the Cabinet this week

Mr Qoboza said blacks were losing hope that whites were capable of real and not peripheral change

He said the "pillars of racism that propped up apartheid remain intact

"We still believe in reserving discrimination on the basis of colour and we still enshrine that discrimination on our statute books," he said — Sapa

POLITICAL comment in this issue by Allister Sparks and Benjamin Pogrand, newsbills by Howard Preece, headlines and sub editing by Colin Thompson, cartoons by Bob Connolly, all of 171 Main Street Johannesburg

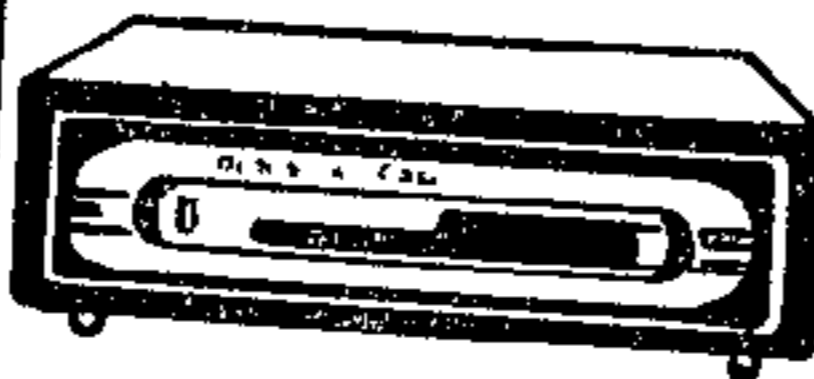
CASSETTE RECORDERS

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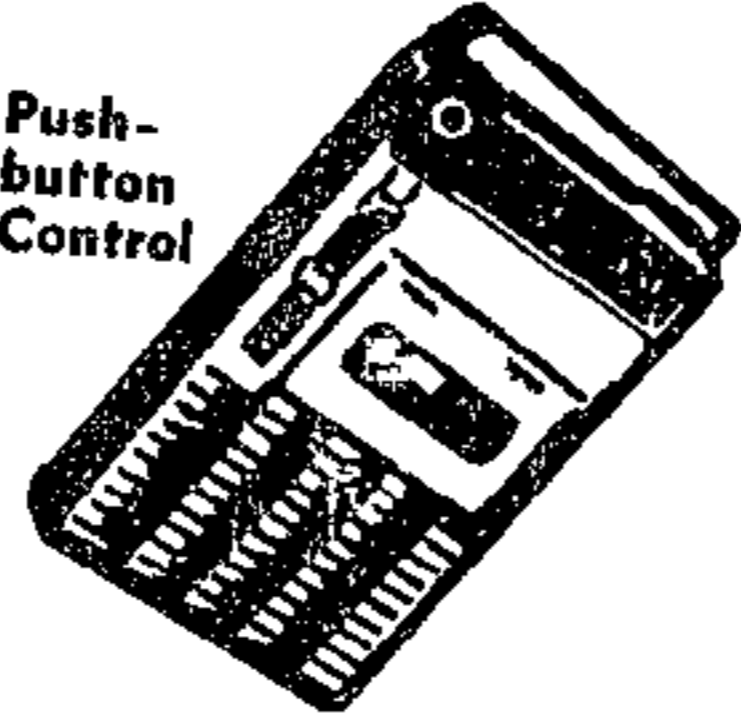
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MR Justice Erasmus has agreed to hear a final Progressive Federal Party appeal for Opposition representation on his commission investigating the Department of Information

The PFP executive chairman, Mr Harry Schwarz, said yesterday he had been asked to make the appeal before the judge at 9 am on Monday

The move follows Opposition fears that the Government was attempting to over-ride the Department of Information scandal by holding the Erasmus com-

PFP appeal to commission

mission hearings behind closed doors
The disbanding of the Mostert commission — which released evidence that The Citizen had been financed through the department — added to these fears

The PFP, supported by the New Republic Party, refused to serve on a parliamentary select committee

Pieterse ordered to produce film's accounts

Own Correspondent

CAPE TOWN — Film magnate Mr Andre Pieterse was yesterday ordered by the Cape Town Supreme Court to produce the accounts of the film "Golden Rendezvous", which was financed partly out of information provided by the former Department

Mr Justice de Kock granted an order directing Mr Pieterse's company, Film Information

The company said that as a result of negligence on the part of Mr Lazarus, the production cost an additional R150 000 — the cost of one week's filming "The hearing promises to be complicated, requiring witnesses from both South Africa and overseas," the attorney said

"Mr Lazarus' auditors have been engaged to investigate all matters pertaining to the alleged additional costs Film

rest the calling of additional witnesses
He said the secretary of the commission, Mr J Geyser, had phoned him yesterday to tell him only witnesses could be represented and that the commission had appointed lawyers to lead evidence

"I said I wanted to have the opportunity to make representations in an endeavour to get the commission to change its mind He later informed me the commission had agreed to see us," Mr Schwarz said

Mr Schwarz will appear before the commission with Mr Japie Basson, MP for Bezuidenhout

Wiley hits at PFP, NRP

CAPE TOWN — The Progressive Federal and New Republic parties had let the public down by refusing to serve on the commission of inquiry into exchange control violations, Mr John Wiley, leader of the South African Party, said yesterday

Petulant act, says Swart

By PATRICK LAURENCE

THE national chairman of the Progressive Federal Party, Mr Ray Swart, yesterday condemned the decision to dissolve the Mostert Commission as the "cynical and petulant act of frightened men"

The decision was made by men who proclaimed themselves super-patriots and who were "forever preaching about what was in the interests of South Africa," Mr Swart said at a luncheon in Benoni

But their latest action had done South Africa a "grave disservice" by inviting international ridicule and putting the independence of the judiciary in jeopardy

Expressing regret that the Erasmus Commission would hold its hearings in secret, Mr Swart said "If ever there was a need for the old legal maxim — justice must not only be done,

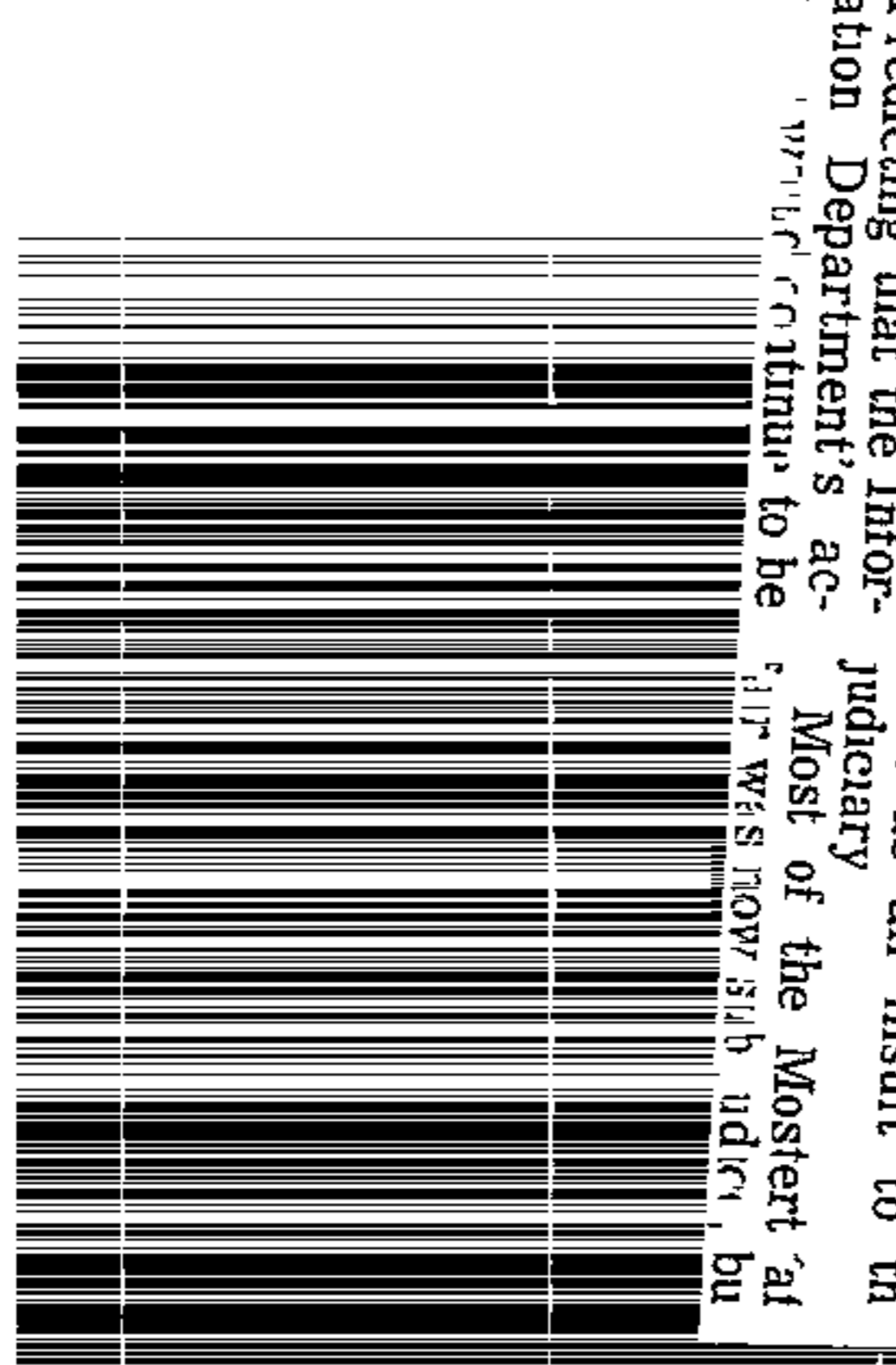
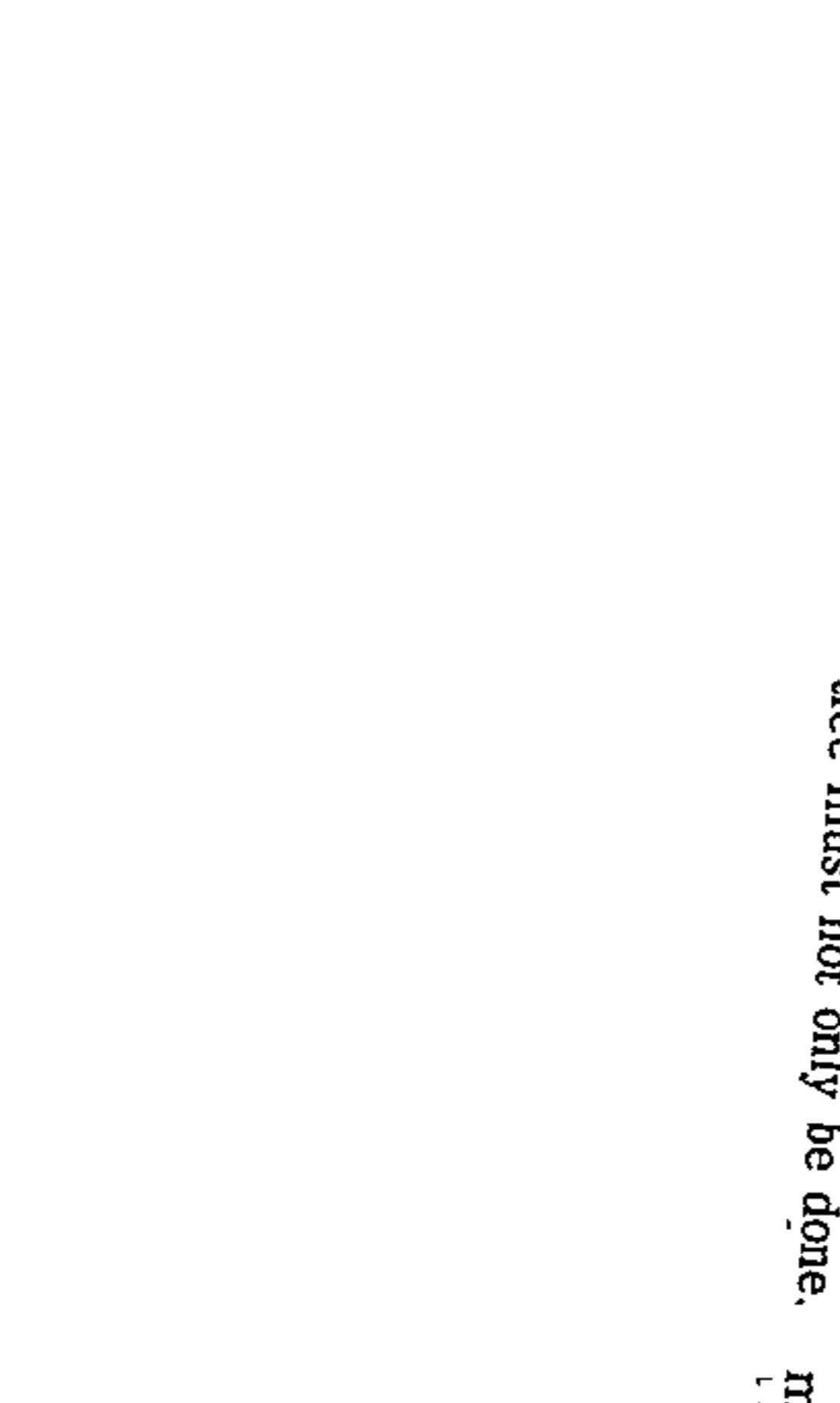
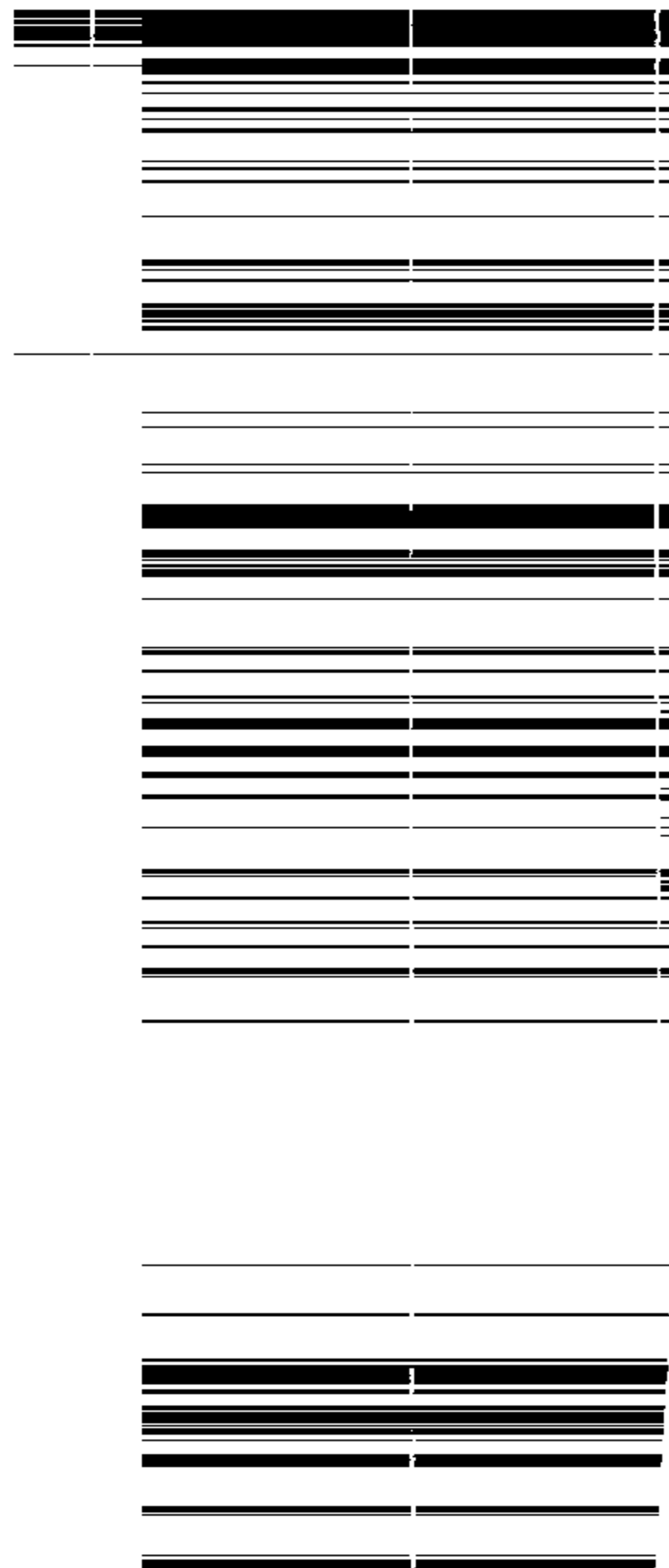
SA's image tarnished

— Martin

MARITZBURG — The banding of the Mostert Commission may have done irreparable harm to South Africa's already tarnished image overseas, Mr Fre Martin, Natal's seni MEC, told the provincial council at a meeting yesterday

He said it would be seen too, as a slap in the face of the country's independent judiciary, which was one of the three things South Africa could be proud of "Others, he said, were the fact that there was still opposition in Parliament and that the country had free Press

Mr Martin was introducing a motion congratulating Mr Justice Anton Mostert on his moral courage, and condemning with the utmost contempt the disbanding of the commission, which was seen as an insult to the judiciary
Most of the Mostert at Cape Town was now sub judice, but



But if the Government ties have been committed confidence between people Mr Botha's decision to several leading newspapermen yesterday accused Mr Botha of using "bully-

Erasmus Commission quizzes Van Rooyen

THE ERASMUS Commission of Inquiry into the former Department of Information continued hearing evidence in Pretoria yesterday.

The Secretary of the Commission, Mr J G Geysler, said that evidence had been taken from Mr van Rooyen, the advocate who also gave evidence before the Interim Commission

Mr Van Rooyen was a director of Thor Communicators, allegedly a front company for the Department of Information

Yesterday, the commission was hearing the evidence of Mr Braam Fourie, a former official of the department

The appointment of the Erasmus Commission was announced by the

Prime Minister, Mr P W Botha, on Friday last week

It met informally for the first time in Pretoria on Monday morning, shortly before its members paid a courtesy call on the Prime Minister

Evidence is being led before the commission by two advocates, Mr H G Klem, Deputy Attorney-General of Natal, and Mr H F van Zyl,

senior State advocate in Windhoek, South West Africa

The commission is chaired by Mr Justice Rudolph Erasmus. Its members are Mr George Smalberger, chief State law adviser, and Mr Braam Latagan, Attorney-General of the Cape

The commission is required to report to the State President on or before December 6. — Sapa.

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Another deferment

Staff Reporter
MR MAX BORKUM, Transvaal leader of the Progressive Federal Party and a former president of the Johannesburg Stock Exchange, has deferred taking up directorships on three Hortors companies which are controlled by Mr David Abramson.

Mr Abramson is, with another prominent Johannesburg businessman, Mr John Heinrich, director of a company, Homerus Finance Corporation, which has a bank account whose number corresponds with that on eight post-dated cheques issued by Mr Louis Luyt in settlement of money borrowed from the former Department of Information to finance The Citizen

Mr Abramson denies that he has any knowledge of Mr Luyt's cheques

Mr Borkum would not comment on his decision to defer taking up his directorships. His move follows Wednesday's disclosure that Mr Joel Mervis, Progressive Federal MPC for Orange Grove and former editor of the Sunday Times, had also deferred taking up a position as editorial consultant to the Hortors group

Only the start

WINDHOEK — The Department of Information issue leading to the resignation of Dr Connie Mulder was only the "tip of the iceberg" and other names would be "brought to the fore"

This was said in Windhoek last night by the deputy chairman of the South African Herstigte Nasionale Party (HNP), Mr Louis Stofberg — Sapa

the Information Department scandal, is, instead, adopting this authoritarian attitude towards the two institutions which have upheld the image of South Africa in the outside world — the independent judiciary and the independent Press”

Rex Gibson, editor of the Sunday Express, said his newspaper could not accede to the implied request to join the Government in a cover-up.

“The South African public should remember one thing. It wasn't the Government that brought to light the corruption in its own ranks — although some members knew of it for a year and more

“It was those other watchdogs, the Press and the judiciary, that revealed the mess,” Mr Gibson said

The editor of the Sunday Times, Tertius Myburgh, said the Prime Minister's threat, like others in the past, was “wholly unjustified”

ON THE PRESS SHOULD NOT BE underestimated

“There is no doubt in my mind that he and his Government have reached the point where they will definitely gag the Press — unless the Press knuckles down to Mr Botha's bullying threats

“After all, when a Government can brazenly and arrogantly muzzle Mr Justice Anton Mostert, it can have very little shame left — so the next step, which is towards Press control, is easily taken”

Mr John Patten, president of the South African Society of Journalists, said the Prime Minister's warning should be seen as an “act of political bullying”

Mr Patten said the Press had used the evidence published by Mr Justice Mostert in its news reports. The judge explained under what law he was permitted to do so and the Press, on taking independent legal advice, had found it was entitled to publish

uations

At the time the interdict attempt was made there was growing speculation that the judge was to make known further evidence in a statement he said he would be issuing from Maritzburg.

However, the expected statement was not forthcoming and the judge said in a terse release to Sapa that he would not be making any further revelations

Speaking from his home yesterday, the judge said it had not been his intention to make known further evidence. His one day trip to Pretoria had been made simply so he could correlate all the evidence to be handed over to the Treasury Department

The attempt by the Government to get an interdict prohibiting him from making further disclosures had followed “wild rumours” he said

Judge Mostert said he had handed over his evidence voluntarily “as the Treasury was entitled to it”

The officials would be visiting his chambers at the Supreme Court later to check other documents, he said

Most of the documents were “purely academic,” he said, but would be checked by the Treasury officials

It was an on-going process which he expected would take the remainder of the day.

All the evidence handed over yesterday morning contained all documents relating to currency control regulations

He did not know whether he would be called to give evidence before the Erasmus Commission of Inquiry, but would make a decision “when the time arose”

Mr Justice Mostert said he was still giving “urgent attention” to a memorandum on international taxation, however

SA's power is will to survive, says Pik

SALDHANA — South Africa's power lay in its determination to survive, the Minister of Foreign Affairs, Mr Pik Botha, said in Saldhana yesterday

Addressing graduates at the South African Military Academy, Mr Botha said South Africa might not be a superpower in the sense that the United States, Britain or Red China was, but no one could rob South Africa of its power of determination and its will to survive

“This power is of such a high order that it can never be suppressed”

Mr Botha said graduates would have the power of command, and that power should not be exercised

solely in the military sense but also to contribute to a political solution, which was what South Africa needed perhaps more than anything else

Integrity and honesty in administration was essential. South Africa was fortunate that it had a Prime Minister at this time who qualified in this respect, and who practised integrity and honesty even during the rumpus created by people who claimed they had a monopoly on morality

The Prime Minister had said that if there were faults in the administration they would be corrected, and he was busy doing this, Mr Botha said — Sapa

Gems vanish during trap

Own Correspondent

DURBAN — A police trap to arrest a suspected illegal diamond dealer at Glencoe backfired when the suspect disappeared with R23 000 worth of diamonds belonging to the police

A white man was later arrested and held for two days at the Glencoe police station before being released without any charges being brought against him

It is understood that a team of detectives from Bloemfontein had been investigating illegal diamond dealings in the town and a man had placed an order for the

gems

A decoy was used to trap the man and the deal was to be completed in an office.

But before the money was handed over, which should have led to an arrest, the man disappeared with the diamonds and was not seen for several days

A man was later arrested but the diamonds are apparently still missing

A police spokesman at Glencoe confirmed yesterday that a man had been held as a suspect earlier this week but had since been released. Detectives from another town were investigating the matter

10/11/78 (259)

Steyn smear campaign

By SEAN O'CONNOR
—Mail Africa Bureau

WINDHOEK — The Administrator-General of South West Africa, Mr Justice Marthinus Steyn, and the chairman of the Democratic Turnhalle Alliance, Mr Dirk Mudge, have become the targets of a territory-wide smear campaign

Mr Mudge claims the campaign is being organised by supporters of Aktur, the SWA National Party's election front. But officials of that organisation say they know nothing about it.

A photograph of the Administrator-General kissing a young black woman, Miss Bulelwa Ngcaba, on the cheek at a debutante ball in Windhoek two months ago, is the weapon being used against Mr Steyn.

The campaign against Mr Mudge takes the form of slanders against his family. Mr Mudge said at a meeting earlier this week that he would "not be broken" by slanderous stories. He said the smears were typical of the low level of politics being conducted

Mulder readies for TvI fight

BY MARTIN SCHNEIDER
Political Editor

THE power struggle in the Transvaal National Party is entering a tense new phase as the beleaguered Dr Connie Mulder prepares to fight for his leadership in the province against the so-called "purified" group.

Many Nationalists were yesterday raising the possibility that the anti-Mulder "purified" group could bring the struggle to a head at the party's annual executive meeting on November 25.

If they believed their position was strong enough, they would attempt to unseat Dr Mulder as chairman of the executive, sources said.

This is one of two positions he still holds in the Transvaal.

Dr Mulder resigned as Minister of Plural Relations after the disbanded Mostert commission's revelations about his defunct Department of Information.

He is still the Transvaal National Party leader.

His position as provincial leader — the most powerful

in the party after the Prime Minister — can only be challenged at the next Transvaal congress in September 1979.

The "purified" group was dubbed "Die Gesuiwerdes (the purified ones)" by a Nationalist newspaper columnist this week because their demands for Dr Mulder's resignation were being motivated by emotive arguments that the party had to return to the ethics and morality upheld by its past leaders.

They are generally supporters of the Minister of Foreign Affairs, Mr Pik Botha.

Their 22 votes during the Nationalist caucus election for a new prime minister two months ago denied Dr Mulder vital Transvaal support. Mr P W Botha clinched the premiership by only 24 votes.

The Nationalist newspaper, Beeld, speculated yesterday that Dr Mulder would probably be opposed as chairman of the Transvaal executive on November 25.

Three opponents were be-

ing mentioned — Mr Pik Botha, Mr Hendrik Schoeman, Minister of Agriculture, and Mr Fanie Botha, Minister of Labour and Mines.

But Dr Mulder is already marshalling support for a political come-back. He is confident his name will be cleared by the Erasmus commission which will table its report on the Department of Information during the special Parliamentary session on December 7.

The fact that the Prime Minister, Mr P W Botha, yesterday appointed only an acting Minister of Plural Relations, was widely interpreted as an indication that Dr Mulder would be welcomed back into the Cabinet if the Erasmus commission supported his claims of innocence.

His supporters also appear to be mounting a new propaganda campaign against his opponents.

Die Vaderland which appears to be supporting Dr Mulder, yesterday quoted "politicians" as saying that there was no natural successor to Dr Mulder in the party's right wing.

The newspaper inferred the party would fall under "left wing" control if he was defeated or forced to resign.

It also quoted one of his supporters as saying "Dr Mulder is what we call a political animal. Politics is his life and he is not going to simply leave it."

Kallie to cop riot flack

Own Correspondent

KALLIE Knoetze will not only face boxer Bill Sharkey in his fight at Madison Square Gardens, New York, on December 16.

Pickets and a stormy welcome are certain from anti-apartheid and black groups in the wake of the disclosure that he shot a 15-year-old youth during riots last year.

Mr Ray Gould of the American Committee on Africa — a leading organiser of protests against South African sportsmen — said the Knoetze visit would be exploited to the full.

A Madison Square Garden official called the Sharkey-Knoetze bout "pretty certain", but said it had not been finalised.

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Unreliable

THE Botswana Chief Justice has allowed four more witnesses to be impeached in the Tuli Block triple murder trial. Now the evidence of six soldiers has been labelled unreliable

PAGE 5

Doctor loses

The Appeal Court yesterday allowed an appeal by the Director of Hospital Services, Transvaal, against a judgment which ordered that Dr Navin Vithal Mistry be reinstated in his post as a medical officer at Baragwanath Hospital.

PAGE 5

Crackdown

IRAN'S military government yesterday ordered action against violent anti-Shah elements and asked Moslem leaders to help oversee new security measures

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Government and the SABC, the entire mess would have been sealed up and kept from the public.

Mr Dalling said he no details of the interdict application against Judge Mostert, but he doubted whether a move of that kind was anywhere recorded in the country's legal or political history

Mr Kowie Marais, MP, PFP spokesman on legal affairs and a former judge, said an application for an interdict to interfere with the freedom of a judge appeared to be unprecedented

was a civil matter and the public had the right to be informed. No information damaging to South Africa's security had been revealed or published

Professor Barend van Niekerk, of the Natal University Law Faculty, said the situation was going from the sublime, to the ridiculous, to the bizarre

"I know of no recorded effort made anywhere in Europe or in Britain in recent times to interfere with the freedom of a judge," he declared

"It came as a shock — if we are still capable of being shocked after the happenings of the past two weeks — to hear that an effort was made to interdict Judge Mostert"

Rand Daily Mail correspondents in Maritzburg report of tight security measures as Judge Mostert handed over documents detailing evidence collected by his commission to Treasury officials yesterday

Judge Mostert was closeted in his curtained lounge for several hours with representatives of the Treasury and judge of the Supreme Court

Police made sure that Pressmen did not enter the grounds and at one stage ordered a photographer out of the judge's garden

Two trips to the house were made by the officials. When they drove away finally they were escorted by an unmarked police car.

An expected statement from Judge Mostert about further evidence collected by his commission was not forthcoming. He said tersely "I shall not be making any further revelations"

He did not know whether he would be called to give evidence before the Erasmus Commission of Inquiry, but would make a decision when the time arose

The attempt to obtain an interdict to prohibit him from making further disclosures had followed wild rumours he said

He had handed over the documents voluntarily. The Treasury had a right to them. Officials would be visiting his chambers at the Supreme Court later to check other documents

All the evidence handed over yesterday morning contained all documents relating to contravention of the Exchange Control regulations

He refused to say whether evidence relating to his disclosures about the former Department of Information was contained in the documents

See Page 2

Mass meeting will protest

A PROTEST against the disbanding of the Mostert Commission is to be held by the PFP in the Johannesburg City Hall at 1 pm today. A scheduled mass meeting will be addressed by Mr Harry Schwarz, PFP national executive chairman, and by Mr Kowie Marais, MP for Johannesburg North and a retired judge.

Rhodesian killings

SALISBURY. — Two officials of Bishop Abel Muzorewa's United African National Council were killed by guerillas last week as they tried to make contact with insurgents in the Midlands area as part of a "peace mission"

That old Bass magic!

Ronnie Bass, the unrefuted Sigma magician is playing to packed houses in Eloff Street and in Van Riebeeck Avenue, Edenvale. The Mazda, Colt and Chrysler deals Ronnie Bass pulls out of the hat astound the mind. No wonder they come back for more. See the Sigma wizard in action for yourself. Ronnie Bass - Sigma. The greatest value-for-money show in town!

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10/11/78

Quick Mail

Potter resigns

MR Julian Potter, producer of the programme "Radio Today", resigned from the SABC yesterday because the corporation refused to broadcast evidence released by Mr Justice Mostert about alleged corruption in the Department of Information

PAGE 3

Cleared

A NATIONAL Serviceman did not wittingly cause a comrade's death, a Bloemfontein court ruled yesterday

PAGE 3

Gun Drama

Three whites — one reported to be a woman — were grabbed at gunpoint and held by armed blacks for some hours near Lusaka before being rescued by the police

PAGE 4

Tory trouble

PRO-RHODESIAN Tory MPs are up in arms because the party spokesman on defence, Mr Winston Churchill, was sacked for opposing sanctions against Rhodesia

PAGE 4

Student march

A POLICE colonel described yesterday how he walked out of John Vorster Square one morning and was confronted by about 300 students singing "We want our Azanian friends released from the cells immediately"

PAGE 5

PAC trial

A TERROR trial accused told the Bethal Circuit Court yesterday he had been thrown from a fourth-floor window by security policemen after prolonged assaults

PAGE 5

American giants refuse SWA offer

By RICHARD WALKER
NEW YORK — The heads of the great American foundations — Rockefeller and Ford — have both turned down invitation to observe next month's SWA elections as the charges mount that it is a device to accord them international credibility

"They clearly haven't been reading my speeches, and they certainly don't know anything about the Rockefeller Foundation and

its history of commitment to racial equality," said its president, John Knowles

But, ironically, one or two of the sharper critics of the Republic's policies may accept

They include Mr Millard Arnold, the black Washington lawyer who directs a programme of aid for South Africans charged with political offences, and who twice has been refused visas to visit South Africa

Government is displaying guilt — opposition

Pretoria Bureau

LEADING opposition politicians say that the Government is showing all the symptoms of guilt and fear

Evident were Threats against the Press by the Prime Minister The sacking of Judge Mostert The unsuccessful effort in the Pretoria Supreme Court by a Cabinet Minister to silence the judge

Mr Dave Dalling, MP, Progressive Federal Party interior spokesman said the threat to the Press was particularly ominous

"During the past few weeks it has been the Press which has been the only guarantor of democratic expression in South Africa," he said

Had it been left to the

in South Africa

Mr Warwick Webber, MP, Natal leader of the New Republic Party, said the country should be deeply concerned at the threat to Press freedom voiced by the Prime Minister

It was significant that such threats were always made when happenings damaging to the Nationalist Party were published


"I reject with contempt the Prime Minister's view that editors are motivated solely by greed and profit," he said

"His newspapers also published the evidence of the Mostert Commission. The courageous show of independence has obviously irked the Prime Minister"

The freedom of the Press

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Mayet calls for change blueprint

THE almost total lack of progress in removing race discrimination could lead to an escalation of racial animosity, an executive member of the South African Indian Council warned yesterday.

Mr I F H Mayet, said the Government could not expect co-operation in any new constitutional dispensation when they displayed blatant discrimination at every turn.

On the one hand the Government was talking about concessions to Indian businessmen to trade in central business districts, and on the other it was removing them wholesale from white shopping areas where some had traded for half a century and more, he said.

Vereeniging was a typical example. There 74 traders had been given a year to vacate their premises.

They were now to be herded into racially segregated trading areas separated from the main business centre of the town, he said.

"We are looking for evidence of sincerity in the Government's undertakings to end discrimination. Sadly, we can find none. We want a firm declaration of intent."

South Africa's black communities were entitled to be cynical about vague promises. Too many had been made in the past and little had come of them.

"We want a blueprint, a clear plan setting out how discrimination is to be removed — and we want a time scale to go with it," Mr Mayet said.

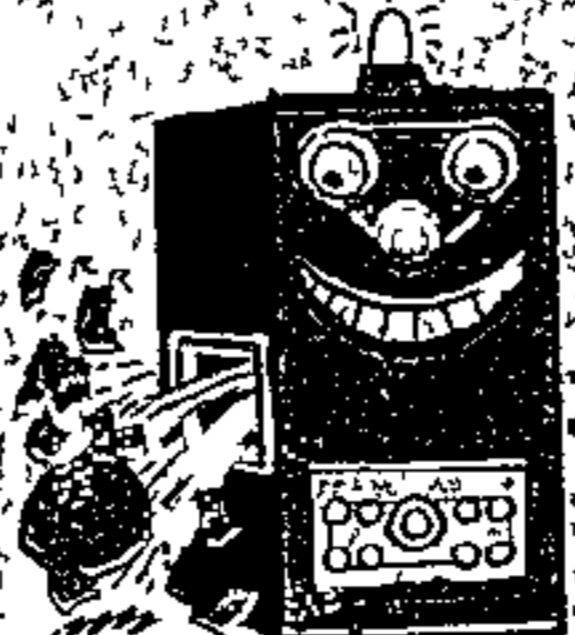
The Government should know for its own good that the large mass of the black population had lost hope of meaningful moves away from discrimination, he said.

Education Bill today

Pretoria Bureau
THE draft Education and Training Bill "to provide for the control of education for Blacks by the Department of Education and Training" will be published in the Government Gazette today.

The purpose of the bill will be to repeal the Black Education Act of 1953 (formerly the Bantu Education Act) and the special Education Act promulgated in 1964 and will provide for matters incidental to the education of Blacks.

Punter's Friend



Inside today

Luyt share sheds R9m

RAM 10/11/78

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Ace English jockey, Lester Piggot, arrived at Jan Smuts airport yesterday to find he had missed his flight to Durban. With time to cool his heels he used the opportunity to cool himself instead with a taste of local ice-cream. Piggot will be riding in the SA Invitation Stakes at Scottsville tomorrow, where he will be mounted on Outswinger.

By HAMISH FRASER

OVER R9-million was lopped off the market value of Mr Louis Luyt's Triomf Fertilizer Investments on the Johannesburg Stock Exchange yesterday.

The share price fell by 65c from 155c to 90c, a drop of over one third.

There are 14-million issued ordinary shares in Triomf.

At yesterday's price of 90c that puts a JSE valuation of R12 600 000 on the company

This compares with a value of more than R31-million in 1975 when the share price reached 450c

There were fewer issued shares then

Triomf's share price was firm on the Johannesburg Stock Exchange until the end of last month when a persistent buyer at 165c withdrew from the market. A few shares changed hands at 165c on the day before the Mostert Commission's release of information which linked Mr Luyt and the Citizen with secret funds

Since then sellers have been unable to tempt buyers into the market at prices anywhere near those which have prevailed for the past five months. An 80c buyer yesterday persuaded the seller to come down to 90c where 1 400 shares changed hands

The shares later hardened to 100c buyers but there were no sales at that level

Triomf disclosed in its latest report to shareholders that it had R101-million of long-term borrowings and R45-million of short-term debt. Shareholders funds were R24-million, after a revaluation of assets and a R7-million rights issue

The Louis Luyt group of companies was shown to be owed just less than R6-million. Other major creditors are Sentrale Landbou, a farmers' co-operative and AECI, Triomf's partner in the Richards Bay phosphoric acid plant

Mr Luyt has often argued that the group's high gearing — the relationship between borrowings and equity — should not be critically viewed in Triomf's case because the major creditors would be happy to convert their loan capital to equity

What worries some investors now is that some of Triomf's loan capital may not be as readily convertible and that the financial strain of any unexpected additional demands on the group might be too strong to resist.

Breakfast Quip



"It's so quiet around here — let's start a commission of inquiry."

Dazzling D

Connie gets out

259

560 11/11/78

Now he quits Tvl Nat leadership

By Hugh Leggatt,
Political Correspondent

Dr Connie Mulder today gave notice he would step down as leader of the Transvaal National Party on November 25.

Four run in the Mulder stakes

Own Correspondent

At least four people are being mentioned as possible successors to Dr Connie Mulder, who has resigned the Transvaal leadership of the National Party

They are Mr Fanie Botha, Minister of Labour and of Mines, Mr Hendrik Schoeman, Minister of Agriculture, Mr Pik Botha, Minister of Foreign Affairs, and Dr Andries Treurnicht, Deputy Minister of Plural Relations.

Some Nationalist MPs foresee a struggle and bitter battle between Mr Pik Botha and Dr Treurnicht, which they fear could cause serious divisions in the party.

Conservative nationalists say Dr Treurnicht looks like the man they will have to turn to, to look after their interests now that Dr Mulder has gone.

SPLIT

The Leader of the Opposition, Mr Colin Eglon, said Dr Mulder had so much remaining support

Earlier this week he quit the Cabinet

Both resignations were a direct consequence of the scandal surrounding Dr Mulder's former Department of Information

Dr Mulder said that although he had received messages of support from all round the country, he felt it was better, in the circumstances that he resign as Transvaal leader and would do so at a head committee meeting of the party in two weeks' time. He would obviously not be a candidate for re election.

Dr Mulder said he had given notice now to give candidates for the position of Transvaal leader time to canvass for support.

He said he would resign as MP for Randfontein and would serve as an ordinary Member in Parliament.

In chair

On Monday, he would take the chair as usual at an executive (dagbestuur) meeting of the Transvaal party because he was still leader until November 25. It would be a routine meeting primarily to organise domestic matters and make arrangements for the head committee meeting.

The head committee meeting, attended by con-

among Transvaal Nationalists that he could eventually cause a party split.

He said from his Cape Town home that it was clear Dr Mulder was being squeezed right out of the NP hierarchy

"The rift is not only on the Information issue," he said, "but it is a serious inter-party rift between Dr Mulder and Mr Pik Botha, which will not be patched up"

The question was whether Dr Mulder would stay in politics "I believe he will. He represents an orthodox, Verwoerdian point of view on black-white relations"

Mr Bill Sutton, MP for Mooi River, who has refused to sit on the parliamentary commission replacing the Mostert Commission said in Maritzburg that Dr Mulder's move indicated the turmoil within the National Party

It indicated the dissatisfaction of many nationalists of the handling of the Rhodie affair

Mr Ray Swart, Progressive Federal Party chairman, said Dr Mulder's resignation would not absolve others from collective responsibility in the Information Department debacle.

Mr Radclyffe Cadman, national chairman of the New Republic Party, said in Durban Dr Mulder's resignation was not unexpected,

stituency representatives, MPs and senators, would choose a new leader

The senior deputy chairman of the party in the Transvaal, Minister of Labour, Mr S P Botha, is thought to have the best chance of succeeding Dr Mulder

Another deputy chairman, Mr Hendrik Schoeman, Minister of Agriculture, is also in the running

Outsiders in the race are Mr Jimmy Kruger, Minister of Justice, and Dr Andries Treurnicht, Deputy Minister of Plural Relations

Attack

In a veiled attack on Dr Mulder, the Minister of the Interior, Mr Alwyn Schlabusch, has condemned the idea that no rules apply when the interests of South Africa are at stake

At a meeting of Reporters in Bloemfontein, Mr Schlabusch said he wanted to dissociate himself from people who used the "escape route" (ontvlugtingspreuk) of saying that any means justified the end

Mr Schlabusch who is also Acting Minister of Plural Relations — Dr Mulder's former portfolio, said he could not agree with the philosophy of no rules. Even in time of war certain rules still applied

Resign Eglin

tells Govt

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CAPE TOWN — Mounting public anger at the Information Department scandal and subsequent government action was revealed at protest meetings held here and in Johannesburg yesterday.

At both meetings large crowds applauded criticism of "the abuse of public funds and of the SABC's failure to report evidence concerning the Department of Information released by Mr Justice Mostert.

Nearly 4 000 people packed the Cape Town and Johannesburg city halls, and observers at both were struck by the spontaneity of the reaction and the depth of public concern and resentment it revealed.

In Durban, a petition of more than 1 200 names has been drawn up protesting at the ending of Mr Justice Mostert's commission of inquiry.

In Cape Town the Leader of the Opposition, Mr Colin Eglin, called on the government to resign and allow the electorate to express their opinion about the Information scandal.

The demand was greeted with loud applause.

"As I sense a mood of the people — including

many who voted for the government in the past — they will not tolerate corruption. Even less will they tolerate any action that seems to be covering up the actions of others," Mr Eglin said.

To renewed applause, he called on the Prime Minister, Mr P W Botha, to "put the interests of this country before the interests of the National Party and enable Parliament and the people to know the truth.

"Knowing the truth, they should have the chance of choosing another government."

Sustained cheering greeted criticism of the SABC decision not to carry on its radio and television services evidence released by Mr Justice Mostert and published by both English and Afrikaans newspapers.

"They refused to do what the subservient and psychopathic SABC did, withhold the facts," a former newspaper editor, Mr Rene de Villiers, said to thunderous applause.

Mr Eglin said that, while public confidence in National Party administration might never be restored, it could be restored in the parliamentary system of government.

"The public senses that the government has something to hide, and that its cynical manoeuvring is part of a cover-up to pre-

vent the whole truth emerging about what has been going on with public funds."

The public heard the government was aware of the scandal before last year's general election, ostensibly fought to gain a mandate against outside interference.

The election was "part of a cover-up exercise."

"It was a phoney election, fought on a phoney issue. The government was backed by a phoney newspaper and received a phoney mandate.

"So serious are the charges against the government that I believe it should have the good grace to resign and allow the voters to express their feelings on the government's administration of public funds."

Mr Eglin criticised the decision to relieve Mr

Justice Mostert of his commission investigating currency control malpractices and Mr Botha's subsequent actions.

"His statements and reassurances are far from reassuring that the government would come clean on the issue.

Nobody, "not even the super-patriots of the cabinet" was above the law.

The Prime Minister did not need a judicial commission to tell him whether public funds went into The Citizen newspaper.

There were at the time only two secret funds from which the money could have come — the Secret Services Fund controlled by the Prime Minister and the Defence Special Fund controlled by the Minister of Defence.

"The public is entitled to know from the Prime Minister of South Africa whether public funds were used to finance The Citizen — yes or no," he said to applause.

Mr Eglin was also loudly cheered when he compared the government's insistence on hearing the other side of the Information case with the "thousands of people who had been banned, detained or placed under house arrest without a hearing."

The PFP had refused to serve on the commission of Members of Parliament which is to take over from Mr Justice Mostert because this was not a commission appointed by or responsible to Parliament. It was "part of government strategy to silence Judge Mostert and to put an end to his inquiries" — DDC

Erasmus warns Mail editor over report

JOHANNESBURG — The editor of the Rand Daily Mail, Mr Allister Sparks, was called before the Erasmus Commission yesterday and warned that the commission took exception to a quote from a leading British barrister.

The quote, from Mr Louis Blom-Cooper, QC, appeared in a report under the headline "A whitewash — top UK jurist."

The chairman of the commission, Mr Justice Erasmus, told Mr Sparks he had asked him to come for a friendly discussion of the matter, and said the commission could not tolerate any forms of contempt.

"I realise you did not say this," he said, "but your newspaper reported it and you are responsible."

"This type of reporting must stop."

Mr Sparks' legal adviser, Mr Kelsey Stuart, informed Mr Justice Erasmus that he advised the paper on all material

which might be considered contempt of commission.

He said he would welcome a discussion with the commission to determine guidelines on what could and could not be published.

But Judge Erasmus said he was not prepared to hear argument on the matter.

At yesterday's meeting Mr Sparks drew the commission's attention to the fact that its secretary, Mr J G Geyser, had told him on Thursday the commission wished to interview him about a Mail report on the payment by Mr Louis Luyt of post-dated cheques into a bank account belonging to Homer Finance Corporation.

"I prepared myself to discuss this report with you," said Mr Sparks, "but now I find you in fact want to discuss a quite different report."

"What surprises me is that The Citizen apparently knew which report you wanted to discuss with me, while I did not."

Mr Sparks handed in a copy of yesterday's Citizen which quoted Mr Geyser as saying Mr Justice Erasmus' attention had been drawn to several reports in Thursday's Mail, and added that it understood particular attention would be paid to the British barrister's comment.

Mr Geyser said there had been a misunderstanding between himself and the judge over which report was involved when he had been asked to telephone Mr Sparks.

Later, The Citizen had telephoned him and asked whether any action was to be taken over the barrister's comment in the Mail. The Citizen had published what he had said to it then.

Mr Justice Erasmus expressed surprise at The Citizen headline, "Info judge may charge paper with contempt."

"I don't know how this got there," he said.

Mr Sparks asked him to look into it — DDC

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Deposit made out to Bureau went to Luyt

By Kevin Stocks

A bank deposit slip for R1-million of the money allegedly used to finance The Citizen was originally made out by the Reserve Bank in favour of the Bureau for State Security (now the Department of National Security)

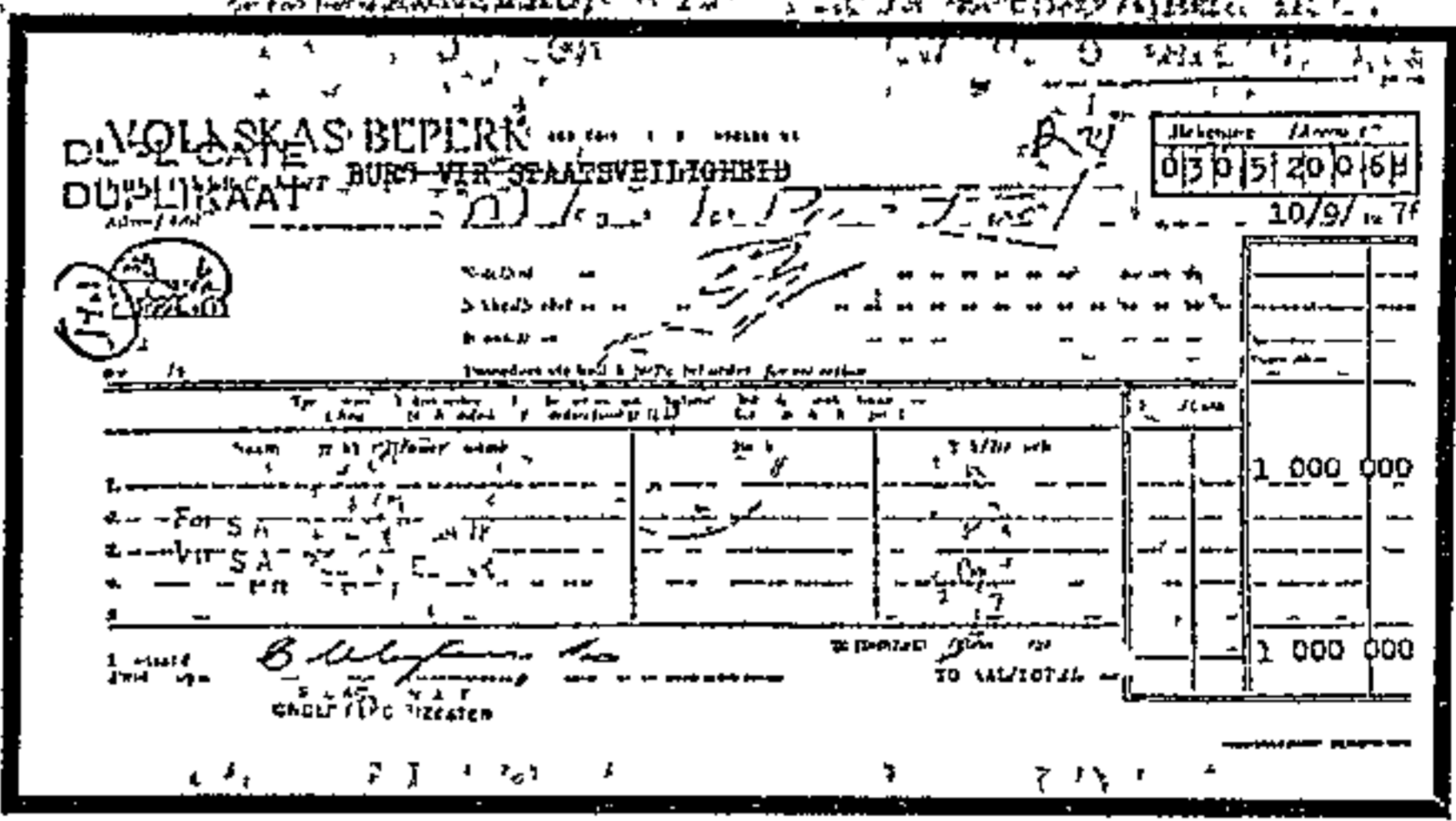
A line was later drawn through the name of the Bureau and the handwritten name of the Malan and Du Preez Trust was substituted. This is a trust account belonging to Mr Louis Luyt's auditors. Mr Luyt was the original owner of The Citizen.

On the same day the Reserve Bank cheque for R1-million was paid into Volkskas. Mr P F du Preez of Malan and Du Preez wrote a cheque on the trust account in favour of Volkskas for R1-million.

Also on the same day — September 10, 1976 — Volkskas issued a bank cheque for R1-million in favour of Mr Luyt.

Photostats of the deposit slip and the cheques were among the documents handed to the Mostert Commission of Inquiry by Mr Luyt and released to the Press by Mr Justice Mostert.

Other documents handed to the commission showed that further large amounts reached Mr Luyt or the Malan and Du Preez Trust through the Reserve Bank, although the name of the Bureau for State Security does not occur again.



A copy of the bank deposit slip for R1-million made out by the Reserve Bank in favour of the Bureau of State Security (Buro vir Staatsveiligheid) which was subsequently changed to the name of the Malan and Du Preez Trust.

On March 30, 1976, the Reserve Bank issued a credit advice of R3,68-million. On the same day a deposit slip was made out to the Malan and Du Preez Trust account number for the same amount.

The deposit slip was made out to the credit of "NG Kerk van Transvaal" but The Star is told this was an error.

The next day, Mr du Preez's cheque for R3,68-million was made out to Volkskas and a Volkskas bank cheque for the same amount was made out to Mr Luyt.

Takeover talk as Citizen loses R12-m

There is speculation on a possible takeover of The Citizen with fresh news of the newspaper's mounting losses.

By February 28 this year The Citizen had accumulated losses of almost R12-million, according to the balance sheet of the controlling company, SA Today (Pty) Ltd.

The company had also received "long-term loans" of almost R17-million of which, the balance sheet says, R15,78-million was provided by fertiliser mil-

lionaire and, Citizen founder, Mr Louis Luyt.

Mr Luyt recently told the Mostert Commission of Inquiry the money for the Citizen was channelled to him from secret funds provided through the former Secretary for Information, Dr Eschel Rhoodie.

The precise accumulated loss on February 28 was R11 957 062,12. On February 28 the previous year the company had an accumulated loss of R5 854 133.

Other loans to the Citizen were R600 000 from

"Konsortium Vandag" and R490 791 from MGD Graphic Systems Ltd.

According to the notes to the balance sheet, no interest was paid on the loans from Mr Luyt and Konsortium Vandag, but commercial interest was paid on the loan from MGD Graphic Systems.

There is now speculation that the Citizen could be taken over by an Afrikaans press group — probably Perskor.

Negotiations are reported to be taking place but no comment is available from Perskor or the Citizen.

Big boost for schools hopes

ADM 11/11/75

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BY PATRICK LAURENCE

COMPULSORY EDUCATION,
The enduring aim of generations of black educationalists, was brought closer to fulfillment yesterday with the publication of a draft Bill on black education.

Published by the Secretary for Training and Education, Mr G J Rousséau, the draft Bill empowers the Minister of Training and Education to make attendance at school compulsory in selected areas for defined pupils.

The draft Bill makes it an offence for black parents or guardians not to comply, with penalties of a fine of R10 or one month's imprisonment for a first offence — and R40 or two months' imprisonment for a second or subsequent offence.

The clauses providing for compulsory education were welcomed yesterday by Mr H H Dlamenze, secretary general of the African Teachers' Association of South Africa as a step in the right direction.

In a introductory note to the draft Bill, published in the Government Gazette yesterday, Mr Rousséau invited all interested persons or institutions, to submit comments on the draft Bill by November 15.

Intended to replace the discredited Bantu Education Act which figured prominently in black student protest in 1976-77, the draft Bill contains a number of innovations apart from the commitment to compulsory education.

One of the most important is the proposal to take the power to appoint and dismiss teachers at community schools away from the

● Introduction of health services

● Recognition of a Black Teachers' Council

● Creation of uniformity in conditions of service between teachers of all races in matters such as leave and discipline

But the draft Bill makes no specific commitment to equal salary scales for teachers of all races, a deficiency which drew criticism from Mr Dlamenze

“For the sake of the credibility and standing of all teachers in South Africa, it is high time that was introduced,” he said

Also not in the draft Bill and for which Atasa is fighting, is equal expenditure per capita on pupils of different races. The expenditure per capita for blacks is 15 times smaller than that for whites

“The draft Bill does not go far enough. It should provide for equal allocation of money per pupil irrespective of race,” commented Mr Dlamenze

school boards, and invest it in the department.

Atasa, which has 21 000 formal members and speaks for most black teachers, recommended the changes in discussions with the department. It believed the fate of teachers should be decided by fellow educationalists not laymen who served on the boards

Other changes envisaged in the draft Bill include

● Provision for pre-school education

● Introduction of health services

● Recognition of a Black Teachers' Council

● Creation of uniformity in conditions of service between teachers of all races in matters such as leave and discipline

Investigate cover-up, says Kowie Marais

By HELEN ZILLE,
Political Correspondent

THE COMMISSION of Inquiry that was needed was one to investigate the cover-up of the Department of Information scandal, former judge Kowie Marais told a protest meeting in Johannesburg yesterday.

Addressing a packed city hall, Mr Marais said that with all the commissions and committees of inquiry that had been appointed, there was not a single one whose terms of reference included the question "Who knew about the Department of Information's misuse of public funds and what did they do with that knowledge?"

Mr Marais also asked

'Come clean' call by Eglin

CAPE TOWN — The Prime Minister's action and statements since the revelations by Mr Justice Mostert has done nothing to reassure the public, but has rather reinforced public doubt on the Government "coming clean" on the Information scandal, Mr Colin Eglin, leader of the Opposition, told 1 500 people who packed the city hall in Cape Town yesterday.

Mr Eglin told the public protest meeting the Opposition would not serve on the Vander Walt Commission because it was not a Parliamentary Commission but one appointed by the State President on the Prime Minister's advice and, therefore, not responsible to Parliament.

Mr Eglin called on the Government to resign and give the public a chance at the ballot box to express their feelings on the Government's administration of public funds.

"The public hears that the Government was aware of the Information scandal before last year's snap election.

"They realise it was not an election to gain a united mandate to resist outside interference, but part of a cover-up exercise.

"It was a phoney election fought on a phoney issue with the Government backed by a phoney newspaper," Mr Eglin said.

"So serious are the charges against the Government that it should have the good grace to resign."

After sketching the events of the past two weeks, Mr Eglin referred to

whether General Hendrik van den Bergh, former head of the Bureau for State Security, who had allegedly been present at discussions on the Department of Information's financing of The Citizen, had done his duty and informed the former Prime Minister, Mr John Vorster.

If the evidence concerning General Van den Bergh was incorrect, why had the General not denied it, Mr Marais asked.

If it was correct, had the General informed Mr Vorster?

"It is for Mr Vorster to tell us of the date on which he became aware that public money had wrongly been channelled to The Citizen newspaper. It is not neces-

sary to have a commission of inquiry on this particular point," Mr Marais said.

Mr Marais asked whether it was possible that the Government, which, according to the Prime Minister, had heard about possible abuse in May last year, had been unable to establish the truth regarding the use of the Department of Information's secret fund.

"Is it conceivable that they could have taken more than a year and not been able to find out whether R12- or R13-million had been used to finance a party political newspaper?"

"After all, it took the mangled Press less time to collect evidence of the most damning nature. The Press in South Africa — and that must be recorded to their eternal fame — has succeeded in delivering facts that the Government was apparently unable to find."

Mr Marais described the sacking of Judge Mostert from his one-man commission investigating exchange control irregularities as a "slap in the face for the entire judiciary."

"I would not be surprised if the Government finds it extremely difficult to find judges to chair commissions in the future," Mr Marais said.

"A Government that considers the bench and its members as its enemy has an appointment with disaster."

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Make findings public — Waddell

THE key to the future growth of the South African economy is directly linked to the country's politics, Mr Gordon Waddell, a director of Anglo American, told delegates at the close of the Financial Mail Investment Conference at the Carlton Hotel yesterday.

Mr Waddell said that while it was true that political developments affected the economies of all countries, it was particularly true of South Africa with its "comparatively open economy."

Presenting the meeting with three possible political scenarios which could develop in this country, Mr Waddell added that "no-one really wants to be seen with us today."

While the aftermath of the Soweto unrest of 1976 was not as serious as that



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following the Sharpville incident, another serious, adverse factor has been revealed — the "debacle of the Department of Information" — as further disclosures are made public.

Indeed, it will be a great deal worse if they are not (made public) and I hope that the Prime Minister accepts that justice must not only be done but be seen to be done. For rumour and speculation are, understandably, already rife.

The decision of Mr Justice Erasmus to hold his hearings in camera is, to put it mildly, discouraging. The further decision by the Prime Minister to terminate the Mostert Commission is analogous to the sacking of Mr Archibald Cox by ex-President Nixon, and is something to be condemned in the most forthright terms.

The ripples and implications of this will be to the detriment of the country, for let us be under no illusion, that the evidence that was laid before Mr Justice Mostert of actions taken by politicians has destroyed to a considerable extent the reputation created for our country by our Reserve Bank and Treasury.

• See Page 7

Mostert

DURBAN. — A petition of many names protesting at the decision of Mr Justice Mostert's commission has been drawn up in Durban. The petition was jointly organised last month by workers of the public and Progressive Federation and presented at this week's protest meeting at City Hall.

The Natal leader of the Durban branch, Warwick Webber, is to present the petition to Mr Justice Mostert at his home in Maritzburg.

It is still not been decided whether a copy will be sent with the original, but it is believed to be sent to the State President. Mr Nigel Wood, the party

ng changes for about coming

in the skilled and semi-skilled fields

Part of the backdrop to the commissions' deliberations has been the repeated warnings from labour leaders and politicians that unless greater scope is opened up for black worker aspirations, and unless they are assured of greater material rewards, South Africa is headed for a chronic state of industrial unrest

The Riekert Commission, which dealt mainly with the mobility of black labour, re-

ported at the end of September, and the Wiehahn Commission is expected to complete an interim report next month

The Riekert Commission's terms of reference included taking a close look at legislation affecting the movement of blacks, including the Group Areas Act, the Bantu Labour Act, and the Community Councils legislation

The Wiehahn Commission is reviewing 14 acts, all of which, to some extent, impinge on the labour freedom of Black South Africans

One of the most important power to appoint and schools away from the school boards, and invest in the department

Atasa, which has 21 formal members and speaks for most black teachers, recommended changes in discussions with the department. It believes the fate of teachers should be decided by fellow educationalists, not laymen who served on the boards

- Other changes envisaged in the draft Bill include
- Provision for pre-school education
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 - Creation of uniformity in conditions of service between teachers of all races in matters such as leave and discipline

But the draft Bill makes no specific commitment to equal salary scales for teachers of all races, a deficiency which drew criticism from Mr Dlamenze

"For the sake of the credibility and standing of all teachers in South Africa, it is high time that was introduced," he said

Also not in the draft Bill and for which Atasa is fighting, is equal expenditure per capita on pupils of different races. The expenditure per capita for blacks is 15 times smaller than that for whites

"The draft Bill does not go far enough. It should provide for equal allocation of money per pupil irrespective of race," commented Mr Dlamenze

Piggot, winger'

will be matched against some of the best available in this country

Piggot's chances of victory are not rated very high as he will partner the appropriately named 16-1 outsider, Outswinger

Current South African champion Garth Puller has had the good fortune to be drawn with Bold Tropic. Currently quoted at 6-10 Bold Tropic is regarded by many to be the best of his age in South Africa

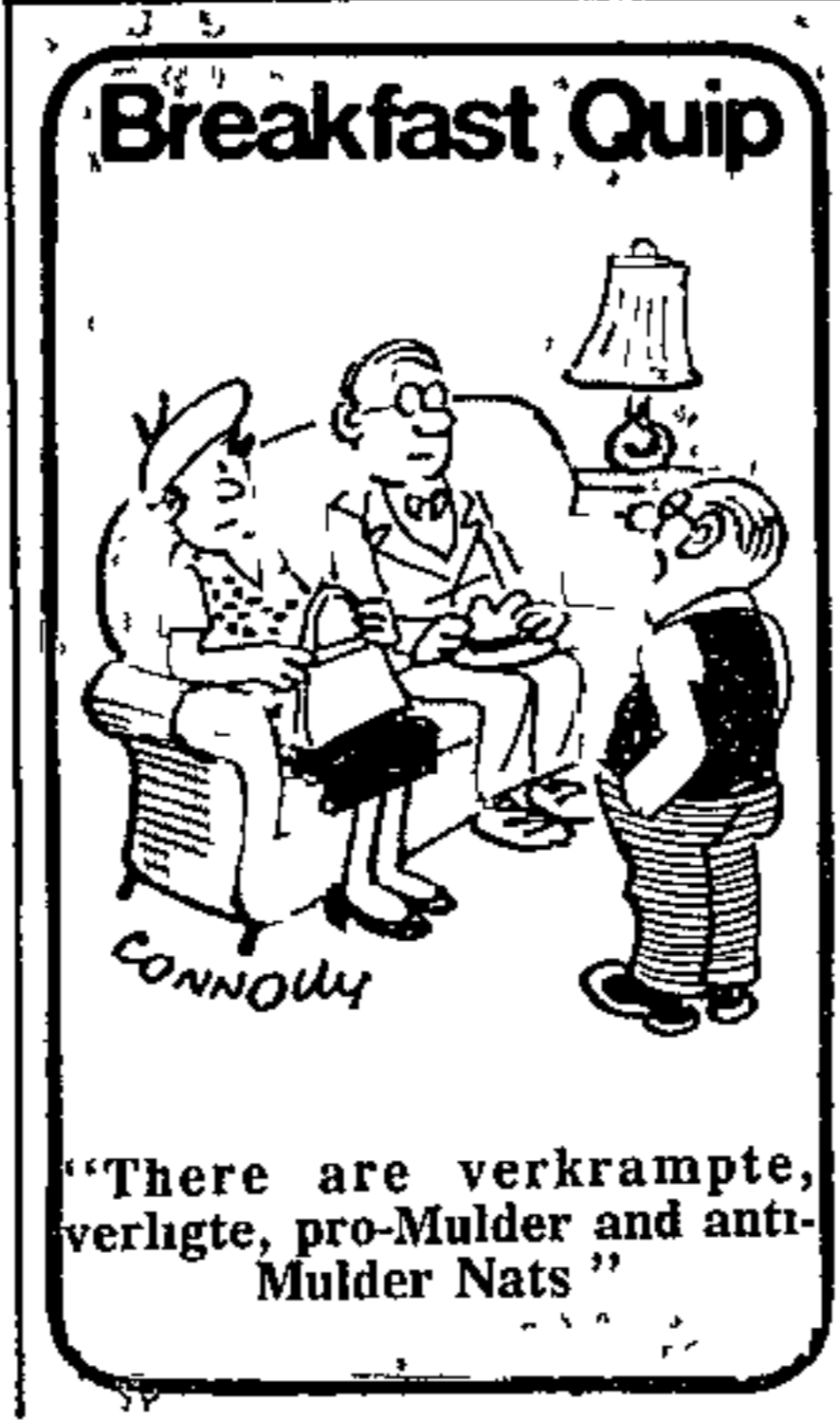
However in this race he will be meeting his strongest challenge ever. The Transvaal entries, Full Colour, Greaser and Lawn will test his ability to the full

Labour leaders said yesterday the commission was expected to deal with the vital issues of official recognition of black trade unions in terms of the Industrial Conciliation Act

This would confer on black workers the right to strike, providing certain procedures laid down in the legislation had been exploited in an effort to resolve any dispute with employers

In fact, they would then have equal rights with white workers

Trade Union leaders said yesterday the whole spectrum of industrial relations needed to be updated to take more account of the increasingly important role of black workers in South Africa's modern industrial society



"There are verkrampte, verligte, pro-Mulder and anti-Mulder Nats"

I'll pay bananas, says fined 'gorilla'

Own Correspondent

LONDON — A man who was dressed as a gorilla when he was arrested told a Hendon magistrate yesterday he would pay his fine in bananas

Martin Brock, 32, jumped up and down in the dock and scratched his armpits to demonstrate the gorilla act. He said he had been practising at the time of his arrest

He was found guilty of drunk and disorderly behav-

our. He had been arrested while on his way from a fancy dress party

Police Constable Westhead said he had pulled the gorilla mask off Brock's head to question him. Brock had then run from him and jumped in a stream, where the knee-deep arrest took place.

Brock had told the policeman "you could have been at the party — there was someone there in a policeman's suit"

He was fined about R50

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PM calls Judge Mostert for talks

Staff Reporter

SENIOR nationalist sources said yesterday the Prime Minister, Mr P W Botha, is to see Mr Justice Anton Mostert, who has said he may make public evidence given to him on financial transactions of the now-defunct Department of Information

The sources said Mr Botha had asked the judge — who is conducting a one-man commission of inquiry into exchange control contraventions — to see him in Pretoria

Mr Justice Mostert said in his statement earlier this week he was reconsidering his position on the information evidence "in the light of the law and the national interest"

The judge was not available for comment yesterday

Meanwhile Mr Botha said on SABC TV last night that a judicial commission of inquiry at this stage would only delay the movement into the appropriation of the department's secret funds, reports Sapa

Asked whether the expanded Kemp Committee would cover the entire area of controversy, he replied "Yes, most decidedly."

● See Page 2

Mr John McGoff kept R10-million for two years.

Info tried to buy Washington Star

By MERVYN REES

DR ESCHEL RHOODIE sent R10-million of the Department of Information's secret fund to the United States to buy the influential Washington Star newspaper.

The Rand Daily Mail can reveal this today following the shock disclosure on the financing of The Citizen newspaper.

The money was sent by Dr Rhodie, then Secretary for Information, to Mr John McGoff, the Rightwing American publisher who is a close friend of both Dr Rhodie and Dr Connie Mulder, former Minister of Information.

Challenge to 'Mail' from Luyt

By MARTIN SCHNEIDER
Political Editor

MR LOUIS LUYT said last night the Rand Daily Mail could publish whatever it wished about his involvement in the Department of Information scandal "and accept the consequences"

The fertiliser magnate accused by the "Mail" of receiving Government funds for The Citizen newspaper he launched two years ago, made his statement through a spokesman at his home

Eglin calls for a full statement

CAPE TOWN — Mr Colin Eglin, Leader of the Opposition, said last night that the Prime Minister's statement on TV last night was "unsatisfactory"

There were two major allegations that had been made in the public Press. The one dealing with misappropriation of public funds, required an investigation by the Auditor-General and by law enforcement officers of the Department of Justice. The second, that funds voted by Parliament had been used to finance the Citizen required no more than a confirmation or denial by the Government.

He said an all-party Parliamentary Commission remained essential, whatever the merits of Mr Kemp's inter-departmental inquiry

Mr Luyt has vehemently denied the "Mail" allegation. His comments last night were given to the "Mail" by a burly man who emerged through a security door in the high walls sealing off Mr Luyt's home from the outside world.

He said abruptly "Mr Luyt doesn't want to see you. He says you can write what you want to write and accept the consequences."

Earlier the "Mail" contacted Mr Luyt's wife on the security telephone at the gates guarding their home overlooking Johannesburg's Zoo Lake.

She said Mr Luyt did not want to be "pestered" by the "Mail" but agreed to ask a guard to deliver a letter requesting an interview to Mr Luyt.

A uniformed guard opened the security door and took the letter.

The spokesman who later delivered Mr Luyt's comment disappeared through the doorway before the "Mail" reporter had an opportunity to ask Mr Luyt what "consequences" he was referring to.

In the letter asking for the interview the "Mail" said if Mr Luyt changed his mind about an interview later in the evening he was welcome to contact the reporter at his home.

He did not do so.

Die Vaderland yesterday reported Mr Luyt's reaction to the "Mail" accusation that he was lying when he said he had not received State money for the Citizen.

Mr Luyt was reported as saying he hoped the Prime Minister would make a statement on the debacle that day. It was absolutely necessary he speak now.

The "Mail's" information is that the R10-million was part of a R23-million bid for the newspaper by Mr McGoff.

The bid failed — and Mr McGoff kept the R10-million in his companies. He only repaid the money in January this year — two years after the attempted takeover.

Mr McGoff, it is learned, also paid back the interest on the R10-million, but a key question in this transaction is the final destination of the interest and the rate at which it was loaned to Mr McGoff. At 8% this would have been R1,7-million.

According to the Mail's information, the repayment was moved back to South Africa via Switzerland where part of it was used to repay a loan raised there to help The Citizen newspaper, which was short of funds.

The Mail's information is that Mr McGoff was unable to release the R10-million of South African taxpayers' money until he pulled off a major business deal in Europe late last year.

Mr McGoff was involved in the attempted takeover of South African Associated Newspapers with Mr Louis Luyt. Mr Luyt subsequently launched The Citizen, which was funded with Department of Information money.

It is understood that Mr McGoff was offered the ownership of The Citizen earlier this year before it was taken over from Mr Luyt by Mr J Van Zyl Alberts. Mr McGoff turned down the offer.

Mr McGoff and Mr Van Zyl Alberts are business associates in various companies including Panax and Craft Press as well as being joint owners, with Dr Mulder and Dr Rhodie, of a farm in the Eastern Transvaal.

Mr McGoff was also named as a director of the company called Lotandanya, which owns a number of flats in the controversial Cape Town building, Valhalla. The Department of Information front company, Thor Communicators, also owns flats in the building.

GENL. MALAN VAL KAAPSE BLAD AAN

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Van Ons Korrespondent
JOHANNESBURG.

GENL. MAGNUS MALAN, Hoof van die Weermag, het die Kaapstadse koerant The Argus gister skerp gekritiseer oor sy berig oor die gratis verspreiding van The Citizen aan soldate

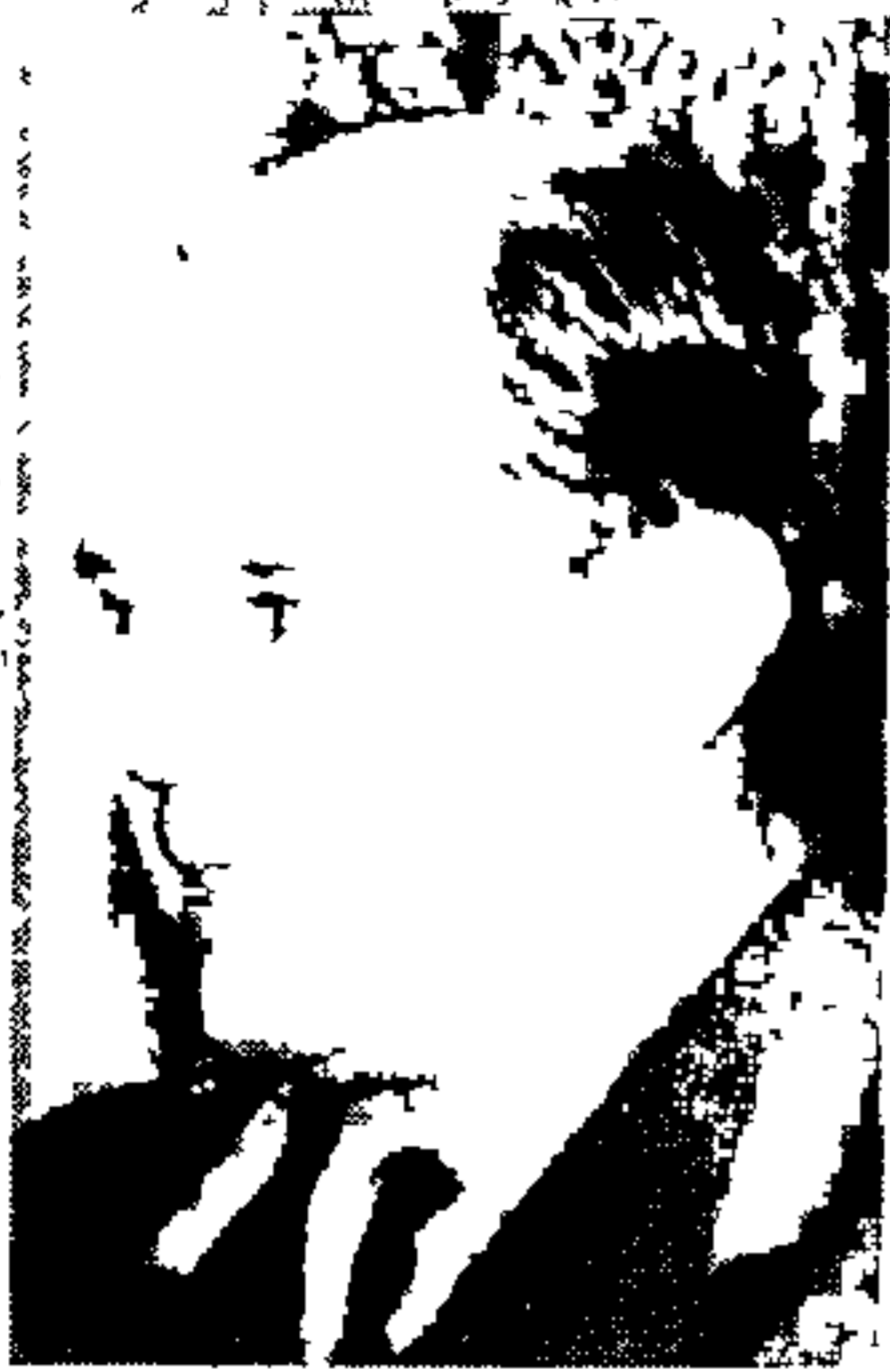
„As hoof van die Weermag het ek geen ander keuse as om The Argus daarvan te beskuldig dat hy op laakbare wyse die Weermag onskuldig by 'n skinderstorie, of skinderstories, probeer betrek nie,” het genl. Malan gesê.

In die berig, sê genl. Malan, word die feit dat hierdie eksemplare van The Citizen aan die Weermag geskenk word, subtiel bevestig deur „donated” in aanhalingstekens te plaas.

Hy wys daarop dat The Citizen en ander nuusblaare wat aan die Weermag geskenk word, 'n geruime tyd reeds in die operasionele gebied versprei word. So word altesame tweeduisend eksemplare van Hoofstad, ses-honderd van die Rand Daily Mail, driehonderd van Die Transvaler en tweeduisend van The Citizen, wat die weeklikse bylae oor die Weermag insluit, weekliks versprei.

Al hierdie nuusblaare word aan die Weermag geskenk, het genl. Malan gesê.

Die hele aangeleentheid is in die oog lopend uit verband geruk, blykbaar in 'n poging om die Weermag by



GENL. MAGNUS MALAN

'n saak te betrek wat niks met hom te doen het nie.

„Dit is skokkend dat 'n Suid-Afrikaanse nuusblad dit eties kon vind om, ongeag die deeglike verduidelikings wat aan die blad se verteenwoordiger gegee is, só op te tree teen 'n volksinstelling wat afsydig van kontensieuse strydpunte staan,” het genl. Malan gesê.

13.

findings of the investigation were that in mple the initiative for establishing the liaison management. In about 9% of the sample the y management and its African employees together. ken the initiative on their own. In fact from ear that in only 2 of 326 organisations had this letermining African workers' needs for a liaison sample attributed the main factor to management's had discussed the matter with African supervisors d about 18% had held general meetings of all their some 4% of the organisations had African employees tion of the establishment of a liaison committee to

members of the liaison committee did not partici- on of their committee in 81,9% of the participating hand, 79,1% of the respondents reported that on committee were elected rather than appointed by ly 16,6% of the firms could candidates be nominated example, as to age or seniority. A representational nents was required by 78,1% of the respondents, (seniority) qualifications and 27,3% required a

certain age limit. Voting was usually by means of ballot papers (57,1% of the respondents) or by a show of hands (33,4% of the respondents).

About 63% of the respondents reported that their liaison committees were elected for a period of one year while nearly 28% recorded a two-year period of office. In most instances, 72%, regular monthly committee meetings were held, but a further 12% met every two months and 5% quarterly.

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Debakel ook verleentheid vir bruines, sê Bergins

DIE verleentheid oor die Inligtingsdebakel is ook 'n verleentheid vir die bruinmense in hul hoedanigheid as lojale Suid-Afrikaners, het dr W. J. Bergins, leier van die Vryheidsparty, gister in 'n verklaring gesê.

Beginnels wat vir die bruin-

mense belangrik is, is dat alle skuldiges aan die kaak gestel moet word, dat die volle besonderhede van verkeerde optrede openbaar gemaak word en dat volle rekenskap gegee word van die besteding van die belastingbetalers se geld

13.

ings of the investigation were that in the initiative for establishing the liaison management. In about 9% of the sample the management and its African employees together. the initiative on their own. In fact from

Verster's data it would appear that in only 2 of 326 organisations had this occurred.³² Moreover, in determining African workers' needs for a liaison committee nearly 37% of the sample attributed the main factor to management's 'foresight', while some 24% had discussed the matter with African supervisors and obtained their views, and about 18% had held general meetings of all their African employees. In only some 4% of the organisations had African employees themselves brought the question of the establishment of a liaison committee to management's attention.

Rather surprisingly, African members of the liaison committee did not participate in selecting the chairman of their committee in 81,9% of the participating organisations. On the other hand, 79,1% of the respondents reported that African members of the liaison committee were elected rather than appointed by management. However, in only 16,6% of the firms could candidates be nominated without any restriction, for example, as to age or seniority. A representational spread from different departments was required by 78,1% of the respondents, while 46,2% required service (seniority) qualifications and 27,3% required a certain age limit. Voting was usually by means of ballot papers (57,1% of the respondents) or by a show of hands (33,4% of the respondents).

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32. Ibid, p.20.

MOSTERT SE OPTREDE

Rhodie dink aan regstappe

Burger 11/11/78 (259)

Van Ons Politieke Redaksie

PRETORIA.

DR. ESCHEL RHOODIE, voormalige Sekretaris van die gewese Departement van Inligting, oorweeg nou regstappe teen regter Anton Mostert. Hy het reeds sy regsadviseurs daarvoor gespreek, het hy gister aan Die Burger gesê.

PERSKOR WIL CITIZEN GLO OORNEEM

Van Ons Korrespondent

JOHANNESBURG.

DRUK onderhandelinge is in die laaste paar dae in Johannesburg en Pretoria gevoer oor die moontlike oornome van die Engelstalige oggendkoerant The Citizen deur 'n Afrikaanse persgroep, is gister op goeie gesag verneem. Uitsluitel oor die toekoms van die koerant word binnekort verwag.

Die koerant, waarvan die opgehoopde verlies einde Februarie vanjaar volgens getuienis voor regter Anton Mostert reeds R11 957 062 bedra het, staan nou midde in die storm om die voormalige departement van Inligting ná getuienis voor regter Mostert deur die koerant se stigter, mnr. Louis Luyt, dat dit met staatsgeld gefinansier was.

Na verneem word, word die onderhandelinge oor die toekoms van The Citizen gevoer met die Perskorporasie van Suid-Afrika, uitgewer van onder meer Die Transvaler en Die Vaderland.

Die maatskappy druk en versprei die koerant reeds sedert sy eerste uitgawe op kontrakbasis. Dr. Connie Mulder, wat uit die Kabinet bedank het oor die storm rondom sy voormalige departement, is 'n direkteur van Perskor.

Die voorsitter van Perskor, mnr. Marius Jooste, was nie gister vir kommentaar oor die onderhandelinge beskikbaar nie en mnr. Herbert Jusen, voorsitter van S A Today (Pty) Ltd, eienaar van The Citizen, het gesê: „Heeltemal geen kommentaar, heeltemal geen kommentaar”.

Geheime fonds nodig vir elke volk

Van Ons Korrespondent
BLOEMFONTEIN.

ENIGE volk het 'n geheime fonds nodig vir sekere transaksies wat aangegaan moet word om sommige goedere vir die land te kry. Dit kan nie openbaar gemaak word nie, het mnr. Hendrik Schoeman, Minister van Landbou, gisteraand hier in 'n stampvol stadsaal gesê op 'n openbare vergadering van die Nasionale Party.

Min. Schoeman het oor die inligtingskandaal gesê die land veg vir sy voortbestaan. As daar geen geheime fondse was nie, was Suid-Afrika se kraan lankal toegedraai.

Oor die landbou, het mnr. Schoeman gesê dit het tyd geword dat daar na die kleinboer omgesien word omdat tye verander het. Die boer wat op grond van tussen 250 en 350 hektaar boer, het nou die belangrike man geword en moet tot elke prys op die platteland behou word.

Dr Rhodie het gesê die stappe word oorweeg omdat die regter „basies onbevestigde en ongekontroleerde” getuienis van 'n lasterlike aard oor hom laat publiseer het. Dr Rhodie het gesê hy was beskikbaar om voor die Mostert-kommissie te getuig.

VERBAAS

Hy is verbaas dat hy nie gevra is om te getuig nie en voel dat hy die eerste getuie voor regter Mostert moes gegee wees het. Afhangende van die regsadvies wat hy ontvang sal hy besluit of hy voortgaan met die stappe.

Dr. Rhodie het gesê hy het binne 'n uur nadat hy uit die buiteland in Suid-Afrika teruggekeer het, met die kommissie onder voorsitterskap van regter R. P. B. Erasmus in verbinding getree en is bereid om voor die kommissie getuienis af te lê.

GEVRA

Sy besoek gister aan die Sekretaris van die Departement van Justisie, adv. J. Coetzer, was om inligtinge in verband met die prosedure van die Erasmus-kommissie in te win met die oog op getuienis voor die kommissie. As oud-staatsamptenaar is hy geregtig om die inligtinge te vra, het hy gesê.

Mnr. Johan Geysler, sekretaris van die Erasmus-kommissie, het gister aan Die Burger bevestig dat dr Rhodie gevra het om getuienis af te lê. Hy het ook gesê dat mnr. Harry Schwarz, P.F.P.-L.V. vir Yeoville, versoek het om die kommissie toe te spreek, en dit sal oormôre om 9vm gebeur.

Regter Anton Mostert het gisteraand in Pietermaritzburg gesê al wat hy in hierdie stadium kan sê, is dat hy hoëgenaamd geen kommentaar het nie.

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Burger 11/11/78 259
**KOMMISSIE GAAN
VOORT SONDER P.F.P.**

PRETORIA. DIE Van der Walt-kommissie van ondersoek na beweerde oortredings van die valutabeheerregulasies sal met sy werk voortgaan, ongeag die feit dat die amptelike Oposisie, die Progressiewe Federale Party, en die Nuwe Republiekparty geweier het om daarin te dien, het mnr Hennie van der Walt, voorsitter van die kommissie en L.V. vir Schweizer-Reneke, gister gesê.

Hy was in verbinding met die Eerste Minister, mnr. P

W Botha, en aan hom is gesê dat die kommissie met sy taak sal voortgaan, berig Sapa

Mnr. Harry Schwarz, L.V. vir Yeoville, wat saam met dr Zach de Beer, L.V. vir Parktown, genooi is om die Progressiewe Federale Party in die kommissie te verteenwoordig, het gesê dié party se deelname is in die hande van die Eerste Minister Net hy kan die versekeringe gee wat die P.F.P. as voorwaardes vir deelname stel

**Sebe: swartes
ergste getref**

PEDDIE — Die swartesligation were that in word die hardste van alle groepe in Suid-Afrika getref establishing the liaison deur die bedanking van dr. Connie Mulder, het die hoof- 9% of the sample the minister van die Ciskei, kaptein Lennox Sebe, gister hier African employees together. gesê

Kaptein Sebe, wat die their own. In fact from Tyefu-besproeiingsprojek ge- 26 organisations had this open het, het gesê in die kort tydjie dat dr. Mulder Minister van Plurale Betre- kers' needs for a liaison kinge was, het hy baie bereik en 'n groot deurbraak ge- main factor to management's maak vir die finansiering om die tuislande se ontwikkeling er with African supervisors te bespoedig — (Sapa)

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net uit hierdie
traanseagtige antwoord afgelei
dat daar beslis al n leer
oor die saak moet wees. In
hierdie geval was daar egter
nie n oorsaak nie. Wat ge-
beur het was min of meer
die volgende:

Dinsdagnag in Staats-
koerant no 6212 afgekondig
dat regter Anton Willem
Mostert van Natal sy onder-
soek na sluitbeheerqortre-
dings moet staak. Dit was
nadat hy die vorige week op-
sienbarende getuenis oor die
ou Departement van Inligting
bekend gemaak het.

Die Ongenoemde Minister
was klaarblyklik bang dat
regter Mostert dalk Woens-
dagmiddag hier n
perskonferensie sou hou en
n dynamiedoku-
mente aan die pers sou
uitreik. Hy het immers alreeds
by hom gehad.

Redes

Die Minister het die hulp
van die Staatsprokureur inge-
roep wat op sy beurt weer
die dienste van twee Preto-
riase advokate bekom het.
Hulle is adv. P. Roux en
H. Daniel.

Die advokate het die mid-
dag kort voor huistoegaantyd
by die griffier se kantoor op-
gedaag.

Voor enige aansoek regter
kan begin moet daar eers
n vorm voltooi word waarin
gestipuleer word wat die redes
vir die dringende aansoek is
en wie die aansoek bring.
Dit is die eerste bladsy van
die leer wat dan geopen word.
Die res bestaan uit pleit-
stukke.

In hierdie geval was die
aansoek as so dringend
beskou dat daar glo nie skrif-
telike pleitstukke opgestel is
nie. Die advokate wou som-
mer moedlike hulp getuenis
aan die regter voorle.

Dit kom dikwels voor dat
advokate voor n verhoor amp-
telik begin eers die regter
spreek en hou uitlig wat die
presiese aard van die saak
sal wees. In hierdie geval het
dit ook gebeur.

Probleme

Adv. Roux, adv. Daniel
vergesel van mnr. F. D. le
Roux van die Staatsprokureur
se kantoor het in die kantoor
van regter Charl Theron
beland. Hy was toevallig
beskikbaar.

Blykbaar het die regter
hulle toe daarop gewys dat
daar probleme sal wees. Hy
kon gemeen het dat dit wens-
liker sou wees dat die aan-
soek gebring moet word in
die hof waaraan regter Mostert
verbonde is, in hierdie geval
Natal en waar regter Mostert
hom ten tyde van die aansoek
bevind.

Die aansoek het nie in Pre-
toria gedien nie. Die Minister
het sy advokate geen opdrag

THE National Party in the Transvaal is leading for a fight that threatens to rip the guts out of it and give its unity in tatters.

The battle in the Transvaal began more than two months ago during the fight for the premiership, when Foreign Affairs Minister Pik Botha challenged the powerful Dr Mulder in a no-holds-barred campaign. The Mulder men and the other people have been at each other since, the fight is never really ceased, merely seethed beneath the veneer of party unity.

The demise of Dr Mulder brings the provincial tussle into the open again. Early in the week, Mulder shocked in a party Transvaal senior party man by quitting the cabinet — and delighted many others who felt his going was overdue. He started the week, despite the storm that broke around his now defunct Department of Information, as the party's most powerful man in the province.

Less than two months ago it was touch and go whether he would walk in to the Prime Minister's office, and in the end it was merely a handful of votes that kept him from becoming the most powerful man in the country.

At the beginning of this week he vowed that he had no intention of relinquishing his Cabinet post — but late on Tuesday night he announced his going.

THE

WEEK GOONIE

FINALLY

WALKED



It wasn't quite cricket the way he held on to the bat to the bitter end



Rodney Maxton

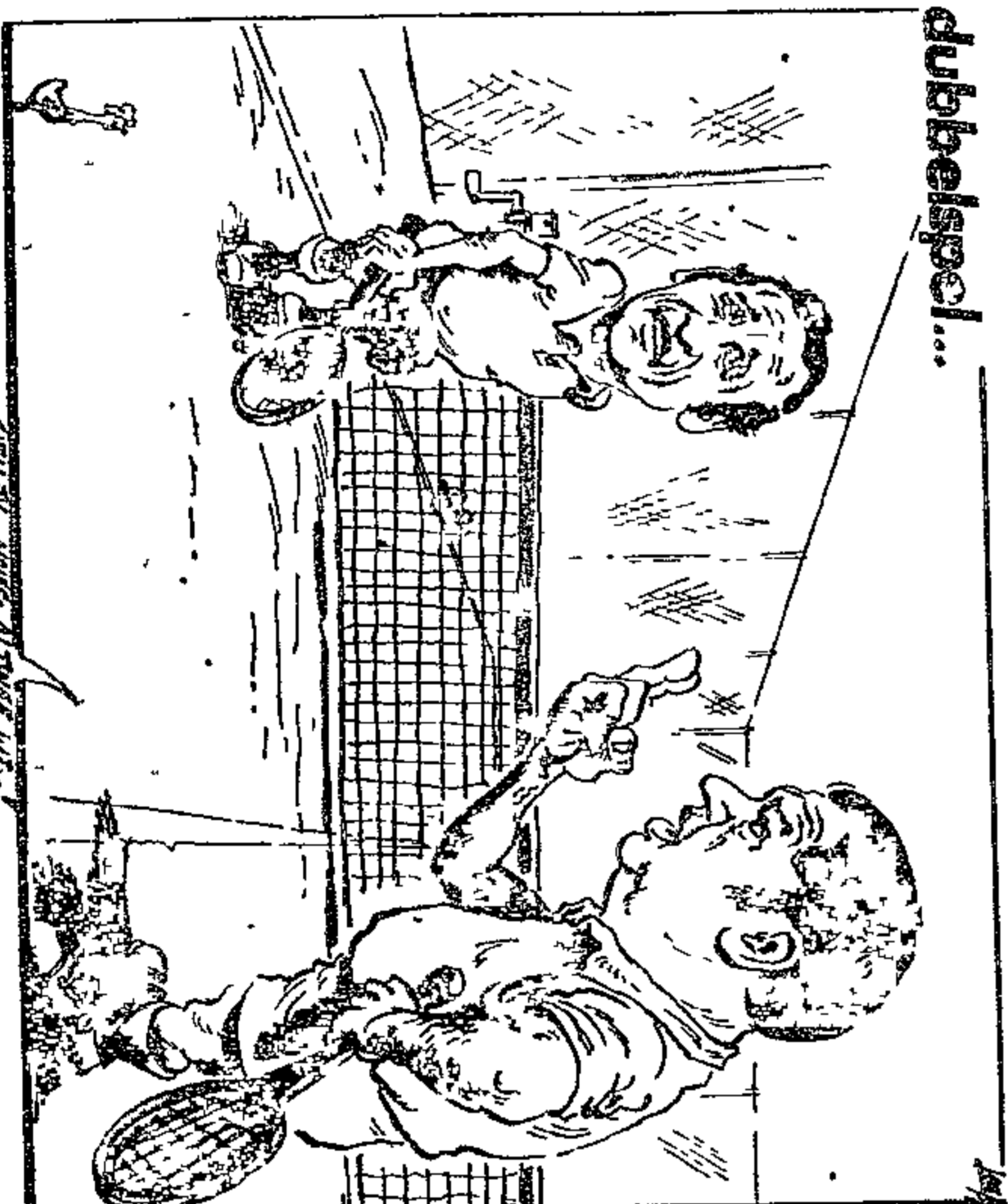
Mulder had in effect admitted there was a lack of trust.

The newspaper appealed to him to "walk the whole road" and remove himself from other positions of trust in the party.

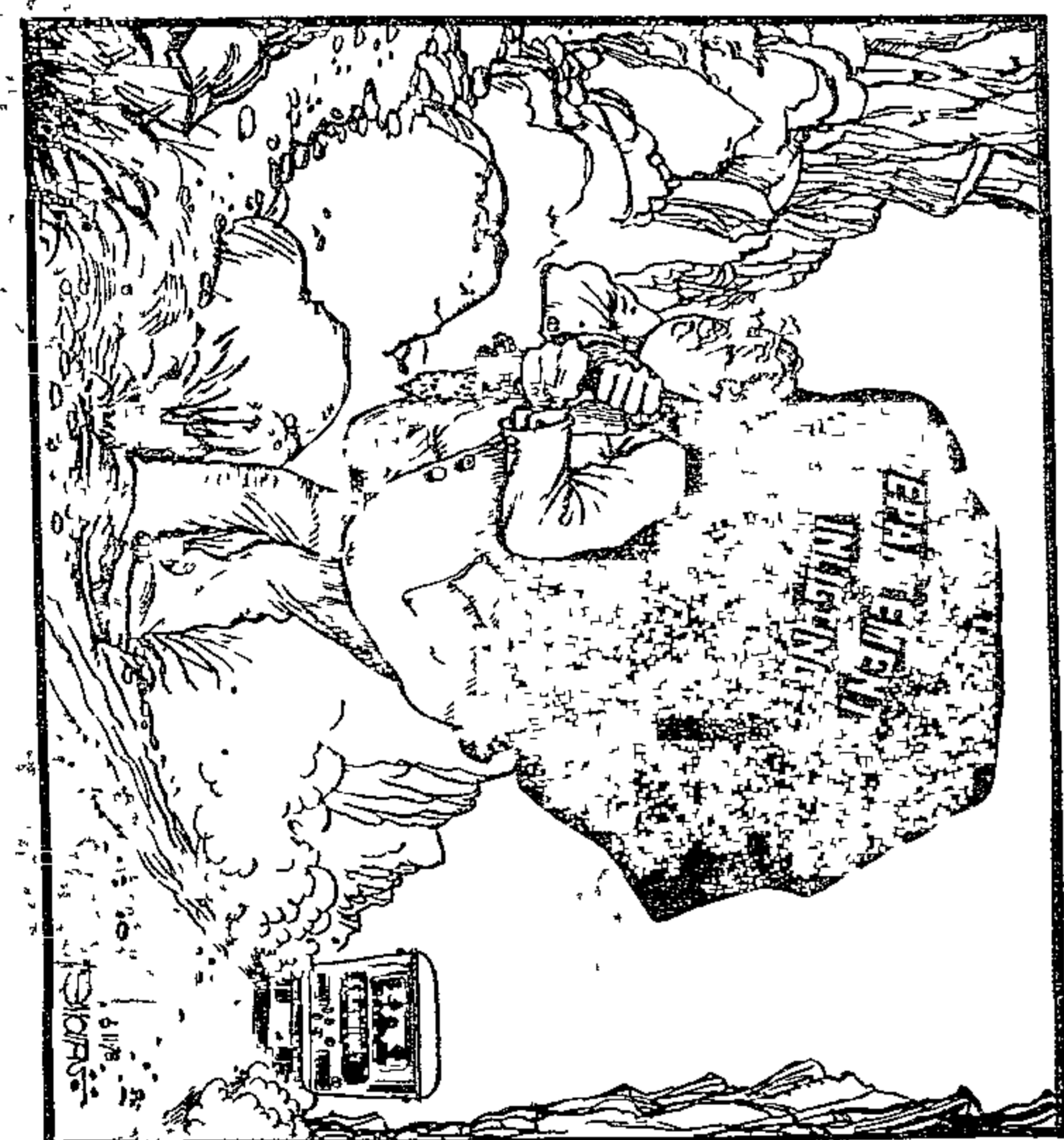
The former Minister of Plural Relations indicated that he would stay on as MP for Randfontein, but that he would decide in his own time whether he would hold on or let go of the top spot in the Transvaal party.

But even then it was obvious that the bitter, relentless battle that preceded the caucus election of a new Prime Minister would shake the party again — irrespective of whether Mulder quit or clung to the provincial leadership.

Until yesterday morning when the former Minister announced that he would relinquish the provincial leadership, he had given no indication of his intention to do so. Hours before he announced his decision some



dubbelspel...



Now the National factions are licking their wounds, uncomfortable mates in the same party stable

be between the left and the right.

And waiting in the wings on the right, ready to move on to the centre of the political stage will be Deputy Minister Andries Treurnicht.

"Transvaal Nats," he told me, "are traditionally conservative — and they are more likely to go for Dr Treurnicht."

He reasoned that Dr Treurnicht as a "Mulder man through and through" could gain the support of many of the former minister's followers.

"Pik Botha is the man who said he was not prepared to die for apartheid in lifts — but many of his fellow Nats in the Transvaal apparently are prepared to do so."

He summed up "Koorhof is a dead man as far as the party leadership is concerned. Fanie Botha doesn't even figure. Pik Botha and his followers 'don't fit in with the Transvaal NP ideology.' Kruger is deputy

party members. Many are angry over the controversial Information Department Affair — and many others remain firm Mulder fans.

Nowhere is the confusion more clearly seen than in Dr Mulder's own constituency, Randfontein, where two Afrikaans-language newspapers did independent surveys.

The results of the surveys, carried out after Mulder quit the Cabinet but before he indicated he would resign the provincial leadership, came up with conflicting findings.

On Thursday, Beeld's headline said Mulder — feelings over Mulder — many voters want him to quit as MP.

On the same day, Die Transvaal's headline said "Randfontein stands by their MP."

Beeld reported that Dr Mulder's decision to quit the Cabinet but stay on as MP had had a mixed reception. It pointed out that at least half the people the newspaper had approached said they would have welcomed a decision by Dr Mulder not to stay on as MP.

Digging

The week began with Dr Mulder digging in his heels, ready to fight to the bitter end for his political life. There were even hints that should he be forced to go he would take other top Nats with him.

By yesterday he had lost all bar his seat in Parliament. Observers believe he gave way in the face of considerable party pressure — and they point out that the pressure is

Mulder: The man who nearly became PM... and then fell from grace

on preventing P. Botha from taking over the top spot. Political observers spoke to this week felt that this rift in the Transvaal will not easily be bridged — even if a middle-of-the-road peacemaker leader is elected to try to keep party unity intact.

Florida MP Barrend du Plessis, asked who would take over from Mulder, told me "I don't know. I think the situation is fluid."

Pressed on the chances of various senior men, he said he thought one of the three vice-chairmen would take over the reins. — Labour Minister Fanie Botha, Minister of Justice Jimmy Kruger or Minister

of Agriculture Hendrik Schoeman. One Pretoria academic politico-watcher I spoke to dismissed Fanie Botha, Kruger, Koorhof and P. Botha as possibles. He said that while Hendrik Schoeman is unpopular, controversial and popular enough to become a caretaker leader, the real fight in the end will

leader in the province only because of seniority, but everyone knows he's had news on the party's public relations front. — Already Fanie Botha and Mr Schoeman, according to yesterday's news, are believed to be in the field for the leadership race — which will end on November 25 when the Nationalist Transvaal head committee chooses a new chairman, who automatically becomes provincial leader. But the problems are not confined to the NP hierarchy, there is trouble among rank-and-file

there for him to get out of Parliament as well. They believe it is only a matter of time before he does. — But his fall from grace, from the man who nearly became Prime Minister to the man whose political life lies in tatters, will not alter the fact that the Transvaal party is in trouble.

The in-fighting ball game has already got underway. And all the Nats can do is batten down the hatches and wait for the storm to come. The storm that will hit them where it hurts most — in party unity.

DEEPENING

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Sun, Tribune

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total of 26 firms were interviewed there.

DR MULDER'S resignation as Transvaal leader of the National Party will help, as did his resignation from the Cabinet, in the party's bid to recover from the Information Department debacle. But it will do nothing to heal the deepening rift exposed when Mr Vorster relinquished the office of Prime Minister.

The clash between Dr Mulder and Mr P. W. Botha was no ordinary struggle by two individuals for power. It was a struggle characterising divisions which have been growing since first the party leadership acknowledged to itself that apartheid had collapsed and set out on a haphazard, erratic road of change.

Mr Botha's victory in the caucus election did not settle the struggle because in fact the issue in that election was not clear-cut. It was just that Mr Botha represented and had the support of the more verligte elements in the party and the pragmatic Dr Mulder the support of the more conservative elements.

But with Dr Mulder's resignation from the key office of Transvaal leader the way is opened for the conservatives to make a direct bid for supremacy. And if they win with a candidate like Dr Treurnicht the road to change will be firmly blocked by party ideologues still cherishing visions of white exclusivity and dominance.

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(see Appendix B)

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) Asians and 'Coloureds'

districts of Alberton,

urg, Kempton Park,

t and Springs. A

However, as a large number of undertakings have their headquarters in the region, the total number of establishments covered is far greater than the low number suggests. Twenty of the firms were involved basically in manufacturing while six provided services of one kind or another. However, some of the large groups interviewed, consisted of both service and manufacturing companies (e.g. a company to manufacture television sets and a company to maintain and repair them). Another point to note in connection with this survey of firms on the Witwatersrand is that while most of the firms interviewed were based in the area, some had interests throughout the country and provided us with figures for their whole operation and not just that part physically located on the Witwatersrand.

THE CITIZEN

Established Saturday November 11, 1976

Coastal Price 12

R15-MILLION RIS-LOSSES TOTAL SO FAR

Experts believe paper can't survive without massive injections of funds

BOSS NAMED ON DEPOSIT SLIP FOR CITIZEN

Tribune Reporter

JOHANNESBURG. A bank deposit slip for R1 million of the money allegedly used to finance The Citizen was originally made out by the Reserve Bank in favour of the Bureau for State Security (now the Department of National Security).

A line was later drawn through the name of the Bureau and the handwritten name of the Malan and Du Preez Trust was substituted. This is a trust account belonging to Mr Louis Luyt's auditors Mr Luyt was the original owner of the Citizen.

On the same day that the Reserve Bank cheque for R1-million was paid into Volkskas, Mr P. F. du Preez, of Malan and Du Preez, wrote a cheque on the trust account in favour of Volkskas for R1-million. Also on the same day September 10, 1976, Volkskas issued a bank cheque for R1-million in favour of Mr Luyt.

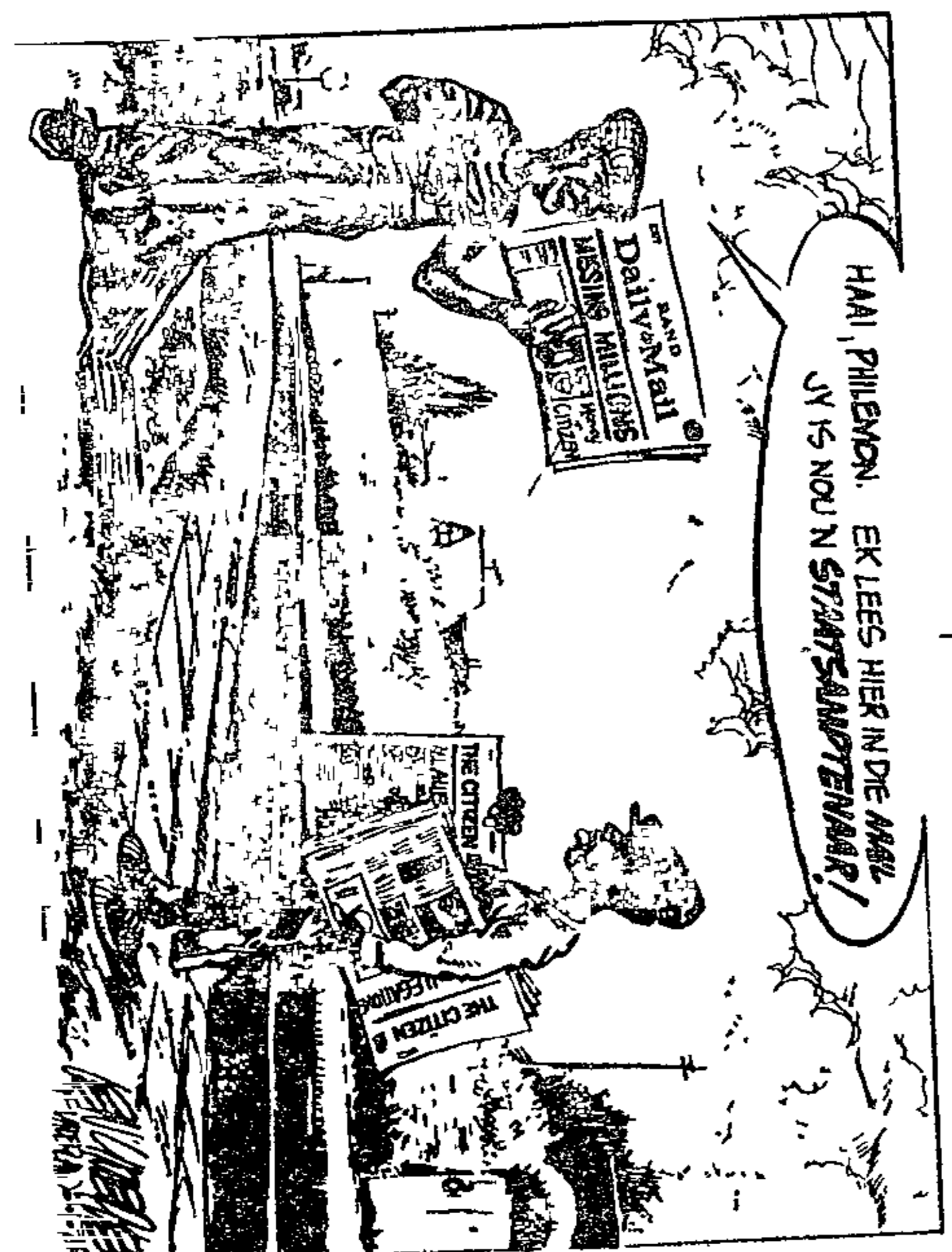
THE Citizen is running at a probable loss of about R20 000 a day — making its accumulated loss since it started in late 1976 in the region of R15 500 000.

BY MARIAN SHINN

When Mr Johannes van Zyl Alberts took over The Citizen it had an accumulated loss of R11 957 059. It had R16 870 791 in long-term loans and a bank overdraft of R6 966 330.

Based on an average daily circulation figure of 70 000 it has earned about R1 344 000 in sales since the beginning of March.

Its revenue from advertising is difficult to gauge but this is believed to have increased slightly during the year.



the newspaper ran on low or no interest loans of R16 870 791 — some of which was invested at good interest rates in Triomf Fertiliser Investments, Sentrale Kunsmiskorporasie and IL Group Investments — all companies of the original owner, Mr Louis Luyt.

The Citizen's long-term loans were R15 780 000 from Mr Luyt on which he deferred his right to claim or accept payment of R13 205 175 of it until the fairly valued assets of the company exceeded its liabilities.

Few believe The Citizen's assets will exceed its liabilities and Mr Luyt may never see his R13 million.

The Citizen gets a buyer...if a seller is found

Tribune Reporter

MR MARIUS Jooste, chairman of the giant Afrikaans publishing house Perskor, is very interested in taking

over The Citizen — but won't consider it seriously until he knows who the present owners are.

He told The Sunday Tribune yesterday he had discussed the future of the

Citizen with the newspaper's management but he was not negotiating a take-over "at the present moment."

He suggested that "every newspaper in town" was discussing the possible take-over of The Citizen

A Johannesburg Afrikaans morning newspaper yesterday reported that Perskor had been negotiating a possible take-over in Johannesburg and Pretoria this week. It claimed that a definite decision would be made shortly.

But Mr Herbert Jussen, chairman of South Africa Today, which controls The Citizen, had no comment to make.

"The report is not true otherwise I would know about it, wouldn't I?" he said.

According to evidence recently given to the Mostert Commission of Inquiry, The Citizen's losses totalled R11 957 062 by February 28 this year. The controlling company had also received "long term loans" of almost R17 million, most of which came from fertiliser magnate and Citizen founder, Mr Louis Luyt.

"We print the Citizen and it's a big printing job. It stands to reason I am interested in taking it over," Mr Jooste said.

"But we do not know who the newspaper belongs to and we don't know exactly what debts we'd have to take over. We won't know until it is discussed in Parliament in December."

12/1/78
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the past year.
Since the end of February its advertising revenue could be about R1 500 000.
For the year ended February 1978 the Citizen's income from advertising was R2 248 566 and it sold R2 027 954 worth of newspapers.

Citizen paid on its short term borrowings was R619 997 and its interest received from its investments was R1 217 373.
The balance of R10 000 000 would then be repaid by Mr Luyt in five yearly payments at 12.5 percent interest.

Photostats of the deposit slip and the cheques were among the documents handed to the Mostert Commission of inquiry by Mr Luyt and released to the Press by Mr Justice Mostert shortly before his commission was terminated by the Government.

How The Citizen aided Info Department projects

By MARIAN SHINN

Newspapers rely heavily on advertising to bear the cost of production if they are to show a profit and the Citizen has low income from advertising compared with its sales. Its advertising barely covered the cost of running the editorial department which was R2 152 517. The expense of the management and financial side of the newspaper was R1 633 751.

Financial experts believe the Citizen cannot survive without massive injections of funds.
Without knowing who all the owners of The Citizen are, it is impossible to say where the money is coming from.
The Citizen's profit and loss account and its balance sheet show that

the Department of Information paid between R7 000 and R10 000 to the Citizen to cover printing and posting costs only. The Citizen made no profit in the exercise.
The Citizen staff were involved in addressing the envelopes from an address list provided by the department. They also put the books into the envelopes and sealed them because the department was "too busy".

Mr Spring has also denied that Mr Louis Luyt, the newspaper's first "owner", tried to tell him what to write but admitted during an interview that there were frequent differences of opinion between them.

Mr Spring went on a five week information gathering trip in the United States for a book "Confrontation: The Approaching Crisis Between the United States and South Africa". This was published late last year by Valiant Publishers.
Mr Spring told friends that the Department of Information paid for his trip to the US. He denied this but admitted he did not pay his own way.

Other documents showed that further large amounts reached Mr Luyt or the Malan and Du Preez Trust through the Reserve Bank — although the name of the Bureau for State Security does not occur again.
On March 30, 1976, the Reserve Bank issued a credit advice of R3 68 million. On the same day a deposit slip was made out to the Malan and Du Preez Trust account number for the same amount.
The deposit slip was made out to the credit of N G Kerk van Transvaal but the Tribune is told this was an error.
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THE Citizen carried out a propaganda exercise in the United States for the Department of Information early this year and made no profit on the deal.
This is just one of the many links — other than financial — that this pro-Nationalist English newspaper maintained with the Government during its past two years of operation.
During February and March The Citizen printed and posted about 6 000 copies of a book of articles written by senior journalist Aida Parker on the Secret US War Against South Africa. These were featured in The Citizen last year.

These books were sent to about 6 000 influential Americans — including United States Ambassadors to the United Nations, Andrew Young and members of Congress.
Another way in which

Mr Spring has denied this. He said he spoke with Dr Rhoadie perhaps six times in his life.
Mr Spring has also denied that Mr Louis Luyt, the newspaper's first "owner", tried to tell him what to write but admitted during an interview that there were frequent differences of opinion between them.

Mr Spring went on a five week information gathering trip in the United States for a book "Confrontation: The Approaching Crisis Between the United States and South Africa". This was published late last year by Valiant Publishers.
Mr Spring told friends that the Department of Information paid for his trip to the US. He denied this but admitted he did not pay his own way.

Other documents showed that further large amounts reached Mr Luyt or the Malan and Du Preez Trust through the Reserve Bank — although the name of the Bureau for State Security does not occur again.
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Split looms as Mulder quits

By BILL KRIGE

DR. MULDER'S resignation as Transvaal leader of the National Party has plunged this conservative bastion into a crisis potentially as divisive as the Prime Minister's election in September.

Yesterday the Foreign Minister, Mr. P. Botha, confirmed that he would not stand for the Transvaal leadership and some Nationalists believe his withdrawal could ease the acute tensions which have developed between his and Dr. Mulder's factions.

But one Transvaal MP said that should Dr. Mulder — whose support remains strong despite the information debacle which led to his resignation from the Cabinet earlier this week — attempt to play the role of a power broker, the party could be tipped headlong into its worst crisis since the HNP breakaway a decade ago.

Dr. Mulder, once the heir apparent for the post of Prime Minister, remains in public life as the MP for Randfontein.

The NP's Transvaal Head Committee meets in Pretoria on November 25th to elect a chairman who will act as provincial leader until next year's congress formally chooses one. Dr. Mulder held both posts but they need not necessarily be held by one man.

Of the three deputy chairmen in the province two have stated they are available for the post vacated by Dr. Mulder while the third, the Minister of Justice, Mr. Jimmy Kruger, may also join the race.

The two, who are available for election, are Minister of Labour Fanie Botha — an early drop-out in the Prime Minister's stakes — and Minister of Agriculture Hendrik Schoeman, both moderates.

Conservative Nationalists, who form the bulk of the party's adherents in the province, may turn to the Deputy Minister of Plural Relations and Development and of Education and Training, Dr. Andries Treurnicht, now that Dr. Mulder has pulled out.

Asked by the Sunday Tribune whether he would make himself available for election, Dr. Treurnicht said, "I am not in a position to comment on that."

He has, for some years, been assiduously cultivating grassroots support on the Transvaal platteland for his own special brand of verkramptheid.

If he stood and won it is likely that the party in the province would split from top to bottom.

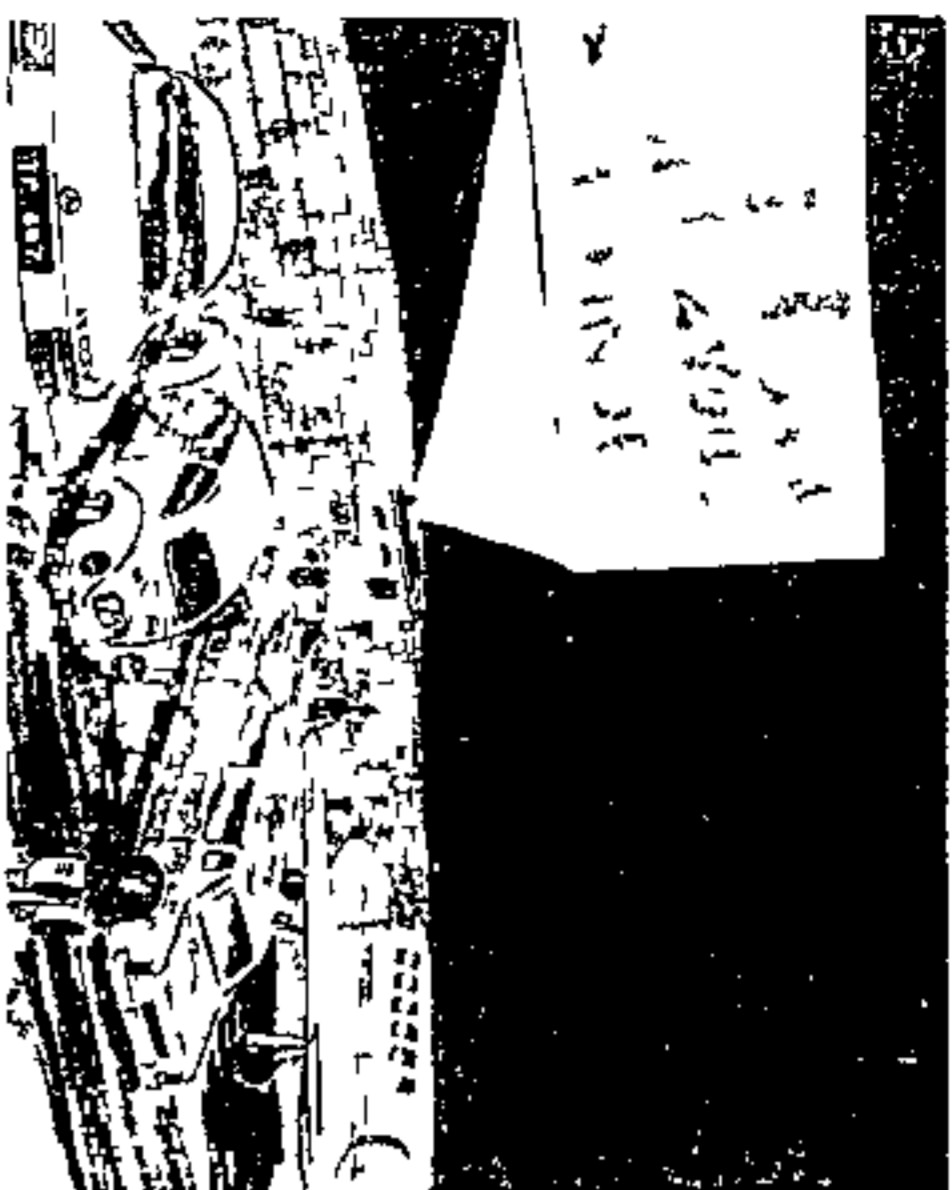
But although his standing is high his apparent backing strong and his conduct irreproachable, it is thought that the mechanics of the Head

Continued on Page 4

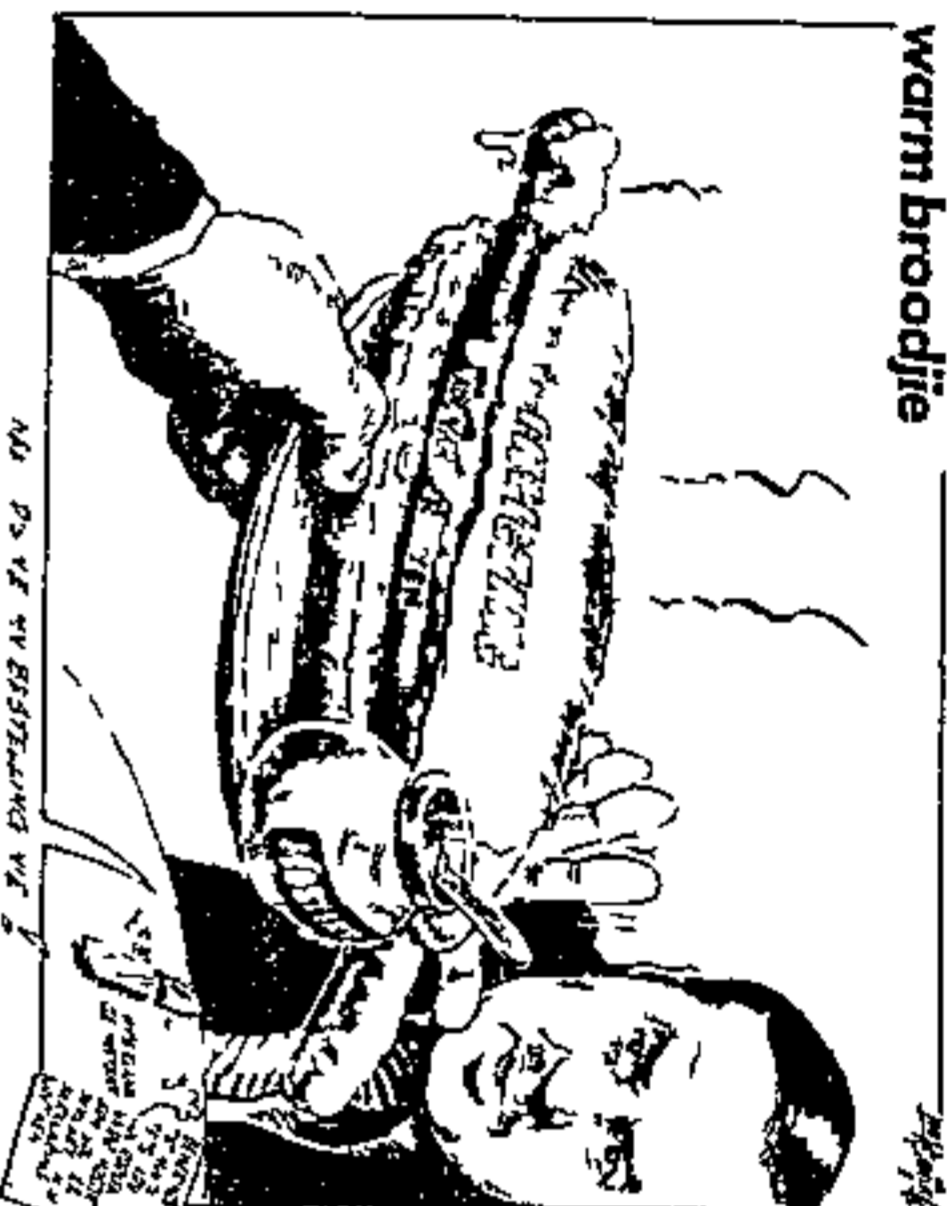
280	26
5	2
120	17
19	1
24	4
26	23
12	7
9	3
32	49
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of establishments with more than 300 employees in Witwatersrand
 differences of manufacturing Witwatersrand;
 100 employees.
 put at an average of over that each of the six
 3 819 (61,0%) Africans, a
 1 658 (30,0%) Whites,
 total employment of the firms

ersity of South Africa.
 eadings of manufacturing
 on of establishments in
 other industries) and
 petroleum, coal rubber
 and the large proportion
 consists of Division 38
 machinery and equipment).
 proportions of technicians,
 differences in the employ-



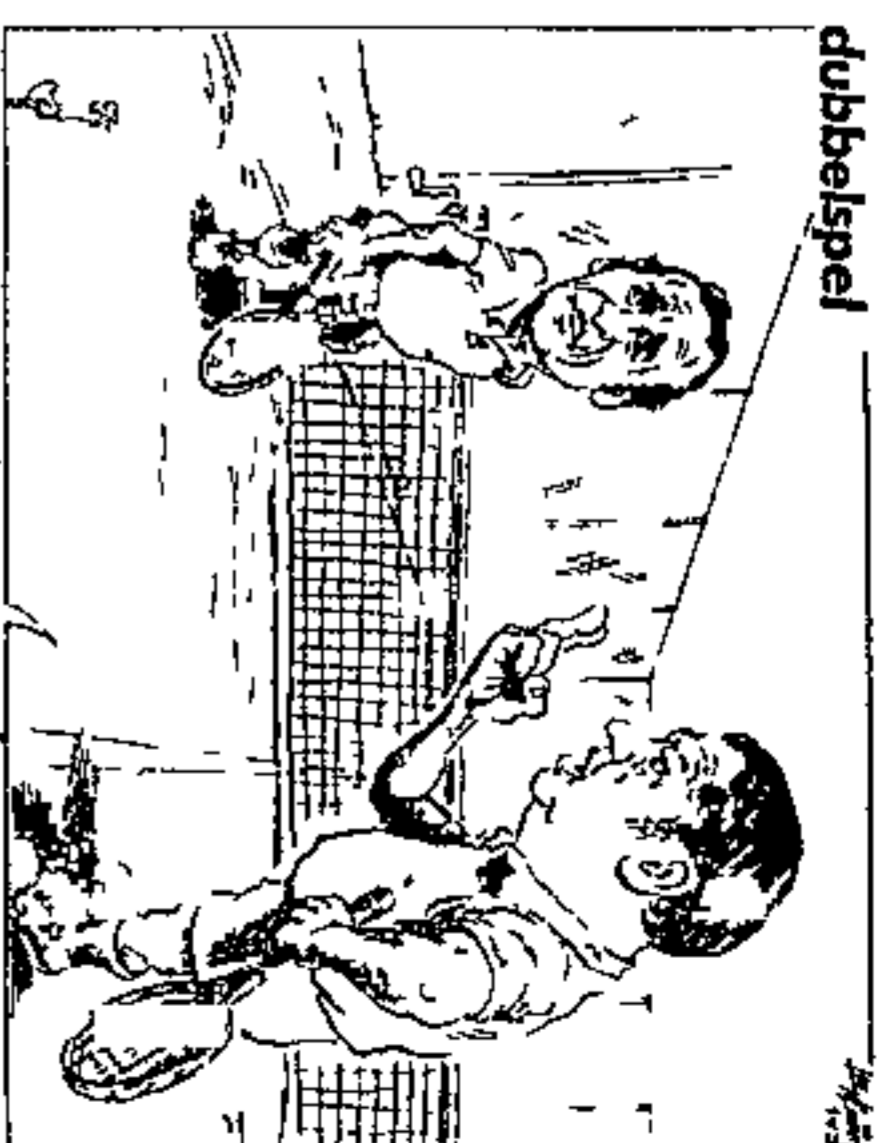
● From Die Transvaler



● 'No warm broodjie that's not my order' — from Die Transvaler



● 'The SABC says people on request programmes keep asking them to play 'O bring my terug na die bu Transvaal' for you' — from Beeld



● 'You see dubbelspel now both (all two) are out!' — from Die Transvaler

ONCE again the Sunday Express is to be congratulated for the courage and tenacity with which it spearheaded the probe into the dark corridors of power: investigations that, thanks to the bold decision of Judge Mostert in cutting through the cordon of lies and deceit, ultimately yielded some, at least, of the corruption and dirt lurking within those murky reaches. Deservedly therefore, the gratitude of all concerned

Cheers for Mostert and the Express

we still have to be subjected to the two major delusions shared by many Cabinet Ministers, in particular, and most Nationalists in general, namely that a) the interests of the National Party are the same as those of South Africa, b) damage is done to our image by 'the English Press'.

The real position is, of course, clear to anyone capable of reason (1) The policies of the National Party are rejected by a majority of the people of South Africa (ii) It is the unsavoury

the judiciary no less than the English Press, of which our paper must take the major credit

The irony of the whole scandalous affair is that such uncivilised behaviour as been pursued, so we are repeatedly told, in the "interests" of South Africa, and in order, furthermore, to present a more acceptable "image" of our country abroad

On neither count could this possibly be true South African interests are certainly NOT served by corruption

Nor does the irony end here
What is left of South Africa's credibility abroad may yet be salvaged not only by

|||

the independence, impartiality and fairness of its judiciary, as supremely exemplified by Judge Mostert, but as well by the integrity of that very organ its leaders chose so calculatedly to muzzle

I refer of course to the English Press

Spearheaded by the Sunday Express and despite restrictions, hostility and pressure, the Press's role in exposing corruption, injustice and the patent abuse of power has indeed lived up to the highest traditions of journalism

How long would we have waited?

The Sunday Express.

The "muck-racking Little Sunday Express"

has really put the cat amongst the pigeons, hasn't it?

How many more worms will crawl out of the woodwork

How long would we have waited

and waited.

For The Citizen

that upright champion and watchdog of the public.

To disclose evidence of massive misappropriation of the

|||||

tations again — ANN K COLVIN, Durban

□ □ □

Much has been heard these past few days about the (alleged) misuse of public monies, and the widespread disquiet this has occasioned, not least in responsible Nationalist circles, has led to the appointment of a judicial commission

Tremendous credit is due to your newspaper, which characteristically has acknowledged the part played by other sections of the South African Press, including that of Nationalist newspapers

Perhaps it would now be opportune for all sections of the Press to consider the political role of the SABC, more particularly as the SABC is financed by public funds — JUSTICE ALEXANDER, Portstown Hill

□ □ □

WHAT disgusts me most about your disclosure re The Citizen is the memory of Gary Player exhorting us to be "patriotic" and support this paper — MRS M ELLIOTT, Emmarentia Extension, Johannesburg.

□ □ □

Why can we hardly save

ger, calumny and complete and continual disruption of his family life, dedicates himself totally to the honour and integrity of his profession

I refer, of course, to Kitt Katzin

"Kitt Katzin" is what we mean when we talk about a "free Press" — WELL PLAYED, SIR! Orange Grove, Johannesburg

□ □ □

AT A time of widespread disruption, I regard it as essential for us to know all government moves and future plans and if people are falling short of what is expected of them, then let us know

We helped to put them

IT SEEMS incredible that

□ □ □

It's what we want

HOW can it be possible that you are completely unaware that you are slowly committing suicide as a paper?

In your latest frantic and hysterical effort to discredit The Citizen, the Department of Information (now defunct) and the Government (which means South Africa), can you not see that you are in the process of adding to your demise?

When the former Editor left and joined The Citizen, the tone of your paper changed completely and whereas before it was a pleasure to read it instead of the

it has now become worse

— deaths in custody, beatings and deaths on farms, government scandals — which harm our image, NOT the reporting of them — DAVID PRICE, Sandton

□ □ □

THE Transvaal Region of the Black Sash congratulates you and your staff for your courage in exposing the Information scandal We realise, especially after the Prime Minister's speech in Sasolburg this week just how valuable and vulnerable the free Press is under how many real threats you labour

We salute you — GITA DYZENHAUS, Transvaal Regional Chairman, Black Sash

□ □ □

based on something far more sinister that you are prepared to admit
More power to The Citizen — MRS B COOK, Kempton Park.

IF THEY sponsored The Citizen it is the finest thing they ever did and they deserve commendation, not condemnation, for it

At least they have given us an English-language paper with unbiased reporting and it certainly gets the message over to our enemies
May it grow from strength to strength

Millions of rands of taxpayers' money used and here are some of the key figures

THE CITIZEN

SECRET REVEALED

Not English newspaper
Handled by Info secret funds

into their posts, so surely we have some right to know! I must congratulate Judge Mostert on speaking up — DISORIENTATED, Bryanston

to reveal the true powers behind The Citizen?
 to reveal that public money subsidised the South African
 Grand Prix and
 to Mr Louis Luyt's (for which he was pleased to modestly
 accept credit)?
 to reveal that public money subsidised "The Golden
 Rendezvous" — a private venture?
 to do the job it purported to do?
 let us have no more talk about the Sunday Depress, The
 "Day Crimes and the Daily Wail
 such infantile humour
 thank God for them
 Sunday Crimes indeed!
 talk about the pot calling the kettle black!
 design Mr Johnson — Your credibility is shattered. — EX
 CITIZEN READER, Johannesburg.

is very late
 those far better off than
 ourselves use our tax-mon-
 ey for their so-called "pro-
 jects", while we struggle to
 make ends meet and so
 much want to be allowed to
 finance our own projects
 Praise to the Sunday Ex-
 press for uncovering an-
 other "mess"! — TAXPAY-
 ER, Birchleigh.

than the Sunday mes-
 How can you be unaware that your
 attitudes are driving English-speaking
 South Africans into the Nationalist
 stronghold?
 I am an English-speaking South Africa
 who has always supported the UP, but who
 is so sickened by your and your associated
 papers' efforts to discredit the Govern-
 ment and bring shame to South Africa,
 that I can no longer bear to read your
 papers
 If some of my money has gone into The
 Citizen, I say Thank God and if they need
 more from me I will be happy to give it I
 know the propaganda war against us is

Brakpan.
 AFTER reading the Sunday Express on
 October 24, I felt like some of your tasters
 in Expresscope — I certainly gagged a lot
 Firstly, your article about The Citizen
 and the millions of rands of the taxpayers'
 money (including mine) being spent on
 giving the RSA a good image To me it is
 worth it Who finances your paper, the
 "Mail" and The Star? I enclose R10 Will
 you please send it to any charity you like,
 (perhaps to The Citizen?) — ANN STEIN,
 Orange Grove.

Give us simpler tax forms

WHY don't the powers that
 re simplify income tax re-
 turn forms so that the aver-
 age person can fill them in
 without overtaxing their al-
 ready overworked brains or
 having to seek help from
 some professional whose
 services they can ill afford?
 — I DE TRENSE, Ronde-
 bosch

● R10 letter

WHY can't we get decent
 oranges in this country?
 Goodness knows they're
 dear enough — EDITH
 FAPPER, Rondebosch

ing exploited with the GST
 In one day alone I was
 made to pay GST a number
 of times knowing full well
 that the amount paid was
 not rung up on the bill but
 put straight into the deal-
 er's pocket
 Not only were all these
 people making their normal
 profit but getting the GST

WHAT a laugh! "Disgust-
 ed" accused you of bad
 taste in printing the photo-
 graph of Deidre During of
 which she was ashamed
 I found the photo of a
 rather overweight Deidre in
 a minuscule bikini comfort-
 ing her boyfriend much
 more revealing especially
 after the publication of the



There's R10 to be won for best letter and R2,50
 for other letters published. The page is yours,
 but try to limit Express it! letters to 150 words.
 Our address is Box 1067, Johannesburg

crucifix nesting between
 her breasts was, to me, bad
 taste in the extreme Shame
 on you, Deidre — M.J. For-
 est Hill, Johannesburg

IT IS infuriating in business
 today to see how many
 women sign themselves
 "Judy Smith" or "Helen
 Katz" with no mention of
 marital status It is frus-
 trating and annoying con-
 tacting these people and
 perpetually having to en-
 quire whether she is Miss,
 Mrs or Ms — (Mrs) J
 FRIEL, Sandton.

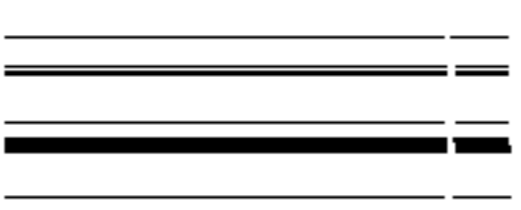
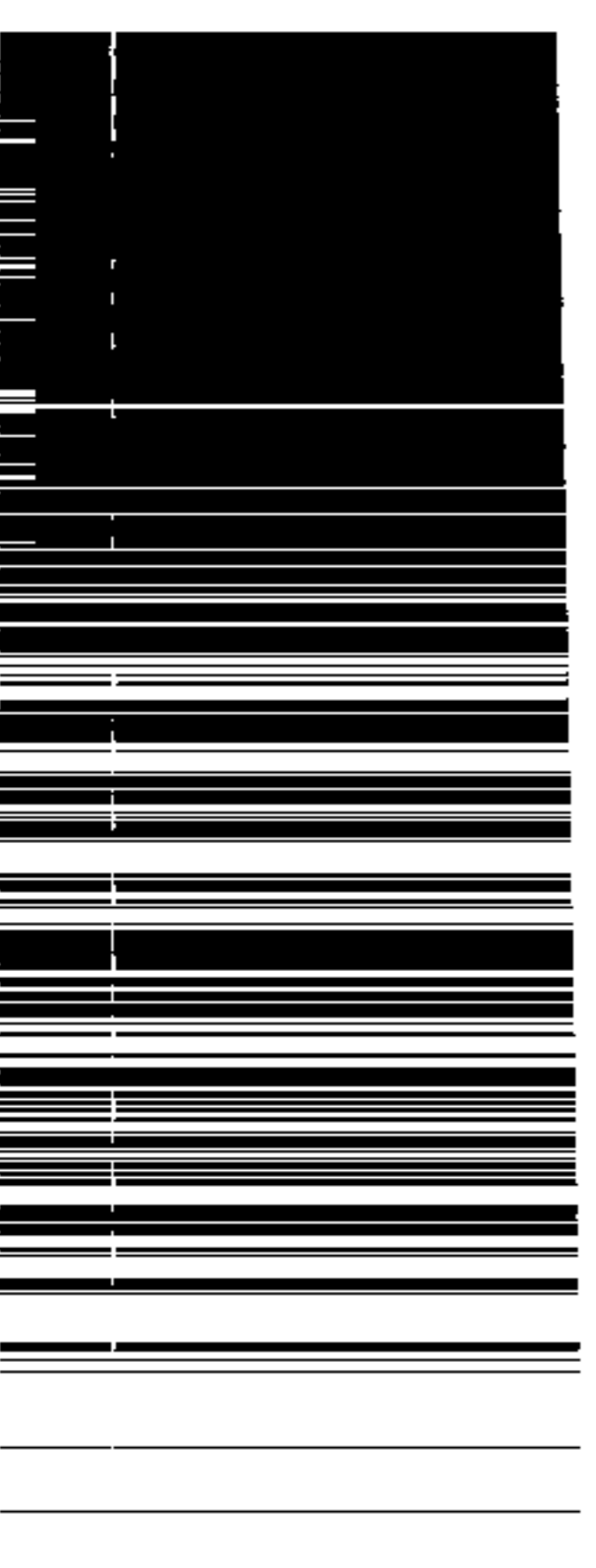


● "I like you You're differ-
 ent from all the other birds"

and brutality They grow up
 thinking that going to bed
 with every Tom, Dick and

anyone who annoys them can
 just be gunned down
 Talk about delinquent
 children I think it's the
 grown-ups who are delin-
 quents Children are not the
 ones who do the writing,
 Producing etc — WOR-
 RIED MOTHER, Stulfor-
 tein.

TWO youngsters entered a
 sweet shop where I was
 carefully selecting reason-
 ably priced items to send
 overseas They each pro-
 duced several notes to
 spend on goodies to eat
 In my childish days I was



kids — how real world?



● Frans Wiid time for music and literature

matriculated with six distinctions from Pretoria Hoer Meisieskool in 1958

Now Ria Snyckers and married to a prominent neurosurgeon, this able woman has combined being a wife and mother (she has three sons, two of them already classed as "gifted") with acquiring several arts and education degrees here and abroad

After graduating from Pretoria University with her Bachelor of Arts degree cum laude (distinctions in English, Latin and French) Ria travelled for a year and, in passing, wrote and published a novel

A scholarship followed to Neu Chatel University in Switzerland, where she completed — in French — the equivalent of our bache-

lor of education degree, again cum laude

Ria has taught here and in Switzerland. She has recently mastered a fifth language, German, and plans to embark on her master's degree in Education next year

"I've never really stopped studying," she explains

● Orlee Udwin, now 22, is another stunning success story. Five years after emigrating to South Africa from Israel, she matriculated at Damelin College in 1973 with seven distinctions — including Afrikaans

"I then made a false start at university," says Orlee, "and enrolled for medicine"

"I suppose that being so good at everything clouded

my view and confused me about my real interests. Anyway, I felt stifled and realised after six months that medicine wasn't really what I wanted to do, although I would have probably done quite well at it"

Orlee took a job for the rest of that year, then re-enrolled at Wits for a BA. She is now working on her master's degree in psychology and will decide soon whether to pursue an academic career lecturing or to practise

● And, as if one brilliant matriculant in a single family is not enough, Orlee's younger sister Leslee, a talented and already noticed young actress, obtained six distinctions at Damelin the following year


"I resisted family and other pressures to do law and enrolled for a BA honours course in drama at Wits," Leslee says

She graduates this year and hopes to do stage and TV work here before going to Britain "where my long-term ambition is to join the Royal Shakespeare Company"

As a "side-line" Leslee teaches Afrikaans at her old college, Damelin

Leslee, who managed her six distinctions while directing and producing plays in her matric year, has already done radio and stage work and was featured recently as a "Face of the 80s" in a local newspaper round-up of the most promising young talent in South Africa

● Two brilliant matriculants from Pretoria's Menlo Park Hoerskool have found careers in mathematical research. Nel van Niekerk, who matriculated with seven distinctions in 1971, and Charlotte Janson, a seven-distinction product of the



● Orlee and Leslee Udwin . . . two sisters who obtained 13 distinctions between them

following year, went on to get their master's degrees, with honours, Nel in Pretoria and Charlotte at Stellenbosch.

Nel completed his master's while working for the CSIR, where his father is a Doctor of Physics. He is now engaged in research on mathematical statistics for Kentron, the research bureau for the Defence Force.

Charlotte was married last year to a medical student who is completing his housemanship in Pretoria. She works at the CSIR and

the Technical College and a simultaneous bachelor of music degree at Unisa.

With her final qualifications due this year, Louise is looking for a job — preferably with the SABC.

"I have been working so hard that I have had very little time for a social life. That's why I intend to stop studying and take a job."

The list of successes is endless.

There is Daniel Wium, now 22, who is tackling his honours degree in engineering after matriculating with seven distinctions and

For practical experience, Daniel is working on a construction site in Swaziland.

Detlef Prozesky, also a seven-distinction matriculant from 1965, is a science and medical graduate now working as a doctor at a mission hospital in Swaziland.

Anne de Vos matriculated with six distinctions from the Pretoria Meisies Hoerskool in 1970. At Onderstepoort she qualified as a veterinary surgeon, won several prizes, married a classmate and, in

No distinctions for housework

OMEN with brilliant academic records and successful careers often have to make major adjustments when they marry and have children.



● Ria Snyckers big adjustment

And this often means compromise between their careers and the role traditionally expected of them, as a wife and mother.

Ria Snyckers, a 1958 six-institution matriculant who went on to cap her early success with distinctions in Arts and Education at university, told the Sunday Express this week that all her academic success had not quipped her for the housewife role.

"There are no distinctions for housework," she said. "And your husband can hardly be expected to remember your Latin distinctions each morning when you present him with a turned toast and an over-boiled egg."

"All my academic success, all the fuss made about me didn't amount to much when I got married and realised I had to arrange flowers and cook."

So Ria reorganised her priorities — and study was relegated to second place while she planned family menus, ferried children, polished floors and con-

ing depressed and inadequate at times. "In the academic or professional world there is always some measure of your success, whether it is distinctions obtained or reputation received."

"A man always has this because success is tied to his career. But who will measure and evaluate what kind of mother you are and what kind of home you keep?"

Miss Agnes Holtzhausen, headmistress of the Pretoria Meistes' Hoerskool which boasts dozens of six-and-seven-distinction matriculants over the last two decades, believes brilliant girls can handle successful careers as well as families.

"I am always amazed at the fact that so many of my brightest matric pupils marry early — in spite of the commonly-held view that they are 'bluestocking' — and that they keep up with their jobs or studies even while they have children."

Miss Holtzhausen is particularly proud of the non-traditional careers many of these girls choose.

"We have among our most brilliant old girls, an engineer, a couple of advocates, senior Defence Force

co-ops, colonial officers, not working and studying.

● Pierre Cilliers, also a Menlo Park seven-distinction matriculant, from 1970, completed his degree in electrical engineering at Pretoria after a year in the army, where he achieved the rank of lieutenant.

He went on to do his honours, as well as bio-medical research in the Department of Physiology, and since last year has been lecturing in electronic engineering.

Like so many of the successful students interviewed, Pierre's father is also an academic — Professor J A Cilliers, professor of accounting at the University of South Africa.

● Dennis Prager, who matriculated from King Edward School in 1970 with six distinctions, has coupled a brilliant university career in electrical engineering, where he walked off with the top prizes, with musical achievement.

One of his school distinctions was for music. His national service was done in the army's entertainment corps where he played piano, violin and clarinet.

Dennis is now doing post-graduate work in engineering in Manchester, England.

● Louise de Villiers, 22, left Menlo Park Hoerskool with six distinctions in 1972.

"I really wanted to do engineering, but people convinced me that a woman had no chance in that field."

Louise put a "useful" graduation in civil engineering as the best student in the class.

parliamentary veterinary practice at Ladybrand in the Free State.

Idealism can be a handicap

AN INSIGHT into why some brilliant matriculants do not follow through their early success came in an interview with a woman whose two sons obtained 12 distinctions between them in matric.

One son, after leaving school, pursued a variety of courses at university, changing his direction virtually every year. He eventually completed a degree in politics but has not put it to use in any career.

The other has recently "sorted himself out academically" and is doing a master's degree in psychology overseas.

According to their mother, both sons became disillusioned with society's materialistic emphasis and, because they saw personal success as a materialistic and selfish thing, rejected it.

"They saw all the successful people around them as being unconcerned about society's problems, while idealists were often not successful in the accepted sense of the word. She thinks idealistic young people find it far

"They are tormented by the inequities and injustices around them, they want to improve society and they don't know how to go about it."

"But they don't believe that becoming a successful accountant or engineer is going to be a contribution."

She also believes, and educationists agreed, that the more intelligent a child is, the more sensitive he is to emotional traumas.

"My sons suffered emotionally when their father died," she said.

And the head of one high school which has had an extraordinary number of brilliant matriculation scholars, attributes all the subsequent "failures" to emotional problems experienced at university.

"They may have a traumatic and unhappy love affair; they may be introduced to drugs. Whatever the cause, there is almost always the emotional factor to blame."

Educationalists agreed that emotional stability, maturity and mental discipline were the necessary ingredi-



The curious case of Citizen and the auditor

BY KITT KATZIN

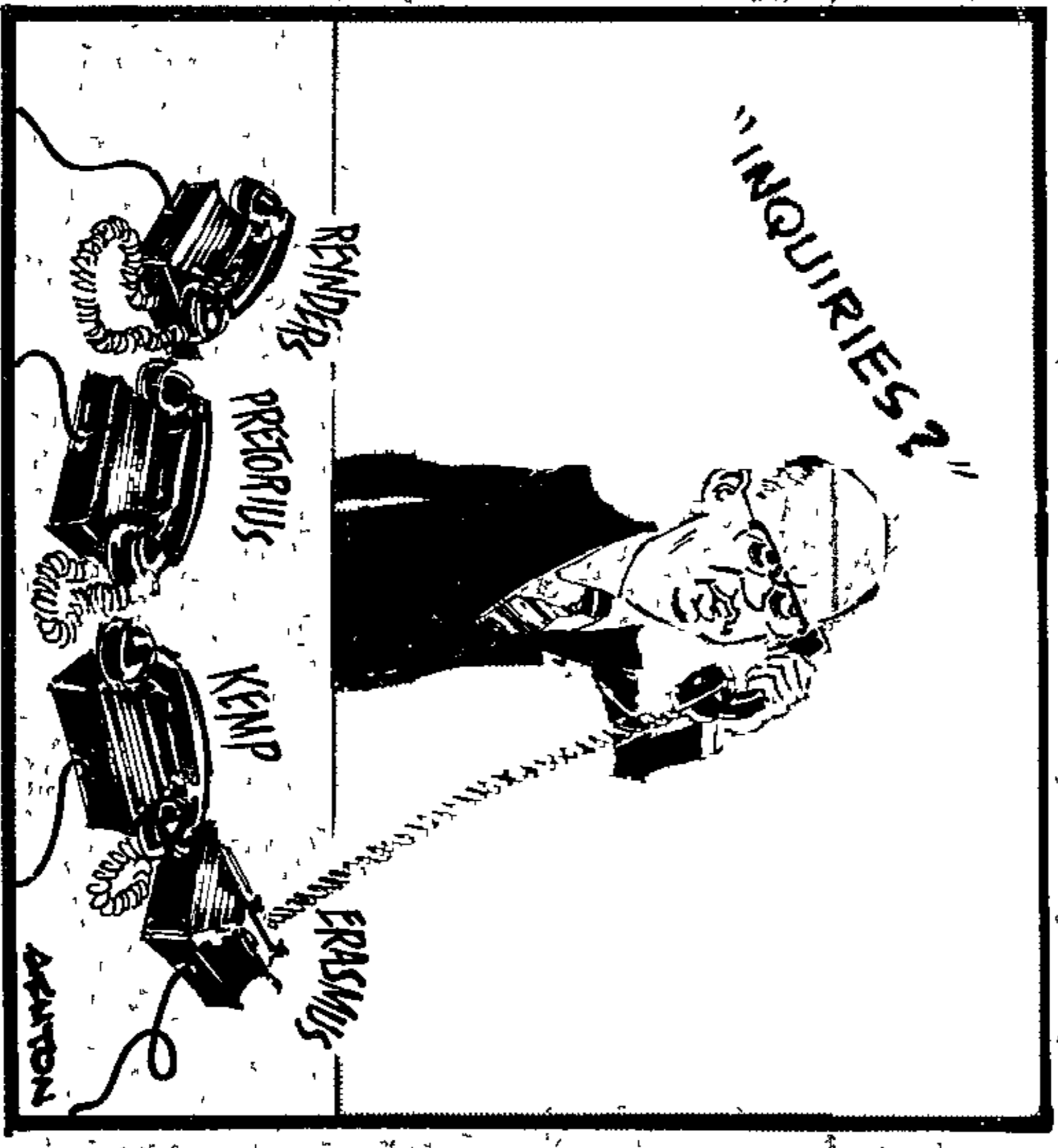
THE auditor who certified in a letter two years ago that Mr Louis Luyt had provided R12-million for The Citizen 'in his personal capacity' and 'from his own funds' was present at a secret meeting in Pretoria where it was decided that Mr Luyt would start a newspaper with a Government loan of R12-million.

The auditor is Mr P F du Preez, of Malan and du Preez, Pretoria, who testified under oath with Mr Luyt to Mr Justice Anton Mostert's commission into foreign exchange contraventions in Pretoria on October 4.

In terms of the evidence by both men, it is clear that Mr Du Preez played an active part in the negotiations to establish The Citizen — and once advised Mr Luyt against "going into this thing".

Mr Du Preez told the Mostert commission that he had believed the Department of Information to be the real owners of SA Today, The Citizen's holding company, even though the shares were in Mr Luyt's name.

In June 1976 — four months before The Citizen was established with Mr Luyt as its proprietor — Mr Du Preez stated in a letter that the R12-million



day, (Pty), owners and publishers of The Citizen, was provided by Mr. Luyt "in his personal capacity and out of his own funds".

And this week, Mr. Du Preez, talking to the Sunday Express from his office, admitted that he could not

THE STORY EVERYONE IS TALKING ABOUT . . .

categorically deny that he was NOT aware of the fact — during negotiations to set up The Citizen — that the R12-million loan to Mr. Luyt was being provided by Government funds.

Sunday Express: "Mr. Du Preez, in terms of the evidence you and Mr. Luyt submitted to Judge Mostert, it is clear that you must have known at the time that the money was a Government loan. Yet, in a letter more than two years ago you stated that the money had been provided by Mr. Luyt in his personal capacity."

Mr. Du Preez: "No, I cannot say that I was not aware that it was Government money. I cannot say that."

Sunday Express: "You are then implying that you were aware that it was Government money."

In his evidence to Judge Mostert, Mr. Du Preez said that at the time Mr. Luyt attempted to take over South African Associated Newspapers (SAAN), "R6-million had been placed in a trust account."

When he took over The Citizen, the loan agreement was signed . . . Louis Luyt would take over the paper in his personal capacity, and the loan agreement was made with Dr. Rhodie.

In terms of this agreement, "I am saying that the liability was to Eschel Rhodie and not SA Today."

Mr. Du Preez said that in terms of the agreement, it was not necessary for Mr. Luyt to have invested R12-million in The Citizen.

No restrictions were placed on him, and he could just as well have invested R2-million and used the balance for his own purposes, as it was a personal loan.

"As the auditor concerned, I do not believe that I acted improperly or unprofessionally."

"I stand by what I said before. I will substantiate my position anytime, anywhere."

Mr. Du Preez acknowledged that he had advised Mr. Luyt not to get involved with a newspaper.

"That is my responsibility as his auditor. However, it is not for me to say what he should do, or whether he made a correct decision."

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12/1/78

Mulder denied Govt links with Citizen

THE STORY EVERYONE IS TALKING ABOUT . . .

By KITT KATZIN

IN one of his last major debates as Minister of Information, Dr Connie Mulder was questioned by the Opposition about the funding of *The Citizen*.

He said in reply that the Department of Information neither owned nor operated any newspaper in South Africa, and that the Government did not give *The Citizen* funds.

Dr Mulder made these points during a heated debate in which the Opposition had asked him for specific guarantees that *The Citizen* was not being funded by either Government or by the Information Department, acting independently.

Replying to Dr Alex Boraine (PFP, Pinetown) and Mr Harry Schwarz (PFP, Yeoville), a member of the Select Committee which investigated Information spending, Dr Mulder said he had adopted an "unshakeable standpoint in regard to newspapers."

"As far as newspapers are concerned," said Dr Mulder, "I have disposed of the situation entirely."

Dr Mulder said that in order to absolve the newspapers "I want to say at once that the Department of Information owns no newspaper in South Africa and operates no newspaper in South Africa. We have nothing to do with them."

Later in the debate, with the Opposition still not entirely satisfied, with his reply, Dr Mulder repeated for the second time that "the Department of Information does not give funds to *The Citizen*."

"It's that clear, and does the honourable member (Mr Japie Basson, PFP Be-zuidenhout) accept it?"

Mr Basson: "And the Government?"

Dr Mulder: "The Government does not give *The Citizen* funds" (Hansard).

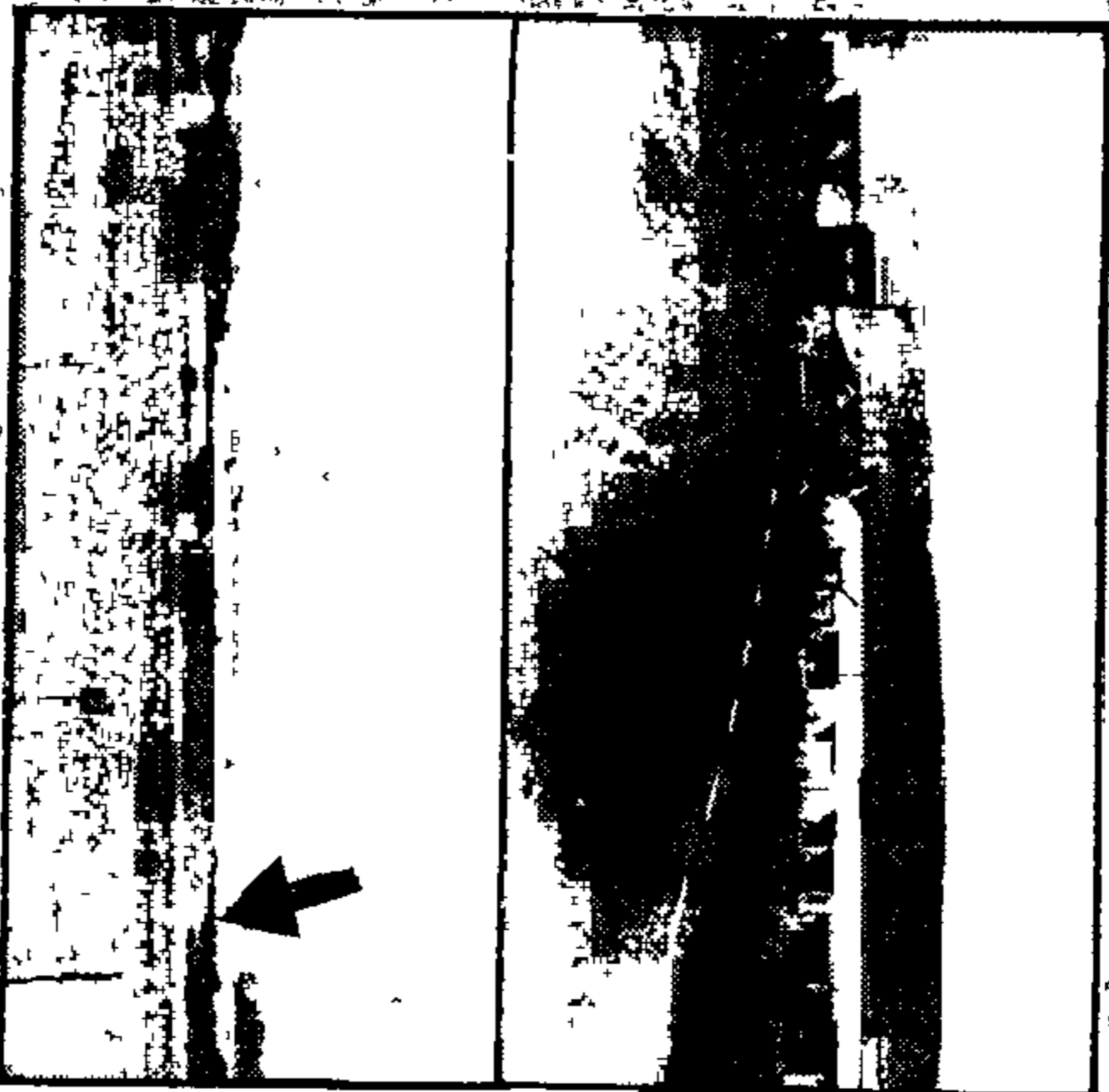
In the same debate Dr Mulder refused to disclose details about the function of *The Citizen* Communicators, and also declined to say whether

or not the Department of Information was the owner of or operated the magazine *To the Point*.

He would also not say if the Information Department was connected with organisations like Panax, Xanap (SA), African International Publishing, African Mirror and African Films.

"As far as these organisations are concerned," he said, "I want to say at once that I do not intend to carry on replying about every organisation, domestic or abroad."

If he did so, the Opposition would be placed in the powerful position of being able to unmask every organisation.



● Citizen newspapers, hot off the presses, on their way to be dumped in the Western Transvaal. Top: The black-and-white truck on the road to Klerksdorp. Above: The remote farm — and in the distance on the right, the truck throwing up dust.

They went on their rounds, the black-and-white truck would

travel — followed by members of the observation team — to the old Perskor premises in Auckland Park. After a while — sometimes only a few minutes, sometimes several hours or most of the day — the truck would drive to the Reef Waste Paper company in Bunsen Street, Industria.



● Thousands of papers dumped

The newspapers would be unloaded either in the yard or on to another truck which later took them to a newspaper recycling works outside Johannesburg.

The number of newspapers dumped in this way varied, but invariably totalled many thousands, and often 30 000 or more. They were not offered for sale, and it was clear from the truck's routine that they were not being kept in reserve as fresh supplies for possible sell-out points. They were often dumped while selling of morning newspapers was still very much in progress.

In addition to this, large numbers of Citizens returned unsold were also delivered to Reef Waste Paper. But these were usually not wrapped in plastic and most of them were removed by Reef Waste Paper trucks.

At the recycling company they were pulped and refashioned into other pro-

● The sign outside the dump farm

ducts, mostly sewerage pipes. An official at the company told a member of the observation team: "We haven't been able to understand how we were getting so many Citizens. It didn't seem to make sense."

While the dumping routine remained more or less the same every day, sometimes vehicles other than the black-and-white truck were used.

The strangest change of all came when on one occasion noted by the team the black-and-white truck took its load of 30 000 newspapers most of the way to Klerksdorp before dumping the load on a farm identified from a board as 'Kromdraai Boerdery'.

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Sitting on our stoep, smoking our pipes and waiting for the Press to be unmasked

IT'S EASY to see P W Botha still a greenie at being PM. His predecessors would long go have spotted the English Press as the real villains of the Information Department business.

He finally twigged this week, and to us seasoned observers of South African politics it came as no surprise sitting on our stoeps, smoking our pipes and sipping our coffee, we have been waiting all along for the Press to be flushed out.

After all, we've seen scandals come and scandals go and always, when it came to be crunch, we knew that it would turn out to be the fault of the newspapers.

"Look's like a bad 'un fer the Government this time," he'd remark sagely to each other. "But that's bound to be the Press behind it."

After Sharpeville, when even those who should have known better were searching for other causes, we just nodded wisely at each other. It was the Press again, all right.

When the people of Port St Johns blamed the Government for breaking its promises to them, we knew how foolish they were. Hadn't they learned how wicked the Press was? Agliotti, Balitakis, and Steve Biko gave us not a moment's hesitation. And of course we were proved right each time. Wasn't it the newspapers that got hammered before the Press Council over Biko while Mr J T Kruger got



An irreverent column by ALEXANDER DE KOK

praised and promoted by his party? Well, then So, ever since the start of this information scandal we've been muttering to ourselves "Bring back the Press Law" "Bring back the stocks" "Bring back the lash"

To be honest, we were a bit disappointed that it took P W so long to catch up. But now that he's got here maybe he'll sort out things once and for all so that we can run our democracy just the way we want without all those newspapers poking their noses into things and whining about how taxpayers' money is spent

THE newspapers are already on the spot with that penetrating question Mr Botha put

MY EYE

to them in his speech at Sasolburg had they acted in the interests of South Africa? Oh sure, we're going to hear a chorus of "yes" from the editors. But how namby-pamby that sounds against the red-blooded patriotism of someone like Dr Connie Mulder.

Connie says he isn't ashamed of anything that he has done because "it was for the sake of South Africa. And when one considers what he did and is said to have done, that is really saying something.

Look how he misinformed Parliament on Eschel Rhoochie's Seychelles trip! Look how he is said by Mr Louis Luyt to have secretly appropriated taxpayers' money to set up The Citizen while assuring the House of Assembly that the Government was not

giving funds to newspapers. For a man of high morality that cannot have been easy.

But Connie didn't shrink it. Can the newspapers point to any similar sacrifice on their part? You bet your boots they can't!

All they've done is publish things the Government didn't want to have come out. Going on all the while about things like truth, morality and credibility.

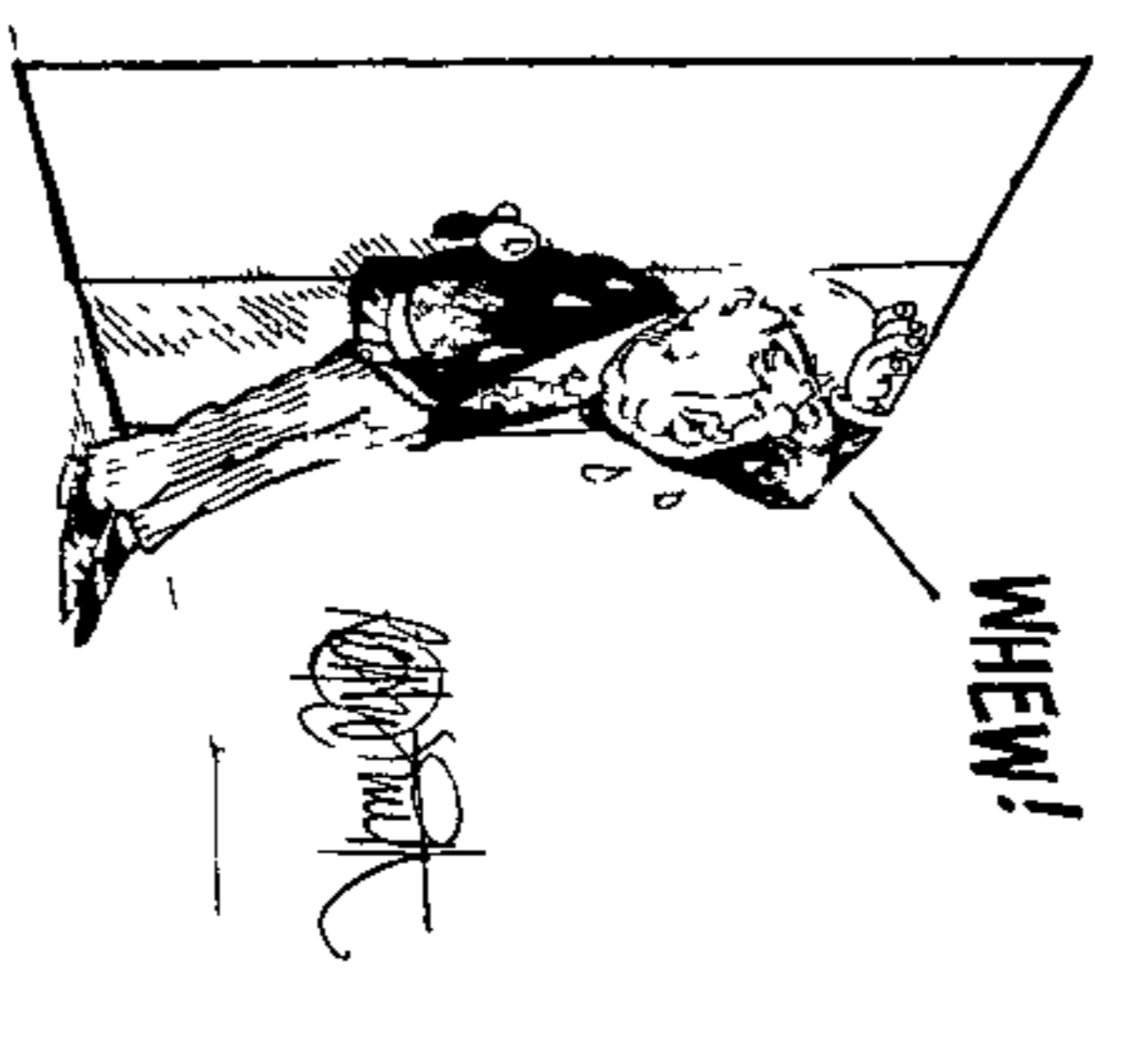
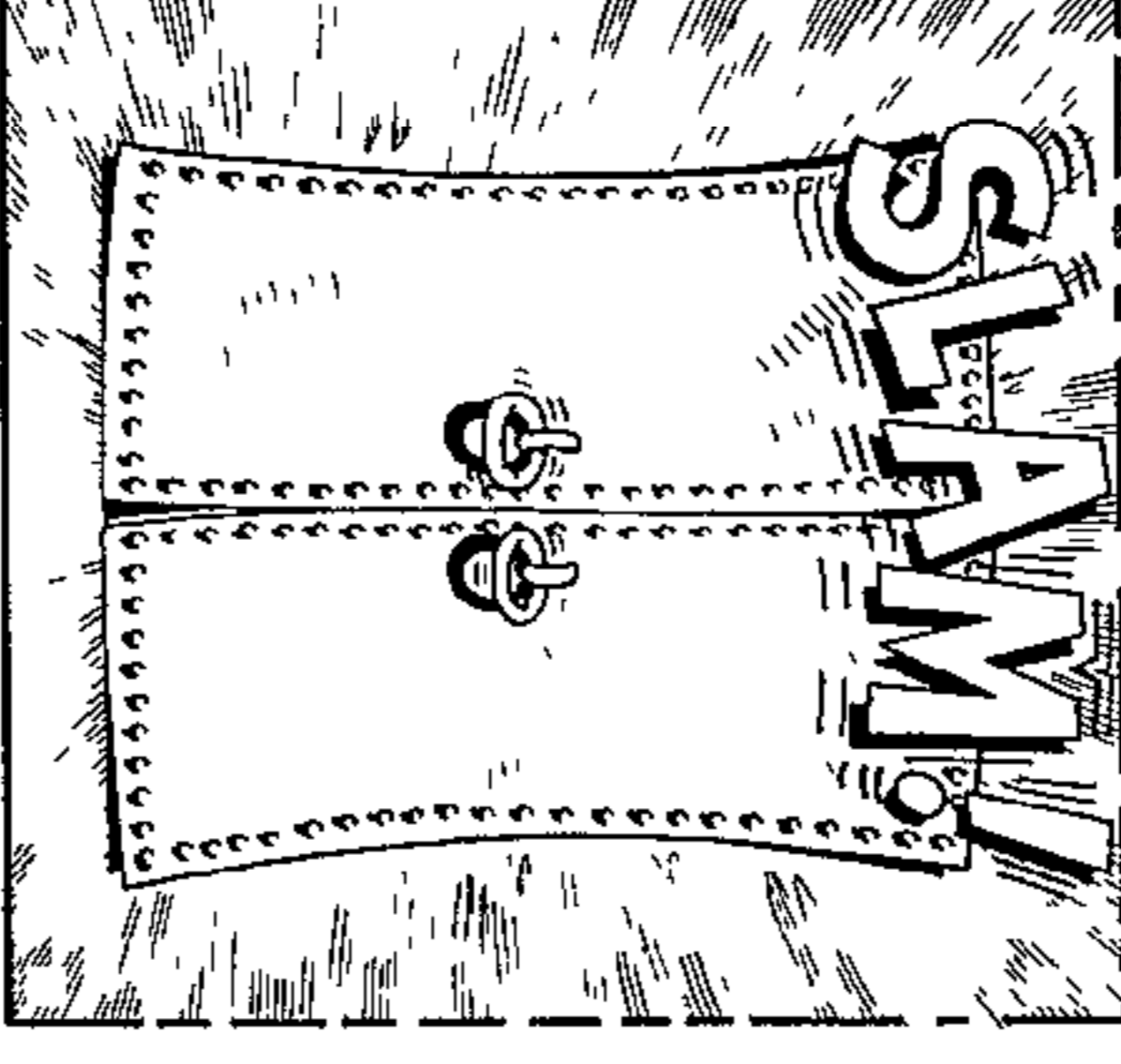
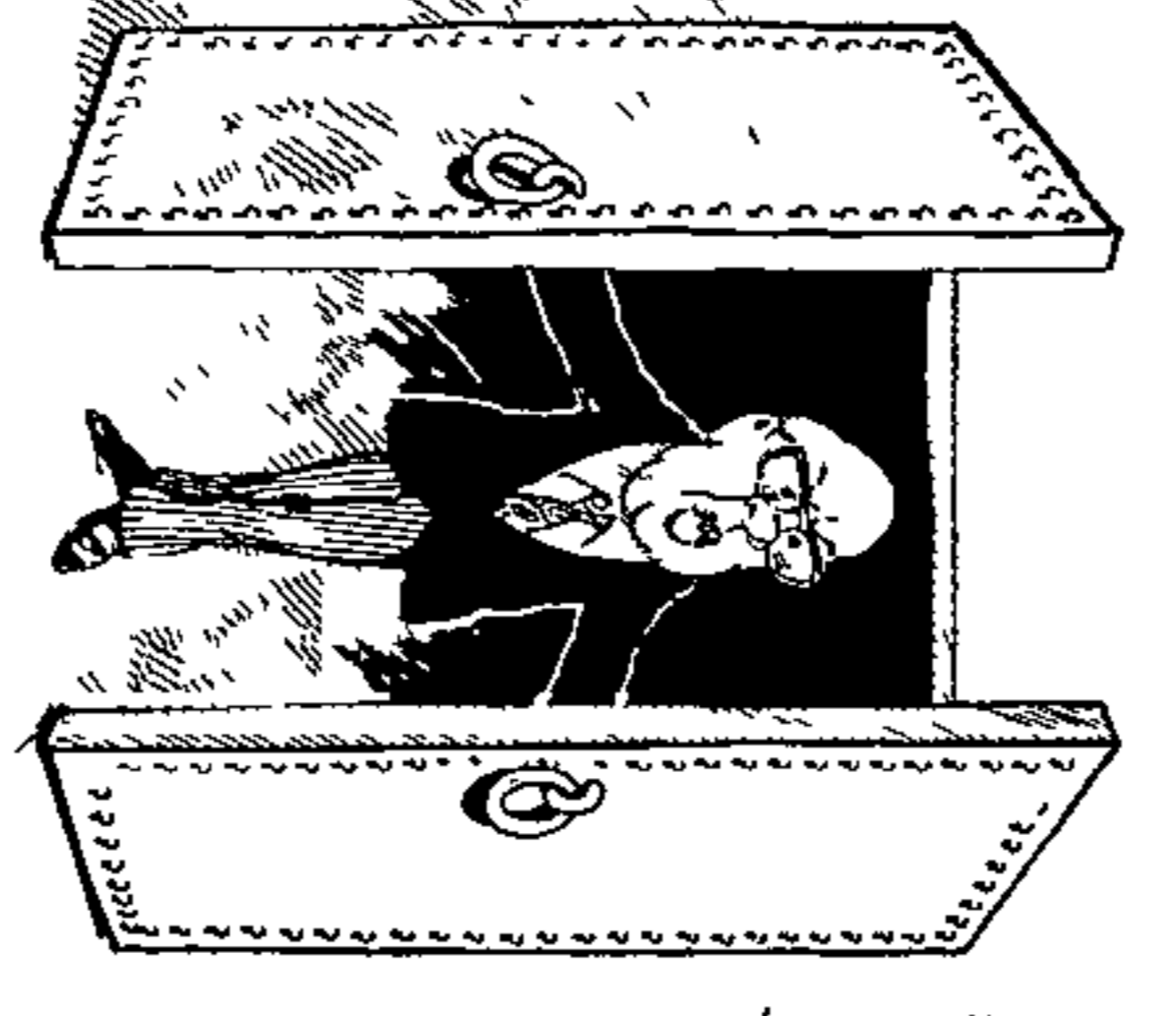
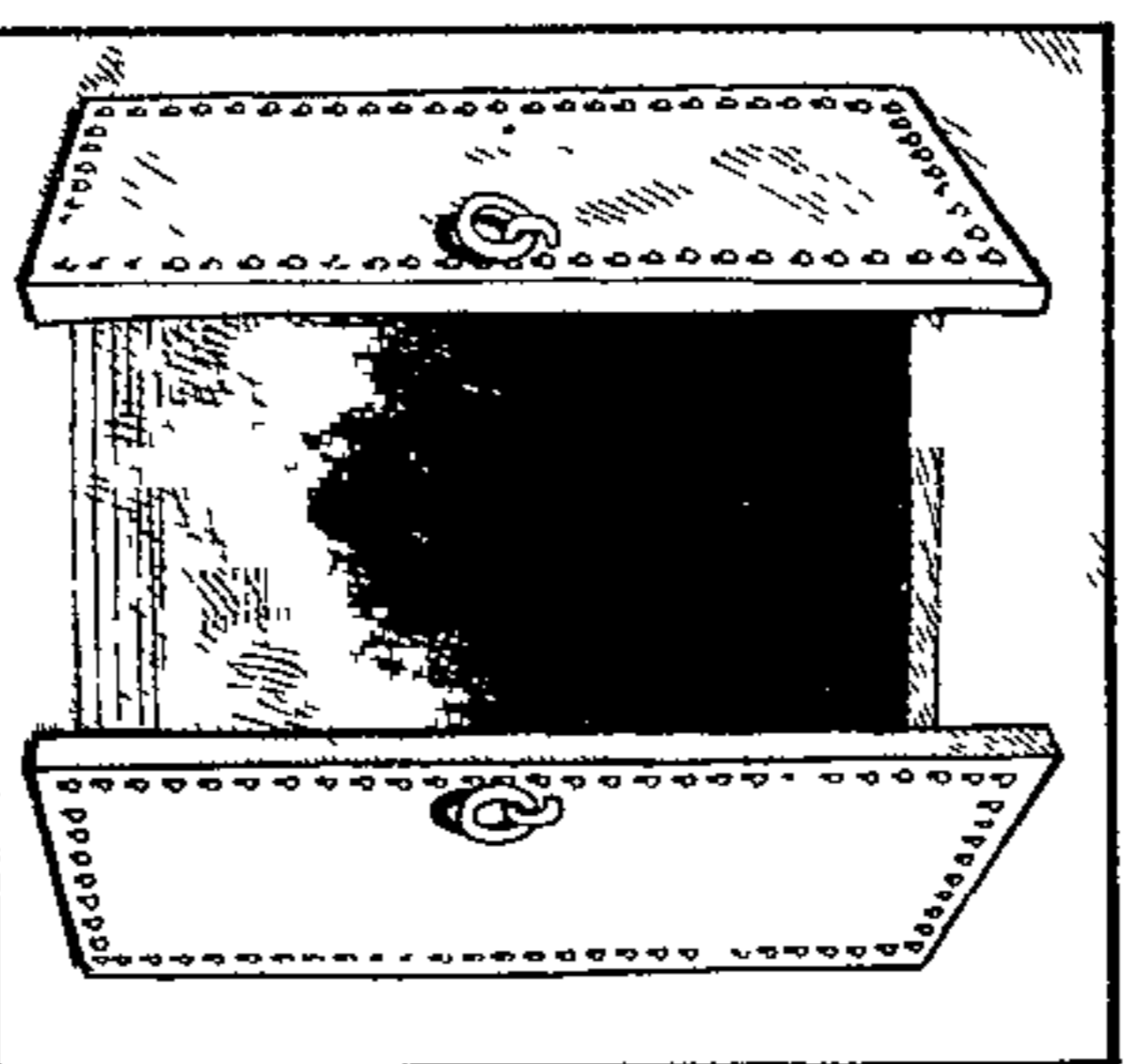
Good heavens, what kind of loyalty is that? What kind of wishy-washy patriot is it that won't even twist and turn for the sake of his Fatherland?

WHERE Connie really proved how mindful he was of South Africa's interests in refusing, at first, to resign.

Overseas newspapers were shouting about what damage the Information Department scandal was doing to South Africa's credibility. Nationalist newspapers were saying Connie should stand down for the sake of the party and the country.

But Connie knew better — he knew how much we really needed him and so he was going to stay put no matter what.

Richard Smith



That's true dedication for you. What changed his mind so suddenly I cannot say, but I was sorry that he did.

You see, I was hoping he would prove true those reports that he might pull down the Government like Samson did the temple of the Philistines rather than quit.

Now that would REALLY have been in the interests of South Africa. Instead Connie said something which is still sending cold shivers down my spine.

He promised that, although you has quit, he will still make his "contribution" to South Africa.

And how many millions is THAT going to cost the taxpayers from those secret funds?

HERE are a few more suggestions for those examiners who so deftly put over the Nat point of view by using a political cartoon in last week's history paper for matric.

For Bookkeeping:
Q: There is R30-million in Government Department Secret Fund A. The Department of Information Secret Fund B is R13-million short of finance to launch a secret, Nationalist newspaper.
Explain how you would effect transfer of money from A to B without the Auditor-General finding out. (For the purpose of this exercise it is permitted to assume the existence of a special Cabinet committee and a State secret service.)

For History:
Q: In the process of conducting a commission of inquiry Mr Justice A uncovers widespread irregularities in the use of taxpayers' money. He makes the evidence public to prevent a cover-up by the Administration and as a result is "decommissioned" by Prime Minister B who also threatens the Press if they dare print the information. Meanwhile Minister C, a central figure in the scandal, gets a full vote of confidence from his followers.
Discuss how history will prove that Prime Minister B and Minister C were better South Africans than Judge A.

Q: Who said
"I prefer a free Press, but own use. Choose the answer that you believe most aptly captures the spirit of this statement."
a) The spy who came in for the gold.
b) If you haven't bugged the Minister's office by now are you surprised that you are still a junior clerk, grade D?
c) You don't have to be a James Bond to make your way in the Civil Service, but it helps.
a) P W Botha
b) Kenneth Kaunda
c) M A Johnson
Q: Who said,
"I like the idea of an independent judiciary but a) P W Botha
b) An anonymous Minister seeking an urgent interdict
c) Richard Nixon

Sunday EXPRESS

HOW MUCH WOULD YOU KNOW IF...?

THE Prime Minister has given several public assurances that the Government intends no cover-up of the rottenness in the Information Department. Very well, then. We will reserve judgment on that matter until December 6. But the Prime Minister has only himself to blame if his assurances lack full weight because his actions and statements in these last dramatic days belie his promises.

Let us start with one simple fact. What the public knows now about the corruption in the Information Department it knows only because it was told about it by a courageous judge and an inquiring Press.

At no stage have we come across any evidence whatsoever that the Government was preparing — spontaneously — to offer a similar service to the country. Quite the contrary. Its record up to now has been one of shameful cover-up, if sworn evidence to the Mostert Commission is to be believed.

Our own inquiries also tend to confirm that when Dr Mulder gave his false statement to Parliament a full six months ago — denying Government money in *The Citizen* — there were people sitting in that august House who knew he was not telling the truth.

Yet as far as we can establish, the cover-up continued. No one said then: "We must rout out this evil." The judiciary and the Press can take the credit for the fact that some are saying it now.

At Sasolburg on Wednesday night the Prime Minister issued this challenge: "Did the Press publish the one-sided evidence dished up (by Judge Mostert) because it was in South Africa's interests or because it thought the circulation figures would go up?"

If, even at that late stage, the Prime Minister could not see that this evidence WAS in the public interest, what kind of yardstick will he apply in deciding how much of the Erasmus commission findings to make public? How many "other sides" will have to be weighed up?

We have a great fear that some things we would regard as imperative for the public to know, the Prime Minister may regard as imperative to keep confidential in terms of his statement that he would not "throw South Africa's security to the hyenas".

Little that has happened these last hectic days has lessened that fear.

Judge Mostert prefaced his revelations of November 2 with these words: "I have endeavoured to discover what particular interest of the State is furthered by suppression, albeit temporary, rather than disclosure of the evidence. I can find none."

The Prime Minister disagreed so strongly with the judge's definition of national interest that he shut the commission down.

Then the Prime Minister threatened to get tough with newspapers (in the national interest, of course) because of what they were printing.

It all looks to us like a blatant — and frightened — attempt at intimidation of any source of information on Information other than the Government, a Government that itself stands in the dock.

Is there, perhaps, something that MUST be kept hidden?

We will know next month what definition of "the national interest" will prevail. We hope our fears will prove groundless.

In this way he clearly identified the Broederbond with the future of the Afrikaner people

"We therefore await the report of this commission without worry or concern

"We are convinced that the findings of the commission, like those of our Afrikaners churches, will put an end to the organised liberalistic and Communistic attempt to use the AB as an instrument to divide our church and our folk and to cause political division among national Afrikaners

This circular followed a meeting the previous month between Dr Verwoerd and Dr Piet Meyer, then the Broederbond chief

After that meeting Dr Meyer told the executive that Dr Verwoerd would not permit an inquiry into the Broederbond — only an investigation into particular charges carefully formulated by the Prime Minister himself

Dr Meyer had made it clear that the Bond would refuse to divulge its membership to any commission of inquiry

The commission found the Bond free of any misde-

By JOHN

MATHESON

Political Corruption



Its power within government is extraordinarily high

It manipulates civil service appointments up to the highest level, but is perhaps even more powerful in determining appointments of town and village councils, universities and schools, parent committees, agricultural bodies and church councils

Serfontein came up against its power personally as a result of his investigations

meanour within its terms of reference — but the terms of reference had been severely criticised at the time for not dealing with the objections to the Broederbond which occasioned its appointment

Serfontein believes the clandestine influence of the Afrikaner Broederbond is still all-pervasive in South African public life

● Dr Beyers Naude ... wasn't liked

officially raised by Ds A W L Smal was my friendship with Beyers Naude

"The ensuing argument led to his charging my wife with insulting the representative of God

"On appeal the scribe of the area, a Broeder, privately admitted we had church law on our side, but my Sunday Times connections and my friendship with Naude made all the difference"

At another stage Serfontein was offered a bribe of R35 000 — the size of the bond on his house — if he revealed his source and undertook never to write again about the Bond.

He sets out the aims of the Bond as

● To maintain a separate White Afrikaans folk, seemingly at all costs

● To establish Afrikaner domination and rule in South Africa

● As part of this process, to subtly Afrikanerise English-speakers

● To maintain a White South African nation built on the rock of the Afrikaner folk, with the Broederbond the hard core of that folk

"The Broederbond has

WHAT DR KOORNHOF TOLD MEMBERS ABOUT THAT GOVT INVESTIGATION

never taken Afrikaner-English co-operation seriously, Serfontein asserts

As proof, at a meeting of the Executive (Uitvoerende Raad) on August 21, 1967, it was decided that "consideration cannot be given to the establishment of an organisation that included both Afrikaners and English-speakers"

Two circulars, dated September 1, 1962, and November 1, 1963, urged Broeder doctors not to send their patients to Roman Catholic hospitals

Serfontein says that its power has led some Nationalists to become anti-Broederbond

Dr Jan Marais, now a Nat MP (former Broeder



● Dr Piet Meyer Broeder boss

8029), was apparently one of those

At the end of 1974, when the Bond was much in the news, he sent circulars to all his top Trust Bank officials advising them not to belong to any secret organi-

sation — whether the Broederbond or the Freemasons

Ex-judge Kowie Marais, who once headed the Broederbond task force on Press matters, only resigned from the Bond after he became a PFP MP in November 1977

A circular on October 7, 1969, revealed the Bond's animosity to anything in education and cultural life that was not Broederbond/Afrikaners-controlled, especially if it involved the mixing of Afrikaners and English children

This time it was the Dra-kensberg Boys' Choir

"Although the disposition of the school towards Afrikaners is good the medium of instruction is English and the school has an un-Afrikaners spirit"

THE GOVERNMENT would not have appointed the 1964 Commission of Inquiry into the Broederbond if there was any danger of it rendering the Broederbond powerless, Dr Piet Koorhof wrote in documents made public for the first time today.

The documents quote Dr Piet Koorhof, now Minister of National Education, as saying this when he was secretary of the Broederbond in 1964.

They appear in the first book to be published on the secret organ of Nationalism whose members include the Prime Minister, Mr P W Botha (Broeder 4487), Dr Connie Mulder (Broeder 4750) and most of the Cabinet.

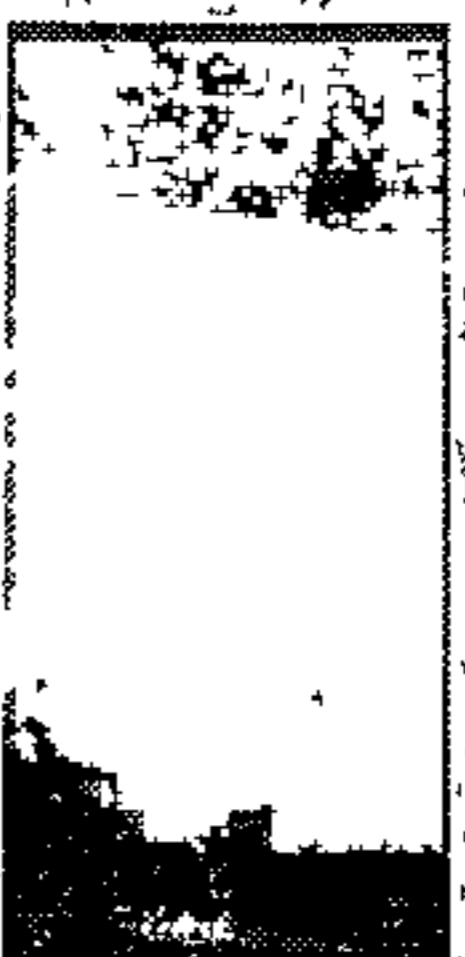
J H P Serfontein who, on the Sunday Times, took over from Charles Bloomberg the job of exposing the 1 000-member secret society, has published 'Brotherhood of Power. An expose of the secret Afrikaner Broederbond'.

This is what Dr Koorhof wrote to members in circular 3/64/65 of May 5, 1964:

"The executive records its conviction that the Prime Minister (Dr Verwoerd) will only allow an investigation on such conditions as will be to the advantage of our country in the present difficult world situation."

Dr Koorhof added: "He (Dr Verwoerd) will not do something that will lead to the destruction of, or our organisation and our Volk."

THE



● Dr Verwoerd clear conditions



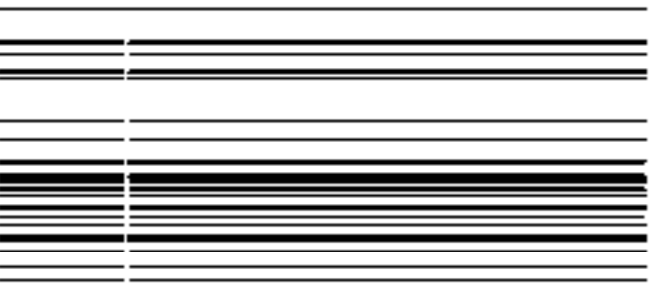
● Dr Jan Marais turned 'anti'



● Dr Koorhof Broeder's secretary

Broederbond

Unmasked





● Mr P.W. Botha
... Broeder 4487

The message is clear, comments Serfontein. Keep your children away lest they be contaminated by English children

"A central fact about the Broederbond is its diehard conservatism.

"Until at least 1977 it lagged way behind any of the cautious liberal changes implemented and planned by the Government in the field of race relations — except on the few occasions when it was used and planned to obtain conservative support for changes

"As an organisation it has never initiated verligte changes or moves

"It stands for the status quo and all its moves must be seen in that context.

"Take the sports policy

"As late as 1976 the Bond was reassuring members that the new policy did not mean mixing at club level, yet the Government had already tacitly given the green light"

Disciplinary steps were taken against senior verligte Afrikaans newspapermen Piet Cillie, former editor of Die Burger, Schalk Pienaar, former editor of the old Sunday paper Die Beeld, and Mr P Weber, managing director of Nasionale Pers

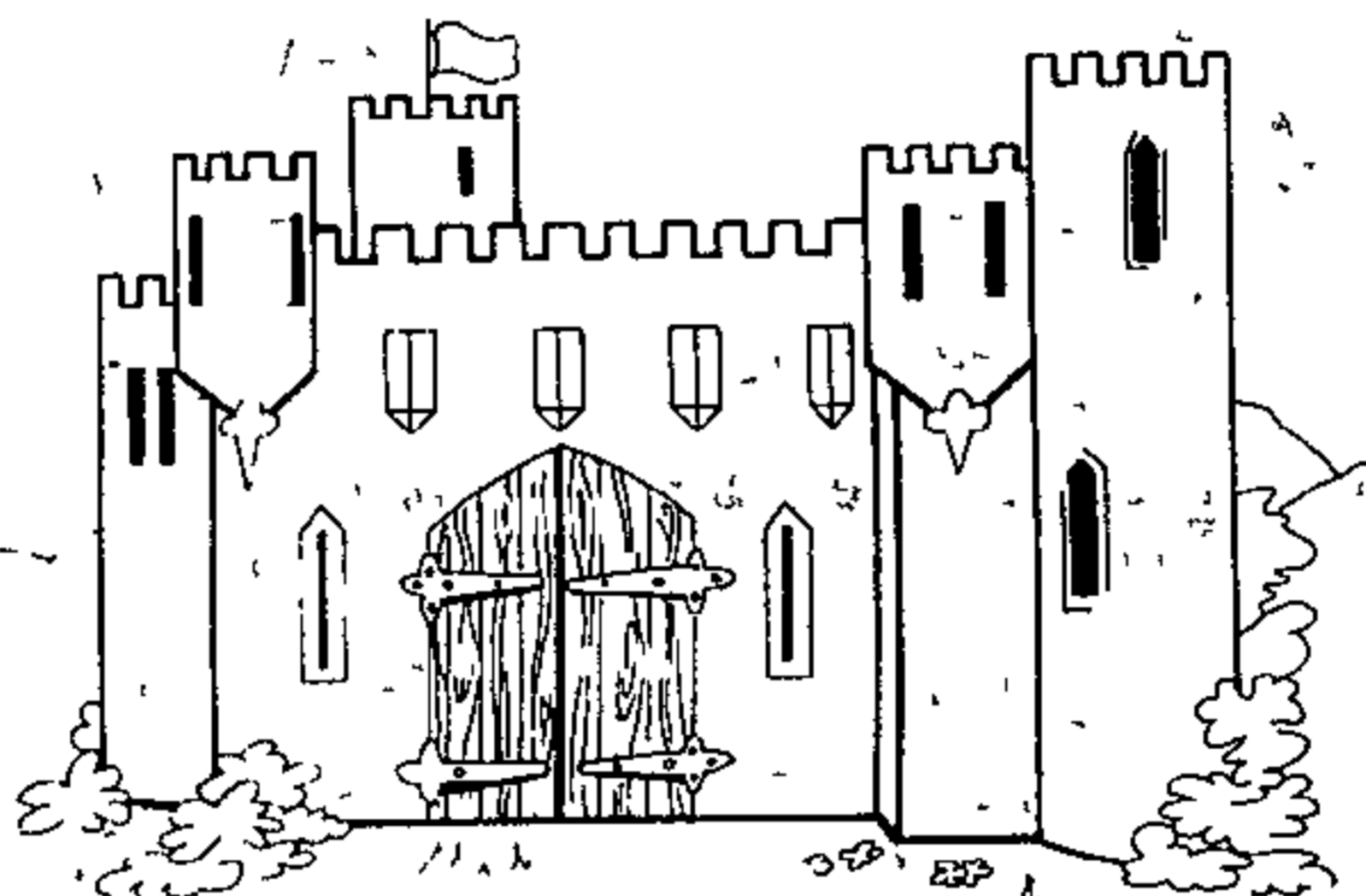
Seizing and maintaining power for the Afrikaner has shaped the Bond's history since 1918

At the time the book was being written, Serfontein wrote that top Government leaders maintained the closest consultation with the chief of the Broederbond, giving briefings on matters like Rhodesia, Namibia, and the Soweto riots

And the Uitvoerende Raad (executive) was given confidential background information which did not appear in the Press, and which often was given only to the Cabinet, while Parliament was uninformed

NEXT WEEK: MORE BROEDER SECRETS

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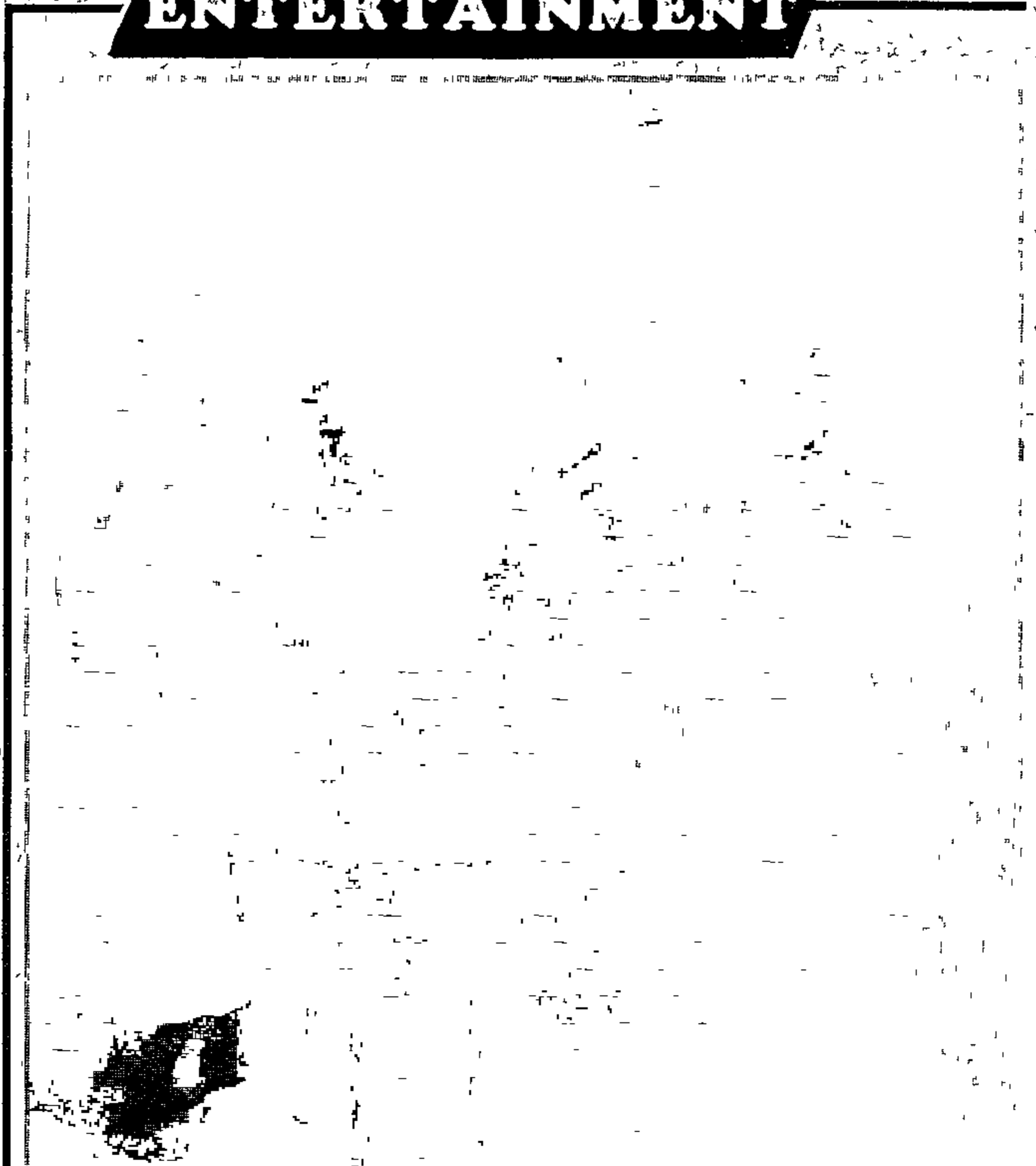


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ENTERTAINMENT



● President Paul Kruger, complete with bandolier, visiting English wounded soldiers in a field hospital during the Anglo-Boer War.

Transvaal is the soul of SA, claim writers

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TO UNDERSTAND the soul of South Africa one must turn to the Transvaal with its vast endless veld and where Afrikaner nationalism simmered and matured. Where Johannesburg was built and the Anglo-Boer War began.

Before you sneer at the idea of die ou Transvaal, where Sarie Marie had her origins, being the soul of the country, remember this province established Charles Darwin's prediction in 1871 that Africa would prove to be the cradle of mankind.

Australopithecus africanus — the man-ape and nearest thing to the missing link — is our Stone Age forebear who was discovered in the Transvaal. This fellow walked upright after developing the appropriate buttock muscles about 2 000 BC.

As South African anthropologist Dr. John Robinson says "Man learned to walk upright before he could think straight."

Co-authors Paul Tingay and Jill Johnson in their "Transvaal Epic" (Khenty Press) have provided us with that priceless piece of information.

The dust jacket is a painting of the Battle of Majuba by Otto Landsberg (1803-1906), who was not present when the Boers defeated the British and whose version, consequently, is not accurate.

For instance, Paul Kruger is in the foreground of the illustration although he, too, was not present at the historic fight. But the authors claim the picture has both drama and symbolic relevance.

Agreed. The illustration is one of several thousand researched by the authors in their painstaking sifting to tell the true story of the Transvaal.

Jill Johnson was educated in Canada, Zambia, Rhodesia, and at the University of Cape Town, where she took a degree in English and his-

BOOKS By RAY WOODLEY

tory, plus the University of British Columbia, Canada. She is a freelance journalist and lives in Johannesburg.

Paul Tingay was born in England and has lived in Hong Kong, the Seychelles, South Africa and Rhodesia. He took an honours degree at the University of Cape Town and works from the Seychelles.

This meant jetting to Johannesburg for consultations and the difficult task of collaborating in a joint publishing venture. However, the end product is well worth the expense, effort and travel.

I was amazed to discover that Pieter Retief's treaty with Dingaan was drawn up in English, possibly by one of the Trekkers some time before it was signed.

Surprisingly there is an illustration of President Kruger visiting wounded English soldiers in a Transvaal field hospital.

There is a picture of Winston Churchill "wanted dead or alive" with a price of 25 pounds on his curly head (as it was in those days) after his escape from

the Boers in Pretoria, Churchill, as we all know, escaped to England, where he wrote about his experience of which the text comments "His accounts are not entirely accurate."

Fascinating that the gold-plated rhinoceros unearthed at Mapungubwe in the Northern Transvaal in 1934, one of a number of gold ornaments surrounding a female skeleton, thought to be that of a queen, showed the plating was of uniform thickness, suggesting skilled craftsmen with knowledge of refining processes.

There is a delightful sketch of the Rand by J Hunter McLea as it was in 1886, showing a road appropriately named Rough Street. Two branches of the Standard Bank are marked in, plus a circle denoting a race course, which is some distance from Turffontein and separated by the "Road from Booyens' Kimberley Road".

Besides the illustrations there are also short texts on several historic characters who helped shape the destiny of South Africa in general and the Transvaal in particular.

"Transvaal Epic" should become a collector's piece and will be invaluable to schools throughout South Africa — not only in the province about which it is written.

● A deserted Pritchard Street greeted Lord Roberts and his troops when they entered Johannesburg on May 31, 1900.

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Mulder's 'no rules' belief is challenged

ON THE night he resigned from the Cabinet, we are told, Dr Connie Mulder was greeted at the town hall in his constituency of Randfontein by a guard of honour singing a hymn.

There were no verbal guards of honour or hymns of praise for Dr Mulder when the Afrikaans Preës reported his resignation next day. Of the major Afrikaans newspapers, only Die Vaderland had much to say for his comfort.

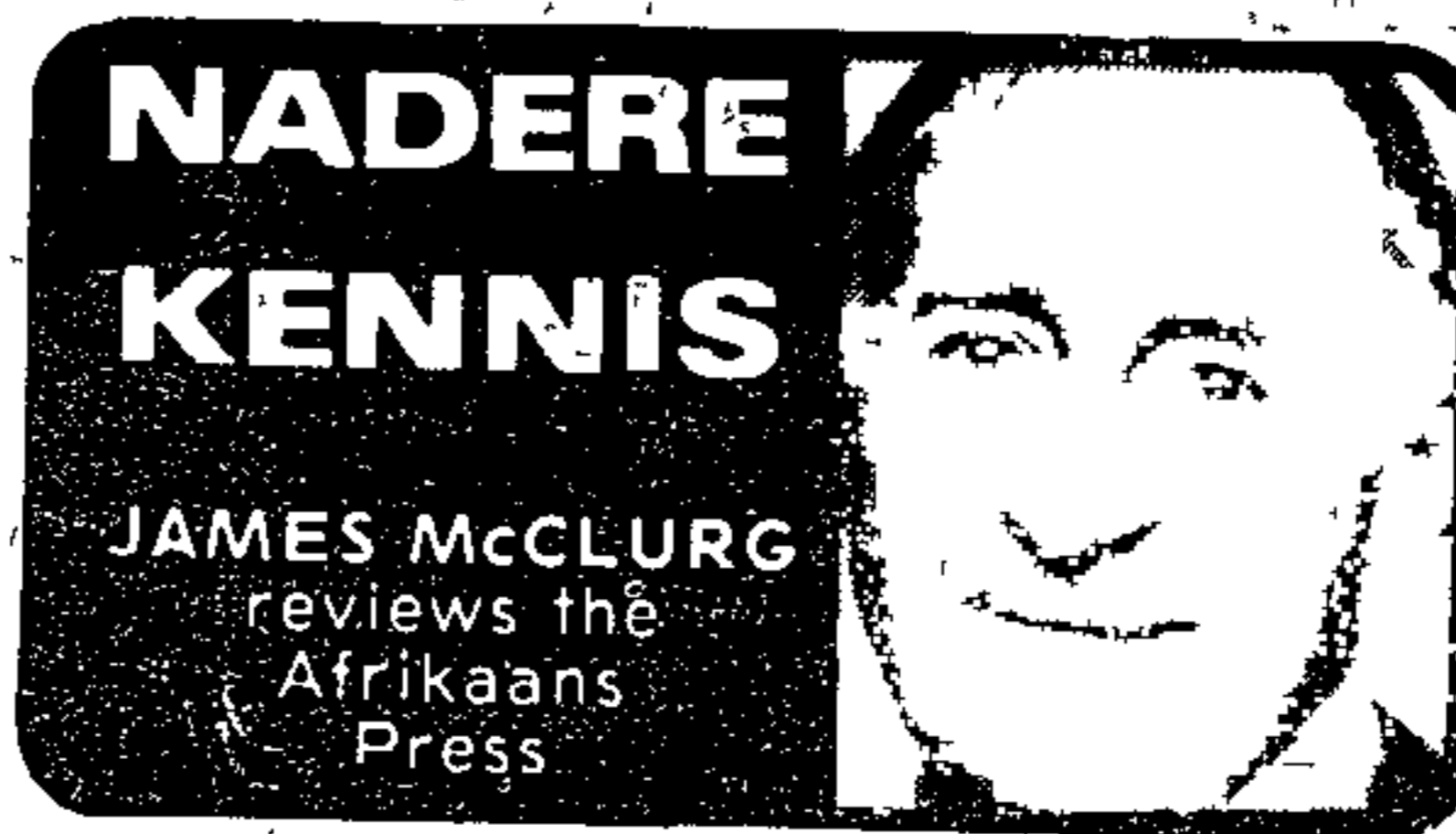
Dr Mulder's declaration that he was resigning to help the Prime Minister to repel the onslaught on the National Party, the Government and the country was in accordance with his character and philosophy of life, said the newspaper in a front-page editorial.

He had always put South Africa's interests first.

Die Vaderland hoped his innocence and integrity would be proved and in a significant passage spoke bitterly of the venom against him that had risen to the surface in certain NP circles, "including certain newspaper comments".

Beeld took an implacable line, even harking back to the "dangerous lack of insight" Dr Mulder had shown in some of his early portfolios — "leaving information aside".

Dr Mulder, Beeld said, had taken the correct step, but the fact that he had not resigned sooner had exacerbated the painful embarrassment already widely felt in Nationalist circles.



Steyn clashes with Beeld

THE unusual spectacle of a Cabinet Minister engaged in hot-blooded controversy with an Afrikaans newspaper has been among Beeld's recent attractions.

A week or two ago the newspaper quoted the Secretary for Community Development, Mr Louis Fouche, as registering his satisfaction with the "cleaning up" of Transvaal country towns (by which he meant the banishing of Indian businessmen to the municipal outskirts) and adding that this was the fulfilment of his "ideal of a lifetime".

Beeld commented editorially that the whole approach of Mr Fouche's department was "wrong, tragically wrong", and added significantly that it needed "new blood".

In a long, detailed letter to Beeld, the Minister of Community Development, Mr Marais Steyn, insisted that

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Die Transvaler repeated its view that Dr Mulder should sever his links with the NP until his position was cleared up

He was surrounded by undetermined matters that must speedily be brought to finality

"Final judgment", concluded Die Transvaler, "must therefore be reserved"

Die Burger said that after his courageous action in resigning — "and we say that in spite of the feeling that he ought to have done it earlier" — Dr Mulder deserved a chance to put his side of the matter

If his resignation contributed to a speedy clearing of the air and to dispelling the cloud of suspicion that threatened to paralyse the country, it must be welcomed

Dr Mulder's doctrine that

no removal was put in hand unless he had personally satisfied himself beforehand that it was "in the best interests of the traders concerned."

Beeld was by no means won over. The Minister's letter, it said in a second editorial, confirmed its view that the Department of Community Development was "not keeping completely up to date with new developments."

"when my country's survival is at stake, no rules apply," was sharply challenged by Dr F I J van Rensburg, of the Rand Afrikaans University, in a letter to the Nasionale Pers newspapers

It was to be assumed, said Dr Van Rensburg, that the actions of the former Department of Information flowed from this fundamental principle

"This premise", said Dr Van Rensburg, "is directly opposed to everything for which we exist in this country"

"It denies the fundamental nature of our humanity"

"It is the law of the jun-

gle formulated in a nutshell"

The editor of Die Transvaler, Dr Willem de Klerk, was equally emphatic in his rejection of a "no rules" approach to South Africa's problems

If this was our attitude, he declared in his personal column, Perspektief, "we betray our Calvinist creed, our democratic system of government and the order of civilisation we have built up here"

□ □ □

LITTLE publicity seems to have been given to the statement by Mr Marius Jooste, chairman of Perskor, that he expects an agreement to be reached "in the foreseeable future" that will end the clash of interests between his group and Nasionale Pers in the Transvaal

He was referring to the bitter, expensive and destructive competition between Perskor's long-established Transvaler and Nasionale's Beeld, set up about four years ago

Die Burger says that Mr Jooste's statement was received with surprise in "newspaper circles" and that the managing director of Nasionale, Mr Dawid de Villiers, knows nothing of any current efforts to reach an agreement

However, if Mr Jooste's statement is an olive branch and an agreement eventually sprouts from it, both companies will save themselves millions of rands

The present situation is commercially disastrous and accompanied by bitter editorial feuding between the newspapers of the two groups

Storm breaks around Church

A STORM of criticism, with numerous members of the clergy participating, has greeted the decisions of the recent General Synod of the Nederduitse Gereformeerde Kerk.

The main target is the synod's outright rejection of moves towards unity with the Black, Coloured and Indian branches of the church and what is seen as a contemptuous refusal even to acknowledge these bodies as "sister", rather than "daughter", churches.

"What has become of us?" asks Die Vaderland columnist Fame Olivier. "Since when has political policy become such a paramount ideology, and how has the Church come to treat its role of proclaiming the truth as subordinate to a specific party political policy?"

After a blistering review of some of the synod's minor decisions on moral and

procedural matters Ds M M Heyns of Parow West goes so far as to say in a letter to Die Burger that active members of the church need not really worry about what "these exalted gatherings" decide.

In Rapport, Mr Anton Doyer of Randfontein queries whether the church is still entitled to call itself "Christian", or whether it has not deteriorated into a champion lending religious sanction to the aspirations of certain group interests on the political level

On a wider canvas, Ds G C Velthuysen of the Hervormde Kerk asks in his church's official organ, Die Hervormer, whether all the Afrikaans churches, including his own, may not have been taken in tow by Rightwing political trends

"Do we always deal in theology," he asks, "or is there not a big mouthful of ideology in it, too?"

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Regering die Tesourie se Skermlakeem Pimbermel

DINSDAG het twee top-Tesouriemanne in grys-pakke stil-stil die vliegtuig na Durban gehaal. Hulle opdrag: Vind regter Anton Mostert en kry die oorspronklike dokumente van sy kommissie in die hande.

In sy sak het mnr. Peter Wron sley, Adjunk-sekretaris van die Tesourie, die oorspronklike kennisgewing gehad wat later die aand in die Staatskóterant sou verskyn. Daarvolgens is regter Mostert in kennis gestel dat sy kommissie beëindig is. Mnr. Wron sley, het ook in volnag gehad om al die regter se dokumente in besit te neem. Saam met hom was mnr. S. J. P. du Plessis, hoof-finansiële beheer van Tesourie.

Die plan was dat hulle die aand solank in Natal sou oorslaap, sodat hulle regter Mostert die oggend vroeg kon konfronteer. Een ding het hulle egter verget: Toe hulle regter werk nie staatsdiensure nie, toe hulle vroeg die oggend by die regter se huis in Pietermaritzburg aanklop om met die regter te praat, was hy lankal weg. Pretoria toe. Hulle moes mekaar langs die pad verbygegaan het. Sonder om tyd te mors, is die twee Tesouriemanne onderhaas terug lughawe toe. Daar was geen tyd om te verspil nie. Die regter gaan dan sy dokumente in Pretoria ook haal, het hulle waarskynlik vermoed. Die staatsmotor het hulle betyds by die lughawe in Durban afgehaal om nog 'n oggendvlug terug na Pretoria te kry. Dit was onstreeks middagete toe hulle saam uitasem by die regter se kantoor in Abatton-Huis in Hamiltonstraat instorm. Maar daar was geen regter nie. Regter Mostert was die oggend vir sowat 20 minute in sy kantoor in Pretoria, maar hy was al weer op pad lughawe toe om die vliegtuig huis toe te haal. Hulle moes mekaar weer langs die pad verbygegaan het.

Die Regering se opdrag, dat die oorspronklike kennisgewing aan regter Mostert bestel moet word, moes egter uitgevoer word. Die Tesourie-amptenare het dit reeds Dinsdagmiddag gekry en dit was nou al Woensdag van sy onthefing in kennis gestel nie. Mnr. Wron sley het besluit dat daar net een raad is en dit is om weer Natal toe te vlieg. Woensdagand het hy weer die vliegtuig Durban toe gehaal. Hierdie keer het mnr. Du Plessis by die huis gebly en het mnr. F. W. J. Jonker, persoonlike sekretaris van die Sekretaris van Tesourie, saamgevlieg. Hulle het weer oorgeslaap en Donderdagoggend regter Mostert gesien. Die het al begin ongemaklik raak oor al die dokumente in sy besit wat niemand wil hê nie. Omdat hy nie die dokumente in sy besit wou hou nie, het hy uit sy eie Minister Horwood opgebel en met hom reelings getref om alles aan die Tesourie te oorhandig. Dit het toe Donderdag gebeur. Mnr. Wron sley het aan RAPPORT-gesê dat hulle nie verplig was om die kennisgewing persoonlik aan die regter te oorhandig nie, maar dat dit beleefdheidsaawe gedoen moes word. Daar was niks sinsters aan ons optrede nie, sê hy.

basically in manufacturing while six provided services of one kind or another. However, some of the large groups interviewed, consisted of both service and manufacturing companies (e.g. a company to manufacture television sets and a company to maintain and repair them). Another point to note in connection with this survey of firms on the Witwatersrand is that while most of the firms interviewed were based in the area, some had interests throughout the country and provided us with figures for their whole operation and not just that part physically located on the Witwatersrand.

Congratulations for 'axed' Judge Mostert pour in

Sun. Tribune 12/11/78

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By VICKI ROSENTHAL

"CONGRATULATIONS, it happened, it happened, so glad it happened to you."

A card bearing that message was among hundreds of congratulatory telegrams sent to Judge Anton Mostert this week.

The judge, who released evidence about the Department of Information that rocked the Government and made world news said in an interview at his Pietermaritzburg home yesterday that the public has shown overwhelming support.

Judge Mostert decided to disclose certain facts emerging from his one-man commission of inquiry into exchange control contraventions because he believed it was in the public interest. The investigations have since been terminated after he clashed on the issue of publication of evidence with the Prime Minister, Mr. P. W. Botha.

A parliamentary select committee is now to investigate the illegal currency transactions, and a three-man judicial probe — the Erasmus Commission — is hearing evidence on matters relating to the Information Department scandal. Congratulations have

Judge Anton Mostert and family . . . this week he was chosen as the Financial Times of London "Man of the Week"

Flight into danger

By PAT FARLEY

PILOTS of civil aircraft and commercial jet liners flying near Jan Smuts Airport — potentially face the same circumstances which led to America's worst aviation disaster six weeks ago.

The hazard occurs because Jan Smuts Airport is the only airport in the Witwatersrand area where about 40 percent of

smaller aircraft had taken off from a smaller airfield outside the city and the pilot had received permission to practice instrument approaches at Lindbergh — the only airfield in the area with ILS facilities.

In interviews with the SUNDAY TRIBUNE, aviation authorities have confirmed the ILS equipment

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TREURNICHT SPECTRE HAUNTS VERLIGTES

AS Connie Mulder's political life died bit by bit this week, the spectre of super-verkramppte Andries Treurnicht began haunting National Party Verligtes.

First he was named as a "dark horse" candidate for Dr Mulder's Plural Relations and Development portfolio.

He didn't get it. The job went to Alwyn Schlebusch in what looked very much like a "thank you" gesture by Prime Minister Piet Botha for the Free State party leader's support in the caucus meeting that made him PM.

Then, as Dr Mulder held on to the provincial leadership in the face of strong party pressure, I was told by a Pretoria political academic: If Mulder goes, Treurnicht's the man most Transvaal Nats will go for.

A day later, seasoned political scientist Professor Willem Kleynhans, of Unisa, said Dr Treurnicht had as strong

a chance as other possible candidates — which at that stage included Labour Minister Fanie Botha, Foreign Affairs Minister Pk Botha, Justice Minister Jimmy Kruger and Minister of Agriculture Hendrik Schoeman.

And yesterday again Beeld, in a list of four possibles, named Dr Treurnicht.

In the Transvaal pecking order, Andries Treurnicht, as Deputy Minister of Plural Relations and Development and of Education and Training, doesn't rate in the top echelon.

But a powerful man he is in the structure of Afrikanerdom, a former boss of the Broederbond, ambitious and determined; a man who believes the folk comes first and the rest must follow.

During John Vorster's

term of office, Dr Treurnicht was regarded at one time as a maverick who refused to toe the party line on race issues; who ignored the cracking of the party whip when he felt an apartheid principle was at stake.

But he was regarded as a man with too much influence in the Afrikaner Establishment to be ignored; and that was why, observers believed, Mr Vorster pulled him in as a junior Deputy Minister — to keep an eye on him, to tame him, to water down the MP for Waterberg.

From then on he was seen as the thorn in the Vorster velskoen that pricked a little every time the PM and his Government strayed from the right road.

Dr Treurnicht, should he become leader of the NP in the Transvaal, will automatically become one of the most powerful men

in the party — and his interpretation of Nationalist policy would inevitably effect Government policy.

Some of the things he believes:

● There is no such thing as petty apartheid — there is merely apartheid. He has said: "Do away with petty apartheid, then big apartheid becomes nonsensical, redundant and unnecessary because if white and non-white are acceptable to each other in everyday life and they mix without reserve, then it is nonsense to force the issue of separate states or residential areas."

● Apartheid isn't merely a thing that exists between white and black. There is a line, too, between English-speaker and Afrikaner in South Africa, with each to his own culture, language and identity.

● He is on record as saying he doesn't approve

of marriages between English and Afrikaner.

When I put this to him in an interview some time ago, he replied: "To say 'Definitely not' would be putting it too strongly. But in maintaining a certain identity, that is a question to be answered."

● In his book, I discovered during the same interview, "Concession" is a dirty 10-letter word — he sees it as weakness. "If you speak of concessions," he said, "you always have the feeling that you are doing something against your will."

This is the man who could become leader of the National Party in the Transvaal.

From there he could be one short step away from the premiership when Botha goes — and in his late fifties he's young enough to wait in the wings until the PM retires. And South Africa would be back in the Verwoerd era.

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poured in from all sectors of the public, including the Bar and the Bench.

"It's been most heartening," said the judge. "We have a room full of telegrams, many from Afrikaner Nationalists, like myself."

The telegrams, some of which were in Latin — and there was even one in Italian — were mostly from individuals, although organisations like Women for Peace also sent out messages.

Courage

The telegrams expressed admiration for the judge's courage and integrity.

"Thank you for being so moral," said one. "We need more men like you." "Congrats on your fearless stand," "A man of steel, fibre and guts."

One Pietermaritzburg well-wisher said "My door is open to you and yours 24 hours a day... kom drink 'n koppie koffie enge tyd".

Another well-wisher from Laesbeek said, "that when in Cape Town, the judge should come fishing with an honest man."

Judge Mostert said he had not received any

threatening or abusive calls

"The thought of a death threat has crossed my mind," he said. "But I realised there was nothing I could do about it. You accept the inevitable and carry on as before."

The judge, who said he was "exhausted", will be taking a holiday when his son joins the family in a fortnight's time.

After that he will return to the Bench.

Asked whether he thought his decision to make public information concerning the Department of Information would prejudice his future career, the judge smiled and said "I prefer to say nothing."

Meanwhile the Johannesburg Bar Council said in a statement yesterday it fully supported the statement made by the chairman of the General Council of the Bar of South Africa following the termination of Mr Justice Mostert's commission.

The statement signed by the chairman of the Johannesburg Bar Council Mr W H R Schreiner says it particularly endorses the statement that "nothing should be done which

might be seen as impinging upon the independence of the judiciary.

"Commissioners are appointed to investigate matters of public concern. The tradition of appointing judges of the Supreme Courts to act as commissioners not only affords the Government the benefit of an independent and unbiased report but ensures that the public has confidence in its findings.

'Undesirable'

"Consequently it is in the highest degree undesirable that the proceeding of a judicial commission should be prematurely terminated more particularly when it begins to appear that those proceedings might in some way affect the political interests of the Government of the day or some of its members.

To do so constitutes a serious abuse of executive power.

"The Johannesburg Bar Council considers that the premature termination of the Mostert Commission by the State President in Council was a clear infringement of the independence of the judiciary."

the country's commercial aircraft are based — which has an instrument landing system. It is therefore the only airfield at which pilots wanting to upgrade their licences by meeting the requirements for instrument landings can train.

This is just the situation which led to a freak fatal mid-air collision over the Californian city of San Diego between a Boeing 727 carrying 135 passengers and crew and a single-engine aircraft flown by a competent commercial pilot with a highly qualified flying instructor as a passenger.

All died when the aircraft plunged in flames to the ground and, at least another 13 residents were killed by falling wreckage.

The collision occurred in good visibility on a day when both pilots were strictly following the instructions of the air traffic controllers and when each pilot had been informed of the other's presence in the vicinity.

The jetliner was inbound for San Diego's Lindbergh Airport on a scheduled flight. The

at Van Smuts Airport is not adequate for the use by both commercial and business flights as well as training flights.

A spokesman for South African Airways confirmed that even its own pilots on instrument training flights occasionally had to fly to Durban's Louis Botha Airport to practise landings on the ILS equipment there because of the traffic at Jan Smuts.

A senior official of the Department of Transport's Division of Civil Aviation conceded that having only one ILS-equipped airport in the Pretoria-Witwatersrand area was inadequate, but additional systems were not being considered.

Equipment and its installation would cost more than R250 000. If the money was found, it would be difficult to decide where to install it. The executive director of the Commercial Aviation Association, Mr Cor Beck, also confirmed that advanced instrument flying training was being hampered because of the shortage of such facilities.

Mulder resignation plunges Nats into crisis

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Continued from Page 1

Committee election for the post of chairman would defeat any challenge he may pose.

The Transvaal Head Committee consists of the party's "dagbestuur" and one voting member from each of the province's 76 constituencies. Although the voting representatives need not be MPs the system is loaded against a "peoples candidate"

Table

The need to preserve party unity and the fact that Dr Treurnicht, a Deputy Minister, does not enjoy broad Cabinet support, will also count against him.

The chairman of the Progressive Federal Party's Federal Executive, Mr Harry Schwarz, said yesterday that Dr Mulder's resignation following the Information Department storms of the past two weeks was inevitable.

But he warned that his departure did not absolve the Government from blame for its handling of the entire Information debacle.

"Unless the Government puts all the facts before the people the problems will not be solved," he said.

The extent of Dr Mulder's support in his own province is difficult to gauge but clearly, in spite of his protestations that he was under considerable pressure to remain in office, his backing was waning fast.

In the premiership election in September he won 72 votes on the first ballot — only six fewer than the eventual winner, Mr Piet Botha — and 74 votes on the second. Although he commanded pockets of support from elsewhere, his backers overwhelmingly came from the Transvaal.

Most of that support has remained loyal to him and Dr Mulder could, if he chose, virtually nominate his successor.

Opposition politicians, who have attended some of the countrywide protest meetings held this week, said public reaction to the Information Department scandal was the strongest they had seen over any issue in the past 20 years.

Opposition leader Mr Colin Eglin said he believed public anger runs deep into the National Party. A very significant number of telephone calls had been received by him and his party office from Nationalists saying they would not support their party again.

The Natal leader of the New Republic Party, Mr Warwick Webber, said: "The public is angry. Nat, SAP and Prog alike I have not seen anything like it in 20 years."

MANUFACTURING DIVISION		NUM
		MOR
Food etc.,	31	
Textiles, clothing etc.,	32	
Wood etc.,	33	
Paper, printing etc.,	34	
Chemicals etc.,	35	
Mineral products etc.,	36	
Basic metal etc.,	37	
Fabricated metal etc.,	38	
Other manufacturing	39	
TOTAL		

Source: Bureau of Market Research

Note: See note to Table 19 for divisions.

What is striking is the relative concentration in Division 32 (textile, wearing apparel) and Division 35 (manufacture of chemicals, and chemical and plastic products) in the Durban area.

of manufacturing on the Witwatersrand that consists of Division 38 (manufacture of fabricated metal products, machinery and equipment). Since different industries employ different proportions of technicians, this helps shed some light on any regional differences in the employment of technicians.

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Voelers uit oor Citizen en Afrikaanse persreus

(23) Rapport 12/11/78 259

VOELERS word uitgesteek dat die twee groot Afrikaanse persreus, Perskor en die Nasionale Pers, The Citizen moet uitgee.

Verantwoordelike spekulasie lui dat mnr Marius Jooste, voorsitter van Perskor, reeds genader is, maar dat hy voel dit sou beter wees as hy die Nasionale Pers as venoet by so 'n onderneming het.

Mnr Jooste sê gister daar is nog geen sprake van onderhandeling om The Citizen, wat deur Perskor gedruk en uitgegee word, onder sy vleuels te neem nie. Daar is nog die kwessie van eienaarskap wat opgeklaar moet word.

Adv D. P. de Villiers, besturende direkteur van die Nasionale Pers, sê hy is hoege-naamd nie genader nie. Daar is heelparty probleme aan so 'n transaksie verbonde.

Geste die wbelinge om The Citizen sal dit dalk nie lekker wees om met die koerant voort te gaan nie. 'n Mens sal na al die omstandighede moet kyk as so 'n voorstel na ons kant toe kom," sê hy.

* Gielie de Kock skryf uit Londen dat mnr Jack Jackson, die Citizen se Londense verteenwoordiger, sê hy het nog nêrens enige vyandigheid ondervind sedert dit bekend geword het dat die Citizen met regeringsgeld gefinansier is nie.

Mnr Jackson sê hy het vroeër vandeeweek 'n perskonferensie van die Anti-Apartheidsbeweging bygewoon en selfs nie eens daar

het hy teenstand ondervind nie.

Mnr Jackson is 'n Brit van geboorte en het Suid-Afrika vroeër vanjaar vir die eerste keer besoek. Lank voor hy by die Citizen begin werk het, was dit bekend dat hy 'n groot ondersteuner van Suid-Afrika is.

Hy was twee keer kandidaat vir die Konserwatiewe Party in Laerhuisverkiesings en vroeër was hy een van die toespraakskrywers van mev. Margaret Thatcher, die leier van die Britse Konserwatiewe Party.

Mnr Jackson sê wat ook al gebeur het, sy lojaliteit is en bly by sy koerant.

'Duidelik inbreuk'

DIE Johannesburgse Baleraad beskou die vroeëtydige ontbinding van die Mostert-kommissie as duidelike inbreuk op die onafhanklikheid van die regbank, sê sy voorsitter, adv W. H. R. Schreiner, gister in 'n verklaring namens die raad.

Die raad sê die onafhanklikheid van die regbank beteken dat 'n regter volgens sy eie gewete kan optree, ook al sou die regering van die dag deur sy optrede in die verleentheid gestel word of seerkry. Die tradisie om regters as kommissarisse aan te stel, gee die regering nie net die voordeel van 'n onafhanklike en onpartydige verslag nie, maar verseker dat die publiek vertroue het in sy bevindings. Daarom word van 'n regter wat as kommissie sit, verwag om met dieselfde onafhanklikheid op te tree as in 'n hof. Hy is ook geregtig op dieselfde vryheid van inmenging van buite, sê dié Baleraad.

Table 19. Manufacturing establishments (over the Durban region by manufacturing

No. of employees:	No. of firms in division					
	31.	32.	33.	34.	35.	36.
301 - 400	4	7	1	4	5	-
401 - 500	5	12	1	1	1	1
501 - 600	1	6	-	1	6	1
601 - 800	3	10	1	1	4	1
801 - 1000	2	1	-	-	-	-
1001 - 1500	3	5	-	-	1	-
1501 - 2000	-	5	-	-	2	1
2000 - 3000	-	3	-	-	3	-
3000 plus	2	-	-	-	1	-
T O T A L	20	49	3	7	23	4

Source: Bureau of Market Research, University of South Africa.

Note: The key to the divisions is as follows:

Division 31: manufacture of food, beverages and tobacco.

Division 32: textile, wearing apparel and leather industries.

Division 33: manufacture of wood and wood products, including furniture.

WHAT terrible thing is the Government trying to hide? What monstrous secret could be worth the price it is paying to keep it?

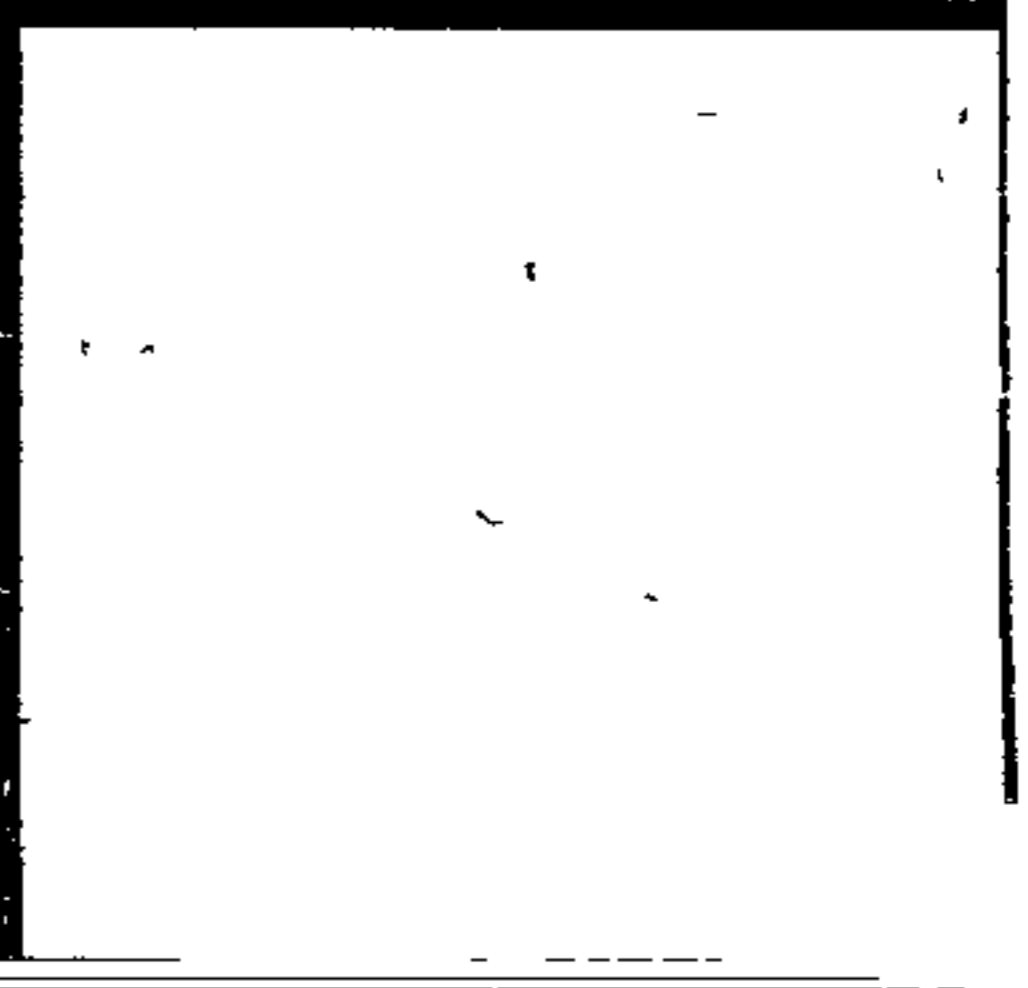
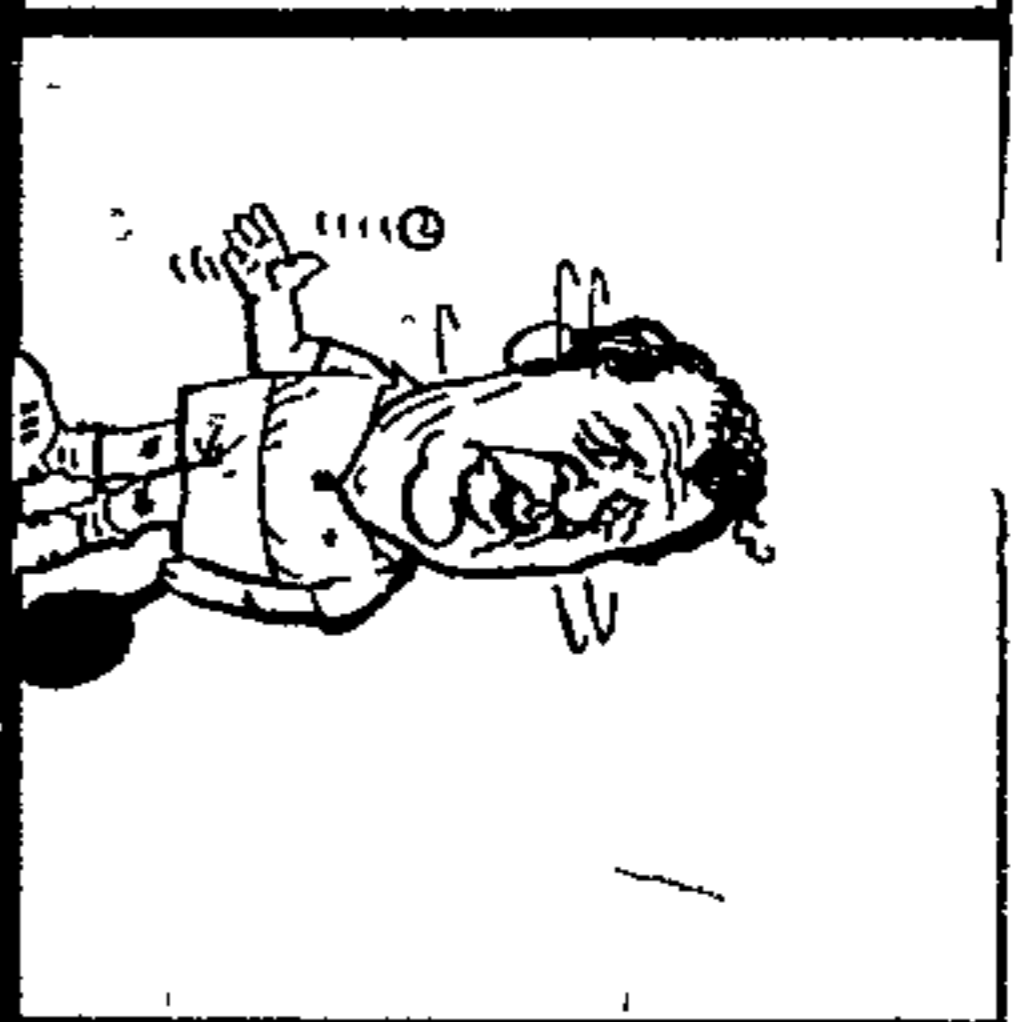
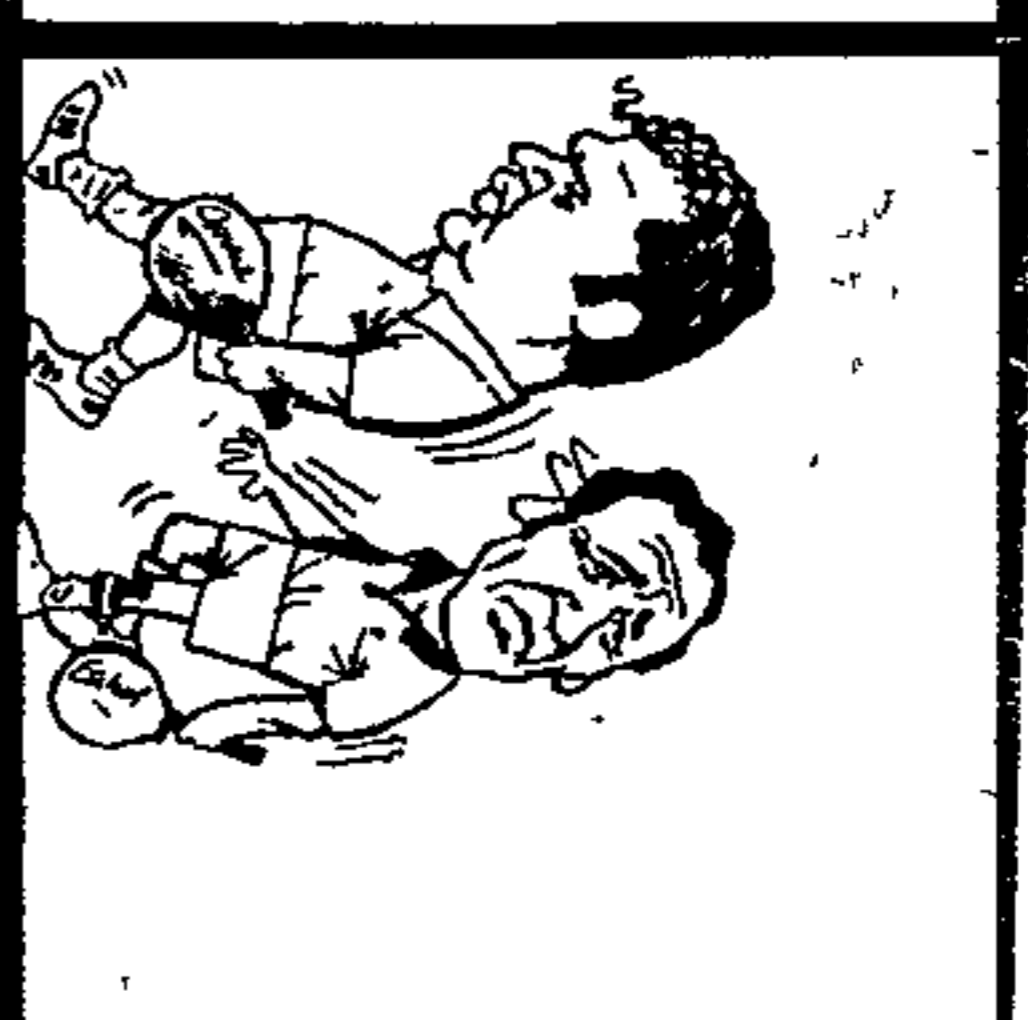
That price is ruinously heavy, for the country and even for the Government itself, for, personal reputations and for long and honourable traditions — like the independence of the judiciary and the freedom of the Press — which have been built up over centuries.

The general populace, lacking information, feeds on rumour. There is hardly a dinner table or a kaffee klatsch where discussion does not come round, sooner or later, to the most dreadful speculations about the scandal.

Every time the Government makes a new move to seal off the Information Affairs from public view, the poison of suspicion courses more strongly through the veins of this society.

The Government says it is trying to establish the facts, that the people should wait patiently for the outcome of the inquiries now set in motion.

That argument would have succeeded nine months or a year ago. But it is now impossible to forget that the latest inquiries are the eighth and the ninth which the Government has undertaken. Count them — and look what happened to each.



Ken Owen

The "suitably qualified person" turned out to be Mr. Loot Reynders, of the Bureau for State Security (now the Department of National Security). During World War II he was interned in Koffiefontein with Mr. Vorster, General Hendrik van den Bergh (the head of BOSS) and Mr. Jan van Zyl Alberts, managing director of the company that publishes the Citizen.

Mr. Reynders found no irregularities, and his three-paragraph report to that effect was "leaked" through the Transvaler in a manner calculated to give maximum support to Dr. Connie Mulder's campaign for the premiership, which the

lying outside its competence to examine.

After Mr. Reynders came Gen Van den Bergh himself. His inquiry was terminated suddenly and unexpectedly when his resignation was announced after the Cabinet meeting on the Tuesday preceding the election of the new Prime Minister.

Gen Van den Bergh later turned out, according to evidence under oath before the Mostert Commission, to have been a prime mover in the conspiracy to use Government money to take over South African Associated Newspapers and, when that failed, to launch

THE ASTONISHING DISAPPEARING MEN (CONTINUED)

dened into warnings and finally became a threat, delivered publicly on Wednesday, to change the law to silence the Press.

None of this answers the question: Why?

If it were simply a matter of underlings exceeding their authority, they could — and should — be fired. A Government which could ride out Mr. Jimmy Kruger's "It leaves me cold" could surely ride out that kind of trouble.

If it is a matter of national security, then it needs to be said that nothing the Information Department ever did or ever might do — it is after all simply a propaganda agency — could justify the fundamental damage to democratic institutions which has now been done.

If it is a question of protecting friends abroad, then

At the same time he pleaded with the Press to leave the subject alone while it was being investigated.

Mr. Botha reacted by expanding the Kemp Committee to include representatives of the Treasury, the Department of Justice and the new Information Service, which was under the authority of the Foreign Minister, Mr. P. Botha.

Mr. Justice Mostert rejected the request and made his findings available to the Press.

been given at the start of this scandal.

What, then? Neither of those classical causes of Government scandals — sex and money — can explain the Government's extraordinary behaviour. It would be easy to dump a Cabinet Minister, or two or five, and to choose a new set — including a new Prime Minister, if necessary. The country is awash with better men than those in the Government.

Besides, nobody sacrifices a democracy in order to save a buddy.

So far, there is no answer, but there has been a hint. From the supporters of Dr. Connie Mulder this week came the veiled threat, published by the Citizen, that he could if he wished play Samson at Gaza and bring down the entire edifice of the National Government.

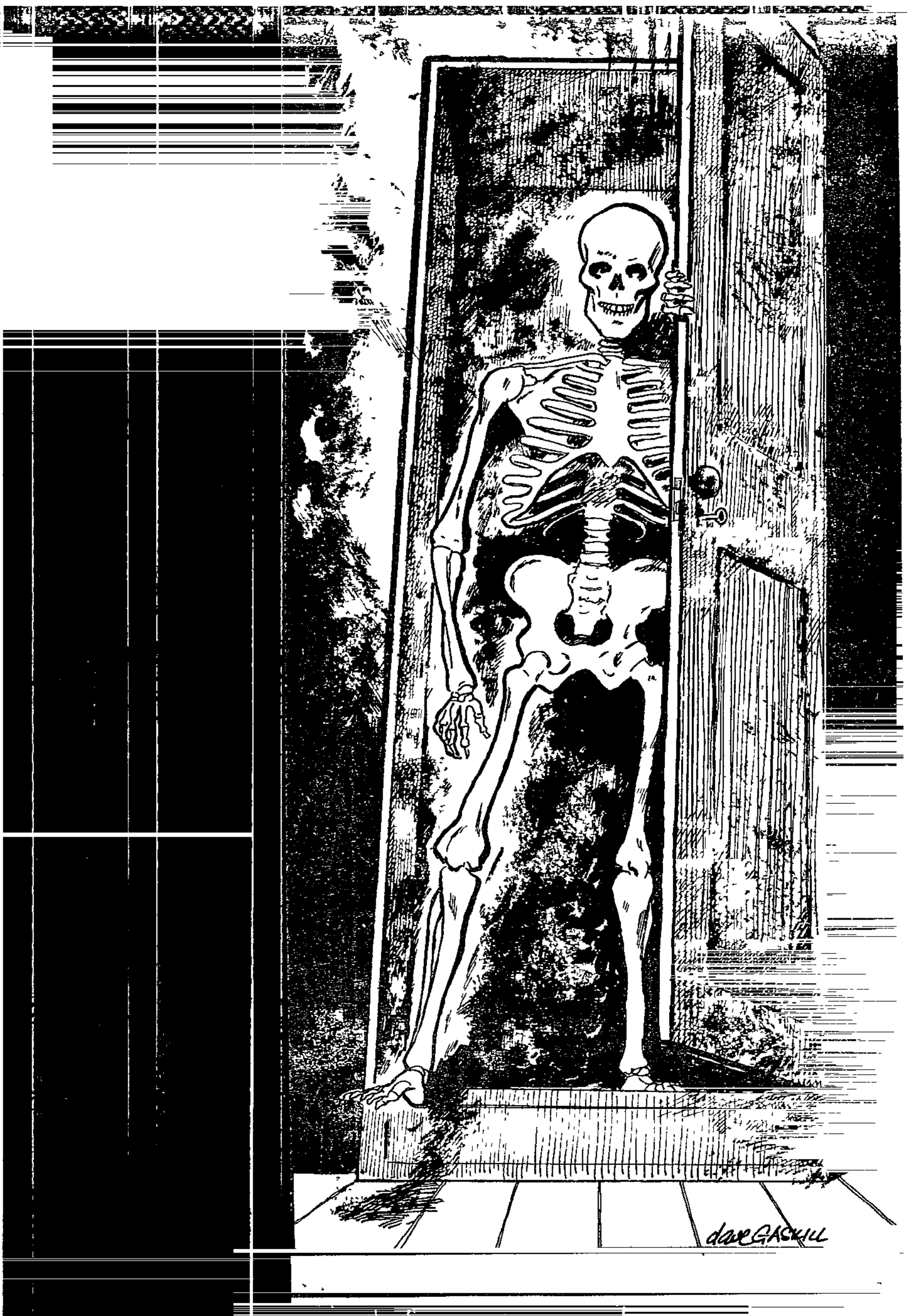
What monstrous that



25¢ SUNDAY TIMES, November 12, 1978

1

cupboard? skeleton is in



Transvaal, then supported
● The first was the inquiry of the Auditor-General Mr Gerald Barrie, apparently as a result of the discovery of irregularities by the Information Department's administrative officer Mr Koos Waldeck.

That inquiry was sealed off when it reached the secret funds — and Mr Waldeck was forced into a premature retirement that stained an unblemished career. Nobody has ever explained why he was punished.

● The second inquiry was ordered by the former Prime Minister Mr Vorster who appointed a suitably qualified person to investigate the Information Department's secret doings — those activities which Mr Barrie was not permitted to examine.

Mr Reynders subsequently invoked the Official Secrets Act to refuse to testify on his findings to the Mostert Commission of Inquiry into Exchange Control Violations — at a time when those hearings were still held in secret.

The Prime Minister, Mr P. W. Botha, refused a request from Mr Justice Mostert to give Mr Reynders permission to testify immediately.

● While Mr Reynders was still busy, a Parliamentary select committee under the chairmanship of Mr Henne van der Walt MP for Schweizer-Renkke investigated the charges brought against the Information Department by Mr Barrie.

It confirmed some minor irregularities but did not uncover the secret operations, which it regarded as

the Citizen

● Then came Mr Koos Kemp, who succeeded Gen Van den Bergh and at some stage turned out to be head of the "Kemp Committee" whose other members are unknown. Mr Kemp was like Mr Reynders, a BOSS man who had worked under Gen Van den Bergh.

Like Mr Reynders, he also told the Mostert Commission that he was prevented from testifying. A frequent caller at his office was Dr Eschel Rhoodie.

● The next inquiry was launched when the Sunday Times disclosed on October 22 that the Mostert Commission was investigating the affair and that Mr Retief van Rooyen SC had testified before it in the week of Mr Botha's election as Prime Minister.

The Prime Minister, having failed to silence Mr Justice Mostert, then tried to silence the Press. He issued a note to editors through the South African Press Association warning them not to publish the material. Only the SABC heeded the warning.

Later, Mr Justice Mostert announced that he would continue to hold public hearings.

It became known that he planned to call Mr David Abramson, director of a company to which Mr Louis Luyt had made out post-dated cheques for nearly R14-million of funds owed to the Information Department, to give evidence. It never happened because Mr Botha terminated the Mostert Commission.

The next day the Govern-

ment,

This account of the failure of repeated inquiries to disclose the facts would not be complete without mentioning Mr Botha's attempts to cut off the one consistent source of information to the public — the Press.

His early appeals for restraint of publication har-

again, no network of contacts can outweigh the damage done to the country by this constitutional crisis.

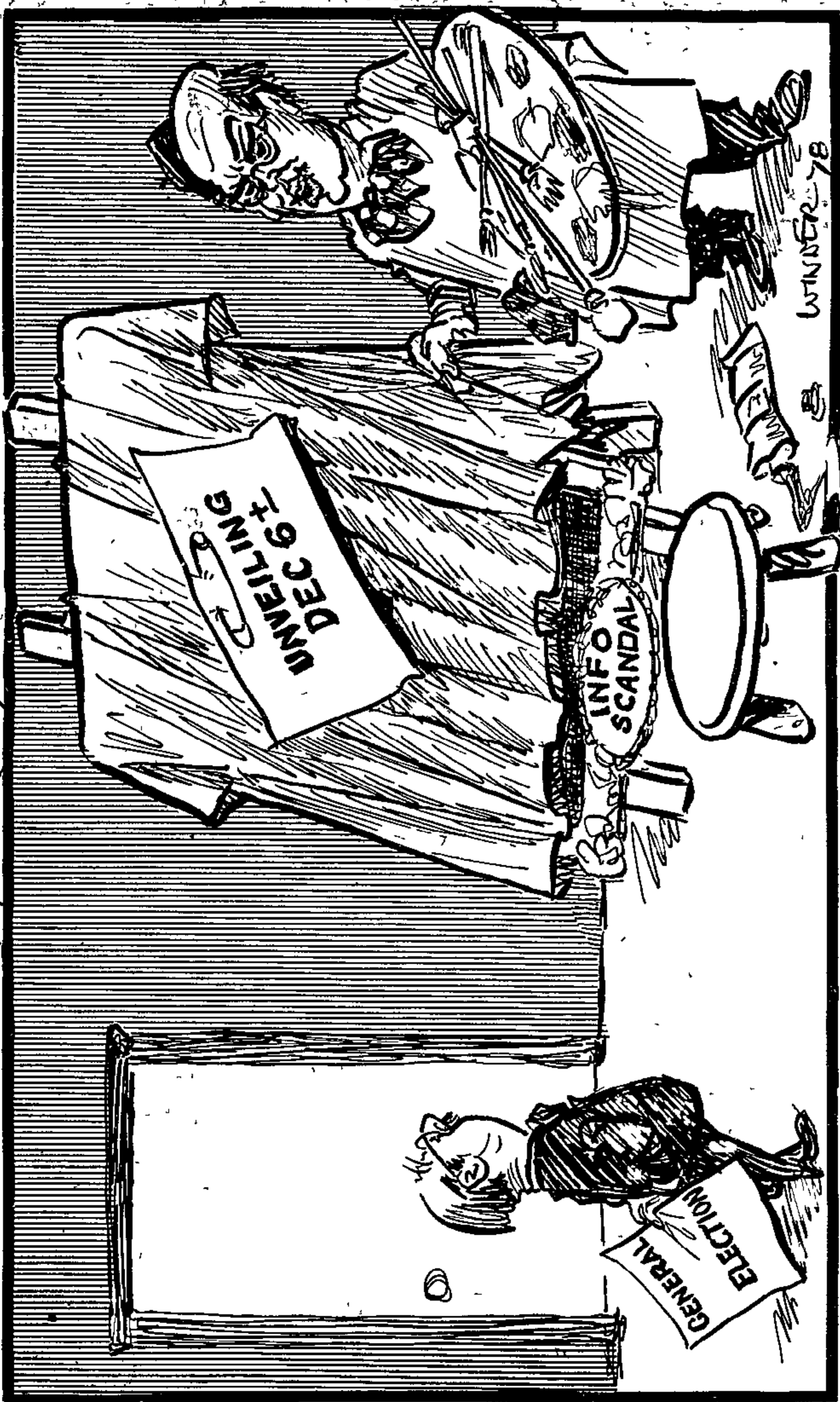
What of national defence — arms acquisitions and sanctions-busting? In that case, the Government could have quieted the storm simply by saying so. The entire country would have accepted that assurance had it

Now what on earth could this Government have done which would, if it became known, so horrify the ordinary, decent rank and file of the National Party that they would bring the entire structure of Nationalist rule tumbling about their own ears?

What monstrous skeletons lie in that cupboard?

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Sun Times 12/11/78



Brand en ontploffing by huis in reg

BOM WAS

Rapport 12/11/78 (259)

Polisie bewaak regter

Deur THINUS PRINSLOO en FANTIE VAN DER WESTHUIZEN

GEWAPENDE polisiemanne bewaak van verlede nag af die huis van regter Anton Mostert in Pietermaritzburg nadat 'n brandbom wat waarskynlik vir hom bedoel was, vroeg gisteroggend 300 meter verder op die grasdak-motorhuis van adv. Pierre Roux, SC, ontplof het.



REGTER ANTON MOSTERT gistermiddag in sy huis in Pietermaritzburg. Die polisie het aangebied ommy huis te bewaak.

BOM

• VERVOLG VAN BL. EEN •

waar dit tot op die strooidak van die motorhuis gerol en ontplof het. Die Roux gesin het vergeefs geprobeer om die vlamme met 'n tuinslang te blus. Eers nadat die brandweer opgedaag het, is die brand beheer gebring. Gistermiddag het die smelende puin weer vane geval en inderhaas is die tuinslang nader gesleep om 'n nuwe brand te voorkom. Mev. Joan Roux vertel dat sy wakker was toe die bediende hulle van die brand kom vertel. Dit was 'n bestiering dat ek al wakker was, anders kon die brand baie erger gewees het. Die veiligheidspolisie het aan adv. Roux gese dat die

Die bewaking — polisie in burgerrag — is aan die reëter en sy gesin aangevra nadat minstens ses lede van die veiligheidspolisie gisteroggend 'n deursigtige ondersoek by die nabygeleë huis van adv. Roux gedoen het.

Laat gisteraand was adv. Roux nog nie polisiebewaking aangebied nie.

Regter Mostert het gisteroggend 'n oproep ontvang van 'n onbekende persoon wat hom versoek het om 'n besoek te bring by sy huis. Hy het geweig. Die polisie het 'n ondersoek ingestel. Hy het geen spesiale maatreëls vir die veiligheid van hom en sy gesin gestref nie.

Onverwags

Veiligheidspolisie by die oeneel van die bomontploffing het gister gespekeleer oor die noodtnkheid dat die bom bedoel was vir die regter. Regter Mostert woon

by die huis van adv. Roux. Die polisie het 'n ondersoek ingestel. Adv. Roux is uit die huis gegaan. Ek wil geen kommentaar lewer op die moontlikheid dat my huis met 'n brandbom aan die regter verwars is. Ek voel ontseerend om te sê dat ek 'n ongelukkig geval is. Ek hoop net dat die polisie die oorsaak van die ongeluk kan vind. Regter Mostert woon

ter Mostert se buurt. Hy glo:

VIR MY'



ging in die straat het as die regter s'n

Die twee strate is albei doodloopstrate, die huise is albei op presies dieselfde plek

MEV. JOAN ROUX kyk hier na die verwoesting wat in hul motorhuis deur 'n brandbom veroorsaak is. Groot skade is aan hul duur Duitse motor aangerig

GEWAPENDE polisiemanne bewaak van verlede nag af die huis van regter Anton Mostert in Pietermaritzburg nadat 'n brandbom wat waarskynlik vir hom bedoel was, vroeg gisteroggend 300 meter verder op die grasdak-motorhuis van adv. Pierre Roux, SC, ontplof het.

Pietermaritzburg: Die polisie...

BOM

* VERVOLG VAN BL. EEN *

waar dit tot op die stroobak van die motorhuis gefol en ontplof het.

Die Roux-gesin het vergeefs geprobeer om die vlamme met 'n tuinslang te blus Eers nadat die brandweer opgedaag het, is die brand in beheer gebring.

Gistermiddag het die smuulende puin wees vlam gevat en inderhaas is die tuinslang nader gesleep om 'n nuwe brand te voorkom.

Mev. Joan Roux vertel dat sy wakker was toe die bediende hulle van die brand kom vertel. Dit was 'n bestiering dat ek al wakker was, anders kon die brand baie erger gewees het.

Die veiligheidspolisie het aan adv. Roux gesê dat die

Die bewaking — polisie in burgerrag — is aan die regter en sy gesin aangebied nadat minstens ses lede van die veiligheidspolisie gisteroggend 'n deursturende ondersoek by die nabygeleë huis van adv. Roux gedoen het.

Laat gisteraand was adv. Roux nog nie polisiebewaking aangebied nie.

Regter Mostert het gister ek gesê: „Ek glo die ontploffer het my huis met 'n brandbom verwoes. Roux verwar ek as 'n ordeloos toe ek my by die polisie verneem. Ek wou dit as 'n draaiende teen my.

Hy vraag het hy geantwoord dat hy tot dusver een enkele ander regsreekseregiment ontvang het nie. Hy het ook nie vir die polisiebewaking gevra wat hy nou ekry het nie.

Hy het geen spesiale maatreëls vir die veiligheid van hom en sy gesin gestref nie.

blyk se kant was daar na sy onthullings groot steun en hy het letterlik honderde briewe, telegamme en opgedone gekry.

Hy het bygevoeg dat dit wat tot dusver oor die Inligtingdebakel bekend is, nog net die puntjie van die ysberg is.

Adv. Roux is uit die veld geslaan. „Ek wil geen kommentaar lewer op die moontlikheid dat my huis met die van die regter verwar is nie maar ek voel ontsettend ongelukkig en onrustig oor die voorval. Ek hoop net dit het geen politieke verbintenis nie.”

Skade van sowat R5 000 is aan motor in die motorhuis aangerig, asook die skade aan die gebou self en geelhout wat daarin bewaar is.

Regter Mostert woon in 'n pragtige siersteenhuis in Oriëlweg, Pietermaritzburg. Agter hom in Belléwanweg, wat parallel met Oriëlweg loop, woon adv. Roux, in sy huis wat presies dieselfde lig-



ging in dies straat het as die regter s'n

MEV. JOAN ROUX bom veroc

Die twee strate is albei doodloopstrate, die huise is albei op presies dieselfde plek aan die regterkant gelee. Dit het aanleiding tot die mening dat die twee huise verwar is.

In die duister

Adv. Roux is hieroor gevra, maar hy se bloot hy het die teorie gehoor en wil hom nie daarvoor uitlaat nie.

„Ek kan nie se dat ek glad nie in 'n politieke saak betrokke is nie. Ek het hoegenaamd al jare lank niks met politieke gehad nie. Dit het ek vir die polisie gesê toe hulle my daarna uitgevra het se hy.

„El het hulle ook vertel dat ek vir jare in geen omstrede in die bues was, wat tot wraak, of optrede soos die bom-omval aanleiding sou kon gee nie. Ek weet certikwaar nie hoekom die bom na my huis gevoor is nie.

„Ek is absoluut in die duister, want ek is absoluut onskadelik.”

Die ontploffing het die Roux-gesin gisteroggend omstreeks vyf uur geskud. Die bom is waarskynlik teen die steilte van die erf afgerol.

* VERVOLG OP BL. 23 *

Onverwags

Veiligheidspolisie by die ontplof van die bom ondersoek. Die gister gespekuleer oor die moontlikheid dat die bom eintlik vir die regter bedoel was, en dat dit verband hou met sy afgelaste Inligting-ondersoek.

Oor sy ondersoek wat hy onverwags moes opse, het die regter vertel dat dit baie van voltooi was. Van die bu-

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HOOGLERAAR VERDEDIG REGTER TEEN KRITIEK

Mostert-onthullings, in oopbaarre boelangs

Deur **FRIK BADENHORST**
BEWERINGE in die hoogste politieke kringe dat register Anton Mostert sy opdrag en magte oorskry het deur die getuienis oor die Inligtingdebakel aan te hoor en bekend te maak, is vandeeweek teenoor **RAPPORT** weerlê deur prof. **J. C. van der Walt**, hoogleraar in privaatreg aan die **Randse Afrikaanse Universiteit**.

Syns instens het die koerante ook volgens wet die reg gehad om die getuienis te publiseer. Hy grond sy sienings op art. 4 van die Kommissie-stuwet van 1947, die feit

dat die getuienis nie in camera aangehoor is nie en die kwessie van openbare belang. Die regulasies wat vir die betrokke kommissie uitgevaardig is en waarop swaar

gesteun word om register Mostert te verwyf dat hy gepraat het, was nie uitgevaardig om die magte van die kommissie en dus register Mostert) aan bande te lê nie, maar om dit aan te vul, sê prof. Van der Walt.

kommissie nie deur die pers of enige ander buite-stander bekend gemaak kon word nie. Die pers se publiseer

**Hy sê pers
was reg om
te publiseer**

Sy volledige kommentaar lui:

„Die opdrag het bepaal dat register Mostert ondersoek moes instel en aanbevelings doen oor wanpraktike ten opsigte van deviesemaatreëls, metodes om sulke wanpraktike te bekamp, en enige deviesebeheer-, belasting- en ander implikasies wat uit die ondersoek mag voortspuit. Of die inligting en getuienis van die kommissie oor die gewese Departement van Inligting partement van Inligting binne die perke van die

opdrag geval het, is in die eerste plek 'n feitelike vraag.

„Die opdrag was klaarblyklik wyf genoeg om voorsteuning te gemaak het vir die ondersoek van enige aangetoonde wat redelikerwys verband kon hou met deviesebeheer. Die wydheid van die woorde „ander implikasies“ dui daarop dat inligting wat bloot insidenteel na aanleiding van die ondersoek gewin word, ook binne die opdrag val.

„Dit is veral die geval as

PROF. J. C. VAN DER WALT

regter Mostert het binne sy magte opgetree.

nie. „Alle inligting voor hom gelewer was dus van die begin af, in elk geval regtens openbare getuienis. Hy het dit deur sy perskonferensie vir die publiek toeganklik gemaak. Deur die openbare sitting van die kommissie was dit van die begin af openbare getuienis en inligting.

Aanvul

„By gewone hofverrigtinge publiseer die media gereeld van die getuienis wat op die bepaalde tydstip gelewer is; so ook kan dit geskied in die geval van quasi-geregtelike verrigtinge van 'n kommissie.

„Regulasie 12 van die Proklamasie van 26 Mei 1978, kan met die eerste oogopslag vertolk word as 'n verbod op die kommissie of voorsitter om enige inligting bekend te stel die regulasie bepaal dat niemand inligting bekend mag maak nie.

„Die regulasie is egter afgevaardig in terme van art. 1 van die Kommissiewet, wat klaarblyklik in beginsel nie gerig is op magtiging om die magte van 'n kommissie te beperk nie, maar om dit aan te vul (sien art. 1 (b) (1)) en die ondersoek te reguleer (sien art. 1 (b) (11)).

„Niks in die regulasies vervat in die proklamasie wek die indruk dat die voorsitter of die kommissiese magte beperk moes word nie.

„Die verbod op bekendstelling van inligting soos vervat in regulasie 12 is dus, ten spyte van die wye bewoording, myns insiens nie van toepassing op die voorsitter of kommissie self nie, maar op buitestaanders.

„Dit hou myns insiens in dat getuienis wat in camera gelewer is of vertroulike inligting in besit van die

Mostert-kommissie, wat die land in rep en roer het, het soos 'n dief in die nag by die koerante verbygesluip. Die meeste sê hulle was onder die indruk dat die sittings geslote was, maar het nooit navraag gedoen of hulle daar toegelaat sou word nie. Nou kyk hulle na op hulle neus, **RAPPORT** ook!

In feit was geeneen van die sittings in camera nie, en engeen kon hulle in Pretoria bygewoon en oor die getuienis geskryf het.

Enkeles erken dat hulle nie gedink het soveel nuuswaardigheid sou uit die ondersoek van die kommissie voortspruit nie.

Van die Randse koerante sê The Star en Die Transvaler hulle het sonder meer aangeneem die sittings was in camera. Hulle het nie navraag gedoen of sittings geslote was nie.

Die Rand Daily Mail sê hy het die sittings nie bygewoon nie omdat hy nie daarheen genooi was nie.

Beeld sê hy het die indruk gehad die getuienis is agter toe deure aangehoor, maar kan nie onthou of daarvoor navraag gedoen is nie.

Die Vaderland sê hy het nie daaraan gedink om bywoning te vra nie. Soveel kommissies sit dat die nuuswaardigstes uitgesoek word.

The Sunday Times sê hy het nooit vasgestel of die sittings toeganklik vir die pers was nie.

The Citizen weet nie wat die posisie was nie.

As die pers die sittings bygewoon het, sou regter Mostert se gewraakte perskonferensie nie nodig gewees het nie.

ander instansie, hetsy pri-
vaat of openbaar van aard.

„Die getuienis wat regter
Mostert openbaar gemaak
het, hou prima facie ver-
band met transaksies in die
vloei van geld vanuit en na
Suid-Afrika — dit is dus
prima facie kwessies wat
direk of indirek verband
hou met die hele onder-
soekopdrag.

„Selfs al sou 'n mens kon
argumenteer dat die wetli-
ke opdrag nie wyd genoeg
was om so 'n ondersoek te
regverdig nie, is 'n kommis-
sie wat in die loop van 'n
bepaalde ondersoek inlig-
ting oor moontlike wan-
praktyke wat die openbare
belang raak, op 'n totaal
andersoortige terrein of
vlak ontbloot, sekerlik reg-
tens sowel as moreel ver-
plig om sulke inligting wat
ontbloot is in die loop van
'n openbare ondersoek (nie
in camera nie), vir die
publiek toeganklik te maak.

„Die Mostert-kommissie
se opname van getuienis
het in die openbaar geskied
en kon dus as aangeleent-
heid van enorme openbare
belang vir die publiek toe-
ganklik gemaak word.”

Openbaar

Oor die publikasie van
getuienis bevind prof. Van
der Walt:

„Die grondbeginsel ver-
vat in art. 4 van die Kom-
missiewet is dat getuienis
wat in die openbaar voor 'n
kommissie gelewer word
(selfs al is daar in der
waarheid geen buitestaan-
ders teenwoordig nie), reg-
tens geag word openbaar te
wees.

„Die voorsitter het wel
die bevoegdheid om ge-
tuienis in camera te laat
afneem.

„In die geval van die
Mostert-kommissie het die
regter, sover ek weet, nooit
tydens enige sittings van sy
kommissie die grondbegin-
sel van openbaarheid opge-
skort nie; hy het dus nie van
die betrokke magte, inge-
volge art. 4 gebruik gemaak

van die inligting was egter
die publikasie van openba-
re getuienis en dus nie in
stryd met regulasie 12 nie.

„As 'n mens sou aanvaar
dat regulasie 12 wel wyd
genoeg is om die voorsitter
te verbied om getuienis
bekend te maak, dan kom
die vraag ter sprake of,
gesien die enormiteit van
die korrupsie waarop die
inligting moontlik kan dui,
die oortreding van die be-
treklik tegniese voorskrif
nie, minstens uit die oog-
punt van goeie administra-
sie en die openbare belang,
geregverdig was nie.

„Die ongetwyfelde open-
bare belang betrokke by
die inligting en die feit dat
die inligting in elk geval
van meet af nie in camera
gelewer is nie, versterk die
siening dat die openbare
moreel en individuele ge-
wetensvryheid swaarder
weeg as die betreklik teg-
niese voorskrif vervat in 'n
regulasie waarvan die bete-
kenis nie 'n bo alle twyfel
vasstaan nie.

„Uit die aard van die saak
is dit uiters moeilik om die
algemene bepalinge van
die Kommissiewet en die
regulasies met sekerheid te
vertolk en derhalwe aan-
vaar ek dat die betrokke
bepalings dubbelsinnig is
en redelikerwys vatbaar is
vir 'n ander interpretasie,”
sê prof. Van der Walt.

**PERS
AAN
DIE
SLAAP**

DIE getuienis voor die

WOLFF'S SECRETS OF THE GITTZEN

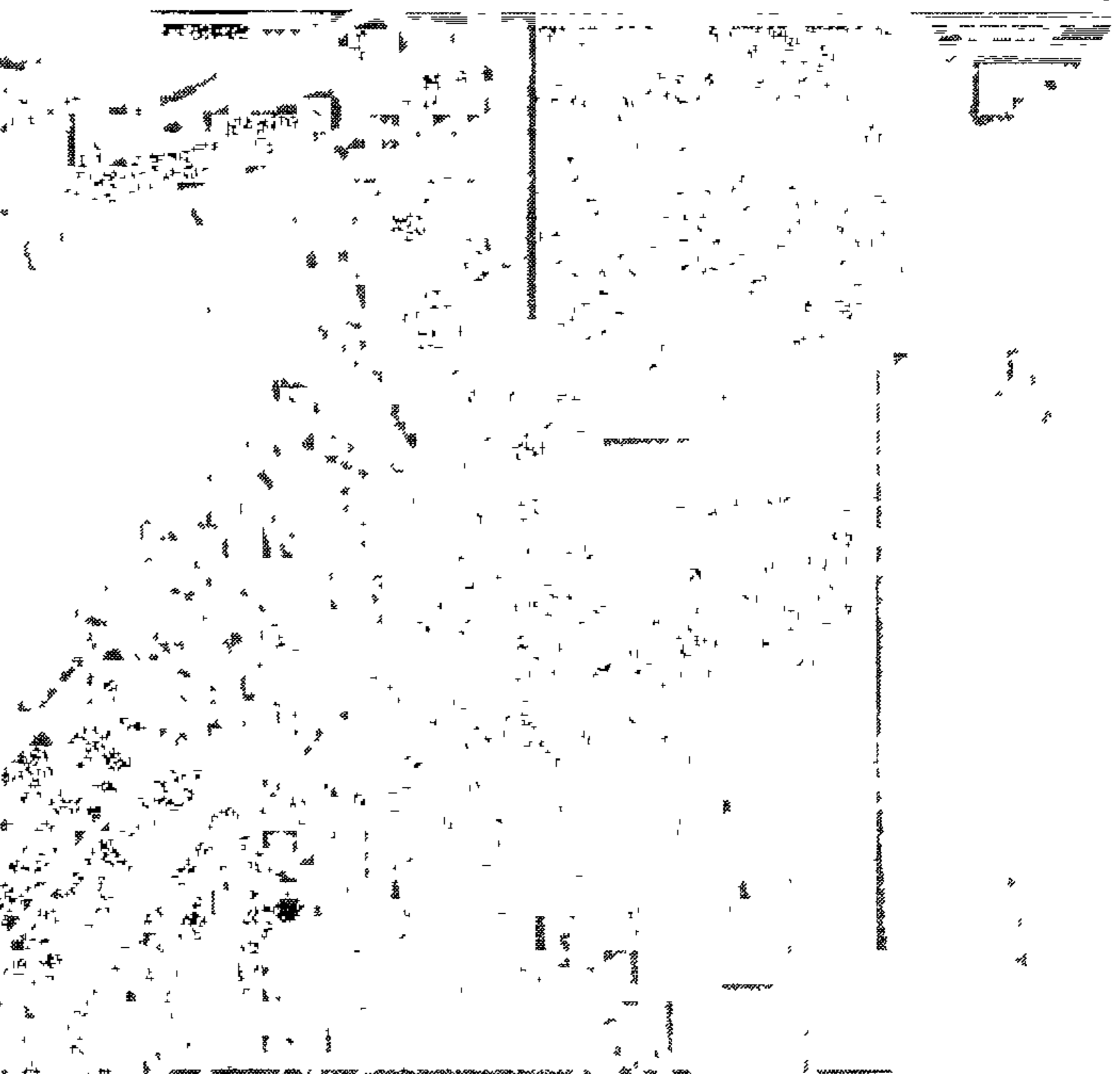
THE secrets of The
Citizen newspaper and
the amazing intrigues
surrounding it and its
hidden Government
backers can be exposed
by the Sunday Express
today at the end of a
week of high political
drama:
For the first time it can

How Luyt sold
control to

Alberts

ON THE WAY TO

● The "Molotov, Cocktail" set alight the thatched roof of the carport finally causing damage estimated at R4 000. Mr Roux, an advocate, is a close friend of Judge Mostert. His home is some 200 m from the judge's



Sunday Express

JOHANNESBURG, NOVEMBER 12, 1978

30c plus tax 1c

Prices elsewhere on Back Page.

Firebomb was meant for Mostert

By KITT KATZIN

A FIREBOMB intended to hit the home of Supreme Court judge Mr Anton Mostert went off early yesterday morning at a nearby house often confused with the judge's home

Many people, I was told, often confuse the two houses — about 200 m apart — and as a result, the arsonists struck at the wrong target

They hit the house of Advocate Pierre Roux, a close friend of Judge Mostert. Mr Roux lives at 15 Bellawan Road. I understand that after the firebomb was reported by Mr Roux, one security policeman, rushing to the Roux residence, ar-

rived at Judge Mostert's home by mistake. The Roux home was then pointed out to him.

The "Molotov cocktail" set Mr Roux's hatch-roofed carport alight, causing damage of about R4 000.

Judge Mostert told me yesterday he was shocked at the incident. "Why," he asked, "would anyone want to blast a home situated close to mine?" He found the incident

"very peculiar indeed."

He added that if there was any connection between himself and the bomb thrown at the Roux home "then this entire matter becomes a sadder and sadder episode in the history of this country."

Security Police visited the Roux house and took the remains of the bomb, but by late yesterday police

Advocate Pierre Roux
... Wrong target

● To Page 2

be revealed that, in its early days, whole truckloads of the newspaper, hot off the presses, were clandestinely dumped as "waste paper" — at great cost to South Africa's taxpayers (see pages 6 and 7).

● A month ago — before the Sunday Express disclosed that The Citizen had been financed from secret Government funds — plans were well underway to issue five million R1 preferential shares in the company.

● Mr Van Zyl Alberts paid Mr Luyt the grand sum of R3 for The Citizen — and for another R1, bought an undisclosed amount which the holding company, SA Today, (Pty) Ltd, owes to Mr Luyt. Total amount for the entire deal R4.

● On the very day that Mr

THE STORY EVERYONE IS TALKING ABOUT: SEE PAGES 5, 6, 7, 8

Alberts and Mr Luyt signed their contract for the sale of The Citizen Dr Eschel Rhodie, as Secretary for Information, took over major financial liabilities from the company and said he would take care of these, according to a document released by Judge Mostert

● A legal expert described the contract between Mr Luyt and Mr Alberts for the sale of The Citizen as a remarkable one — and said that if it involved public funds, as has been stated, he would be "most unhappy" with its inadequacy

● Mr Louis Luyt's auditor, Mr P. E. du Preez, who two

years ago certified in a letter that it was Mr Luyt's personal money behind the newspaper, was in on discussions to use Government funds to launch it (see Page 5).

● The debts which Dr Rhodie took over from SA Today in February this year were the amount owed to M G D Graphic systems for the purchase of a printing press and the company's overdrawn account with Volkskas bank. Why he was concerned to relieve the new owners of this load is not known

In the contract between Mr Luyt and Mr Alberts on

the sale of The Citizen, which came into operation on March 1 of this year, it is shown that Mr Alberts bought the three issued shares in the company for R1 each

For another R1 he also bought the loan account, in terms of which an amount of money that is not specified in the contract was said to be owing to Mr Luyt

The Sunday Express established this week that four weeks ago R12 500 was paid in stamp duty in preparation for the issue of five million R1 shares in The Citizen

Division 34: manufacture of paper and paper products: and publishing.

Division 35: ...

Division 36: ...

Division 37: ...

Division 38: ...

Division 39: ...

Division 40: ...

Division 41: ...

Division 42: ...

Division 43: ...

Division 44: ...

Division 45: ...

Division 46: ...

Division 47: ...

Division 48: ...

Division 49: ...

Division 50: ...

Division 51: ...

Division 52: ...

Division 53: ...

Division 54: ...

Division 55: ...

Division 56: ...

Division 57: ...

Division 58: ...

Division 59: ...

Division 60: ...

Division 61: ...

Division 62: ...

Division 63: ...

Division 64: ...

Division 65: ...

Division 66: ...

Division 67: ...

Division 68: ...

Division 69: ...

Division 70: ...

Geskokte Mostert sê Horwood het die interdik aangevra

Amptant 2/11/78

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Deur THINUS PRINSLOO

DTF was mth. Owen Horwood

Wat Woensdagmiddag in die Pre-

toriaanse Hooggeregshof 'n dln-

gende interdik teen my aangevra

het," het regter Anton Mostert

gister aan RAPPOORT gesê. Hy

sê, hy het gisteroggend hierdie

betroubare inligting bekom oor

die hoogs geheimsinnige aan-

soek. (Lees berig hierby.)

Mth. Horwood, Minister van

Finansies, was mede-verantwoor-

delik vir regter Mostert se aan-

stelling as kommissie van onder-

soek na valuta-onreëlmatighede

en buitelandse belastinge.

Hy was teenwoordig tydens die

gehoor onderhoude tussen die

Eerste Minister en regter Mostert

verlede Vrydag, en het later oor

die TV-nuus 'n verklaring voor-

gelees oor wat by die geleentheid

tussen die twee gebeur het.

Direk na hierdie onderhoude

met die Premier het regter

Mostert sy gewraakte onthullings

gedoen. Hierop het die Premier

die Erasmus-kommissie aange-

stel.

Woensdag is sy opdrag deur

die Staatspresident beëindig.

Diesselfde middag is daar dln-

gend in die Pretoriaanse Hoogge-

regshof 'n interdik teen hom

aangevra om hom te verhinder

om enige verdere getuenteis

bekend te maak.

Regter Mostert het die verloop

van die optrede teen hom so

uiteengesit:

Woensdagmiddag, tussen

drie- en vieruur, 'n Telefoon-

oproep, en 'n kapt. Ellis sê "die

Minister van Justisie" wil met

hom praat. Mth. Horwood kom

aan die lyn en lees tydens 'n

lang gesprek die Staatspresident

se kormele intrekking van sy op-

drag aan hom voor. Reelings

word getref in verband met die

oorhandiging van die dokumente

van die ondersoek.

Dertig sekondes later: weer

kapt. Ellis: "Die Minister van

Justisie" wil met hom praat.

Mth. Horwood neem die telefoon

en vra hom uit oor 'n gerug

dat hy van plan is om nog 'n

perskonferensie te hou om meer

getuenteis bekend te maak.

Ek het dit ontken en aan

hom die kort verklaring voorge-

lees wat ek deur Sapa aan die

pers beskikbaar gestel het. Daar

was tydens ons gesprek geen

sprake van 'n interdik teen my

nie."

Woensdagmiddag, 10-uur: Reg-

ter Mostert vernem dat 'n

interdik teen hom moontlik in

die plaaslike afdeling van die

Hooggeregshof in Pietermaritz-

burg aangevra sal word.

Twintig minute later bel hy

min. Horwood en konfronteer

hom daarmee. Die Minister ont-

ken die volstreke sê hy sou as

betrokke minister daarvan ken-

nis gedra het, en sê hy "weet

daar niks van af nie."

Daarna het ek vasgestel dat

daar 'n mislukte poging was om

in hofbevel in Pretoria te verkry,

en dat die Staatsprokureur in

Durban die griffier en adjunk-

balju in Pietermaritzburg aan-

gesê het om beskikbaar te wees.

se regter Mostert.

Vanoggend (Saterdagoggend)

het ek vernem dat die aankoek

Woensdagmiddag in Pretoria ge-

bring is in die naam van min-

Horwood. Dit my skok, moet

ek sê."

RAPPOORT kon min. Horwood

gisterand nie oopspoor om hier-

die beweringe by hom te * vro-

leer nie.

the reg... the total number of establishments covered is far greater than the low number suggests. Twenty of the firms were involved basically in manufacturing while six provided services of one kind or another. However, some of the large groups interviewed, consisted of both service and manufacturing companies (e.g. a company to manufacture television sets and a company to maintain and repair them). Another point to note in connection with this survey of firms on the Witwatersrand is that while most of the firms interviewed were based in the area, some had interests throughout the country and provided us with figures for their whole operation and not just that part physically located on the Witwatersrand.

I MAY BID FOR THE CITIZEN — JOOSTE

By GORDON McINTYRE

MR MARIUS Jooste, chairman of the Afrikaans publishing group, Perskor, said yesterday that he would consider making a bid for the Citizen.

He denied, however, that Perskor was involved in negotiations to buy the ailing newspaper.

Responding to a report in the Afrikaans paper, Beeld, Mr Jooste said there was no truth in rumours of a deal between the Citizen's owners and Perskor.

"Although I would certainly be interested in taking over the Citizen, there can be no question of a deal until we find out who the real owners of the newspaper are."

Mr Jooste said he had been surprised to hear of the rumoured negotiations.

"I would not even know whom to deal with because the identities of the real owners have been kept secret."

Beeld claimed that a deal for the Citizen was being negotiated in Johannesburg and Pretoria.

Should such a deal be made, the Citizen will have changed hands three



Mr MARIUS JOOSTE
No deal yet

times in just over two years.

Fertiliser magnate Mr Louis Luyt was the first "owner" of the Citizen. He later gave evidence before Mr Justice Mostert that it was secretly funded by the Department of Information.

Mr Luyt sold the newspaper early this year, shortly before the resignation of the Secretary for Information, Dr Eschel Rhoodie.

The Citizen is owned by a group of shareholders whose spokesman is Mr Herbert Jussen, chairman of SA Today, which publishes the Citizen.

There has been growing demand that the identities of all the shareholders be revealed.

Perskor, which publishes the Transvaler and the Vaderland, has for some time shown interest in the Citizen, which is printed in the Perskor building.

Citizen owners planned more newspaper companies

THE owners of the Citizen planned to establish two other newspaper companies.

At a board meeting of SA Today (the Citizen holding company) held in February, 1976, the directors agreed to register the companies as The Morning News (Pty) Ltd, and The People Newspaper (Pty) Ltd.

This is disclosed in the company records of The Citizen Newspaper (Pty) Ltd, which was incorporated on March 17, 1976.

The Citizen became the centre of a national controversy when Mr Justice Mostert released evidence that it had been launched and sustained by funds from the Department of Information.

Control

At the SA Today board meeting it was resolved that the Citizen holding company subscribe to the memorandum of association of The Citizen Newspaper (Pty) Ltd

In doing so the directors committed SA Today to

By EUGENE HUGO and NEIL HOOPER

the rules of the Citizen company, which give the "only member" (described as a person holding a share in the company) absolute control

According to the company file only one share in The Citizen Newspaper (Pty) Ltd has been issued

The company's rules stipulate that the "only member" (the single shareholder) or his proxy

- Can hold a general meeting of the company at any time he wishes
- Is the quorum for such a meeting
- Can adjourn any general meeting of the company.
- Can sign any resolution which is as binding as if passed at a general meeting
- Can appoint one or more directors of the company.
- Can give written notice Can elect the chairman of the board of directors.
- Has the final decision in any deadlock on the board

In testimony before the

Link with publisher

● From Page 1

Treasury and Stock Exchange

London sources said this week that the inquiries were unsuccessful because the banks refused to disclose for whom they were acting. The possible takeover bid was aborted when other shareholders were warned not to dispose of their shares.

The London sources said that Mr Abramson suggested that Mr Martin Springs, former editor of the Citizen, be employed as South African correspondent for the British trade journals published by Morgan Gramplan.

Asked to comment yesterday, Mr Springs said that he was "not prepared to reveal who his clients are, either here or overseas".

At the end of 1977 Morgan Gramplan itself was sold to the British publishing company, Trafalgar House, which publishes the mass-circulation Daily Express, and Mr Abramson and Mr Pegg's R4,2-million profit was used to secure the Hortors takeover with securities funds.

Hortors' holding companies are Marwood By, registered in Holland, and Alpane Ltd, a former dormant Slater-Walker company registered in Bermuda.

Another British takeover bid was staged in October, 1977, when Morgan Gramplan offered about R1,88-million for the Investors' Chronicle. It fell through and Mr Abramson and Mr Pegg later bought a smaller financial periodical, the Financial Review, in association with Mr Charles Forte for R172 000.

Earlier this week it was revealed that Mr Louis Luyt had issued post-dated cheques, in repayment of the Department of Information's loan of R12-million to establish the Citizen, to a bank account registered in the name of Homerus Finance Company.

Mr Abramson and the South African hotelier, Mr John Heinrich, are the directors of Homerus, but Mr Abramson has denied links with Mr Luyt.

Mr Abramson broke his silence yesterday about the storm which has broken over his head this week since the Sunday Times disclosure last week that he had been called to give evidence before the Mostert Commission.

In a statement to the Sunday Times he said "The news media in their own interest are seeking every bit of coverage they can get. This is their investment and I can understand and appreciate it.

Inside, he said. The back of the car port is up against a steep embankment. At the lip of the embankment is a gutter, only about 30 cm below the thatched eaves of the car port.

In the gutter Mr Roux and the gardener, Mr Fano Ngubane, found the "Molotov cocktail".

It is believed that the crude bomb, which was contained in a 2-l glass bottle, was lighted and then allowed to roll down the bank towards the house.

Mr Roux said he had not received any threats nor had he been involved in any controversial cases recently.

A spokesman for the police in Maritzburg said the matter was being investigated. No motive for the attack had been established and no arrests had been made by late yesterday.

Luyt's bid for SAAN

● From Page 1

that on October 29, 1975, the Louis Luyt Trust Account at the Netherlands Bank in Braamfontein received R2-million from Beurswins. Authorisation for the transfer was signed by Mr G. P. Nel on behalf of Beurswins.

This week Mr Nel, who is a director of the Citizen along with Mr Hubert Justens, Mr Van Zyl, Alberts and Mr M. A. Johnson, declined to discuss the activities of Beurswins, saying he was not authorised to do so.

He said he was not and had not been a director of Beurswins at the time of the R2-million transfer but would not explain in what

capacity he had signed the authorisation.

Another photocopy of a deposit slip in the Mostert documents shows that the South African Reserve Bank paid R1-million into Volkskas Bank account NO 030520068 on September 10, 1976.

The typewritten deposit slip was made out to "Buro vir Staatsveiligheid" (Bureau for State Security), but a line was drawn through this and "Malan en Du Preez Trust" was written in by hand.

According to evidence given to Mr Justice Mosfer, the R1-million was al-

tion with Mr Charles Forte for R172 000.

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In a statement to the Sunday Times he said "The news media in their own interest are seeking every bit of coverage they can get. This is their investment and I can understand and appreciate it.

Certain investigations are under way and there are rules of procedure. If involved, I will willingly comply with any request in accordance with those rules of procedure. There is no further comment to make."

On the same day Mr P. F. du Preez, of Malan and Du Preez, issued a cheque for R1-million in favour of Volkskas. On the same day Volkskas issued a cheque for R1-million in favour of Mr Luyt.

legally used partly to finance the Citizen

Mostert Commission, it was disclosed that the former "owner" of the Citizen, Mr Louis Luyt, had held three shares in SA Today in trust for the Department of Information when he launched the Citizen.

No changes

The absolute control allocated the "only member" compares with the power over the activities of the Citizen vested in himself by Dr Rhoadie, with his brother, Deneys, and colleague Mr L. E. S. de Villiers, as outlined in the "top secret" agreement between Dr Rhoadie and Mr Luyt.

In the agreement Mr Luyt undertook not to make any "changes" in the Citizen's "guidelines" without the written consent of Dr Rhoadie or, in the case of his death or illness, the consent of Dr Deneys Rhoadie or Mr De Villiers.

Mr Luyt also undertook

- Not to change the name of the newspaper
- That the newspaper would not publish anything that would endanger the political, social or economic position of the white population of South Africa
- That the newspaper would not promote or condone communism.

- That it would strive to maintain the identity and own political authority of whites.
- That it subscribed to the broad aims of the Government concerning separate political development of whites and blacks, anti-communism and security legislation.

- To allow Dr Rhoadie the last say in staff appointments.

WEATHER AND TIDES

TRANSVAAL: Partly cloudy and warm with showers.	CAPE: Cloudy and mild with showers.	NATAL: Partly cloudy and warm with showers.	FREE STATE: Cloudy and warm with scattered showers.
Cape Town 0129/1342 0735/2002	Port Elizabeth 0149/1401 0754/2021	Durban 0155/1408 0601/2028	Walvis Bay 0147/1400 0753/2020
High	Low		
0207/1415 0808/2035	0206/1419 0812/2039		

32200000
NEWSPAPER

STANDARD
EDUCATION

THE PAPER FOR THE PEOPLE

NOVEMBER 12, 1978. * *

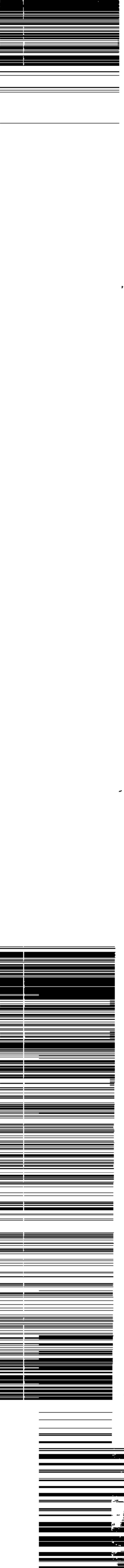
PRICE 30¢
plus tax 1¢

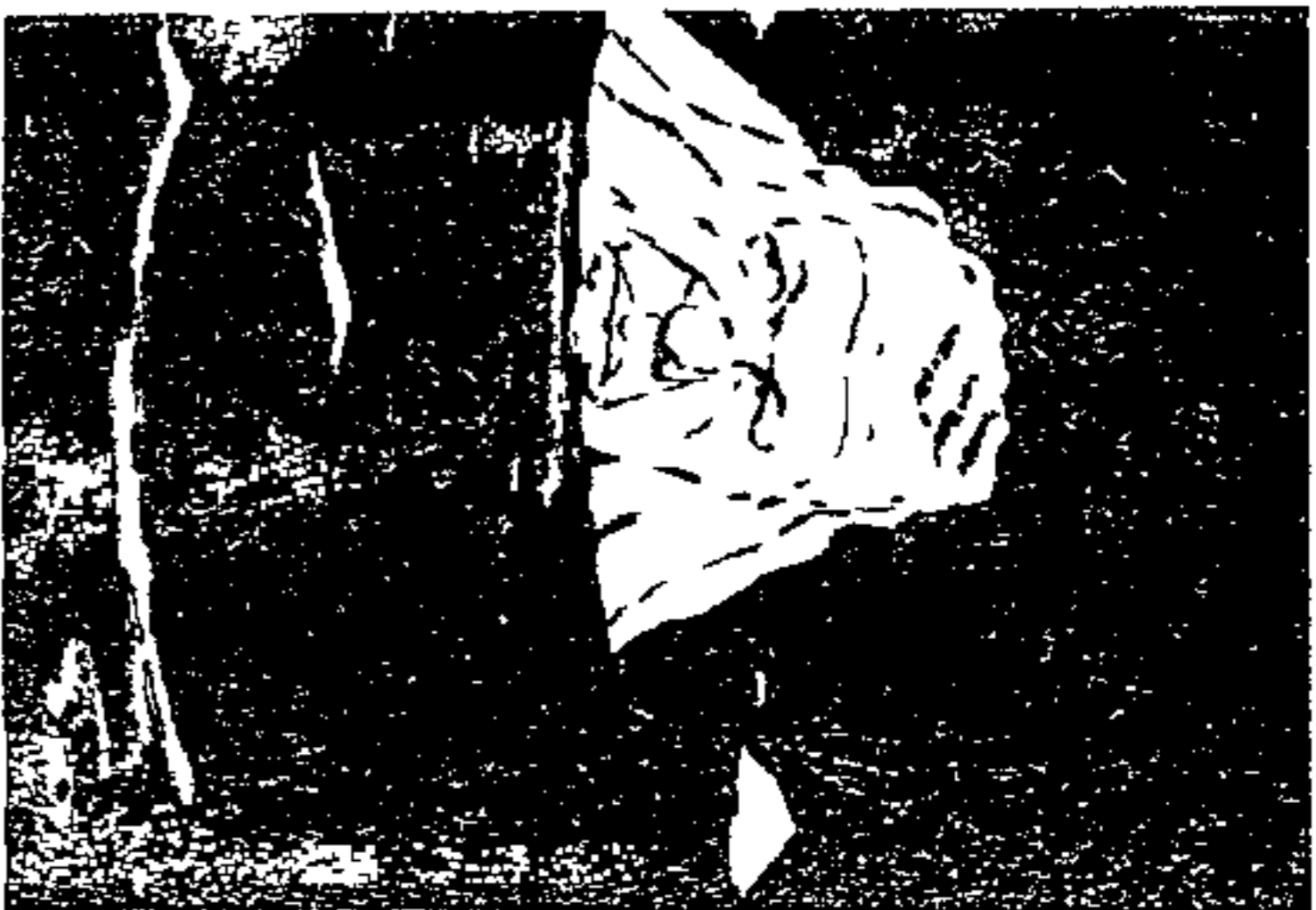


Sun Times 12/11/78

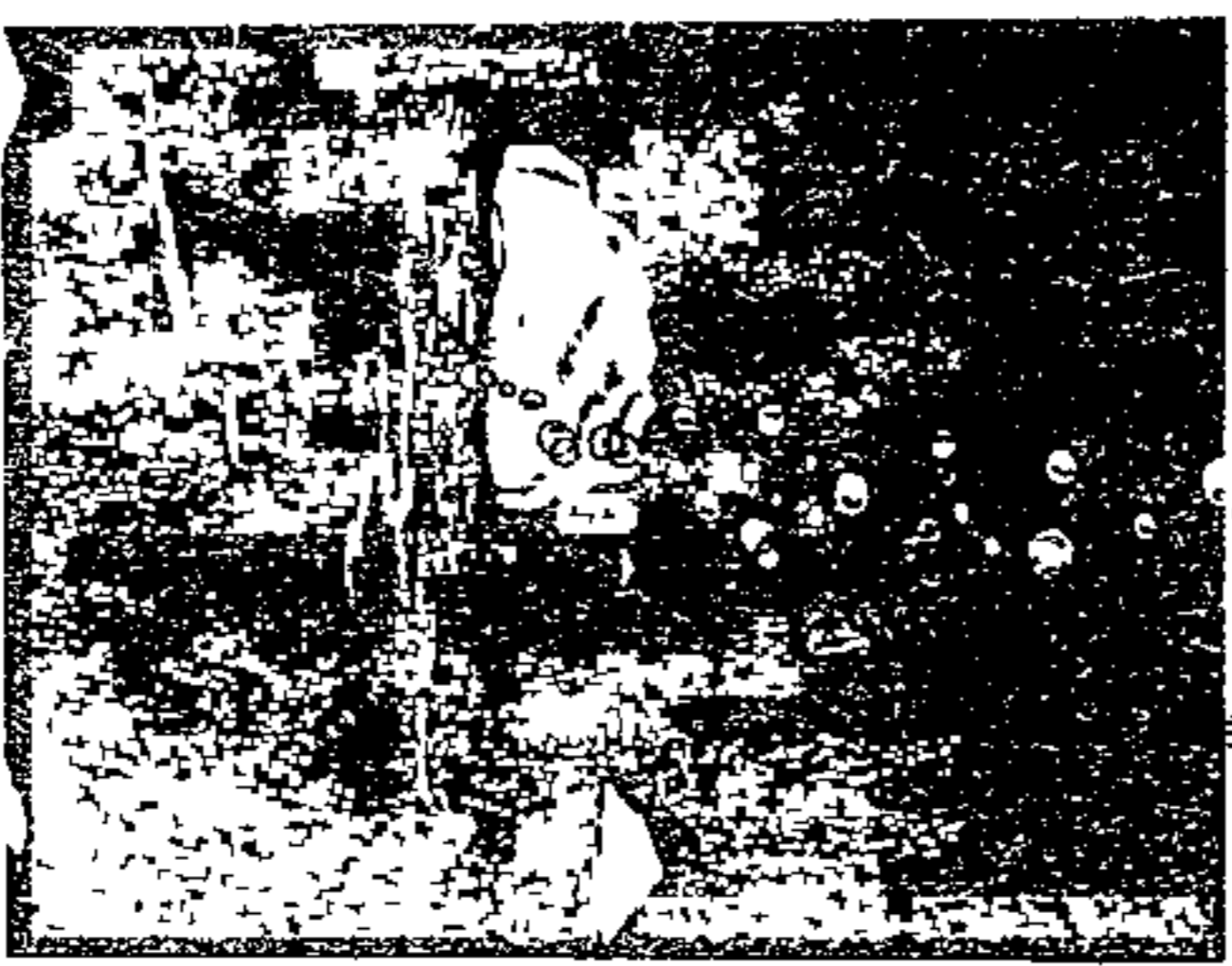
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PHOENIX INK TO FOR PUBLISHERS

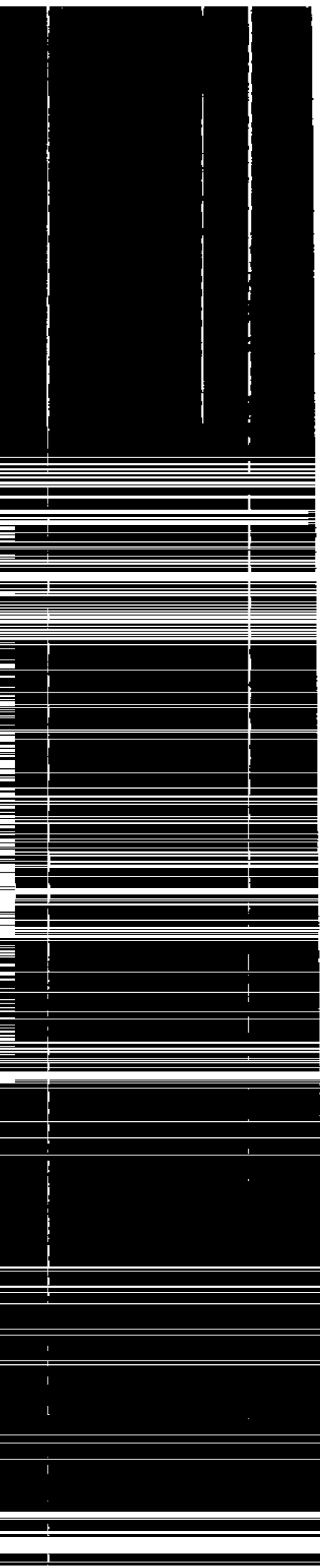




stonishing Info Iceberg
(continued)



Mulder OUT! Knives OUT! Seconds NIGHT!



SPILLER

By Fleur de Villiers, Eugene Hugo, Neil Hooper and Martin Welz

DOCUMENTS linking Dr. Eschel Rhoodie, former Secretary for Information, with Mr David Abramson, chairman of the Hortors publishing empire, have been uncovered by investigators.

Evidence of this relationship is said to lie in the records of the Reserve Bank and elsewhere. In a statement this week Mr Abramson emphatically denied that he or any of his companies had any links with Mr Louis Luyt, Mr Luyt's company Triomf or the Citizen.

Asked yesterday by the Sunday Times about his alleged links with Dr Rhoodie, he declined to make any comment for publication.

Mr Abramson was asked recently to testify before the now-disbanded Mostert Commission of inquiry into exchange controls.

The Sunday Times has learnt that the Reserve Bank went to exceptional lengths in the mid-70's to grant Mr Abramson permission to raise a multi-currency loan overseas.

That loan was the basis of publishing empire, with a holding company in Bermuda, which now stretches from South Africa to Britain, France and the Netherlands.

The loan was used by Mr Abramson and his partner,

Govt security men aided Luyt's bid for SAAN

TWO top Government security officials are the sole directors of Doornkloof Beleggings (Edms) Bpk — a company which paid R2-million towards the abortive takeover of South African Associated Newspapers by fertiliser magnate Louis Luyt in 1975.

Mr Andries Albertus Nicolaas Knoetze, and Colonel Jacobus Johannes Petrus Brummer, both of Pretoria, are listed in the Companies



Mr DAVID ABRAMSON
"Their investment"

BY NEIL HOOPER and
EUGENE HUGO

ness man, became a director on July 1, 1974.

Col Brummer this week declined to make any comment whatever, and Mr Knoetze yesterday refused to discuss "his private affairs" with the Sunday Times.

The registered office of Doornkloof is at 501 Vigilansrehou Pretorius Street

Orange Free State in Bosman Street, Pretoria. Together, these payments came to R4 000 753,42.

This emerged from documents released by Mr Justice Anton Mostert before the Prime Minister, Mr P. W. Botha, abruptly ended his one-man commission of inquiry into currency control contraventions.

The Mostert documents also show that on the same day the Minister of Finance

Mr Pegg made an estimated R5,2-million profit from the sale of Morgan Gramplan and used it to secure their takeover of Hortors, one of South Africa's oldest and largest printing and publishing concerns

Guarantee

For the Morgan-Gramplan deal the Reserve Bank permitted Volkskas to put up a guarantee that enabled Mr Abramson and Mr Pegg to borrow money from the British bank, Kleinwort Benson

A banking expert yesterday described the Reserve Bank's permission for this type of transaction — known as "back-to-back" loans — as "exceptional"

Authority to raise "back-to-back" loans for commercial ventures was seldom given, he said, because the South African bank would have to meet the guarantee if there was a default on the overseas loan, with a resultant loss of foreign exchange

In this case, however, the purchase and sale of Morgan Gramplan resulted in a profit which was returned to South Africa to be used in the Hortors take-over. The money came at a discount of about a third via the securities rands market

In April, 1976, Mr Abramson and Mr Pegg — a former business associate of the British tycoon, Mr Jim Slater — emerged in London as bidders for Morgan Gramplan shares, offering R1,70 a share in private deals with Mr Graham Sherren, chairman of the Morgan Gramplan board and another major shareholder, Mr Max Geffin

Mr Abramson and Mr Pegg then bought a further eight per cent shareholding, raising their interest in the company to 28 per cent. Sources in London said this week that the company was "surprised" and appointed a private investigator to make inquiries in South Africa.

During the following 12 months the Union Bank of Switzerland and the Rhone Bank bought a further 12 per cent of the company's shares. Suspicions that a takeover bid was being locked into place prompted investigations by both the British

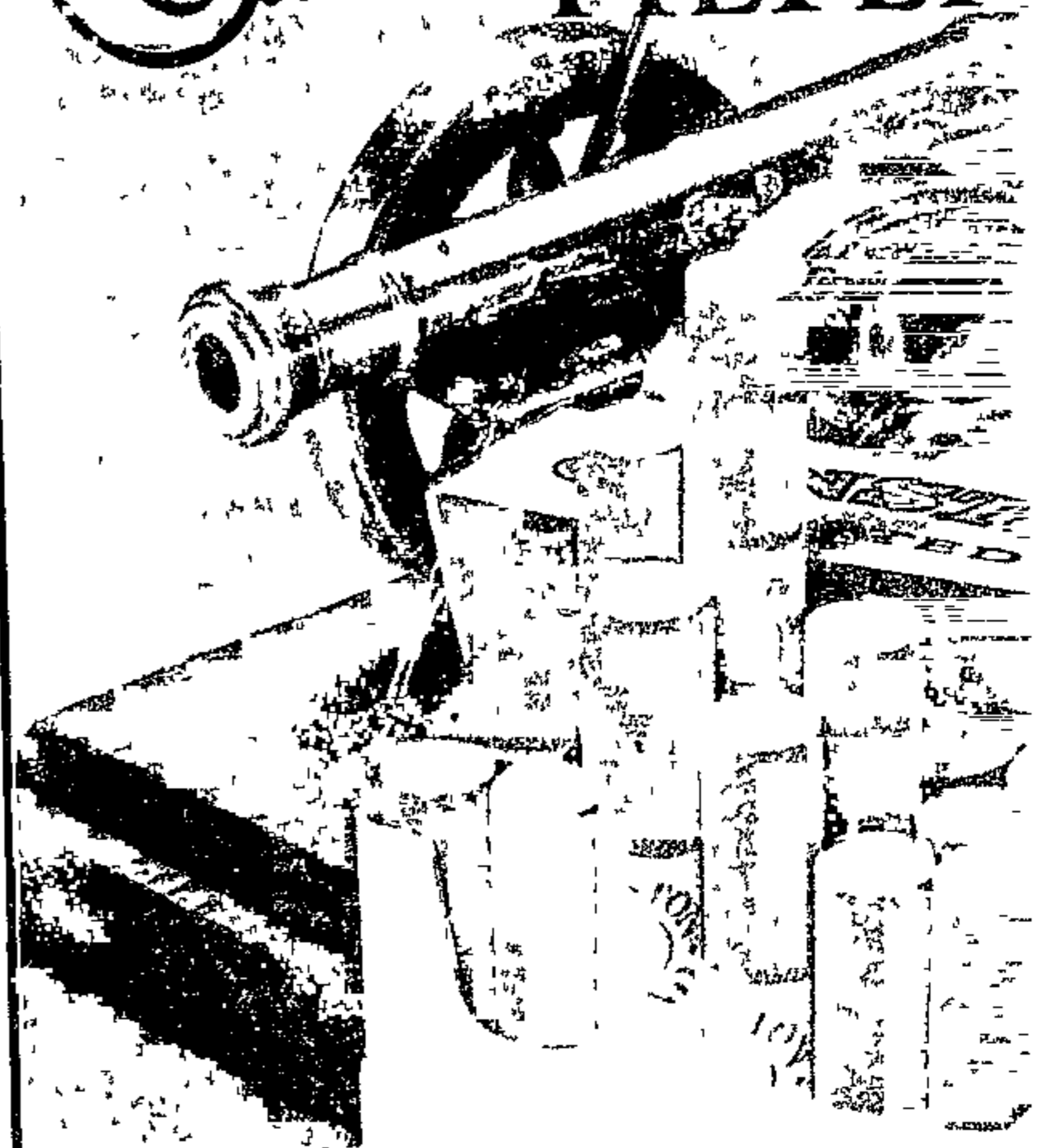
Rand Daily Mail

Doornkloof Beleggings' original file is missing from the Companies Office in Pretoria, but a provisional file shows that the company was launched with a share capital of R2 000. There is no record of when the company was started, but Col Brummer, listed as a busi-

of the Volkskas Bank on October 29, 1975 (Malan and Du Preez are Mr Luyt's auditors who control the trust account.)

On the same day, the trust account received payments of R1 000 753,42 from the Trust Bank in Eloff Street, Johannesburg, and R1-million from the Bank of

Get closer to the
GUINNESS
FILTER



CIGARETTES
FILTER
AMERICAN BLEND
20

Men rate Guinness

THE INTERNAL battle which this week threatened to tear the National Party apart is still raging, despite Dr Connie Mulder's surprise announcement yesterday that he would relinquish the Transvaal leadership.

Embittered supporters of the former Minister of Plural Relations are expected to remain a threat to the unity of the Government for as long as Dr Mulder stays on as an MP. Plans are already being laid for a "come-back-Connie" movement.

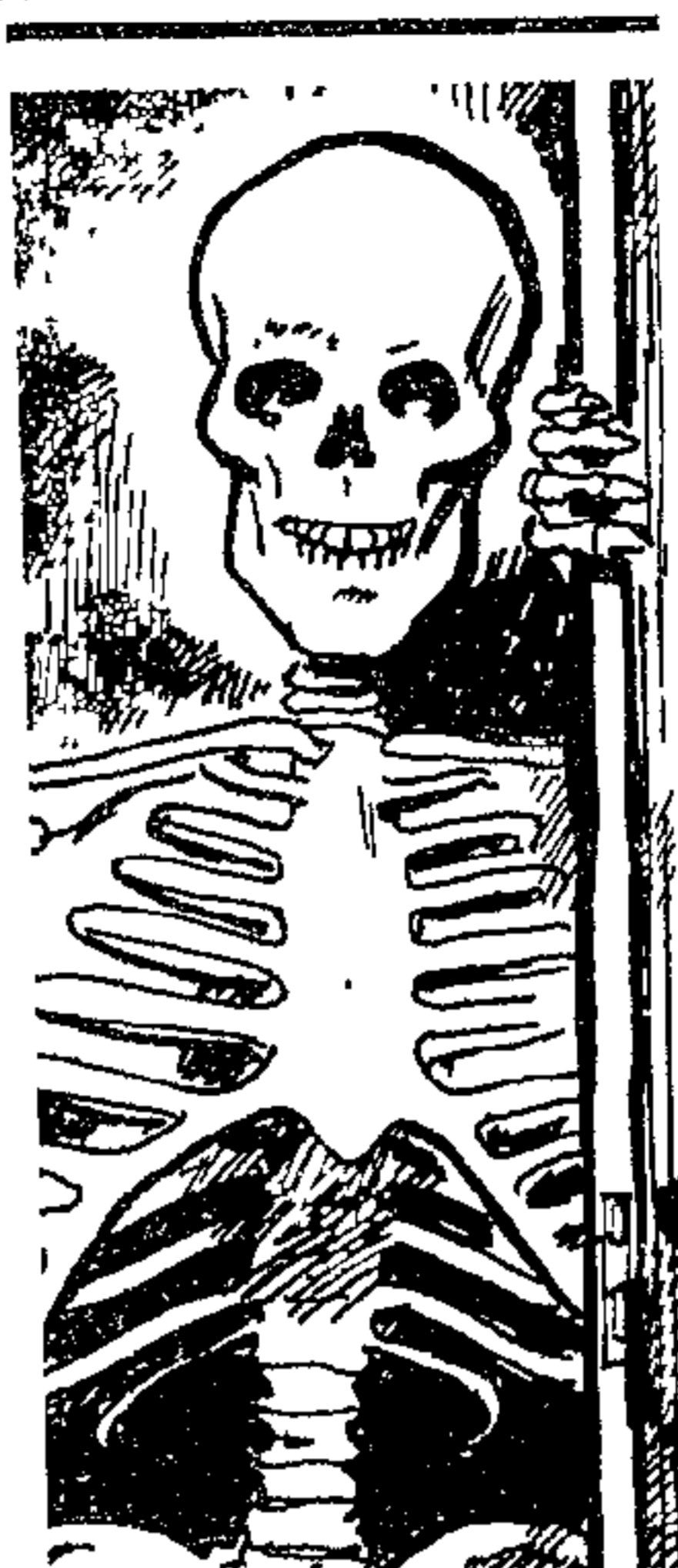
Both friends and foes believe that the man who only five weeks ago came within a whisker of being Prime Minister will not retire from politics.

Leading contenders for the Transvaal leadership now are the Minister of Agriculture, Mr Hendrik Schoeman, and the Minister of Labour, Mr Fanie Botha. Mr Jimmy Kruger, Minister of Justice, may get some backing from former Mulder supporters.

Yesterday, Mr Schoeman said he was "definitely in the field, now that Dr Mulder has stepped down". Two years ago, Mr Schoeman received a clear majority over Mr Kruger and Dr Piet Koornhof in a Transvaal party election for vice-president.

Some observers believe that Mr Botha may yet do as he did in the premiership race and step down before the election of a new chairman by the party's chief executive meeting on November 25.

The chairman will act as Transvaal leader until the



What monstrous skeleton lies in the cupboard? Page 17.

party's provincial congress next year.

Mulder supporters have meanwhile stepped up their whispering campaign against the "betrayers in the party", whom they blame for Dr Mulder's downfall, and are sticking

to their claims that Dr Mulder did not bear sole responsibility for the decisions which led to the Information scandal.

One of these claims is that the Government financed the takeover of two Windhoek newspapers by the Democratic Turnhalle Alliance. The funds, the Mulder supporters allege, did not come from the Department of Information but from another Government organisation.

It is also known that at least one member of the Cabinet may consider resigning if the attacks on him from the Mulder faction continue.

Dissolution

In addition, it became known this week that in the wake of the dissolution of the Mostert Commission certain Nat MPs held "secret coalition" discussions with representatives of the two main opposition parties.

Several Cabinet members have expressed the hope that Dr Mulder will resign as an MP immediately after the special parliamentary debate next month. Dr Mulder is believed to have told his colleagues that he merely wanted to remain in Parliament to take part in the debate.

Meanwhile, Mr Harry Schwarz, the chief PFP spokesman on the Information scandal, told the Sunday Times yesterday that it was no solution for the Government to make Dr Mulder the scapegoat.

"Every Cabinet Minister has got to say publicly whether he knew and whether he approved," Mr Schwarz said.

He was also amazed that the Prime Minister, Mr Botha, had not responded to the suggestion that the issue should not constitute a party division.

"It is not a party division," he said. "It is a division between those who want clean government and those who think that no rules apply who want to cover up and put party before country."

Bold Tropic top of punters' pops

THERE was a great finish to the R30 000 South African Invitation Stakes at Scottsville, Maritzburg, yesterday when the 4-10 favourite, Bold Tropic, got up on the post to win by a neck.

Second came the Natal outsider, Palace Top, starting at 20-1, with Rock Star, the only filly in the race, third and Dark Falcon fourth.

● At Victoria Falls, Simon Hobday produced his own brand of fireworks to cele-

brate Rhodesia's Independence Day. He shot a four under par 69 to win the R35 000 Victoria Falls Classic over the Elephant Hills Country Club course, with a 72-hole total of 287.

Phil Simmons of Germiston had a 74 to finish one stroke behind.

● In Salisbury, Transvaal bundled out Rhodesia for 143 before tea on the first day of the Currie Cup cricket match at the police ground yesterday.



Crystal wins her most coveted title

BEAUTIFUL Crystal Cooper, runner-up to Vera Johns in the 1975 Miss South Africa contest, has won her most precious title — Mrs Eddy de la Pierre.

She married the man of her dreams in the pink carnation-decked Hatfield Baptist Church in Brooklyn, Pretoria, at 5 pm yesterday.

Carrying three white orchids, and looking radiantly lovely in her white bridal gown with its sweetheart neckline, and a crown of

By **DOREEN LEVIN**
Picture: **GEORGE ELS**

crystals on her head, Crystal (above) and her flat-lord husband, Eddy, made their vows in a beautiful ceremony conducted by Pastor Rupert.

The newlyweds spent last night in the bridal suite of Johannesburg's Carlton Hotel after a reception attended by more than 400 guests.

She and Eddy will only leave for their honeymoon at the Club Mediterranee in Mauritius early in December.

Until then they will stay at their five-bedroomed Spanish-style home Eddy bought for Crystal in Lywood Ridge.

And then? "We'll be doing lots of entertaining, because Eddy loves having people over, and we have a good cook."

"I shall go back to modeling, although I won't accept any work overseas unless Eddy can come too," the new Mrs De La Pierre said.

British publishing company, Morgan Gramplan, in 1976

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● To page 2

Nat papers react strongly to

Sun, Trib, 12/11/78

259

Challenge Press

in the courts

NATIONALIST - supporting newspapers have expressed their strong misgivings about the Government's renewed warning that the Press might face tighter clamps as a result of its treatment of the Department of Information scandal.

Addressing a political rally at Sasolburg this week the Prime Minister, Mr P. W. Botha, said that while he favoured a free Press it must act firmly within the ambit of the law.

He wanted to know why the media — with the exception of the SABC — published the "one-sided" evidence released by Judge Anton Mostert's, since terminated, one-man commission of inquiry. He also asked whether, in publishing the evidence, editors took into account the interests of South Africa or simply their circulation.

On Friday Die Transvaler, official mouthpiece of the National Party in the Transvaal and a paper which made history of sorts earlier this week by calling on Dr Connie Mulder to step down as

Transvaal Party leader, replied as follows.

"The warning the Prime Minister addressed to the Press in general revolves especially around the question of whether newspapers acted correctly in publishing the evidence made available by Judge Anton Mostert.

"Mr Botha says the whole affair has been incorrectly handled and he praises the SABC because it decided not to make the evidence public"

Die Transvaler had sought legal advice before publication and had also thought it in the public interest to run its reports.

"For us our attitude accorded with the undertaking given by Mr Botha in his first speech following his election as Prime Minister: to ensure orderly and clean government," it said.

It pointed out that:

• Legal opinion was divided on the correctness of Judge Mostert's action,

• It had carefully considered whether national security would be endangered — and had found nothing in the evidence to support that view, and that;

**By BILL KRIGE,
Political Correspondent**

• It had done its duty by approaching the people affected for their comments — but none had cared to do so.

"Our standpoint is that if there is a question of the law having been broken, the newspapers which published the evidence must be challenged in court," it said

Beeld, Die Transvaler's bitter rival for the Afrikaans morning readership market on the Reef and a staunch supporter of the Prime Minister, said that in the light of Mr Botha's "repeated appeals for a chance to complete this business as soon as possible" it felt that the continued disclosures by "some sections of the PFP orientated Press" was not in the public interest

Nevertheless, it was sorry that Mr Botha had found it "advisable to strike at the Press We understand his annoyance with people unwilling to acquiesce with the steps which have been announced," it said

When Judge Mostert publicly disclosed the information at his disposal, Beeld, for one, had not rushed blindly into print.

Legal advice was first sought. Moreover, the evidence which the judge had released, although untested, was "of the greatest and most urgent public interest and we handled it as such

"On balance the national interest was served thereby and our viewpoint is that if the Government still feels ticklish over the handling of certain aspects of the affair it must test this before the Press Council. It is an institution of which the Government makes too little use in cases where it feels uneasy," it said

Such a course was preferable to renewed blanket threats to the entire Press — "a course which can only bring our country into greater odium," it said

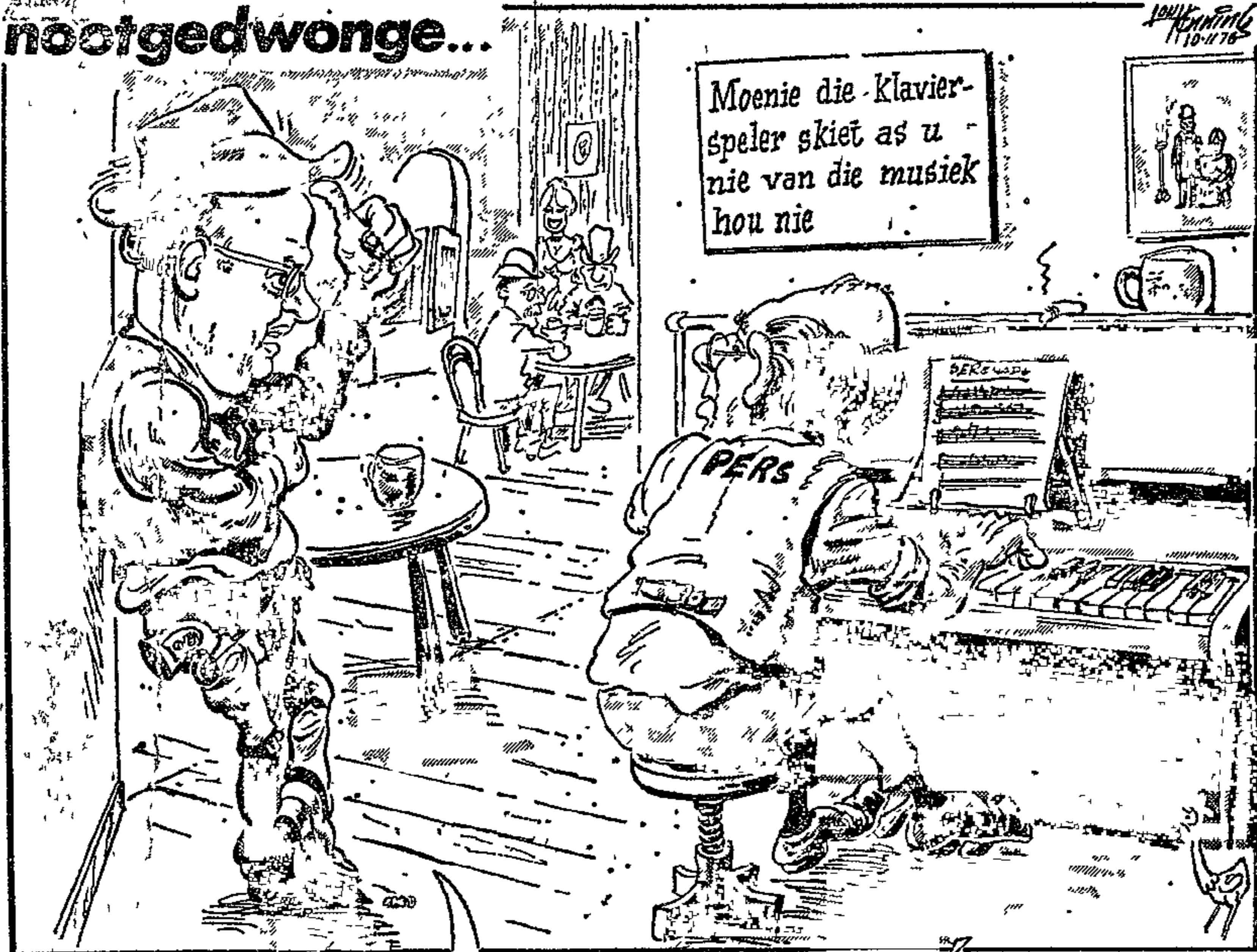
Beeld's Cape Town stablemate, Die Burger, which earlier this week condemned the SABC's explanation of why it took so long before broadcasting the evidence released by Judge Mostert as a "weak excuse," pleaded for the avoidance of action against the entire Press.

If there were problems with specific newspapers they must be dealt with individually. The necessary machinery already existed. If it proved inadequate it could, for the umpteenth time, be revised

... the low number suggests. Twenty of the firms were involved basically in manufacturing while six provided services of one kind or another. However, some of the large groups interviewed, consisted of both service and manufacturing companies (e.g. a company to manufacture television sets and a company to maintain and repair them. Another point to note in connection with this survey is...

Government's clampdown warning

nootgedwonge...



SPEEL WAT JY WIL... NET NIE DIE MOSTERT-SERENADE NIE...

"Play anything you want to . . . , anything except the Mostert Serenade . . ."

Malan accuses paper in row over Citizen

PRETORIA — The Chief of the Defence Force, Gen Magnus Malan, has accused the Cape Town newspaper, The Argus, of using underhanded methods in an attempt to involve the Defence Force in The Citizen controversy.

But The Argus has denied Gen Malan's accusations.

The row follows a story in The Argus which said copies of The Citizen were circulated free to members of the Defence Force.

Gen Malan said in a statement that copies of The Citizen and of other newspapers donated to the Defence Force were regularly circulated in the operational area.

"As Chief of the Defence Force I have no other choice but to accuse The Cape Argus of using underhanded methods in attempting to involve the Defence Force in common gossip," he said.

"The whole issue has clearly been placed out of its true context in an attempt to involve the Defence Force in an issue with which it is not con-

cerned.

"It is shocking that a South African newspaper should find it ethical to take such action against a national institution that stands apart from controversial political issues, in spite of the fact that a proper explanation was tendered to the newspaper's representative.

"For example, 2 000 copies of Hoofstad, 600 copies of the Rand Daily Mail and 300 copies of Die Transvaler are distributed weekly, while 2 000 copies of The Citizen, which includes a weekly defence news supplement, are also circulated. All these newspapers are donated to the Defence Force.

"In addition, thousands of copies of single issues of other publications are donated to the Defence Force from time to time for distribution for example special Christmas issues," Gen Malan said.

Henrie Geysers, who wrote The Argus story about The Citizen said "There was nothing underhand about my story. I approached both the SADF and The Citizen

openly, giving each party the opportunity to put its case — and quoted them in my story.

"The reason the word donated was in quotes was because nobody from The Citizen was prepared to say whether the newspaper was sold or donated.

"And because an officer in the orientation services branch of the SADF (which works directly with newspaper distribution to troops) said, and I quote, 'As far as I know we do not pay for them they are donated'."

"At the same time he said the SADF paid for all newspapers sent to the operational area. Between 8 000 and 10 000 copies of The Citizen are sent to the border each month.

"Most officers whom The Argus asked about distribution of The Citizen could not, or would not, give a direct reply about the distribution of the newspaper in individual units.

"One officer of a unit, where it is understood that nearly every member receives a copy, said 'You

can make your own deductions, but I cannot help you."

"General Malan says several other newspapers are donated to the SADF. This was stated in my story.

"From my investigation it became obvious that The Citizen is the most widely distributed within the SADF — whether donated or bought.

"The issue was not, as the general alleges, placed out of its true context. The 'proper explanation' he refers to was a prominent feature of my story.

"And as for The Argus's 'action against a national institution that stands apart from controversial issues,' General Malan must surely be aware of the controversy surrounding The Citizen.

"If thousands of copies are given away every month — in spite of its monthly loss of more than R400 000 — and if, as has been alleged, state money was involved in financing the newspaper, then it is clearly in the public interest to know this," Mr Geysers said — SAPA.

Now Hain challenges Luyt

LONDON — Peter Hain, the leading campaigner against apartheid in sport, has challenged Mr Louis Luyt to produce evidence that the expensive international campaign he ran under the auspices of the "Committee for Fairness in Sport" did not involve South African taxpayers' money.

The Committee for Fairness in Sport published full page advertisements in Britain's national newspapers claiming South Africa had achieved equality in sport and should be allowed to emerge from world isolation.

A single full page advert in Fleet Street can cost in excess of R10 000 and the Committee for Fairness in

Sport, run by former journalist Gert Wolmarans, conducted its campaign on an international scale.

Anti-apartheid activist Mr Hain said "We always suspected that Mr Luyt was no more than a frontman for Dr Piet Koornhof, the Minister of Sport, and we are now certain of this.

"We challenge Mr Luyt to produce accounts which can prove conclusively that the campaign was not funded from the sort of slush fund that was used to set up The Citizen.

"We also suspect that the carrot of much needed resources is being used to manipulate black sports officials within South Africa.

"This can be the only reason why black officials

who have previously been uncompromising on multi-racial sport are now co-operating with the Government — because the one certainty in the entire argument is that equality in sport has not been achieved."

Mr Hain revealed for the first time that Mr Luyt phoned him earlier this year to try and arrange a meeting.

"I refused to meet him, because I knew that he was part of the political establishment or, as I have said, a front man for Dr Koornhof.

"I told him that as long as he continued to publish fallacious propaganda to try and squeeze South Africa back into international sport there was

no point in a meeting.

"I told him that if he was sincere his job was to stay at home and put his money into correcting the situation within South Africa rather than spend fortunes abroad on untruthful propaganda.

"We always knew that it was money wasted but this must be obvious to all but the thickest morons now that Mr Luyt's involvement in the slush fund together with Dr Koornhof is known as a fact around the world," he said.

Mr Hain said his demonstration organisations would protest angrily if any newspaper editor in future accepts advertisements from the Committee for Fairness in Sport — DDC.

PM tells press to get in order

JOHANNESBURG — The Prime Minister, Mr P. W. Botha said the press must "get its house in order."

Asked in a TV interview whether remarks he made at Sasolburg last week meant the Government would take action against newspapers, Mr Botha said: "No, it doesn't mean we are going to take legislative steps.

"What I said was that I objected to certain untrue reports that appeared in certain newspapers, and I stated that that was against the spirit and

letter of the agreement we have with the Press Union.

"I further stated that some of the reports referring to me were definite untruths and I quoted them at a public meeting — and I think I proved my point.

"I said I would meet the Press Union in due course and after discussions with them I hope they will be able to bring their own house into order.

"If they fail, then Parliament will have to look into it," Mr Botha said. — SAPA.

Erasmus must be open — paper

JOHANNESBURG — The Afrikaans morning daily, Die Transvaler, has warned in an editorial that the ending of the Mostert Commission could be detrimental to South Africa.

"The impression could be created that open cards have not been played in the exposé of allegations of a Government scandal without parallel in the history of the country," it ran.

The editorial stated that without Opposition members in the Erasmus Com-

mission, feelings of suspicion, unease and misgivings could continue.

"The accusations of a Government cover-up operation can only be stilled if the Erasmus Commission makes as many of its findings public as possible.

"Naturally, there are State interests at stake, in the form of essential secret projects, and these must be protected. But where these projects are not involved, the commission must be as open with the public as is possible."

Mulder triggers NP succession struggle

JOHANNESBURG — The resignation of Dr Connie Mulder at the weekend as Transvaal leader of the National Party has triggered a succession struggle within the most significant power base in the party.

The succession struggle comes within two months of the infighting initiated by the resignation of the previous Prime Minister, Mr Vorster, in September.

Conflict over who should succeed Mr Vorster was sharpest in Transvaal, which provides the NP with almost as many MPs as the three remaining provinces combined (67 against 68).

Already two definite contenders have emerged, Mr Fanie Botha, Minister of Labour and senior vice-chairman of the Transvaal NP, and Mr Hendrik Schoeman, Minister of Agriculture and one of three vice-chairmen.

The names of two more potential challengers, Mr J T Kruger, Minister of Justice and the third of three vice-chairmen, and Dr Andries Treurnicht, Deputy Minister of Plural Relations and Training and Education, have been mentioned in the Afrikaans press.

Mr Kruger could not be contacted for comment yesterday, but Dr Treurnicht said: "I have been approached to stand, but I have not yet made a final decision."

Dr Mulder's former supporters are vital to all contenders, as no single candidate can win without wooing some of the Mulder camp to their side.

The size of the Mulder camp can be gauged by the 72 votes which Dr Mulder

obtained in the first ballot in the election of Mr Vorster's successor, most of whom came from the Transvaal.

His chief rival within the Transvaal, Mr Pik Botha, the Foreign Minister (who is not standing for the Transvaal leadership) received only 22 votes.

According to the Afrikaans newspaper Rapport, the Mulder hardliners, who represent the conservative wing of the NP, want Mr Kruger to stand as their man, with Dr Treurnicht as an alternative conservative candidate.

Mr Kruger won the hearts of the conservatives by seconding Dr Mulder as candidate for Prime Minister in Cape Town on September 28. Dr Treurnicht is a conservative of impeccable credentials.

Mr S P. Barnard, MP for Langlaagte who canvassed for Dr Mulder in the premiership election, yesterday denied that there already was a clear-cut plan to push the Mulder vote in one direction.

"I don't even know whether either of these men are standing," he said of Mr Kruger and Dr Treurnicht. "I can only decide who I will support when all the candidates are known."

An MP known to have favoured Mr Pik Botha in the premiership succession struggle, yesterday spoke out strongly in favour of Mr Fanie Botha as an ideal leader for the Transvaal NP.

Taking exception to purported insinuations in the Sunday press that Mr Fanie Botha would

withdraw from the Transvaal race for the same reason as he pulled out of the premiership stakes, the MP said. "The suggestion that Mr Fanie Botha has a skeleton in the cupboard is utter rubbish."

He gave three reasons why he saw Mr Fanie Botha as a strong contender: he was the senior vice-chairman, he had an impeccable record as an administrator and "he has no skeleton in the cupboard."

Expressing confidence that Mr Botha would be able and willing to settle any doubts any MP might have because of scandal which had been spread about him, the MP described Mr Botha as a moderate who belonged to neither the "ultra-right nor the ultra-left."

The election of a new chairman of the Transvaal NP will take place on November 25 by just over 100 representatives drawn from the 76 Transvaal constituencies, Transvaal cabinet ministers and deputy cabinet ministers, NP provincial councillors, and various NP committees.

Potentially the most decisive line-up in the nearly two-week campaign ahead is one which a majority of the Mulder camp is fairly evenly matched against a more verlig faction consisting of "verligtes" and "defectors" from the Mulder camp.

The danger of the power-struggle precipitating a rift within the Transvaal NP was reflected in Rapport's comment: "There are echoes of the premiership election in this leadership struggle" — DDC

Bar criticises Mostert axing

JOHANNESBURG — The Johannesburg Bar Council said in a statement over the weekend it fully supported the statement made by the chairman of the General Council of the Bar of South Africa following the termination of Mr Justice Mostert's commission.

The statement signed by the chairman of the Johannesburg Bar Council, Mr W. H. R. Schreiner, said it particularly endorsed the statement that nothing should be done which might be seen as impinging upon the independence of the judiciary.

The statement continues: "One of the reasons why judicial independence is valued in all civilised countries is that it provides some check, however limited, on the abuse of executive

power. The independence of the judiciary means that the judge may act according to his own conscience whether or not the government of the day is embarrassed or hurt by his actions or statements.

"Commissioners are appointed to investigate matters of public concern. The tradition of appointing judges of the Supreme Courts to act as commissioners not only affords the Government the benefit of an independent and unbiased report but ensures that the public has confidence in its findings.

"Therefore a judge of the Supreme Court, sitting as a commissioner, is expected to act with the same independence as a judge sitting in a court of law and is entitled to the same freedom from outside interference.

Auditor quits inquiry

PRETORIA — The Auditor-General, Mr Willie Schickerling, has informed the Prime Minister, Mr P. W. Botha, that he was withdrawing from the Pretorius Commission which is to decide what secret projects of the defunct Department of Information should be continued.

Mr Schickerling said he was withdrawing because the Pretorius Commission was now functioning as a policy-making commission after the appointment of the Erasmus Commission and he as "an independent parliamentary officer" should not be part of it.

Mr Schickerling said he reserved the right to ascertain from time to time that the continued projects were executed in a financially proper manner — SAPA.

... Many thanks for your attention.

Hans Greenleaf

PIETERMARITZBURG — Mr Vause Raw, MP, leader of the New Republic Party, has accused the Prime Minister of doing South Africa "a grave disservice" by trying to equate present attacks on his political administration with attacks on the security of the country.

Opening an NRP fete here, Mr Raw said Mr P. W. Botha was acting with "dangerous arrogance to think that his Government is above criticism or attack."

"This was a rejection of the basis of democracy. Only in fascist or communist states was the

Raw slams Botha

political regime the master of the people

"In South Africa it is the servant of the electorate and to claim that attacks on it undermine the country's security is nonsense."

Giving a warning based on the internal upheaval caused by the Department of Information scandal, Mr Raw said South Africa's enemies should not think the present furore would weaken the country's will to "resist pressure or aggression from outside"

"This is a private fight between the Government and South Africans who are determined that the credibility of their Government should be above reproach, that there should be no shadow of suspicion of any cover-up of misuse of power or public money"

Mostert given petition

PIETERMARITZBURG — A token of support by the people of Durban for Mr Justice Anton Mostert, who was sacked from his appointment as a one-man commission of inquiry into currency irregularities, was handed to the judge at his home on Saturday.

Senator Warwick Webber, Natal leader of the New Republic Party, handed over several lists containing the names of more than 1,200 people

protesting against the ending of the judge's inquiry.

A decision to show some form of support was taken by NRP and Progressive Federal Party workers shortly before the start of a meeting in Durban on Friday to protest against corruption.

Senator Webber said yesterday he thought Justice Mostert was moved to think that the people of Durban felt so strongly about the issue. The judge

had accepted the list graciously.

The petition reads that "We the undersigned, citizens of Durban, praised Mr Justice Mostert for his courageous, open handling of his task and demand the reinstatement of the commission which was given to him by the State President"

It is possible the original list of names may be sent to the State President, Mr John Vorster. — DDC.

Dumped Citizens — advertisers may claim

RAM
13/11/78
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ADVERTISERS should have the right to reclaim at least some of the money they paid to advertise in The Citizen during the period when hot-off-the-press copies of the newspaper were turned into paper waste in an apparent move to boost circulation figures.

This was said last night by Mr Harry Schwarz, chairman of the federal executive of the Progressive Federal Party.

The clandestine dumping of thousands of copies of The Citizen during the latter part of 1976 to present a false picture of that newspaper's popularity has been condemned by members of the news media and politicians.

Unknown to officials of The Citizen, a team of Rand Daily Mail reporters and photographers was assigned to watch bundles of freshly-printed copies of The Citizen being loaded into trucks at Perskor's premises in Height Street, Doornfontein, where the newspaper is printed.

Using powerful binoculars, long lenses and walkie-talkie radios, the investigating team then set up a surveillance network to track the loaded trucks to drop-off points where "today's" news became instant waste. The investigating team found up to 30 000 copies of The Citizen were being destroyed each day.

Thousands of rands of taxpayers' money ended up on the rubbish dump in this

The "Mail" investigation, with a comprehensive file of photographs to back its findings, was kept under wraps until yesterday, when a full account was published in the Sunday Express, a member of the South African Associated Newspapers

By DON MARSHALL

than the black-and-white truck were used. Once the dumping place was changed to a farm — Kromdraai Boerdery — near Klerksdorp. It was later established that the farm belonged to a relative of Mr Louis Luyt, who at that time claimed he was the owner of The Citizen.

In newsprint alone the operation is calculated to have cost as much as R2 000 a day.

Even without the "Mail" disclosures, The Citizen got into trouble with the Audit Bureau of Circulation (ABC) over its early circulation performances.

It withdrew from the Newspaper Press Union (NPU) in December 1976 and was subsequently refused membership of the ABC. The ABC publishes authoritative six-monthly circulation figures of newspapers on which advertisers rely.

Neither Mr John Marquard, for the ABC, nor Mr Philip Clarke, then The Citi-

Citizen buyer?

Staff Reporter

SPECULATION grew at the weekend over who might buy The Citizen after an Afrikaans newspaper said Perskor was involved.

Perskor chairman, Mr Marius Jooste, told Sunday newspapers he was not negotiating but might be interested later. "I would not even know who to deal with", he said.

Advocate D P de Villiers, managing director of Nasionale Pers, said he had not been approached to buy the paper. He would not say if he might be interested.

He said the buyer would need huge profits to offset The Citizen's reported losses, put recently at up to R15m.

A spokesman for Hortors' Mr David Abramson, named in the Information scandal, said his group was not interested.

Luyt's big score off loan for Citizen

BY TONY STIRLING.
FERTILISER magnate and former owner of The Citi-

Nats set for Tvl struggle

By PATRICK LAURENCE
THE resignation of Dr Connie Mulder at the weekend as Transvaal leader of the National Party has triggered a succession struggle within the most significant power base in the party

The succession struggle comes within two months of the in-fighting initiated by the resignation of the previous Prime Minister, Mr Vorster, in September

Conflict over who should have succeeded Mr Vorster was sharpest in Transvaal, which provides the NP with almost as many MPs as the

three remaining provinces combined (67 against 68)

Already two definite contenders have emerged — Mr Fanie Botha, Minister of Labour and senior vice-chairman of the Transvaal NP, and Mr Hendrik Schoeman, Minister of Agriculture and one of three vice-chairmen

The names of two more potential challengers — Mr J T Kruger, Minister of Justice and the third of the three vice-chairmen, and Dr Andries Treurnicht,

Armed guard for judges

Own Correspondent

Maritzburg — Armed police guards are on duty at the Maritzburg homes of two Supreme Court judges and an advocate after a petrol bomb attack on the garage of Mr Pierre Roux, SC, early on Saturday

A police spokesman said the homes of Mr Justice Mostert, Mr Justice Kriek and Mr Roux were being guarded because the motive for the bombing was not known

It is believed the arsonist may have made his attack at the wrong address

It is possible the bomb was meant for Mr Justice Kriek, who is hearing a Terrorism Act trial in the Maritzburg Supreme Court

Another possible explanation is that the intended victim was Mr Justice Mostert, whose recent revelations concerning the Department of Information shocked South Africa

Mr Justice Kriek's home is near those of Mr Roux and Mr Justice Mostert

● Senator Warwick Webber, Natal leader of the New Republic Party, has handed Mr Justice Mostert a petition with more than 1 200 names protesting against the ending of his inquiry

□ To Page 2

Breakfast Quip



"Stop talking about heads rolling — you're making me nervous"

group.
Mr Allister Sparks, Editor of the "Mail", said last night that, although he was not Editor at the time, the "Mail" had not made "Operation Waste Paper" public then because of assurances that The Citizen was a private organisation and because publication might then have been construed as a commercial vendetta.

"Now that it has been confirmed that public money was involved in the financing of The Citizen, it is obviously in the public interest to disclose these facts," Mr Sparks said.

The reaction of the editor of The Citizen, Mr M A "Johnny" Johnson, to the Sunday Express report was a curt "no comment", delivered by a telephonist at the newspaper's offices.

"Operation Waste Paper" was uncovered in November, 1976, after a chance tip-off from an outside source.

This is how it was done. In the early hours of the morning a certain black-and-white truck would arrive at the Perskor premises where the Citizen is printed. Like the other delivery vehicles it would be loaded with copies of that morning's edition.

When the other vehicles left, the black-and-white truck would wait. Then it would be driven to the Perskor's old premises in Auckland Park — and from there to the Reef Waste Paper Company in Bunsen Street, Industria.

There the newspapers would be unloaded, either in the yard or on to another truck which later took them to a newspaper recycling works outside Johannesburg.

Large numbers of copies of The Citizen which were returned unsold were also delivered to Reef Waste Paper.

Sometimes, vehicles other

zen's managing director, would say why it had been refused membership. Mr Marquard said The Citizen had not been able to comply with all the ABC rules.

Mr Clarke said The Citizen's circulation then (January, 1977) was 54 000 — a big drop from its internally-audited circulation figure for October 1976, of 70 026.

In February last year, The Citizen was again in trouble with the ABC after it sent a misleading letter to agencies which could have led them to believe that the ABC had approved its circulation figures.

The Citizen has now become a member of the ABC.

Yesterday Mr John Marquard, chairman of the ABC's management council, said. "If it is true that The Citizen dumped the papers and if they later claimed that these were paid sales, that would be a serious matter which we will have to investigate. It would mean that advertisers were led to believe that The Citizen's sales were much higher than they actually were."

Mr Harry Schwarz commented. "I believe advertisers have a right to reclaim either wholly or partially on advertisements placed in the issues concerned. Also, if the Citizen is a newspaper which was subsidised with public money, then it becomes a very serious matter because the taxpayer is concerned."

Said Mr Joel Mervis, PFP MPC for Orange Grove and former editor of the Sunday Times. "I am not surprised to learn The Citizen tried to give a false picture of its circulation by dumping thousands of issues each day on the garbage heap. Actually, that is where they really belong."

● See Page 2.

● Editorial Comment — Page 10

zen, Mr Louis Luyt, appears to be scoring up to R800 000 a year on the R12 000 000 advanced to him to finance the operation of the newspaper.

A computer calculation shows that the effective interest rate of 4,5% is being paid on the R10 100 000 Mr Luyt is to repay to the Government.

This calculation includes the fact the the loan was made in 1976 and will only be fully repaid, through a series of instalments, in 1986.

If this money, as Triomf's balance sheet information suggests, was advanced by the Louis Luyt group of companies to Triomf Fertilisers, which Mr Luyt told the Mostert Commission was paying 12,5% for the loan, then Mr Luyt is gaining by interest on the R10 100 000 at 8% a year, or R800 000.

It also appears that the R12 000 000 enabled Triomf to meet commitments falling due under its multi-million rand Richards Bay project.

To date, Mr Luyt has had to pay in R8 000 000 of R15 000 000 he needs to keep funding the scheme.

Justice must be seen to be done — Raw

Cape Times 13/11/78

(259)

THE LEADER of the New Republican Party, Mr Vause Raw, said in a television interview last night that he believed justice would not be seen to be done if there was any attempt whatsoever to cover up or hide evidence.

And I think this is the crucial issue at this particular moment. It is no use in the weeks or months ahead producing reports saying everything is cleared up. People want to see it happen. Justice must be seen to be done.

What worries people is evidence of past attempts, or alleged attempts, to cover up.

And now the abolition of the Mostert commission — its replacement by a political commission or commission of politicians is perhaps a better description, in which the public simply won't have faith. They are not going to believe in it.

On the issue of evidence being made public or submitted in camera, Mr Raw said he felt a clear unequivocal exposure of anything that was wrong was in the best interests of the country and was more critical than anything else.

In an interview on the same programme, the Prime Minister, Mr P W Botha, denied that the government had interferred with the judiciary of South Africa when it terminated the Mostert commission.

We terminated the terms of reference of a one-man commission, he said. We terminated the services of a commissioner and we did so because in our opinion he went too far. He interferred with the work of another commission which we appointed to deal with the affairs of the Information Department as it existed previously.

Mr Botha said Mr Justice Mostert was still a judge. It was only his work as a commissioner that had been terminated.

The work he had done had been referred to a commission of parliamentarians appointed by the State President to continue with the investigations.

Mr Botha added that it was entirely the commission's decision whether it will lead evidence in public.

But I can understand, and every reasonable person will understand, that when a commission investigates important matters on behalf of the State and certain matters are of such a nature, those interests of the State must always be safeguarded.

Mr Botha denied that the government was trying to cover up.

On the same programme, the leader of the opposition, Mr Colin Egan, a commission representing Parliament would in due course have to be appointed to examine government in general and not merely the department of information.

It was only when Mr Justice Mostert went public last Thursday that the government decided to appoint a judicial commission, he said.

Mr Justice R B Erasmus, chairman of the commission looking into the possible mismanagement of public funds, said in a radio interview that he considered that justice would be done.

Mr Justice Erasmus said I emphatically deny that there is any process of covering up in this matter. After all, this is a judicial commission, and as such, we know our duty and will see that that is done.

Asked whether he had a message at this stage for the public of South Africa and the press, Mr Justice Erasmus said:

I think so, and if I may, I wish to say this — I want the press to bear with us, to keep cool and above all, to give us a fair chance. — Sapa

292	2	193
274	355	93
122	317	197
611	333	784
99	114	587
46	553	1973
784	114	1975
IN YEAR :		

47	314	8
4	679	30
2	485	27
9	490	63
1	902	91
2	184	835
11	119	8055
15	455	7037
TOTAL EMPLOYED IN YEAR		

TYPE OF TECHNICIAN	TOTAL EMPLOYED IN YEAR			
	1969	1971	1973	1975
Telecommunications	4 210	5 174	7 037	15 455
Engineering	5 128	5 433	8 055	11 119
Agricultural	1 223	1 503	835	2 184
Medical and Dental	1 235	1 782	2 91	1 902

Table 15. Total number of technicians — Manpower Surveys.

A catalogue of deceit

IF THE HALLMARKS of a good newspaper are integrity and public trust, The Citizen has failed that test miserably.

It has been built from its inception on a foundation of lies, of heating and dishonesty. There have been constant contradictions and denials about who has owned the newspaper during its two strange regimes, from where it was drawn, and continues to draw, its funds.

Even at this stage its chairman, Mr Hubert Jussen, is prepared to state categorically that at no time during his period of control has any money gone into The Citizen but he is curiously reticent to publish audited statements or reveal the identity of his so-called 'South African' shareholders. The public will remember that the previous principals of The Citizen also denied that it was funded with State money, though some of them have now admitted under oath that vast sums of taxpayers' money were put towards running the paper.

Many of the denials over the 10 years about funding and ownership have been in response to questions posed by the Rand Daily Mail. Most have come through the editorial columns of The Citizen and most have been extremely unconvincing, sometimes possibly unbelievable.

We have been called "political assassins", accused in the most bombastic tones of "reckless allegations" and of directing a campaign by innuendo against The Citizen "to smear it out of existence".

In fact, whatever smearing by innuendo there might have been over the two years has come from The Citizen's side. Snide aspersions have been regularly cast at the Editor of the "Mail", and the editors of our sister newspapers. They have been charged with being unpatriotic, their professional reputations and credibility called into question.

Credibility is a word The Citizen might well blanch at these days, apart from anything else, in the light of today's report of how in the first months of publication it was clandestinely dumping whole truckloads of newspapers — straight off the press and without any attempt to sell them.

Since the dumping made absolutely no economic sense, the only reasonable conclusion must be that it was done to deceive the public (who, it now appears, was paying for this costly waste paper operation) and advertisers into believing the newspaper was selling better than it was.

It is the kind of deceit that permeates the whole catalogue of The Citizen's existence.

DEAR SANTA CLAUS
POLITICAL
COMEBACK STREET

By Bob Conno



Veider Weight Loss

Products —

Veider Protein crash weight loss and firming up made easy demonstration by a trained "Veider Girl" November 10-17, Toilettry Department

City

Garlicks

THE OSBORN TIMES

★ FOUNDED 1876

MONDAY, NOVEMBER 13, 1978

12 CENTS

Stuttat
SEKERS
COTTON

The difference

City _____

Index _____

Homes of judges, advocate under guard

Own Correspondent

ARTZBURG — Armed police guards were on duty at the home of two supreme court judges and an advocate here after a petrol bomb attack on the garage of Mr. Pierre Roux, SC, at the weekend.

The decision to mount guards was taken on Saturday night by the newly-appointed Commissioner for the Natal Inland Division, Brigadier H Viljoen. The guards look up their positions hourly afterwards.

Captain J C Jonker, senior officer on duty, and the precautions of guarding the homes of Mr Justice Mostert, Mr Justice Kriek and Mr

Roux was necessary because there was no known motive for the attack on Mr Roux's garage.

The fire was discovered shortly after 5 am on Saturday by Mr Roux's servant, Mr Fano Ngcobo. The garage is barely three metres from the house and, had not early warning been given, the home could have caught fire.

A bottle containing sand and petrol was taken from the scene by police. The petrol bomb, commonly known as a Molotov cocktail, was found burning under the thatch by Mr Roux.

It is believed the arsonist who carried out the petrol bomb attack may have made his partly-

abortive attempt at the wrong address.

Two possibilities are

- The bomb was meant for Mr Justice Kriek, who is the judge officiating in a terrorism trial at the Maritzburg Supreme Court.
- The intended victim may have been Mr Justice Mostert, whose recent revelations concerning the defunct Department of Information shocked South Africa.

The home of Mr Justice Kriek in Bellewan Road is a stone's throw from that of Mr Roux.

Mr Justice Mostert's home is also nearby.

Mr Justice Kriek was earlier this month asked by defence counsel to recuse himself from the

terrorism trial. The application was made on the grounds that one of the State advocates, Mr T van Rensburg, had disclosed inadmissible evidence to the judge.

Mr M Moerane, for the defence, said Mr Justice Kriek had been told that one of the accused, Mr Peniel Maduna, had given a member of the public in the courtroom the address of a security police sergeant so that he could be sought out and killed.

Mr Justice Kriek ruled he would not recuse himself.

Mr Justice Mostert, who recently released evidence of disclosures made to him as a one-

man commission of inquiry into currency irregularities, accepted the placing of a police guard outside his home.

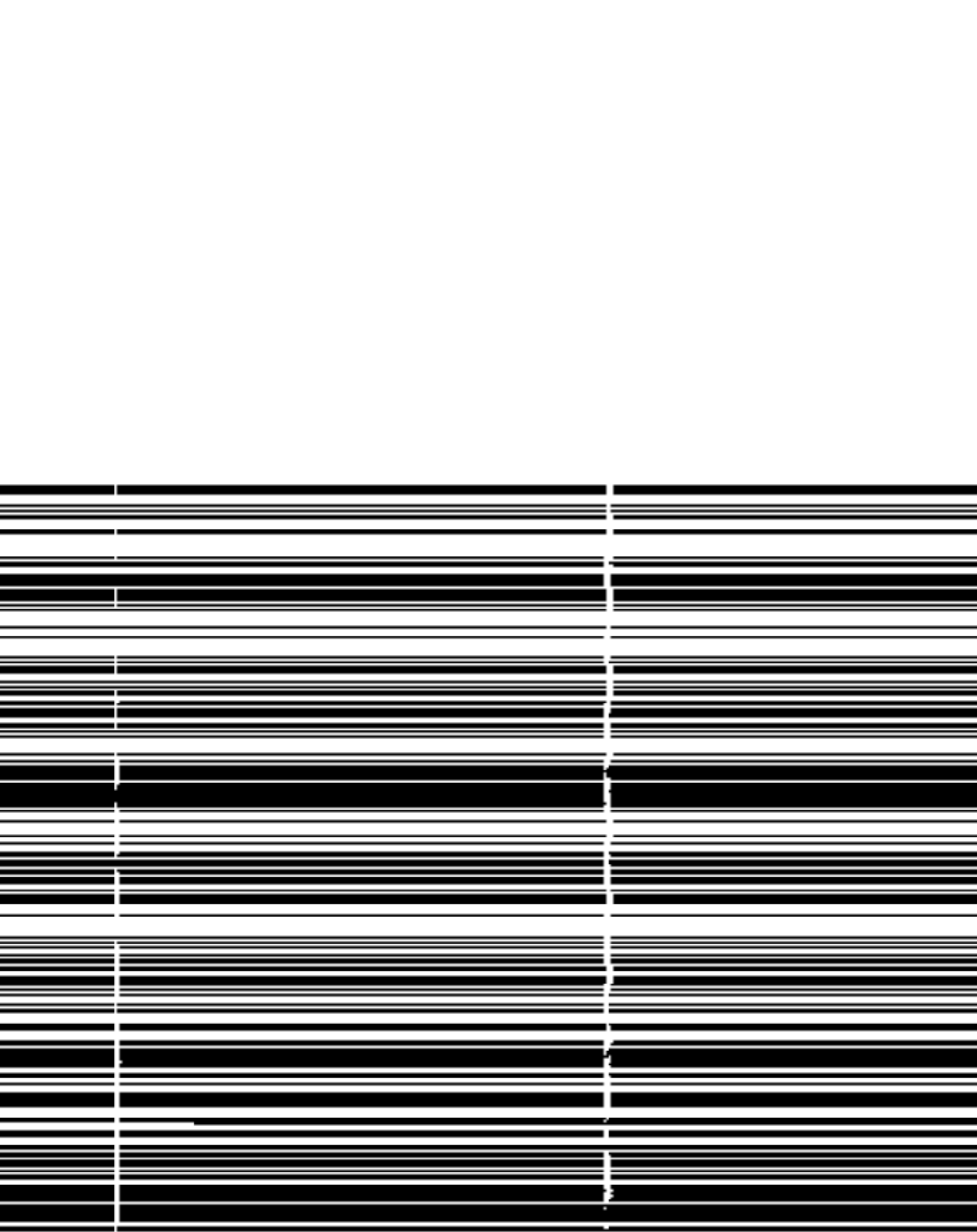
"The police offered protection last night (Saturday) and I accepted," he said.

Mr Justice Mostert said if there was a link between the petrol bomb attack and his revelations, "this entire matter becomes a sadder and sadder episode in South African history." He thought, however, it was unlikely there was a connection. He had thought of the possibility of a death threat but had not received any abusive or threatening telephone calls.

Mrs Joan Roux said the arsonist had not

succeeded in causing more damage for two reasons. Early warning had been given by their servant and flame-proof sisalation had been fitted between layers of thatch on their roof. The material prevented the fire from bursting into open flame and spreading to the nearby house.

Mrs Roux said her husband was the second cousin of advocate Mr Pierre Roux of the Rand who acted in the urgent interdict which the government attempted to bring against Mr Justice Mostert last week. However, she did not think there was a link between this fact and the petrol bomb attack.



Citizen:

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CAPE TIMES 13/11/78

Thousands 'dumped'

Own Correspondent

JOHANNESBURG. — Advertisers should have the right to reclaim at least some of the money they paid to advertise in the Citizen during the period when hot-off-the-press copies of the newspaper were turned into paper waste in an apparent move to boost the circulation figures. Mr Harry

THE CITIZEN
INFO PROBE
WIDENS: PM
CALLS FOR
RESTRAINT

NEW! A 4 track cassette player

Page 2:

- o Interdict — 'It was Horwood
- o Power

Woman hurt in suburb rocket attack

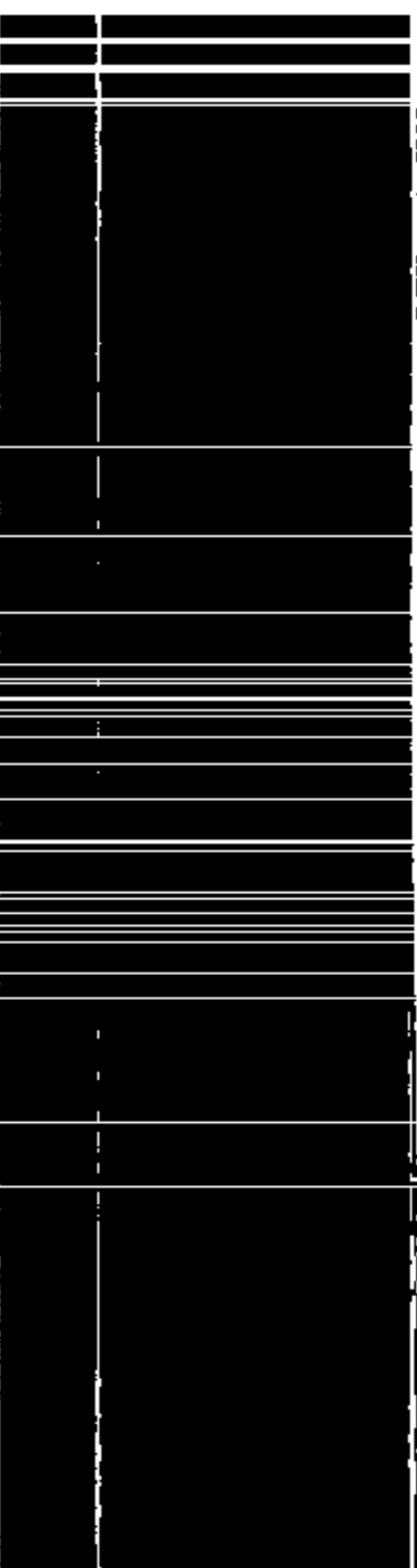
ALISBURY — An elderly white woman was seriously wounded in a terrorist rocket and small-arms attack on Saturday night on a house in one of Alisbury's wealthy northern suburbs, military headquarters reported.

The attack — on the 13th anniversary of Rhodesian unilateral declaration of independence — extensively damaged the house in the exclusive suburb of Umwinsdale, less than 10 km northeast of the city center. It was one of the most serious and determined launched against a suburban mestead and the first time rockets have been used in a terrorist attack so close to the city.

Nearby residents said the attack was brief but heavy, the military communique stated.

The woman's name was being withheld till her next of kin had been informed.

Earlier, a car was ambushed on a nearby road and a local petrol station set on fire. One unidentified occupant of the car





The Prime Minister, Mr P W Botha, lays a wreath at the South African Navy War Memorial in Simonstown during a Remembrance Day ceremony yesterday. The ceremony, held in the Navy's Garden of Remembrance, was to commemorate South Africans who died in the two world wars. Other wreaths were laid by dignitaries including the Chief of the Navy, Vice-Admiral J C Walters, the Officer Commanding, Western Province Command, Brigadier L H Robertson, the Officer Commanding, Maritime Air Command, Brigadier J F Nortje, and the Mayor of Simonstown, Mr Gordon Wilson. Another Remembrance Day ceremony in the City yesterday was attended by the Mayor, Mr Ted Mauerberger, and was addressed by Vice-Admiral J Johnson, former Chief of the SA Navy.

Burglars fire two houses

By TED OLSEN
Crime Reporter

BURGLARS set fire to two Woodlands Park houses, causing extensive damage, after ransacking them late on Saturday.

A spokesman for the Athlone CID said last night it was 'almost certain that the burglars were intent on covering up their trail' and set fire after taking belongings and valuables.

Police and fire brigade were called to a house belonging to Mr F Maritz in Crete Road near the Sunset drive-in about 8:30 pm on Saturday. Extensive damage had been caused to the main bedroom and police found that burglars who had forced a window had ransacked the rest of the house.

While they were investigating a house belonging to Mr Denzel Gunning in Courtue Road nearby was set alight after a similar burglary. Police found a window had been forced and the house ransacked.

A large section of the roof collapsed before the blaze was put out. In both cases the families were out for the evening.



Jock, a Golden Retriever, holds the Remembrance Day wreath which he laid at the Benoni monument to dogs who died in action for South Africa

● National Front wreath, page 3.

5 die in violent Cape weekend

FIVE PEOPLE died violently in the Peninsula at the weekend. Three people died in 259 assaults and two in motor accidents.

There were 78 motor accidents. A pedestrian, Mr J Wagner of Lavis Drive, Bishop Lavis, was knocked down by a car yesterday and killed.

The other person killed in a motor accident has not yet been identified.

Life savings go to the junkman

WEINSBERG, West Germany — An 81-year-old pensioner, Mr Paul Kull, lost his life's savings of 60 000 marks (about R27 000) when his sister sold his cast iron stove to a junk dealer.

Mr Kull had kept the money in the ash tray of the stove. His sister sold the stove for 50 marks (about R23). — Sapa-Reuter

Schoolboy selected for WP, report back page

A wreath for the dogs that died

BENONI — Among the hundreds of wreaths laid in South Africa on Saturday was one in memory of dogs which sacrificed their lives serving man in wartime.

The wreath was laid by Jock, a Golden Retriever, at the Remembrance Day service in Benoni. Jock walked solemnly besides his master, Mr Peter Chupp, from the MOTH ranks with a basket wreath in his mouth.

Mr Chupp took the wreath and laid it at the foot of a monument devoted "To our glorious dead".

The 60th Remembrance Day service held at the War Memorial of Pretoria's Union Buildings took on a new dimension on Saturday, with the commemoration also of South African soldiers who have died in the present conflict on the border.

Sixty years have passed since World War I ended at the 11th hour of the 11th day of the 11th month in 1918.

This year for the first time during the annual commemoration service, the State President, Mr Vorster, participated by laying a wreath on behalf of the people of South Africa. — Sapa

Schwartz, chairman of the federal executive of the Progressive Federal Party, said in Johannesburg last night.

The clandestine dumping of thousands of copies of the Citizen in the latter part of 1976 to present a false picture of that newspaper's popularity has been condemned by members of the news media and politicians

Unknown to Citizen officials, a team of Rand Daily Mail reporters and photographers was assigned to watch the bundles of freshly-printed copies of the Citizen being loaded into trucks at the Perskor premises in Doornfontein, where the newspaper is printed in Johannesburg

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The investigating team found that up to 30 000 copies of the Citizen were being destroyed each day

The Rand Daily Mail investigation, boosted by a comprehensive file of photographs to back its findings was kept under wraps till yesterday, when a full account was published in the Sunday Express, a member of SAAN

Not made public

The Rand Daily Mail's editor, Mr Allister Sparks, said last night that although he was not editor at the time 'Operation Wastepaper' was not made public because of assurances that the Citizen was a private organization, and because publication might then have been construed as a commercial vendetta

He said that now that it had emerged that public money was involved in the financing of the Citizen, it was obviously in the public interest to disclose these facts

The reaction of the editor of the Citizen, Mr M A "Johnny" Johnson, to the Sunday Express report was 'no comment', delivered by a telephonist at the newspaper's offices

Among those who commented on the new scandal surrounding the Citizen, were

• Mr John Marquard, chairman of the Audit Bureau of Circulations management council 'If it is true that the Citizen dumped the papers and if they later claimed that these were paid sales, that would be a serious matter which we will have to investigate. It would mean that advertisers were led to believe that the Citizen's sales were much higher than they actually were. However, all figures issued by the ABC are subject to careful audit and

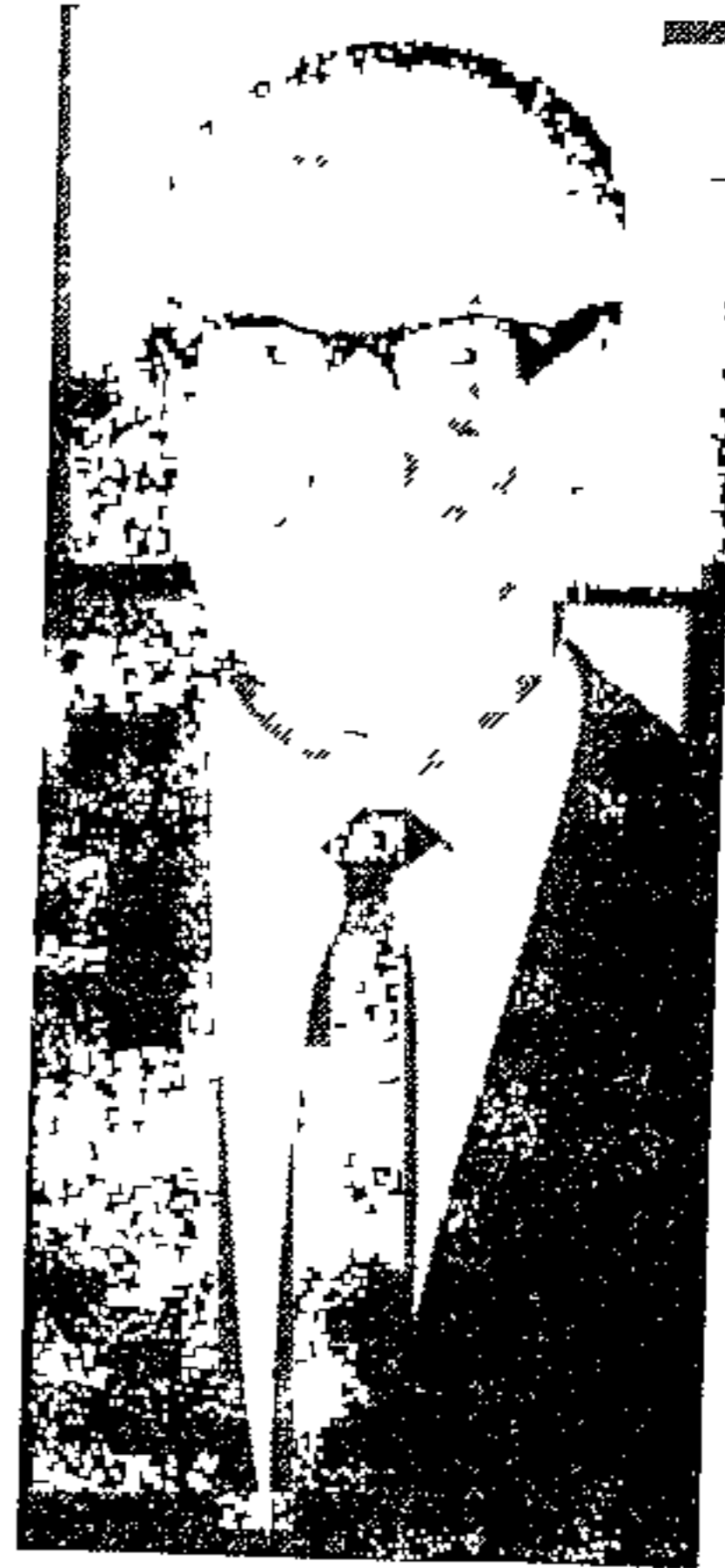
I cannot express my opinion on the merits of what appeared in the Sunday Express'

• Mr Harry Schwartz, chairman of the federal executive of the Progressive Federal Party

It is important for the public to know what the circulation of a newspaper is and if the facts as presented in the Sunday Express are true, then the management of the Citizen at the time owes the advertisers and the public at large an explanation

I believe the advertisers have a right to reclaim either wholly or partly on advertisements placed in the issues concerned

Also, if the Citizen is a newspaper which was substi-



Mr Joel Mervis

dized with public money, then it becomes a very serious matter because the taxpayer is concerned'

• Mr Joel Mervis, Progressive Federal Party MPC for Orange Grove and former editor of the Sunday Times 'I am not surprised to learn that the Citizen tried to give a false picture of its circulation by dumping thousands of issues each day in the garbage heap. Actually, that is where they really belong

'Nonetheless, it is a very serious matter when advertisers are led to believe that dumped papers are a part of the legitimate circulation of a newspaper. In all my experience of newspapers — and it goes back a long time — I have not known any other newspaper to resort to such reprehensible practices

'However, I imagine that these disclosures will not worry the Citizen. That strange news

Continued on page 2

Men mutilated

Umwinsdale residents said the attack occurred about 1.30 am. Although the area has in the past been hit by small-arms assaults, never before has such a major attack taken place.

The communique also reported that a chief and a black policeman were killed in a terrorist attack near Hartley, south-west of Salisbury, and 12 terrorists had died in clashes with security forces.

Chief Mupawose was seized with a tribal policeman at his home on November 5. Both men were mutilated with axes. The policeman died immediately, and the chief died in hospital three days later.

Their deaths bring to 2,790 the number of civilians murdered by terrorists in nearly six years. Of these 300 were white. During this period, 5,862 terrorists and 627 members of the security forces have died in clashes, about one-third this year.

Drivers warned

Police here warned residents yesterday to avoid travelling outside the city limits after nightfall. They did not specify the exact areas or hours of danger, but warned motorists "not to travel to and from outlying areas of Salisbury at night".

The attacks occurred as white merrymakers in Salisbury's clubs and banquet halls celebrated the country's 13th anniversary of independence.

● It was reported last night that the condition of the injured woman was still serious. Sapa

Caught — with his pants down

TEL AVIV — A startled elderly tourist dropped her handbag when a man dropped his trousers in a dark Jaffa street on Saturday night.

Then the man snatched up the bag and his pants and was gone in a flash, police said. — Sapa-Reuter

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newspaper)



The Prime Minister, Mr P W Botha, lays a wreath at the South African Navy War Memorial Remembrance Day ceremony yesterday. The ceremony, held in the Navy's Garden of Remembrance, was attended by dignitaries and rate South Africans who died in the two world wars. Other wreaths were laid by dignitaries including Vice-Admiral J C Walters, the Officer Commanding, Western Province Command, and Brigadier J F Nortje. The Mayor of Salisbury, Mr J Johnson, also addressed the gathering.

Burglars fire two houses

By TED OLSEN
Crime Reporter

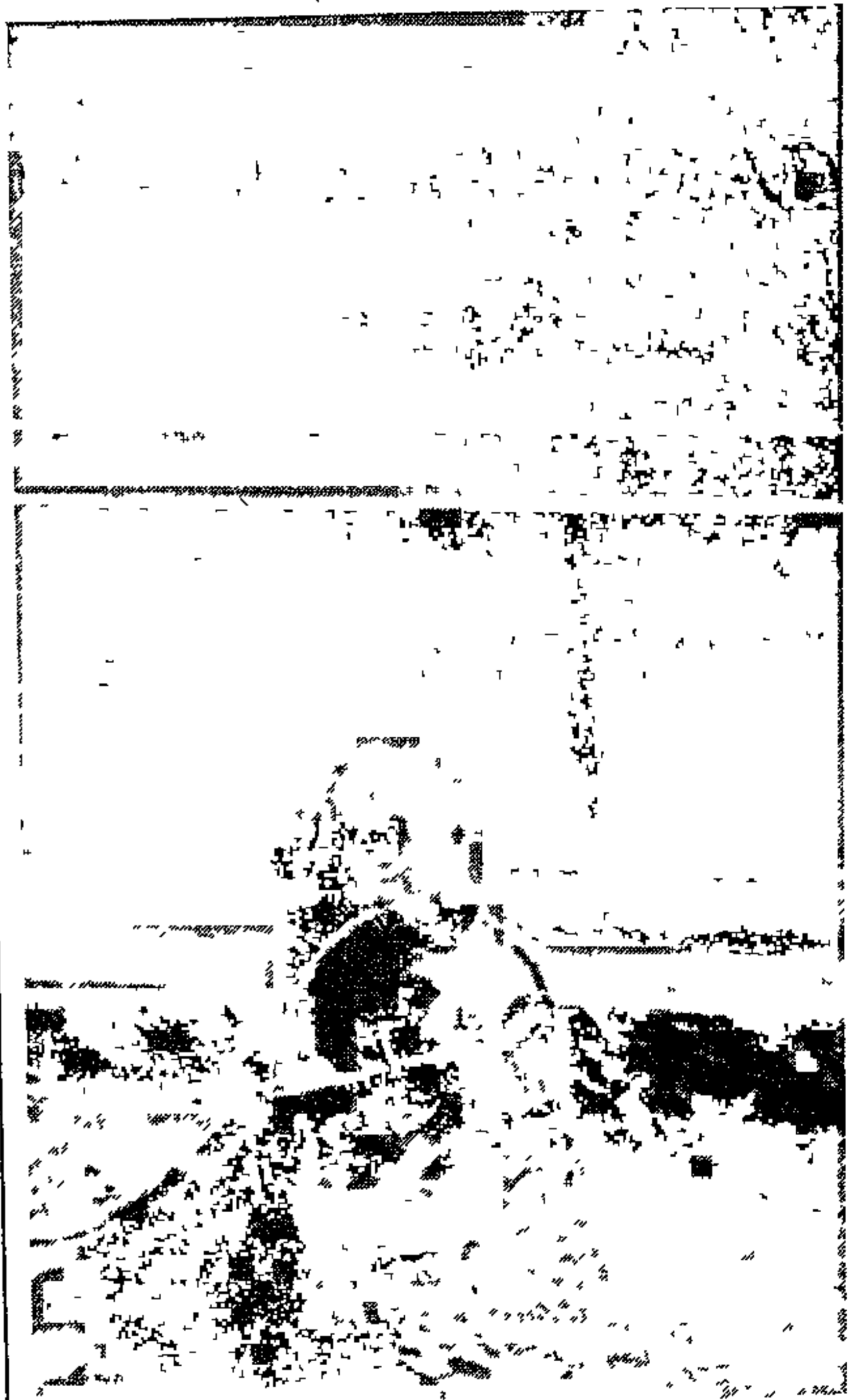
BURGLARS set fire to two Woodlands Park houses, causing extensive damage, after ransacking them late on Saturday.

A spokesman for the Athlone CID said last night it was almost certain that the burglars were intent on covering up their trail and set fire after taking belongings and valuables.

Police and fire brigade were called to a house belonging to Mr F Maritz in Crete Road near the Sunset drive-in about 8.30 pm on Saturday. Extensive damage had been caused to the main bedroom and police found that burglars who had forced a window had ransacked the rest of the house.

While they were investigating a house belonging to Mr Denzel Gunning in Courtue Road nearby was set alight after a similar burglary. Police found a window had been forced and the house ransacked.

A large section of the roof collapsed before the blaze was put out. In both cases the families were out for the evening.



Jock, a Golden Retriever, holds the Remembrance Day wreath which he laid at the Benoni monument for the dogs who died in action for South Africa.

● National Front wreath, page 3.

A wreath for the dogs

BENONI — Among the hundreds of wreaths laid in South Africa on Saturday was one in memory of dogs which sacrificed their lives serving man in wartime.

The wreath was laid by Jock, a Golden Retriever, at the Remembrance Day service in Benoni. Jock walked solemnly beside his master, Mr Peter Chipp, from the MOTH ranks with a basket wreath in his mouth.

Mr Chipp took the wreath and laid it at the foot of a monument devoted "To our glorious dead".

The 60th Remembrance Day of Pretoria's Union Buildings was held on Saturday, with the commemoration of those who have died in the present war.

Sixty years have passed since the 11th day of the 11th month of the 11th year for the first time. This year for the first time, the State President laid a wreath on behalf of the people.

Continued from page 1

paper will no doubt claim that its dubious actions prove once again that it is a loyal, patriotic and pro-South African newspaper.

Apart from the Rand Daily Mail disclosures, the Citizen had differences with the Audit Bureau of Circulations over its early circulation performances.

After withdrawing from the Newspaper Press Union (NPU) in December, 1976, the Citizen was subsequently refused membership of the ABC, which publishes authoritative, six-monthly circulation figures for newspapers which are the figures which have pull with the advertisers.

The Citizen has since then been admitted to membership of the ABC.

Mr Clarke said the Citizen's circulation then (January, 1977) was 54 000 — a big drop from the paper's internally-audited circulation figure for October, 1976, of 70 026.

It was during one of the months in question that the Rand Daily Mail team of investigators was keeping a watch on the daily circulation-boosting truck run to the dumping spots — and not selling points.

"Operation Wastepaper" was uncovered in November, 1976, after a chance tip-off from an outside source, and this is how it was claimed to be done.

In the early hours of the morning a certain black-and-white truck — TJ 331-186 — would arrive at the Perskor premises in Nind Street, Doornfontein, where the Citizen is printed. Like the other delivery vehicles it would be loaded with copies of that morning's Citizen, stacked in bundles of 100 and wrapped in plastic.

When the other vehicles went on their rounds, the black-and-white truck would wait. When it left, it would travel to the old Perskor premises in Auckland Park. Then it would drive to the Reef Waste Paper Company in Bunsen Street, Industria, where the newspapers would be unloaded, either in the yard or on to another truck which later took them to a newspaper recycling works outside Johannesburg.

The dumping operation often took place while the newspaper was on sale in the streets.

In addition to this, large numbers of Citizens returned unsold were also delivered to Reef Waste Paper. But these were usually not wrapped in plastic and most of them were removed by Reef Waste Paper trucks.

There were occasions when vehicles other than the black-and-white truck were used and on one occasion the dumping place was changed to a farm — identified as Kromdraai Boerdery — near Klerksdorp.

In newsprint alone the operation is calculated to have cost as much as R2 000 a day.

Tonight's TV

- 6.00: **From The Book.**
- 6.04: **Playhouse.** Fun for children Presented by Lyn Darnley
- 6.16: **Nancy Drew Mysteries.** A promising football-player is framed and is then convinced that he killed a girl in a moment of absent-mindedness. Nancy starts investigating. She finds no evidence.
- 7.05: **Woman Today.** A look at women and their world.
- 7.28: **TV Topics.** A chance to air your views about the television service.
- 7.40: **The Villagers.** Hilton McRae is about to experience a major upheaval in his life — because it's in his horoscope!
- 8.10: **News.**
- 8.30: **Weer.**
- 8.35: **Laventel En Vuur.** Two German soldiers from the Russian Front are sent to a village in the south of France. They want as little to do with the war as possible but the villagers are hostile. Gradually a friendship develops but outsiders meddle in the village's affairs and this leads to tragedy.
- 10.16: **Sportfokus.** From the sportsfields of the world.
- 10.45: **Nuus.**
- 11.00: **Oordenking.** Ds A.C Goliath

Weekend TV

THE somewhat jaundiced view they have on SATV, since I was extremely piqued by the clamp-down on the big-big news concerning the Information scandal recently, probably soured my viewing this weekend.

I tried hard, but I could find very little indeed to enthuse about in the programmes.

Even the noted French comedy film director Rene Clair's frothy little period piece, in spite of it being a first-class colour print and (by SATV standards) made as recently as 1965, I found only mildly amusing.

And as for Ian Ogilvy's portrayal of Simon Templar in the Saint series, well, this guy just aint no saint.

The weekend's talking points though will probably centre on the story of the commissions in News Review namely Erasmus, Pretorius and Van der Walt concerning the alleged corruption in high-up places.

It included in its cast Judge Erasmus, PFP leader Eghin, NRP Vause Raw, Cliff Saunders, the Prime Minister

himself and Uncle Cobbley and all.

To cover up or not to cover up evidence — that seems to be its theme. It failed to impress me though as being anything else other than a pretty skilful example of government propaganda. One can already sense its end result — in the interest of security and of fatherland very little evidence can be made public and so everyone can live happily ever after. At least that is what I believe a lot of people will accept in this Alice in Wonderland society of ours.

Carl Sauerma

Tech to spend R20 million

THE Cape College for Advanced Technical Education is to spend R20 million on improvements within the next decade.

According to a spokesman for the college, the money will be spent on new buildings and modern education and training equipment to provide for an expected 6 000 full-time students within the next decade.

Smit had devastating facts, says confidante

WEEKS before his unsolved murder, former Nationalist MP for Springs, Dr Robert Smit decided to disclose to a senior Cabinet minister facts which would "rock the nation", according to one of his closest confidantes, Mrs Emmarentia Liebenberg, of Pretoria.

This was revealed in a report in a Sunday newspaper yesterday. According to the article, Mrs Liebenberg saw Dr Smit last year about five weeks before he and his wife were brutally knifed and shot to death in their Springs home. She said Dr

Smit told her there was something that was worrying him.

It was a matter of such importance that it would "rock the nation and go right to the top", Mrs Liebenberg said.

She said Dr Smit told her that he had decided to wait till after the General Election on November 30 last year before making public the matter.

Mrs Liebenberg, who has repeatedly been contacted by the police after the murder, said she did not know what Dr Smit wanted to disclose.

Police are still investigating.

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Swoop on Rand bikers

Own Correspondent

Hundreds of Witwatersrand motor-cycle riders were trapped and fined in a police swoop on their usual Sunday morning gathering spot after the "breakfast run" yesterday.

Dozens of traffic cops and armed police lay hidden behind bushes while the bikers roared onto the Lanseria Airport road bridge spanning the Krugersdorp-Pretoria freeway.

As the bikers swapped talk on latest machines and gadgets, the police posse pounced. The police had guns and batons and some controlled police dogs.

Provincial traffic police fined everybody on the bridge R50 for stopping on a bridge. Bikers trapped below the freeway were also fined R50, for stopping on a freeway.

Angry motor-cyclists clamoured at least 750 drivers and passengers had been trapped and fined but a police spokesman said his information was that only 100 people had been fined.

The Krugersdorp-Pretoria freeway under the Lanseria Airport road bridge has always been a

favourite place for motor cyclists on the "breakfast run", to race against each other. But many motor cyclists thought it was grossly unfair to trap innocent people standing on a bridge because a handful of their friends raced on a public road.

A spokesman for the SAP West Rand Division said they were approached by the Transvaal provincial administration to help in the raid. "The JPA felt the move was necessary as at times motor bikes had been timed at 180 km-an-hour in traps along the road and traffic officers were not able to stop the culprits."

Motor-cyclists complained that the police were "ruthless on them". One man trapped said he saw a reserve policeman point a 9 mm pistol at the helmet of one of the riders, with a warning that he would shoot if the rider tried to flee.

The bikers were given the option of paying admission of guilt fines or to appear in the Krugersdorp traffic court in the first week of December. Many motor-cyclists said they intended going to court.

Traffic police aided by regular police, reservists and dog handlers prevent bikers from fleeing in yesterday's swoop after their regular Sunday "breakfast run".



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Editor
Makes
PM, to
ask

Own Correspondent
OHANNESBURG — Dr Wim-

de Klerk, editor of the
ransvaal, has clashed strong-
with the Prime Minister, Mr
w Botha, over his attack on
the press for publishing the
lostert evidence on the Depart-
ment of Information

In an "outsoken" column in
apport, largest of the Nation-
list newspapers, yesterday Dr
Klerk said pointedly that the
frikaans press would continue
to differ when necessary with
anybody, "no matter how high
p".

He also reacted strongly to
riticism of the press among
ationalists and asked "Do we
ant a Pravda press?"
Under the headline "Ouch,
ut oh no Mr Botha", he replied
the Prime Minister's meeting
Sasoburg last week and said
re press had served the coun-
y's interests in publishing the
vidence

Dr Wimpie de Klerk

When he mentioned the press
it was like raising a red rag to a
bull. But it was the same in
political circles in all countries
"The press is the rubbing
post, the punchbag, the light-
ning conductor and the hiding
place if things get too hot," said
Dr De Klerk

He then went on to deal only
with the Afrikaans press, saying
that he could write about the
English press after December 8
when hopefully people would be
able to judge if certain allega-
tions had been well founded
"It is absurd, but true, that
there are many people who
blame the press for all that is
happening about Informa-

tion," he said
Rubbish
He spelt out in precise terms
that newspapers reflected only
what others had said, seen, done
and thought. It was not the
newspapers who had gathered
evidence, appointed Judge Mos-
tert, made him talk or dis-
missed him
It was rubbish to suggest that
the Afrikaans press had been
disloyal in publishing the

Staff Reporter

THE Minister of Finance, Sena-
tor Owen Horwood, was yester-
day named in a newspaper as
the "mystery minister" who
tried to get an urgent interdict
preventing Mr Justice Anton
Mostert from releasing further
details on the Department of
Information scandal

The Afrikaans Sunday news-
paper Rapport yesterday quoted
Mr Justice Mostert as saying
"It was Minister Owen Hor-
wood who asked for an urgent
interdict against me at midday
on Wednesday (last week) in the
Pretoria Supreme Court"

Senator Horwood was one of
those responsible for establish-
ing the Mostert Commission of
inquiry into exchange control
regulations. The commission
was scrapped after Mr Justice
Mostert released explosive de-
tails on the Information scandal
11 days ago
Last week it was believed
that Mr Justice Mostert
would release further informa-
tion, understood to have been
even more sensational than that
already released
It was reported that an un-

Staff Reporter

Interdict: 'It Was Horwood'

APR TRVKS 13/11/78

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Senator Owen Horwood

named minister had asked for
an urgent interdict to be pre-
pared preventing Mr Justice
Mostert from making any more
revelations
Rapport quoted the judge as
saying that Senator Horwood
asked him last Wednesday to
comment in a telephone call on
reports that he was to release

Further evidence

Mr Justice Mostert denied the
reports. No mention was made
of an interdict
Later that morning the judge
learned of a possibility that an
interdict was being brought
against him in the Maritzburg
Supreme Court

He telephoned Senator Hor-
wood to confront him with the
allegation. Senator Horwood
said he would have known about
it as the responsible minister,
but added that he knew nothing
about it
"Later I established that
there had been an unsuccessful
attempt to get a court order in
Pretoria and that the State At-
torney in Durban and the regis-
trar and the deputy-sheriff in
Maritzburg had been asked to
make themselves available,"
Mr Justice Mostert was quoted
as saying

The judge said he learnt on
Saturday that last Wednesday's
application in the Pretoria Su-
preme Court had been made in
Senator Horwood's name. Rap-
port quoted him as saying he
was shocked by the discovery
Senator Horwood, who was
oversas yesterday, could not be
contacted for comment

Power struggle 'looms in NP

Political Staff

DR CONNIE MULDER'S sur-
prise resignation at the weekend
as Transvaal leader of the Na-
tional Party has thrown mem-
bers into total confusion
Expected to take a decision
on this only later this month at
a head committee meeting, his
surprise announcement now
threatens to unleash a heavy
power struggle

Yesterday senior members
were not sure who was in the
race and who was not. Even the
assurance by the Foreign Minis-
ter, Mr Pk Botha, that he was
not available was not being tak-
en seriously in some quarters
Favourites

So far Mr Hendrik Schoeman,
the Minister of Agriculture, and
Mr Fanie Botha, Minister of
Labour, who appear to be early
favourites, have indicated they
will be available to act as leader
till next year's provincial con-
gress makes a final choice
If there had been a congress
now, there is little doubt that
Mr Pk Botha would have been
a clear winner. However, the
head committee is a much
smaller body in which he would

Mr Hendrik Schoeman



Dr Treurnicht confirmed yes-
terday he had been approached
to stand but had not made a
final decision. There was no
reply from Mr Kruger's resi-
dence
Mr Kruger, who seconded Dr
Mulder's nomination in the race
for the premiership a few weeks
ago, would draw a large num-
ber of Dr Mulder's supporters
Dr Treurnicht's main support
would come largely from the
conservative "platteland mem-
bers of the head committee

While another leadership
struggle so soon after the bitter
and highly emotional premie-
ship stakes is potentially explo-
sive for the party it seems that
attempts will be made to avoid
all out confrontation
The head committee consists
largely of MPs, but also in-
cludes other senior members of
the party. The total member-
ship is 123, but because some
members have dual representa-
tion it is expected that the re-

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● Mr. Justice Mostert was not the only official to dash from Durban to Pretoria and back last week after the Mostert commission was scrapped, according to Rapport.

Overnight

In a scene which relived the Keystone Cops, two officials from the Treasury, Mr Peter Wronsley and Mr S J P du Plessis, slept overnight in Natal so that they could catch the judge at his Maritzburg home early the next morning.

They had to collect the judge's papers in terms of the proclamation scrapping his commission. But when they came to the house, Mr Justice Mostert had already left for Pretoria to collect documents in connection with his hearings.

The two officials dashed to Durban's airport and caught a flight for Pretoria. They arrived panting at the judge's office only to find he had already left.

They had probably passed each other on the road to the airport in Pretoria. The only thing the officials could do was to return to Maritzburg, which they later did, and the documents were finally recovered.

● Rapport also claimed that a file was being kept at the Pretoria Supreme Court which contained details of a request for an interdict restraining Mr Justice Mostert from releasing further evidence about the information scandal.

The newspaper said that when it approached Mr J J Myburgh, registrar of the Supreme Court, for comment, he said he did not have a file on such a case which "had already appeared in court" or which was available for inspection by a member of the public.

The newspaper said the file contained the name of the Cabinet minister who had requested the interdict.

have little chance of success. Also being mentioned as possible

will be just more than 100 to vote on the issue.

Botha: Press must put house in order

JOHANNESBURG — The Prime Minister, Mr P W Botha, said in a SATV interview, on Saturday night that the press must "get its house in order".

Asked whether remarks he made at Sasolburg earlier last week meant government action against newspapers, Mr Botha said "No, it doesn't mean we are going to take legislative steps."

"What I said was that I objected to certain untrue reports that appeared in certain newspapers, and I stated that this was against the spirit and letter of the agreement we have with the Press Union."

"I further stated that some of the reports referring to me were definite untruths and I quoted them at a public meeting — and I think I proved my point."

"I said I would meet the Press Union in due course and after discussions with them I hope they will be able to bring their own house into order."

"If they fail, then Parliament will have to look into it."

Asked what he expected the Press Union to do, Mr Botha replied that it should carry out the principles it had promised to carry out. This was to see that no untruths were published

— and if this happened then it had to see that it was put right as soon as possible.

Mr Botha said he was not happy with the way in which the Press Union went about its business. It was this, in particular that he wanted to discuss with them.

Asked what his views were on freedom of the press, Mr Botha replied that in principle he believed in press freedom, but then it had to be based on the truth — Sapa.

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I got 86 000 km on my Firestones!

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lish and the country's interests had not been endangered. "Indeed, the interests of the country were served because by publication any semblance of a coverup was avoided," said Dr De Klerk, brother of Mr F W de Klerk, Minister of Posts and Telecommunications

Suspicion

The SABC's self-imposed silence on the matter following its original newscasts had created the suspicion in many circles that a conspiracy was afoot. While accepting that this had not been the intention, he said the appearance of evil was just as dangerous.

Referring to loud applause at the Prime Minister's meeting when he referred to the press, Dr De Klerk said it would be naive to connect the applause with the legal technicality surrounding the publication of the evidence.

Clash of interests windfall for Luyt?

Own Correspondent

JOHANNESBURG — Fertilizer magnate and former Citizen boss Mr Louis Luyt appears to be scoring up to R800 000 a year on the R12 million advanced to him to finance the running of the Citizen.

A computer calculation shows that the effective interest rate being paid on the R10,1 m that it has been agreed that Mr Luyt should repay to the government is 4,5 percent. This calculation takes into consideration the fact that the loan was entered into in 1976 and will only be repaid finally after a series of instalments ending in 1986.

If this money, as Triomf's balance sheet information suggests, was advanced by the Louis Luyt group of companies to Triomf Fertilizers, which according to Mr Luyt's evidence before the Mostert Commission was paying 12,5 percent for the loan, then Mr Luyt is benefiting by interest on the R10,1 million at the rate of 8 percent a year, or R800 000.

The money was loaned to Mr Luyt in 1976, but no repayments are due to be made till March next year when the first instalment of R505 904 is due and ending with a payment of R2 287 526 in March 1986.

In terms of an agreement made between Mr Luyt and the

Did Afrikaners want to gag their press when there was talk of "State money being wasted and being used contrary to regulations for things which were democratically illegal?"

When there was talk of misuse of power, corruption, contravention of State authority, breaking down the prestige of parliament? If it was alleged that the freedom of the press was being threatened, if there were allegations of flagrant deception and if it was claimed that religious, ethical, legal and political principles should be thrown overboard with the argument that the end justified the means?"

By publishing the evidence the Afrikaans press had served its people well and they would continue to demand that as much as possible be opened up and as little as possible be kept under wraps.

former Secretary for Information, Dr Eschel Rhodie, these instalments will be paid into the Homerus Finance Corporation, a company sharing registered offices with the Department of Information's secret front company, Thor Communicators.

It also appears that the R12 m advanced to Mr Luyt for financing the Citizen enabled Triomf to meet commitments falling due under the company's multimillion-rand Richards Bay project for which Luyt has to date had to pay in R8 m of the R15 m that he has to raise for the continued funding of the scheme.

Had Mr Luyt been unable to raise this capital, he would have had to relinquish control of Triomf in which the other major shareholder is AE&CI, the Anglo American fertilizer group.

In his evidence before the Mostert Commission, Mr Luyt said it was only after a dispute had arisen between himself and the lender, Dr Rhodie, that it was agreed that he should repay R10 118 080. The reduced figure, he said, was to compensate for losses he had borne in running the Citizen.

The agreement for Mr Luyt to repay the money was made after it had been agreed that Mr Luyt should relinquish control of the Citizen.

Free papers: Sly methods denied

THE Argus has denied an accusation by the Chief of the Defence Force, General Magnus Malan, of using underhand methods in attempting to involve the Defence Force in the Citizen controversy.

The Argus said on Friday that copies of the Citizen were circulated free of charge to members of the Defence Force and, according to General Malan, questioned the fact that they were donated.

General Malan said in a statement that "the whole issue had clearly been placed out of context in an attempt to involve the Defence Force in an issue with which it is not concerned."

Henrie Geysler, who wrote the article, said on Saturday "There was nothing underhand about my story. I approached both the SADF and the Citizen openly, giving each party the opportunity to put its case — and quoted them in my story."

"The reason the word donated was in quotes was because nobody from the Citizen was prepared to say whether the newspaper was sold or donated and because an officer in the Orientation Services branch of the SADF (which works directly with newspaper distribution to troops) said, and I quote 'As far as I know we do not pay for them. They are donated'."

Paid for

"At the same time he said the SADF paid for all newspapers sent to the operational area. Between 8 000 and 10 000 copies of the Citizen are sent to the border each month."

"Most officers whom the Argus asked about distribution of the Citizen could not, or would not, give a direct reply about the distribution of the newspaper in individual units."

"One officer of a unit where it is understood that nearly every member receives a copy, said 'You can make your own deductions but I cannot help

you'

"General Malan says several other newspapers are donated to the SADF. This was stated in my story."

Prominent

"From my investigation it became obvious that the Citizen is the most widely distributed within the SADF — whether donated or bought."

"The issue was not, as the general alleges, placed out of its



General Magnus Malan

true context. The 'proper explanation' he refers to was a prominent feature of my story."

"And as for the Argus's 'action against a national institution that stands apart from controversial issues', General Malan must surely be aware of the controversy surrounding the Citizen."

"If thousands of copies are given away every month — in spite of its monthly loss of more than R400 000 — and if, as has been alleged, State money was involved in financing the newspaper, then it is clearly in the public interest to know this."

Info: NRP to tell platteland

THE New Republic Party has organized an intensive campaign in the Cape to inform country constituencies of the evidence of corruption in the defunct Department of Information.

The party leader, Mr Vause Raw, and Senator Piet Swanepoel, the Cape leader, are to address meetings throughout the Cape, starting in Somerset West today. The other meetings will be in Worcester tomorrow, Upington on Wednesday, Calvinia on Thursday, Moorreesburg on Friday and Green Point on Saturday.

Treurnicht gevra om te staan

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Van Ons Politieke Redaksie

JOHANNESBURG.

DR ANDRIES TREURNICHT, Adjunk-minister van Plurale Betrekkinge en van Onderwys en Opleiding, het gister gesê hy het vertoe ontvang om hom beskikbaar te stel vir die leierskap van die Nasionale Party in Transvaal. Hy oorweeg die vertoe en het nog nie besluit nie, het hy gesê.

Dit is die jongste ontwikkeling wat spruit uit die voorgenome bedanking van die Connie Mulder, as leier van die Nasionale Party in Transvaal. Die gewese Minister van Plurale Betrekkinge en Ontwikkeling het eergister bevestig dat hy by 'n hoofbestuursvergadering op 25 November gaan bedank. Hy bly nog aan as L.V. vir Randfontein.

Eergister is berig dat mnr Fanie Botha, Minister van Arbeid en van Mynwese en mnr Hendrik Schoeman, Minister

van Landbou, beskikbaar is vir die voorsitterskap en daarom die waarnemende leierskap totdat die kongres in September 1979 'n nuwe leier kan aanwys. Dr Mulder is tans ook voorsitter van die party.

Mnr Pik Botha, Minister van Buitelandse Sake, het gesê hy is nie beskikbaar nie. Mnr Jimmy Kruger, Minister van Justisie, van Polisie en van Gevangeniswees, was gister nie vir kommentaar beskikbaar nie.

Regering het hom nie met regbank bemoei

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Burger 13/11/78

JOHANNESBURG.

DIE Eerste Minister, mnr. P. W. Botha, het gisteraand hier in 'n televisie-onderhoud ontken dat die Regering hom met die regspraak in Suid-Afrika bemoei het deur die Mostert-kommissie te ontbind.

Les de Villiers 'moet getuig'

Van Ons Kantoor

PRETORIA.

Burger 13/11/78

AS een van die sleutelfigure in die debakel om die gewese Departement van Inligting, beskou hy dit as noodsaaklik dat mnr. Les de Villiers voor sy kommissie getuig, het regter Rudolph Erasmus gister by navraag gesê.

Regter Erasmus is voorsitter van 'n driemankommissie wat sedert begin verlede week ondersoek instel na die geldsake van die gewese departement Mnr Louis Luyt, kunsmiss-magnaat, sy rekenmeester mnr Foutie du Preez, en die sakeman mnr Van Zyl Alberts het verlede week getuig.

Dr Eschel Rhoadie, gewese Sekretaris van Inligting, en genl Hendrik van den Bergh voormalige hooft van die Buro vir Staatsveiligheid, het hulle ook reeds bereid verklaar om te getuig.

Mnr De Villiers was Adjunk-sekretaris van die departement en het bedank voor die bom oor Inligting vanjaar in die Parlement gebars het. Hy het hom by 'n skakelmaatenskap in Amerika aangesluit.

In die opspraakwekkende getuigens oor die departement wat regter Anton Mostert voor verlede week vygestel het, is sy naam genoem as een aan wie dr Rhoadie R10 000 gegee het. Volgens die getuigens van adv Retief van Rooyen, was dr Rhoadie ontstoke toe mnr De Villiers die geld vir departementele werk aanwend.

Adv Van Rooyen het getuig dat mnr De Villiers aan hom gesê het hulle steel links en regs geld rondom hom uit die geheime fonds.

Regter Erasmus kon nie

gister sê hoe sy kommissie mnr De Villiers in Suid-Afrika sal kry om te getuig nie.

„Ons het dit al verskeie kere bespreek en oorweeg nog maniere om hom hier te kry.”

Hy sê sy kommissie sal vandeesweek nog getuigens aanhoor. Wie dit sal wees, kan hy nie in hierdie stadium sê nie. „As dit moontlik is, sal my sekretaris agterna vra u kan sê wie dit was.”

„Ons het die opdrag van 'n eenman-kommissie beëindig,” het hy gesê. „Ons het die diens van 'n kommissaris beëindig omdat hy na ons mening te ver gegaan het.”

„Hy het hom bemoei met die werk van 'n ander kommissie wat deur ons aangestel is om die sake van die Departement van Inligting, soos dit voorheen bestaan het, te ondersoek.”

Mnr Botha het gesê regter Mostert bly aan as regter Slegs sy taak as kommissaris word beëindig.

Mnr Botha het ontken dat die Regering inligtinge verdoesel. „Die blote feit dat die Regering 'n regterlike kommissie aangestel het om die saak te ondersoek, is na my mening genoeg bewys dat ons niks wil toesmeer nie.”

Die leier van die Opposisie mnr Colin Eglin, het gisteraand gesê 'n kommissie wat die Parlement verteenwoordig sal binnekort aangestel moet word om die Regering in die algemeen te ondersoek, nie slegs die gewese Departement van Inligting nie.

In 'n onderhoud met die SAUK-TV het mnr Eglin gesê. „As mens kyk na wat tot op datum gebeur het, sien jy dat daar 'n toesmeerdery met betrekking tot die gewese Departement van Inligting was. Dit was eers toe regter Mostert sy bevindinge bekend gemaak het, dat die Regering besluit het om 'n regterlike kommissie aan te stel.”

Vroeër in die onderhoud het mnr Eglin gesê hy dink nie die stappe wat die Eerste Minister gedoen het, is voldoende nie. Mnr Eglin het gesê hy meen dat Parlementêre beheer die hoogste voorrang moet geniet.

Daar was 'n moontlikheid dat die Erasmus-kommissie feite aan die lig kon bring wat tot 'n sekere mate van tevredenheid kon lei, maar op lang termyn het die Parlement die reg om toe te sien dat die bedrae wat hy vir sekere departemente goedkeur na behore bestee word.

Regter R B Erasmus, voorsitter van die kommissie van ondersoek na beweerde wanbesteding van staatsgeld, het in die radioprogram Weekend Newsroom gesê hy meen dat „reg sal geskied.”

„Ek ontken kategoriees dat 'n proses van toesmeerdery aan die gang is. Dit is in elk geval 'n regterlike kommissie, en as sodanig weet ons wat ons pligte is en sal ons toesien dat dit uitgevoer word,” het regter Erasmus gesê.

Vraag „Een van die faktore wat bydrae tot die vermoede van 'n toesmeerdery is dat u sittings geslote sal wees. Is dit werklik nodig?”

Regter Erasmus. „Dit moet in camera gehou word. Die rede daarvoor is dat met kommissies van hierdie aard die getuigens van dag tot dag ontplooi en mense die saak vooruit veroordeel.”

Duisende koerante glo op vullishoop

Burger 13/11/78
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Van Ons Politieke Redaksie

STILSWYE en verklarings van geen kommentaar was gister die enigste reaksie van The Citizen, die Johannesburgse oggendkoerant wat na bewering met staatsgeld gefinansier is, oor die naweek se berigte dat derduisende koerante in die begin van die nuusblad se bestaan in 1976 by afvalterreine gestort is.

Ons het hoegenaamd geen kommentaar op die saak te lewer nie, was die antwoord van mnr Ralph Cohen, senior assistent-redakteur van The Citizen, toe hy genader is oor berigte in die Sunday Express dat tot 30 000 kopiee van die koerant soms vernietig is.

Die beweerde storting van die koerante — by afvalterreine in Johannesburg en een keer op die afgeleë plaas naby Klerksdorp van 'n familielid van mnr Louis

Luyt, destydse eienaar van die koerant — het plaasgevind terwyl die koerant aanspraak gemaak het op 'n sirkulasie van byna 70 000.

VERLIES

Volgens berekeninge deur die Sunday Express kon die geldelike verlies aan storting van die koerante jaarliks meer as 'n halfmiljoen rand beloop het.

Die koerant se 'n ondersoek wat hy in 1976 uitgevoer het, het aan die lig gebring dat 'n groot vragmotor in die vroeë oggendure by die Perskorgebou in Doornfontein, waar The Citizen gedruk word, opgedaag en groot hoeveelhede koerante opgelaa het.

Die koerante is dan of op die terrein afgelaai of na 'n ander vragmotor oorgeplaas wat dit later na 'n herwinningsfabriek buite Johannesburg geneem het.

ander

Burg 13/11/78

Van Ons Politieke Redaksie

JOHANNESBURG.

DIE brandbom, wat in die naweek sowat 200 m van regter Anton Mostert se huis ontplof en 'n brand veroorsaak het, was nie vir hom bedoel nie, maar moontlik vir regter J. J. Kriek, regter van die Natalse Hooggeregshof, wat in Pietermaritzburg 'n belangrike terroriste-verhoor behartig.

Die inligting het gister in Pietermaritzburg aan die lig gekom nadat druk gegis was dat regter Mostert se rol in die openbaarmaking van verreikende inligtinge oor die gewese Departement van Inligting hom die skyf van aanslae op sy lewe gemaak het.

In 'n televisieprogram gisteraand — herig op bl 2 — het die Eerste Minister, mnr. P. W. Botha, ontken dat die Regering hom met die regbank bemoel of dat hy onreëlmatighede in die ou Inligtingsdepartement probeer toesmeer. Regter R. P. B. Erasmus, wat die beweerde wanbesteding van geheime "fondse" ondersoek, het ook ontken dat toegesmeer word. "Geregtigheid sal geskied," het hy gesê.

In dieselfde program het die leier van die Opposisie, mnr. Colin Eglin, gesê 'n parlementêre kommissie sal met tertyd aangestel moet word om regering in die algemeente ondersoek en nie net die ou Departement van Inligting nie.

Nadat belangrike inligtinge gister klaarblyklik deur die polisie ontvang was 'n veiligheidswag geplaas by regter Kriek se huis in Bellewalaan, Pietermaritzburg — twee huise van waar die brandbom by die huis van adv. Pierre Roux, S.C. ontplof het.

Albei hierdie huise, sowel as die van regter Mostert een straat verder in Onielweg is in die voorstad Wembley. Regter Kriek word die kommissie sittinge van regter Erasmus in die Bauhaus-gebou in Pretoria ook bewaak.

Ontken

Die polisie wag wat eergisteraand by regter Mostert se huis geplaas is, is gister ont-trek. Daar word egter gemeen dat sy huis steeds "dopgehou" word.

In 'n verklaring aan Sapa het regter Mostert gister ten sterkste ontken dat hy in die naweek, gesê het hy meen dat die bom vir hom bedoel was. "Ek het deurentyd geweier om die mening uit te spreek dat die bomvoerval Saterdagoggend by die Roux-huis vir my huis bedoel was," het hy gesê.

Sewe mans en 'n vrou ver-

skyn ingevolge die Wet op Terrorisme in die saak waarmee regter Kriek tans gemoed is. Die saak, wat sedert September aan die gang is, is onlangs ontwing deurdat die beskuldigdes in die hof hedere gesing het.

Regter Kriek het hulle gewaarsku dat hy die saak in hul afwesigheid sal voortsit, sou hulle die singery me staak nie.

Tevrede

Vier van die agt het, volgens die aanklagte teen hulle, militêre opleiding in die buiteland ondergaan of dit probeer doen, en al agt word daarvan aangekla dat hulle mekaar, en twintig ander mense, probeer aansit het om militêre opleiding te ontvang. Feeds aan die mans word ook van poging tot moord aangekla.

Adv. Roux, by wie se huis die brandbom sowat R4 000 skade aangerig het, het gister gesê hy is "heeltemal tevrede" dat die bom nie vir sy huis bedoel was nie.

Saterdagoggend omstreeks vyftuur is adv. Roux wakker-gemaak deur 'n bediende wat die brand in sy motorhuis gemerk het. Die bom het me ontplof nie, maar die gasdak aan die brand gestek.

Volgens kol G. N. Erasmus, hoof van die veiligheids-tak van die Natalse binne-landse afdeling van die Polisie, is die bom klaarblyklik deur 'n amateur gemaak.

Die bom was 'n bottel half vol sand en petrol.

KATNES KOM SKOON, SÊ S. L. MULLER

Van Ons Politieke Beriggewer

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DIE Regering is vasbeslote om die katnes in die gewese Departement van Inligting skoon te maak," het mnr S. L. Muller, Minister van Vervoer. Saterdag op 'n byeenkoms van die tak Skotland van die Nasionale Party in die Koue Bokkeveld gesê

As daar mense is wat ge- is jammer dat 'n bekwame foute gekom, maar hy glo
fouteer het sal hulle moet en geesdriftige Minister soos dat dr Mulder se motiewe
boet, het hy gesê dr Connie Mulder uit die goed was
Min Muller het gesê dit "Kabinet-moes tree Daar het"

Wat nou met dr Mulder gebeur het is die prys wat 'n Minister moet betaal as sake in sy departement verkeerd loop Hy is nie die eerste Minister wat hom in so 'n posisie bevind nie

REGTE LEIER
Min Muller het die stappe geskets wat die Regering in verband met die bohaai om die ou Departement van Inligting gedoen het Hy vou weet wat meer die Regering kon doen as om 'n regterlike kommissie aan te stel en die Opposisie die kans te gee om die saak in die Parlement te bespreek

Die Regering sal in die Parlement sy standpunt oor die bohaai stel Hy wil die versekering gee dat die Regering die huiwer om op te tree is uit noodig sou word nie

Min Muller het gesê as die land 'n suksesvolle inligtingsdiens wil hê sal aanvaar moet word dat baie projekte nie in die openbaar gedoen sal kan word nie As die publiek verwag dat so 'n inligtingsdiens niks in die geheim mag doen nie, sal dit 'n vermorsing van geld wees om daarmee aan te gaan

Met verwysing na die verkiesing van mnr P.W. Botha tot Eerste Minister het min Muller gesê hy is oortuig daarvan dat die land weer eens die regte leier op die regte tydstip gekry het

In 'n onderhoud met Die Burger het min. Muller gesê hoewel die mense baie gesels oor die woelinge om Inligting en daar kommer oor die saak is, kon hy geen teken vind dat die geesdrif van Nasionale vir die party gedemp is nie

So is Saterdag se byeenkoms, wat op die plaas Langrivier van mnr Willie van der Merwe gehou is, deur sowat tweehonderd mense bygewoon 'n Vol program, waaraan die kadetorkes van die Hoerskool Drosdy en leerlinge van die Boy Muller-Skool in die Koue Bokkeveld deelgeneem het, is afgehandel

Mnr Frans Loots L.U.K. het 'n heildronk ingestel op die vyftigste herdenking van die ingebruikneming van die vlag en die dertigjarige bewind van die Regering Mnr. Tromp Nel, L.P.R. vir Ceres het ook opgetree

the determination had been

In 1973 there were 47 labour 3 846 African workers. The A further 115 disputes, when strikes occurred and these strikes in which 67 338 Afr.

It would not be unfair to imposed upon Africans by the to stress it cracked. Afr. marked reluctance to use it it without vitality.

THE BANTU LABOUR RELATIONS

During the 1973 labour unres system and published a draft proposals, in the words of and comment as well as propo of the major employers' orga and other bodies".²⁴ As a and later introduced the Bar

The new machinery retained twenty years, with certain

23. Ibid.

24. Hansard 17 column 8390,

25. Some of the comment elia and Dudley Horner. A S Johannesburg, S.A.I.R.R.

ds, a rather narrow definition. covered either by an ward, or a conciliation board which the Industrial Concilia-dispute provided the Central to the Minister who was empowered he case of a wage determination acial groups would be used if than two years.

oppage of work involving led by Bantu Labour Officers. which could not be regarded as ans. There were also 246

tive system of labour relations e and that when it was subjected it, employers showed a and even the State implemented

OF 1973)

ed quickly to overhaul the aims in this regard. Its r "... evoked wide interest, ment were received from most e unions, individual employers es altered the original Bill Regulation Amendment Bill.²⁵

, which had operated for

is recorded in: Muriel Horrell ns in South Africa, 1973. d 286-291.

Perskor stel in The Citizen belang

Van Ons

Politieke Redaksie

JOHANNESBURG

MNR. MARIUS JOOSTE

voorsitter van die direksie van

die Perskorporasie van Suid-

Afrika het in die naweek

gesê sy maatskappy stel

belang in die oornam van

die Engelstalige oggendkoe-

rant The Citizen, maar so

n stap kan nie oorweeg word

voordat sekere vrae nie beant-

woord is nie

In 'n onderhoud met die

S.A.U.K.-TV het mnr. Jooste

gesê die vrae kan in die spe-

siale Parlementsitting in

Desember beantwoord word.

Hy het bygevoeg dat Perskor

se belangstelling in die koe-

rant spruit uit die feit dat

The Citizen 'n belangrike deel

van Perskor se drukwerk uit-

maak Perskor druk die koe-

rant onder kontrak.

Die oornam van The Citi-

zen deur 'n persgroep spruit

uit die opebarmaking van

getuënis voor die kommissie

van regter Anton Mostert

voor wie mnr. Louis Luyt ge-

tug het dat hy die geld vir

die stigting van die koerant

van die gewese Departement

van Inligting gekry het

9.

can. In other words, a rather narrow definition.

workers involved were covered either by an

or an arbitration award, or a conciliation board

orce, the machinery which the Industrial Concilia-

ferred to settle a dispute provided the Central

l on the dispute to the Minister who was empowered

age Board. In the case of a wage determination

licable to other racial groups would be used if

peration for less than two years.

sputes with no stoppage of work involving

3 846 African workers. These were usually settled by Bantu Labour Officers.

A further 115 disputes, where work stopped, but which could not be regarded as

strikes occurred and these involved 22 744 Africans. There were also 246

strikes in which 67 338 Africans took part.²³

It would not be unfair to infer that the alternative system of labour relations imposed upon Africans by the State was inadequate and that when it was subjected to stress it cracked. African workers eschewed it, employers showed a marked reluctance to use it in a meaningful way, and even the State implemented it without vitality.

THE BANTU LABOUR RELATIONS REGULATION ACT (NO. 70 OF 1973)

During the 1973 labour unrest the Government moved quickly to overhaul the system and published a draft Bill embodying its aims in this regard. Its proposals, in the words of the Minister of Labour "... evoked wide interest, and comment as well as proposals for its improvement were received from most of the major employers' organisations, from trade unions, individual employers and other bodies".²⁴ As a result the authorities altered the original Bill and later introduced the Bantu Labour Relations Regulation Amendment Bill.²⁵

The new machinery retained the three-tier system, which had operated for twenty years, with certain important differences.

23. Ibid.

24. Hansard 17 column 8390, 6 June 1973.

25. Some of the comment elicited by these Bills is recorded in: Muriel Horrell and Dudley Horner. A Survey of Race Relations in South Africa, 1973. Johannesburg, S.A.I.R.R., 1974 pp.276-281 and 286-291.

8207 13/11/78
150 000

in Lisbon

demo (259)

Own Correspondent

LISBON — More than 150,000 workers demonstrated here at the weekend against Portugal's soaring cost of living.

The mass rally — the third within a year — was called by the communist-controlled Confederation of Portuguese Workers which leads more than 80 percent of the unions.

The Union Centre, founded by the Socialists and right-wing Social Democrats last month, attacked the rally as a manoeuvre by Mr. Alvaro Cunhal's Communist Party to win places in the Government.

The well-organised demonstration was an impressive show of strength by the communists at a time when they face a serious challenge by right-wing technocrats to their control over the management of collective farms in the Alentejo region.

Botha's TV talk alarming

of 15 C. sm ssa 1 was all for reasons of courtesy," Mr Jonker said "They didn't want him to hear it on the news."

Eglin on Info probe

The leader of the Opposition, Mr Colin Eglin, said last night a commission representing Parliament would in due course have to be appointed to examine government in general and not merely the Department of Information.

Interviewed on SABC-TV, Mr Eglin said "If one looks at what has happened to date, there has been a cover-up in respect of the Department of Information."

Mr Raw said "Perhaps the most serious implication of last night's programme was the fact that the Government's cancellation of the Mostert Commission has so rocked public opinion that a television interview has to question a judge and the chairman of two State President's commissions on the possibility of a cover-up or the suppression of evidence."

the present inquiries into the Department of Information, and not into other Government departments with secret funds

His statement that it would be up to the various commissions to decide whether evidence or not, while he had publicly attempted to prevent Judge Mostert from releasing evidence to the public.

His refusal to investigate alleged irregularities without their being "proven"

Mr Vanse Raw, MP, national leader of the New Republic Party, said in a statement today Mr Botha "did little to reassure the public" and many of his statements were inexplicable" and "contradictory."

Mr Raw and Mr Swart took issue with the Prime Minister on a number of points, including

His reasons for disbanding the Mostert Commission

The restriction of

Own Correspondent

DURBAN — South Africa's main opposition parties today hit out strongly at the Prime Minister, Mr P W Botha, for doing nothing in a television programme last night to allay public fears of the growing Information Department scandal.

Mr Ray Swart, MP, national chairman of the Progressive Federal Party said "I found the Prime Minister's statements totally unconvincing, if not thoroughly alarming."



Mr Ray Swart

Mostert went too far, says PW

such a nature, those interests of the State must always be safeguarded," he said

"The Auditor General will be able to report to Parliament if any irregularities exist in other departments — Sapa

Mr Botha added that it was entirely the commission's decision whether it will lead evidence in public

"But I can understand, and every reasonable person will understand that when a commission investigates important matters on behalf of the State and certain matters are of

did so because in our opinion he went too far.

"He interfered with the work of another commission which we appointed to deal with the affairs of the Information Department as it existed previously," he said

The work Mr Justice Mostert had done, had been referred to a commission of parliamentarians appointed by the State President to

The Prime Minister, Mr P W Botha, denied in a TV interview last night that the Government had interfered with the judiciary of South Africa when it terminated the Mostert Commission.

"We terminated the terms of reference of a one-man commission. We terminated the services of a commissioner and we



Mr P W Botha

Joburg advocates back Mostert

The Johannesburg Bar Council said in a weekend statement it fully supported the statement made by the chairman of the General Council of the Bar of South Africa following the termination of Mr Justice Mostert's commission

It particularly endorsed the statement that nothing should be done which

might be seen as impinging upon the independence of the judiciary

"The Johannesburg Bar Council considers that the premature termination of the Mostert Commission was a clear infringement of the independence of the judiciary which lawyers everywhere must deplore"

— Sapa

Church Star 13/11/75 Sermons 259 feature

Info row

Religion Reporter

The Department of Information storm featured sermons in Afrikaans churches yesterday when ministers urged people to critically examine themselves and warned against condemning others without allowing a fair hearing.

One minister, in a radio sermon, compared South Africa to a basketful of rotten fruit — attractive on the outside but rotten inside.

The minister, the Rev F van Dyk of the Gereformeerde Kerk in Johannesburg North, stressed yesterday he was not referring specifically to the Department of Information scandal.

Leading Afrikaans journalists have defended the Press after an attack by the Prime Minister, Mr Botha.

Newspapers considered it in the interests of the country to publish evidence made available by Mr Justice Mostert, Rapport said in its main editorial yesterday.

"It is in the interests of the Government as much as in the interests of the country that complete clarity be reached about what happened, that action be taken to restore confidence and that stability be maintained throughout this period," Rapport said.

The Prime Minister, had repeatedly stated that he supported this point of view and "we believe the Press played a useful, if controversial part."

It would rather not mention the confusion (verwilderend) that would have resulted internally if the Press followed the SABC's example and remained silent after the first announcement of millions wasted and corruption in the widest sense,

Afrikaners Newsmen defend actions

Rapport said

"One of the things that have throughout the years meant far more for South Africa in the outside world than the lavish millions spent by the former Department of Information, is the reputation of a free and fearless Press."

Senior political writer Albert Craford said in a weekly column in Rapport that the crowd listening to Mr Botha speaking on

the information debacle at Sasolburg showed no signs of being upset or perturbed by the seriousness of the matter.

"But one wonders how would it have been if Mr Botha had to make announcements of this nature to an unprepared audience (or South Africa)?"

For him there was something sad in the exuberant applause that had



Dr Willem de Klerk, editor of Die Transvaler.

greeted Mr Botha's criticism of the Press. Once again the Press was being used as a focal point for wrath that largely belonged elsewhere, Mr Craford said.

Dr Willem de Klerk, editor of Die Transvaler, said in his weekly political column in Rapport that Mr Botha had given the Press a hard slap.

The SABC's silence gave rise to suspicions that there was a conspiracy. He wanted to accept that this was not the intention,

but the appearance of evil was equally dangerous.

Dr de Klerk said he was only referring to Afrikaans newspapers. He could write about "the English-language PFP newspapers" after the special session of Parliament in December.

Did some Afrikaners want to silence their Press when there was talk of State money being wasted, misuse of power, corruption, the status of Parliament being involved and principles being discarded, he asked.

"Do we want a Pravda Press?"

Beeld said today it was said the Government was being harassed by the Information scandal while a start should have already been made on changes in the country.

Beeld said it was essential the Prime Minister and his Cabinet should fearlessly move the country into "new dimensions."

Concessions should not be regarded as a swear word and sacrifices should be more than a cliché, the newspaper said.

2000 km... to put it nicely

Pretoria Bureau

Treasury officials who last week chased an elusive Mr Justice Mostert for 2000 km did it all in the interests of diplomacy.

Their instruction was to officially inform the judge that his commission into exchange control conversations had been stopped.

A deputy secretary at the Treasury, Mr Peter Wronsfley, left the Reef by aircraft for Natal on Tuesday. He was accompanied by Mr S J P du Plessis, chief of the Treasury's financial control section.

At Judge Mostert's Maritzburg home they found he had left for Pretoria Back in Pretoria, they discovered at his office in Albatour House that he had gone back home.

The judge was eventually tracked down on Thursday morning — at least 7 hours after he was told

Citizen dumped wreie dummies

13/11/84
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Capt J. C. Jonker, senior officer on duty, said the precaution of guarding the homes of Mr Justice Mostert, Mr Justice Kriek and Mr Roux was necessary because there was no known motive for the attack on Mr Roux's garage.

The fire was discovered shortly after 5 am on Saturday by Mr Roux's servant, Mr Fano Ngcobo. The garage is barely 3 m from the house.

Police took a bottle containing sand and petrol from the scene after Mr Roux found the petrol bomb, commonly known as a Molotov cocktail, burning under the thatch.

It is believed the arsonist might have left the bomb at the wrong address.

There are two possibilities

One is that the bomb was meant for Mr Justice Kriek who is presiding at a terrorism trial here.

The other is that the intended victim might have been Mr Justice Mostert whose recent revelations concerning the Department of Information shocked South Africa.

The home of Mr Justice Kriek is a stone's throw from that of Mr Roux. Mr Justice Mostert's home is also nearby — DDC

DHANNESBURG —

The Citizen dumped as many as 30 000 copies of its newspaper a day to boost circulation figures, it was revealed here yesterday.

And advertisers should have the right to reclaim at least some of the money they paid to advertise in the Citizen during the period when hot-off-the-

press copies of the newspaper turned into paper waste in an apparent move to boost the circulation figures, Mr Harry Schwarz, chairman of the federal executive of the Progressive Federal Party, said here last night.

The clandestine dumping of thousands of copies of The Citizen during the latter part of 1976, to present a false picture of that newspaper's popularity has been condemned by members of the news-

media and politicians

Unknown to Citizen officials, a team of Rand Daily Mail reporters and photographers was assigned to watch the bundles of freshly printed Citizens being loaded into trucks at the Perskor premises in Doornfontein, where the newspaper is printed in Johannesburg.

Using powerful binoculars, long lenses and walkie talkie radios, the investigating team then set up a surveillance

network to track the journeys of loaded trucks to drop-off points where "today's" news became instant waste.

The investigating team found that up to 30 000 copies of The Citizen were being destroyed each day.

In this way, thousands of rands in taxpayers' money ended up on the rubbish dump. In newsprint alone the operation is calculated to have cost as much as R2 000 a day.

The Rand Daily Mail investigation, boosted by a comprehensive file of photographs to back its findings, was kept under wraps until yesterday when a full account was published in the Sunday Express.

"The Mail's editor, Mr Alister Sparks, said last night that although he was not editor at the time, "Operation Waste Paper" was not made public because of assurances that The Citizen was a private

organisation, and because publication might then have been construed as a commercial vendetta.

Now that it has been confirmed that public money was involved in the financing of The Citizen, it is obviously in the public interest to disclose these facts," Mr Sparks said.

The editor of The Citizen, Mr Johnny Johnson, refused to comment.

Continued page 3

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Editor: do we want Pravda press?

(J)HANNESBURG — The Afrikaans press had served, not threatened, the interests of South Africa by publishing the evidence released by the Mostert Commission, Dr Willem de Klerk, editor of Die Transvaler said yesterday.

In his weekly political column in the Afrikaans Sunday newspaper Rapport, Dr De Klerk described Prime Minister P. W. Botha's threat of stricter press control and his accusation of newspapers having acted responsibly as "hasty words."

In political circles in all countries, the press was the "rubbing post," "punch bag" or hiding place when things got too hot, he said.

"It is absurd, but true, that there are many people who blame the press in general for the whole Information affair. Some say the fact that we are sliding deeper and deeper into troubled waters is on account of reckless newspapers."

Dr De Klerk said the newspapers had nothing to do with the allegations surrounding Dr Eschel Rhoodie, Dr Connie Mulder, Mr Louis Luyt, The Citizen and so on.

"For the most part, we were told what others had

told. And comment was made on what others had done and said."

Dr De Klerk said the suggestion by some that publication of evidence released by Mr Justice Mostert was to be expected of the "leftist press" but disloyal of the Afrikaans press was "pure nonsense."

He asked whether some Afrikaners wanted to silence their press — if there was talk of flagrant deception, of state funds being squandered, of power misuse and corruption and of religious, ethical, legal and political principles being thrown overboard — with the "unholy" argument that the end justified the means.

"Do we want a Pravda press?"

"In the case in question, the Afrikaans press people have served their country and the Afrikaners excellently."

"If we had kept quiet it could justly have been said that the Government was caught up in an evil intrigue and that Afrikaans newspaper were playing along."

Dr De Klerk said the action of the Afrikaans press had restored confidence, demonstrated the integrity

of the Afrikaner and helped the government to distance itself from the "mess."

"We have again strengthened the free Afrikaans press which means so much for us overseas. We have watched over our principles, state and nation and, by hard-hitting openness, had a share in the necessary logical process."

Afrikaans newspapers would continue to insist that as much as possible was opened up and as little as possible covered up in the Information affair.

These newspapers were accustomed to remaining silent on matters where the country's interest really was at stake, but for the sake of their people, principles and the National Party, they would continue to differ with anyone, however highly placed, where necessary.

Dr De Klerk appealed to the Prime Minister to, "take the lead" among his colleagues and supporters when viewing the place and rightful function of Afrikaans newspapers in society.

"Only reasonably motivated criticism, where deserved, should be accepted as the norm," he said — DDC

Police guard judges' homes

PIETERMARITZBURG — Armed police are guarding the homes of two Supreme Court judges and an advocate here after a petrol bomb attack on the garage of Mr Pierre Roux, SC, early on Saturday.

The decision to mount guards was taken on Saturday night by the newly appointed commissioner for the Natal inland division, Brig H A

Schwarz: Info had media plan

JOHANNESBURG — The Department of Information's funding of The Citizen — and the alleged links between its former officials and deals now emerging — suggest the formulation of a "master plan" to control communications media and other assets on a global scale

This was said yesterday by Mr Harry Schwarz, PFP member of the parliamentary select committee on finance which examined some of the department's irregular expenditure earlier this year

If the full facts behind the secret projects came out and were fitted together, a picture would emerge of control of media, companies and other assets locally and abroad "all fitting into a master plan," he said

"All we have seen so far are some individual and separate pieces of a jigsaw.

"It was a master plan to achieve an end, an end where there are no rules to achieve that end," said Mr Schwarz.

He was commenting on mounting evidence that the establishment of The Citizen and the financing

of it from R12 million of government funds appeared to be part of a much wider drive.

Two weeks ago, the Daily Dispatch with other newspapers, published a report — before the disclosures made by Judge Anton Mostert — that the American publisher, Mr John McGoff, had received R10 million from the secret funds of the department to help fund his abortive bid to acquire control of the Washington Star

Since then there have been reports linking the former Secretary for Information, Dr Eschel Rhodie, with Mr David Abramson, chairman of Hortors and central figure in the takeover of Hortors last year

Apart from numerous printing interests, Hortors has indicated that it is widening its base in the publishing field, and has announced that it is launching a black-orientated magazine called Pace.

Mr Abramson was also one of the central figures in a takeover bid of the British publishing company, Morgan-Grampian Ltd, which failed. — DDC.

Info scandal, page 4

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Who's to buy Citizen?

JOHANNESBURG — Speculation grew at the weekend as to who, if anybody, would buy The Citizen after reports in an Afrikaans newspaper last week that Perskor was negotiating to buy the paper

Mr Marius Jooste, chairman of Perskor, was reported by Sunday newspapers as denying he was involved in negotiations but expressing his possible interest in the newspaper at a future date.

"I would not even know whom to deal with because the identities of the real owners have been kept secret," he told the Sunday Times.

Adv D. P. de Villiers, managing director of Nasionale Pers, said he had not been approached either in the past, or recently with a view to buying The Citizen. He was not prepared to say whether he might take an interest in the paper at a later date

Replying to a question, Mr De Villiers said any group wishing to buy The Citizen, would have to make an enormous profit to counter-act the losses the paper was reported to have made.

Latest speculation puts the loss as high as R15 million.

A spokesman for Mr David Abramson, who together with his publishing group, Hortors, has been named in the Department of Information scandal, said yesterday that Hortors was not interested in buying The Citizen. — DDC

No cover-up says Erasmus

JOHANNESBURG — Mr Justice Erasmus, chairman of the commission looking into the possible management of public funds, said last night he considered that "justice will be done".

Mr Justice Erasmus said "I emphatically deny that there is any process of covering up in this matter. After all, this is a judicial commission, and as such, we know our duty and will see that that is done".

In an interview, he was

asked "One of the factors contributing to the suspicion of a cover-up is the fact that your sessions will be closed. Is this really necessary?"

The judge replied "It must be kept in camera. And the reason for that is that in a commission of this nature, as the evidence is unfolded from day to day, people judge in advance, pre-judge the situation, and in their own minds they acquit the accused and commit those who are innocent — and

that is what must be avoided

"My duty is to find out what the true facts are and to make recommendations in regard to the people we think might be responsible

"The government will weigh the pros and the cons and the odds and the evens and then they will decide what part of the evidence should be released, if any we don't know, and what decisions will have to be taken in regard to that"

Asked whether he could give a progress report at this stage of his investigation, Mr Justice Erasmus said "All I can say at this moment is that we are going on hammer and tongs, and we're working almost day and night"

Asked whether he had a message at this stage for the public of South Africa and the press, he said: "I think so, and if I may, I wish to say this: I want the press to bear with us, to keep cool and, above all, to give us a fair chance." — SAPA.

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Judge Mostert went too far says Botha

JOHANNESBURG — The Prime Minister, Mr P. W. Botha, denied last night the Government had interfered with the judiciary of South Africa when it terminated the Mostert Commission.

"We terminated the services of a commissioner and we did so because in our opinion he went too far

"He interfered with the work of another commission which we appointed to deal with the affairs of the Information Department as it existed previously"

The work he had done had been referred to a commission of parliamentarians, appointed by the State President to continue with the investigations.

Mr Botha said it was entirely the commission's decision whether it would lead evidence in public

"But I can understand, and every reasonable person will understand, that when a commission investigates important matters on behalf of the state and certain matters are of such a nature, those interests of the state must always be safeguarded."

Asked whether he thought other departments should also be investigated, the Prime Minister said the irregularities found in the Department of Information had been brought forward by the Auditor General.

"The Auditor General will be able to report to Parliament if any irregularities exist in other departments. But I am surely not going to have investigations into other departments unless it can be proved that there are irregularities," he said — SAPA.

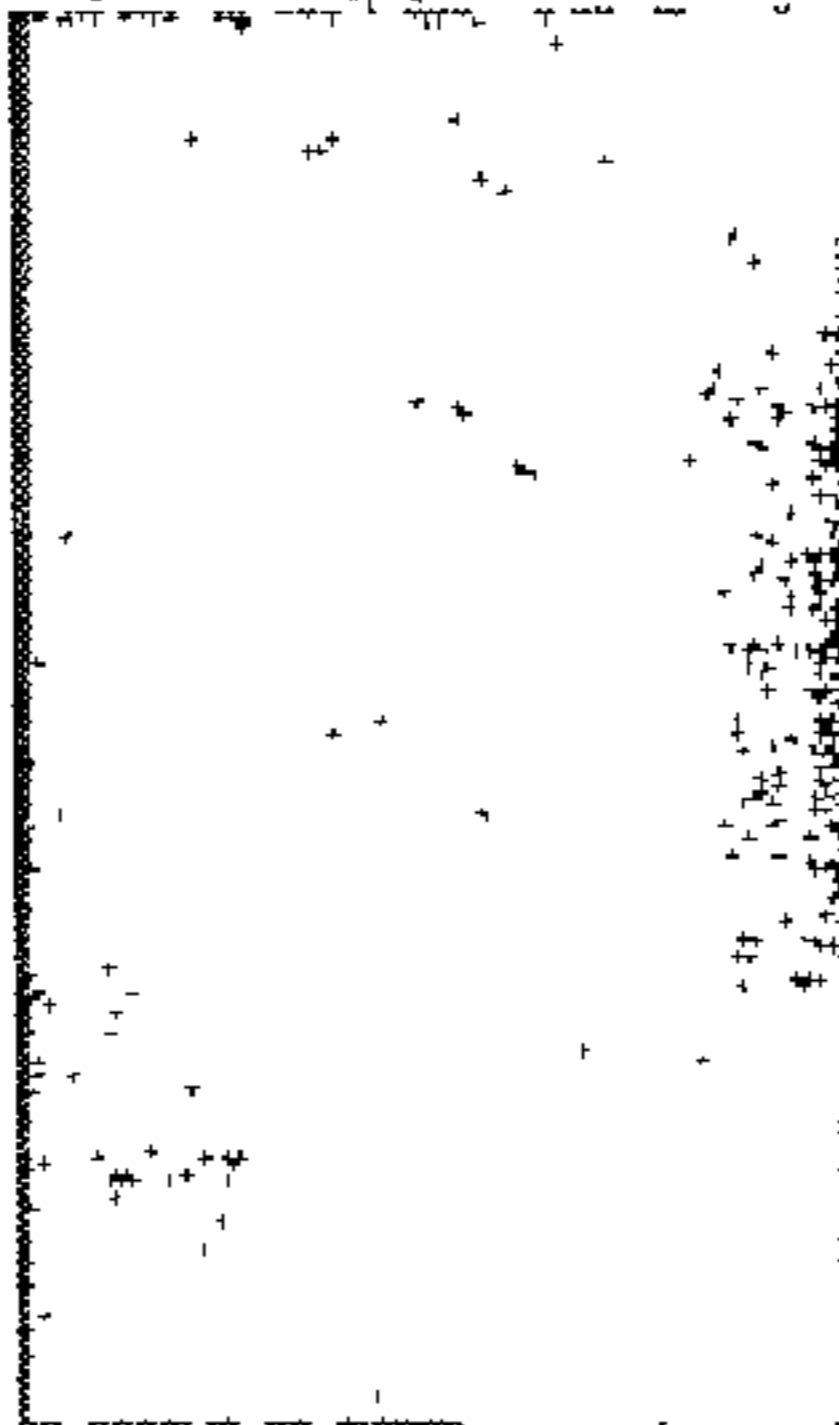
R800 000 interest a year for Luyt

JOHANNESBURG — Fertiliser magnate and former Citizen boss, Mr Louis Luyt, appears to be scoring up to R800 000 a year on the R12 million advanced to him to finance the running of Citizen.

A computer calculation shows that the effective interest rate being paid on the R10,1 million that it has been agreed that Mr Luyt should repay to the government is 4,5 per cent — taking into consideration the fact that the loan was entered into in 1976 and will only be repaid finally after a series of instalments ending in 1986.

If this money, as Triomf's balance sheet information suggests, was advanced by the Louis Luyt group of companies to Triomf Fertilisers, which according to Mr Luyt's evidence before the Mostert Commission was paying 12,5 per cent for the loan, then Mr Luyt is benefiting by interest on the R10,1 million at the rate of eight per cent a year, or R800 000.

The money was loaned to Mr Luyt in 1976, but no repayments are due to be made until March next year when the first instal-



MR LUYT

ment of R505 904 is due and ending with a payment of R2 287 526 in March 1986. In terms of an agreement made between Mr Luyt and former Secretary for Information, Dr Eschel Rhodie, these instalments will be paid into the Homerus Finance Corporation, a company sharing registered offices with the Department of Information's secret front company, Thor Com-

municators.

It also appears that the R12 million advanced to Mr Luyt for financing The Citizen enabled Triomf to meet commitments falling due under the company's multi-million rands Richards-Bay project for which Mr Luyt has to date had to pay in R8 million of R15 million that he has to raise for the continued funding of the scheme. Had Mr Luyt been unable to raise this capital, he would have had to relinquish control of Triomf in which the other major shareholder is AE and CI, the Anglo American controlled fertiliser group.

In his evidence before the Mostert Commission, Mr Luyt said that it was only after a dispute had arisen between himself and the lender, Dr Rhodie, that it had been agreed that he should repay R10 118 080. The reduced figure, he said, was to compensate for losses he had borne in running The Citizen.

The agreement for Mr Luyt to repay the money was made after it had been agreed that Mr Luyt should relinquish control of The Citizen — DDC

SA ripe for judgment minister says in sermon

CAPE TOWN — Judgment, storms, false witness, forgery and fraud were main themes reflecting the Department of Information controversy in a number of sermons preached in Afrikaans churches at the weekend, with one church minister presenting South Africa as "ripe for judgment."

In a radio broadcast, the Rev F. J. van Dyk of the Gereformeerde Kerk, Johannesburg North, compared South Africa's present situation with that in Israel at the time of the prophet Amos when fraud and false witness were the order of the day "even to the highest levels of our society."

Asking rhetorically "How are the poor and the defenceless oppressed and exploited?", he likened the Republic to a still life of a basket of fruit, beautiful on the outside, but "ripe for judgment."

In Dr Connie Mulder's constituency

of Randfontein, the Rev Neels Smit of the Gereformeerde Kerk said the storm of controversy concerned the congregation more than any other because it involved their own member of Parliament and brother in the faith.

Taking his theme from an account in the Acts of the Apostles of a storm which threatened the life of the Apostle Paul while being shipped, as a prisoner to Rome, he said that anyone caught in a situation where he was wrongly judged and there appeared no escape should still trust in the God who controls such storms.

The Rev S. J. van der Walt, of the Gereformeerde Kerk at Potchefstroom, took the Ninth Commandment ("thou shalt not bear false witness") as the base of his sermon, and pointed out that the commandment also meant that no one should be judged without a hearing — DDC

"One would have thought the government would welcome all information it could get from any source which would enable it to ensure clean government," he said.

"It is unbelievable that it should attack a judge for doing this.

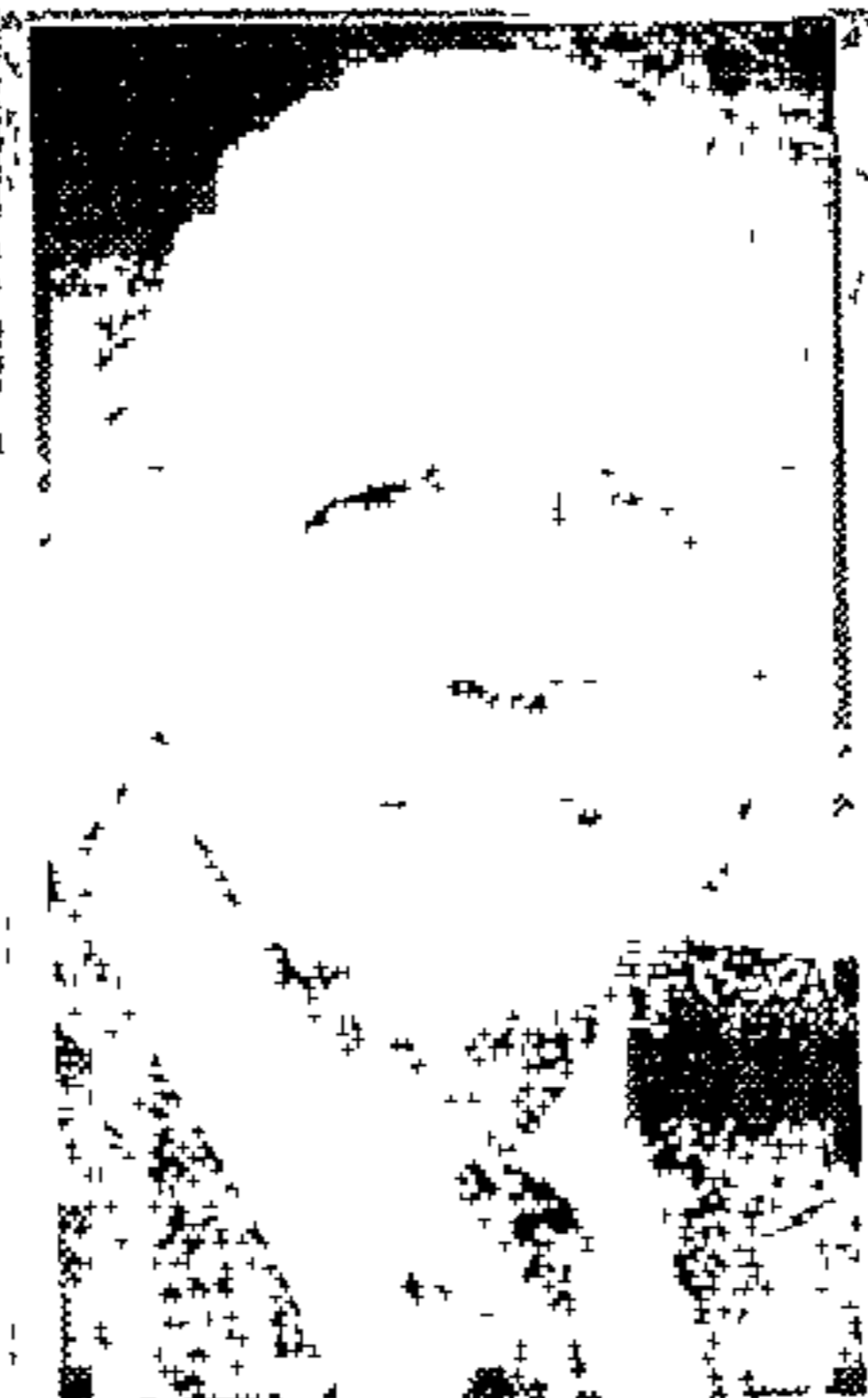
"Whatever the legal niceties, South Africa is grateful to the courage of a judge who releases evidence to which the public is entitled," Mr Raw said. — DDC

Protest meeting

CAPE TOWN — The Leader of the Opposition, Mr Colin Eglin, is to address a public protest meeting in Fish Hoek tonight on the Department of Information scandal.

This is the second of a series of mass meetings called in the Cape by the Progressive Federal Party to protest at allegations of misuse of public funds and the way the government is handling the scandal. — DDC

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MR EGLIN . . . suspend Official Secrets Act.



MR RAW . . . comments were censored

Opposition plea for open hearings

CAPE TOWN — The leaders of both major opposition parties yesterday called for "open" hearings on the Information controversy and said the stand of the Prime Minister was "unconvincing."

The leader of the Opposition, Mr Eglin, wanted investigations into all departments using secret funds and called for an "unrestricted audit" by the Auditor-General and a report to Parliament.

Mr Vause Raw, leader of the New Republic Party, referring specifically to the Information issue, said that whatever action the government took now it would not restore public confidence while hearings were held behind closed doors.

Mr Eglin also contradicted a statement by Mr P. W. Botha that the Prime Minister did not control secret funds.

"The Prime Minister has direct control over the Security Services special account," Mr Eglin said.

Over the past four years the budget for this had been between R12 and R14 million and was for the Bureau of State Security.

Mr Eglin wanted the Prime Minister to suspend the Official Secrets Act so that Gen Hendrik van den

Bergh, former head of the bureau, Mr L. S. Reynders and Mr J. J. Kemp would be entirely free to give evidence before the Erasmus Commission.

"As long as investigations which are taking place are held in camera and are limited essentially to the Department of Information and not all departments controlling or using secret funds and as long as the government withholds some of the evidence from Parliament, the public will continue to hold the view the government is still covering up," Mr Eglin said.

Mr Raw said his comments to the SABC were censored before they were used. These were sections criticising the government and emphasising the difference between a judicial commission and a commission of politicians.

"No matter what the government does now, it cannot restore credibility. It has passed the point of no return. Any action, no matter how sincere or genuine will not restore confidence while the hearings are behind closed doors," Mr Raw said.

He also praised Mr Justice Mostert for releasing evidence on the Information row.

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PM to meet press

Treurnicht makes bid in leadership stakes

PRETORIA — The Deputy Minister of Plural Relations, Dr Andries Treurnicht, has emerged from the shadows to make his bid for the Transvaal leadership of the National Party.

Union

JOHANNESBURG — A reputation from the Newspaper Press Union will meet the Prime Minister, Mr P W Botha, in Pretoria on Thursday afternoon.

The meeting, which is being held at the Prime Minister's request, follows Mr Botha's warning to the press to "get its house in order."

In a television interview on Saturday night, Mr Botha said he was not happy with the way the NPU acted.

He said he "objected to untrue reports in certain newspapers, which were against the spirit and the letter of the agreement with the NPU."

"After discussions, I hope the NPU will bring its house in order. Otherwise Parliament will have to look into it," he said.

In Sasolburg, last week, Mr Botha also accused the press of publishing "one-sided" evidence in response to newspaper reports of the evidence of

And the long knives are out as what Pretoria Nats claim is the most intensive and potentially disruptive party campaign for a provincial leadership since 1948, gets under way.

Dr Treurnicht with his unblemished, Calvinistic, conservative background has maintained a low political profile since his appointment as Deputy Minister of Plural Relations.

However, he has been active in addressing Rap portyer, Sakakamer and other meetings aimed at consolidating his already substantial grass roots support in the province.

His supporters believe "his day has come", and an all out bid is being made to bulldoze him over the heads of Cabinet Minister opponents into the provin-

cial leadership of the party.

Dr Treurnicht has acknowledged he has been approached to make himself available as a candidate.

His three rivals are the three deputy chairmen of the Transvaal executive of the party — the Minister of Labour, Mr Fanie Botha, the Minister of Justice, Mr Jimmy Kruger, and the Minister of Agriculture, Mr Hendrik Schoeman.

Senior Nats in Pretoria believe that before the hooibestuur meets on November 25 to choose the new chairman, Mr Botha and Mr Kruger will have dropped out to leave Mr Schoeman and Dr Treurnicht to fight it out.

Political observers claim the contest for provincial leadership has



DR TREURNICHT

never been more open. In previous contests the result was a foregone conclusion.

The former Prime Minister, Mr J G. Strijdom, was party leader in the

province in the late forties and early fifties. He was followed, predictably by Dr Verwoerd, then by the then Minister of Transport, Mr Ben Schoeman, who, when he retired, was followed by Dr Connie Mulder.

It is forecast that Dr Treurnicht is almost certain to inherit most of the substantial conservative support which was Dr Mulder's main power base in the Transvaal.

If this is so, and Dr Treurnicht wins the day on November 25, he will be a strong contender for the portfolio of plural relations — a move which would provoke an immediate and bitter reaction from blacks.

As Transvaal leader of the party, however, his claim to a key cabinet post could not be ignored. — DDC

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alleged corruption in the former Department of Information made public by Mr Justice Mostert.

He hinted at stricter control of the press if newspapers did not act within the law.

Confirming details of the scheduled meeting with the Prime Minister, the general manager of the NPU, Mr G. G. Uys, said yesterday discussions with Mr Botha would "obviously be in line with what he said at Sasolburg."

Mr Uys could not say whether a statement would be released after the meeting.

The members of the NPU deputation which will meet Mr Botha in his office at 3 pm are Mr R. W. Opperman, NPU president, Mr H. W. Miller, immediate past-president, Mr D. P. de Villiers, vice-president of the NPU and managing director of Nasionale Pers, Mr C. Kinsley, managing director of South African Associated Newspapers, and Mr Uys — DDC

Public's fears valid says Swart

DURBAN — South Africa's main opposition parties yesterday said the Prime Minister, Mr P. W. Botha, had done nothing in an SABC television interview on Sunday to allay public fears concerning the growing Information Department scandal.

Mr Vause Raw, the national leader of the New Republic Party, in a statement here said Mr Botha "did little to reassure the public" and many of his statements were "inexplicable" and "contradictory."

Mr Ray Swart, the national chairman of the Progressive Federal Party said "I found the Prime Minister's statements totally unconvincing, if not thoroughly alarming."

"I was totally unimpressed by his performance, which will do nothing to allay public fears on the government's handling of this, or on the



MR SWART

danger of a cover-up." Mr Swart and Mr Raw found Mr Botha's reasons for the disbanding of the Mostert Commission "inexplicable."

Mr Botha had said on television the Mostert Commission had been disbanded because it was interfering with another

commission. But both men pointed out that there was no other commission investigating the Department of Information at the time Judge Mostert made available to the press and the public evidence on the scandal.

Mr Swart said the Erasmus Commission was only appointed after Judge Mostert had seen fit against the wishes of Mr Botha, to make public the evidence of "corruption in the wider sense of the word."

"The only other investigation was what is now the Pretorius Committee. Is the Prime Minister saying that a judicial committee must trim its sails according to the activities of a departmental inquiry?" "This is certainly against any law of logic or priority, and must certainly imply a diminution of

the status of the Commissions Act," Mr Swart said. Mr Raw said "his reasons for disbanding the Mostert Commission are inexplicable. There was no other commission to my knowledge."

"One would expect the government to welcome any way information or irregularities can be gained, but not to silence a commission and appoint politicians to take over the work."

Mr Swart said the "most remarkable and disquieting comment" made by Mr Botha was related to the question about other secret funds when he replied that he would not have them investigated "unless it can be proved there are irregularities."

"What sort of logic is this? This is some new concept in justice," Mr Swart said. SAPA

Info scandal as the cartoonists saw it

RDM 14/11/78 259

THE FOUR cartoons that form part of my column this morning show how splendidly the cartoonists of South African newspapers, both English and Afrikaans, have responded to the challenge of the Information scandal

They show, too, once again, how a cartoon can capture, more effectively than reams of solemn comment, the essence of a political situation.

It is a particular pleasure to feature a cartoon by my old friend Bob Connolly, who has just celebrated his 71st birthday

Bob is a phenomenon. Unlike many cartoonists, he is entirely responsible for the ideas on which his cartoons are based. He has no wish, he once said caustically, to be an "illustrator" of other people's ideas

By some miracle of nature he seems to wake every morning with at least one first-rate idea for a cartoon and up to six or eight equally good ideas for a Breakfast Quip

Rough sketches are available for the Editor as soon as he comes in. The choice made, Bob goes rapidly to work to produce the kind of polished drawing that has delighted Rand Daily Mail readers for 40 years

A man like that should live for ever.

□ □ □

I HAVE argued more than once in this column that it is against the public interest — and against the interests of the newspapers concerned — for Cabinet Ministers, to hold Press directorships.

This issue has arisen in its most acute form during the past five weeks or so. Die Transvaler and Die Vaderland, it will be recalled, were involved in a burning controversy because they had overtly sought to advance the candidature of Dr Connie Mulder as Prime Minister

Was this, asked small voices, because he was a director of Perskor, the company that publishes both newspapers?

Then in the background, but moving towards its climax, was The Great Information Scandal. No-one who has followed Afrikaans Press coverage of this affair will have failed to note how the Perskor and Nasionale Pers newspapers have differed in their approach to it

The Nasionale papers were hot on the Rhodie trail. Die Transvaler and Die Vaderland, on the other hand, tended to defend the old Information Department and its methods, to question the motives of its accusers and to suggest that perhaps too much had been made of the whole thing

In April, for instance, the editor of Die Transvaler, Dr Willem de Klerk, spoke of a "witch hunt", artificially fed with all kinds of suspicions and insinuations

There were, of course, many factors in this difference of approach. Among them were commercial rivalry and the old North-South feud

But it was again only too easy for the ill-disposed to point out that Dr Mulder, the man in the middle of the Information affair, was one of the Perskor editors' bosses

When Judge Mostert had spoken, and the chips were

IN MY JUDGMENT

The Rand Daily Mail's Ombudsman, James McClurg, takes a critical look at the media



down, there was little doubt where the Afrikaans newspapers stood. Only subtle shades of difference could be detected in the editorials calling for ruthless investigation and merciless punishment of wrongdoers, whatever their rank or dignity

It was Dr De Klerk, indeed, who spoke of the need for an "iron hand" and called on Dr Mulder to consider his position. If Die Vaderland took a softer line towards the vanquished hero, it too accepted that his resignation was inevitable

No-one, at this stage, could reasonably raise imputations of subservience. In fact a new benchmark seemed to have been cut in the slow progress of the Afrikaans Press towards freedom from party shackles

Meanwhile, however, much damage had been done. Will the lesson be learnt and Cabinet Ministers dropped from all newspaper boards?

□ □ □

MY postbag brings me two further comments on the recent controversy in this column about the use of "hopefully" in the sense "it is hoped"

The Oxford English Dictionary, maintains Mrs E A Cogill of Pretoria, has let us down by sanctioning the usage

"The first person to use it in this way," she says, "was ignorant or lazy, and guilty of confusion of ideas and slovenly expression"

On the opposite course, Mr Peter Bannermann of Johannesburg says that the definition in the sixth (1976) edition of the Concise Oxford Dictionary actually gives first place to this use of the word. This also applies, he tells me, to "prestigious" in the controversial sense "having or manifesting prestige, renowned and influential"

□ □ □

THE Press, said the Prime Minister, Mr P W Botha, in a farewell speech to the board of Nasionale Pers, "has a right to publish whatever is not dangerous to the State"

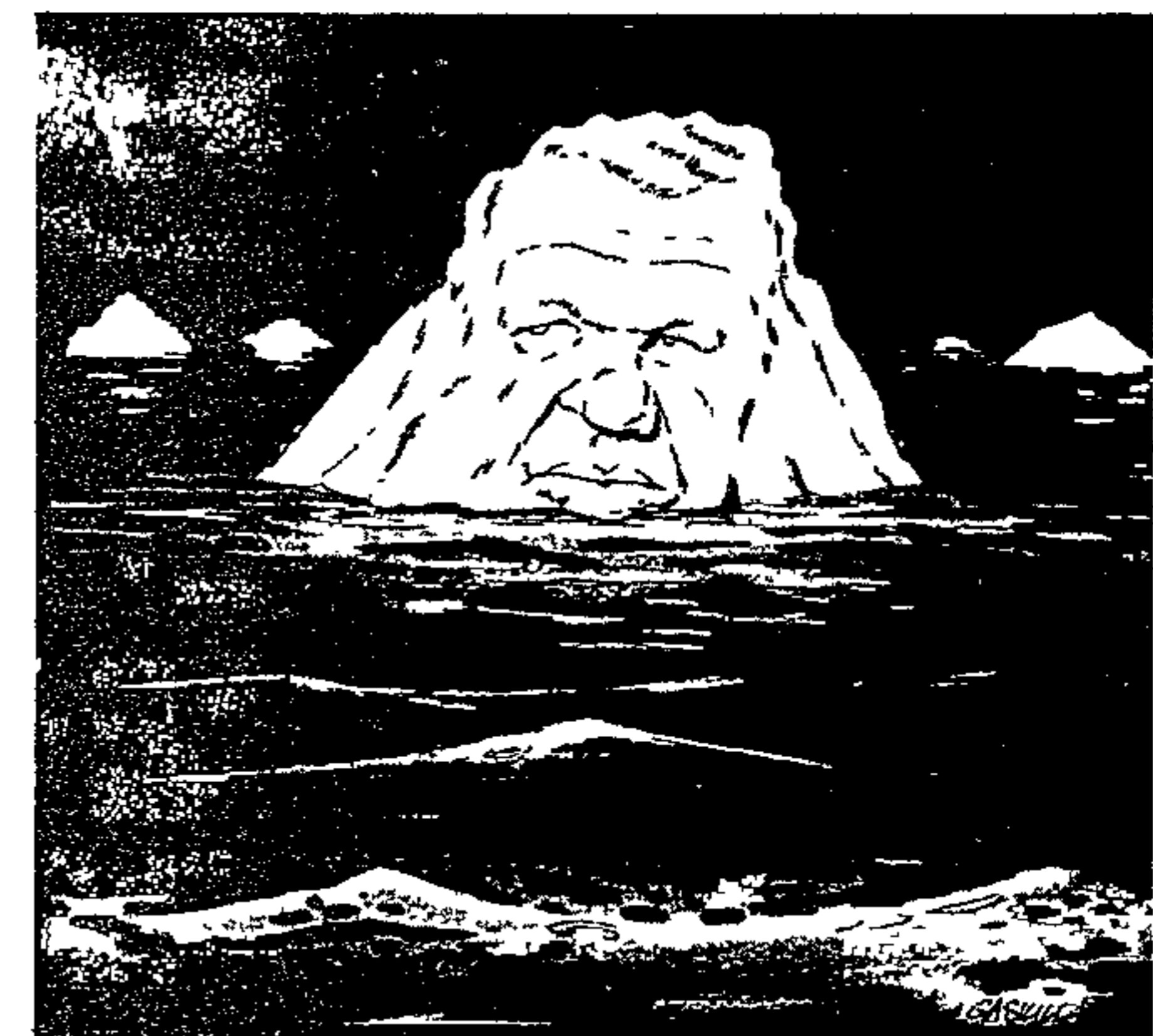
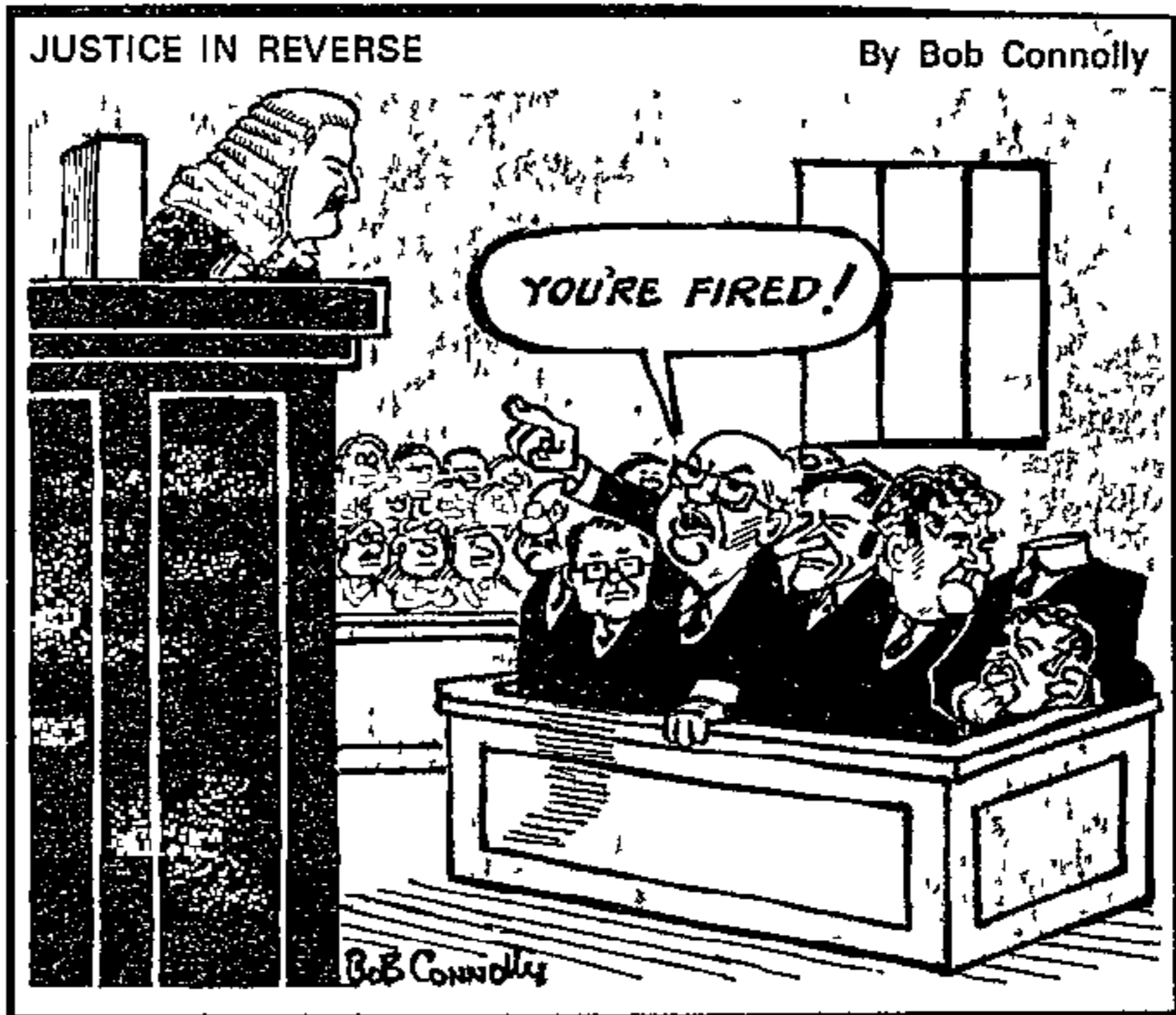
Unexceptionable sentiments, provided there is no confusion between "the State" and "the Government"

The State is permanent and commands the loyalty of all its citizens. The Government is — or ought to be — temporary and is accountable to the public for the proper discharge of its responsibilities

If its own actions endanger it, the Press has no duty to rescue or comfort it

Mr Botha's later attack on the newspapers, with its threat to "take another look" at the law, was scarcely encouraging for the future of Press freedom in South Africa

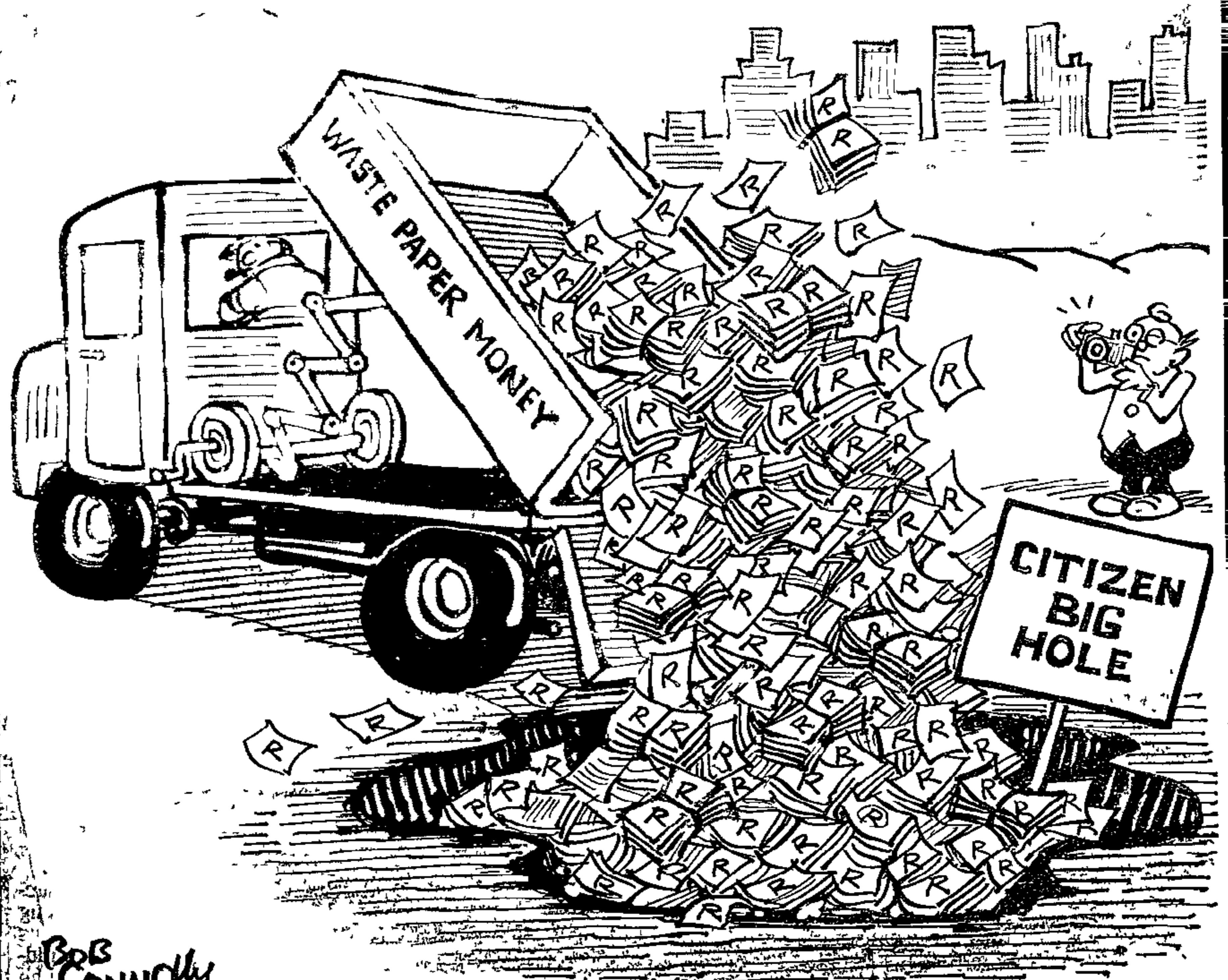
If you have any complaints against the Rand Daily Mail, or suggestions for the Ombudsman to take up, write to the Assistant Editor responsible for reader contact, Trevor Bisseker, at PO Box 1138, Johannesburg, or telephone 28-1500, ext 570.



Sunday Times THE TIP OF THE ICEBERG

OPERATION DUMPING

By Bob Connolly



Bob Connolly

TUESDAY,
November 14, 1978

Why was Mulder allowed to run?

NOW THAT Dr Connie Mulder has resigned both the Cabinet and the Transvaal leadership of the National Party, one crucial question stands out: How was it possible that he could have run for the prime ministership only six weeks ago?

How could leading members of the party, who must have known of his involvement in the Information Department scandal, have allowed him to do so?

It has been a shattering enough blow for the National Party to have a scandal like this burst over the head of its Transvaal leader. Imagine the implications if the man concerned had been Prime Minister of South Africa!

Yet Dr Mulder was allowed to make his run for that high office by Cabinet colleagues who must have known that this scandal could break over him at any moment.

They must have known because this newspaper certainly did. A week before the meeting to elect the new Prime Minister we warned that if any members of the NP caucus believed the Information scandal was closed "we must tell them they are mistaken"

"We happen to know that at least four newspapers — ourselves

included — have extensive files resulting from long investigations into the affair. And, while none is yet in a position to publish its full findings, all are continuing with their investigations. The chances that there will be further disclosures must therefore be regarded as substantial."

Thus our warning about Dr Mulder's vulnerability. And if we were aware of it, it is inconceivable that his Cabinet colleagues were not

Indeed, the evidence made public by Mr Justice Mostert indicates that some had known for months. Then, on the eve of the final meeting of the Vorster Cabinet, Mr Retief van Rooyen is said to have briefed a few Ministers on what he knew — which, to judge by his sworn statement, was plenty

Did these Ministers not raise the matter at the Cabinet meeting? Again, it is inconceivable that they didn't.

Yet there was Dr Mulder the next day running for Prime Minister — while colleagues knew he was involved in a scandal bad enough to render him unsuitable even to be a provincial leader of their party.

Bribes claim: policeman resigns

RAM 14/11/78

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Crime Reporter

A THIRD policeman at John Vorster Square has resigned as a result of investigations into the alleged bribery of several policemen by Johannesburg gamblers.

General J F L Engelbrecht, CID chief for the Witwatersrand, confirmed last night that the man — a CID sergeant on the vice squad — resigned earlier in the day.

At the beginning of this month a John Vorster Square CID captain and another

CID sergeant resigned as a result of the investigation, which came to a head when more than R60 000 was found buried in the back garden of a Johannesburg policeman's home.

Police are still looking into allegations that gambling houses offered bribes to policemen and have not yet disclosed how many gamblers or policemen might be involved.

The investigations started in January and were conducted by Pretoria police.

Law chief is asked to act on Mostert

Jan 14/1978

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By Hugh Leggatt, Political Correspondent

Former judge Mr Kowie Marais, MP, suggested last night that the Chief Justice had a duty to discuss the sacking of the Mostert Commission and its implications with the Prime Minister.

Concern over inquiry secrecy

Political Reporter

Opposition politicians and a leading legal academic have expressed concern about one of the secrecy regulations governing the Van der Walt Commission into exchange control malpractices.

The commission was appointed after the axing of the Mostert Commission.

One of the regulations governing it stipulates that at the request of any person giving evidence to the commission his or her name may not be published. Nothing which may reveal this person's identity may be published.

Mr Harry Schwarz, chairman of the federal executive of the Progressive Federal Party, said today that this regulation might be useful in protecting genuine informers who approached the commission to give evidence on their own initiative.

However, he felt that the names of people who were summoned by the commission to give evidence should be made public.

Professor A S Mathews of the University of Natal Law Department said today that he was opposed to secrecy.

"This is the entirely wrong approach," he said. "The tendency should be in the other direction."

'Les' willing
to co-operate

He said only one body of lawyers in the country had accepted that the Prime Minister was within his rights when he dismissed the commission.

"Is it not the duty of the Chief Justice to ask for an opportunity to discuss this matter and its implications with the Prime Minister?" he asked.

Mr Marais addressed a PFP protest meeting in Pretoria with Mr Harry Schwarz MP.

He said the Government's real motive in terminating the Mostert commission was that Mr Justice Mostert was too independent.

Mr Marais said the Prime Minister had first given the reason that Mr Justice Mostert had revealed evidence he had no right to disclose.

Later, he said he could not have two commissions investigating the Department of Information.

"I know from the Bench that when you get two explanations that don't match (klop) you don't believe either of them," he said.

Evidence before the Mostert Commission had implicated General Hendrik van den Bergh, former head of the Bureau for State Security, in the scheme to provide State funds directly or indirectly for The Citizen.

General van den Bergh could have called a Press conference to tell the truth of where money for The Citizen came from, but he had still not done so.

CHALLENGE

"I don't say that this makes him guilty but one wonders why he doesn't say it is untrue if it is untrue," Mr Marais said.

Mr Schwarz referred to evidence given to Mr Justice Mostert that General van den Bergh had said he had led Mr Schwarz up

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The Star Bureau.
WASHINGTON — The former Deputy Secretary for Information, Mr L E S de Villiers, said today that he was fully prepared to co-operate with the Erasmus Commission investigating the Information scandal.

Mr de Villiers left his South African job earlier this year to take up a position with a New York public relations firm.

the garden path.
"I challenge the general to say in public whether this, which was said by Mr Retief van Rooyen under oath, is true or false.
"If it is false I expect him to take legal action against Mr van Rooyen. If it is true I challenge him to say again that he deceived me so the people can see how the head of a department treats an MP," Mr Schwarz said.

'It won't end in Parliament'

Political Correspondent
Those who believed the Information affair would come to an end with the special sitting of Parliament were living in a fool's paradise, Mr Harry Schwarz, MP, said last night.

Mr Schwarz said evidence was being led at the Erasmus Commission which MPs had no guarantee that they would see.
"Can 165 MPs sensibly debate a matter when they may not have seen all the evidence? Are we, the PFP, unreasonable when we ask to hear or see evidence of the commission?"

Dealing with the representations, he, Dr Zac de Beer and Mr Japie Basson made to the commission yesterday, Mr Schwarz said he was prevented by regulations from telling what was said

"We made representations and were advised that we would be notified about the outcome. This evening I hear on the SABC that our application (to be represented on the commission and to call witnesses) had been refused.

"I phoned the secretary and asked why I had not been notified. He said he had been instructed by the commission to communicate with the media."

To cries of shame, Mr Schwarz continued "How can the Prime Minister expect us to serve on the Van der Walt Commission of MPs when we can't be present on the Erasmus commission?"

"The judge is within his rights to decide who should be there and I direct my remarks at the Prime Minister," he said.

Erasmus spurns two PFP pleas

W.A.
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Mercury Correspondent

JOHANNESBURG — Mr. Justice Erasmus yesterday rejected an Opposition request that his commission should hold public hearings — and the three PFP MPs who made it heard of his decision over the radio.

The Judge also refused their request for PFP representation at commission hearings.

Mr. Harry Schwarz, Mr. Japie Basson and Dr. Zac de Beer went to Pretoria to see the three-man commission to put their case for public hearings and PFP representation.

Last night Dr. de Beer said: "We were received politely and the commission undertook to consider our requests and advise us of its decision."

"So it was with considerable surprise that we learned over the radio our requests had been turned down. So far as we know there had been no attempt to inform us directly of the decision."

"Mr. Schwarz has since been in touch with the commission secretary who has confirmed the facts as broadcast by the SABC."

Ormande Pollok reports that the leaders of both major opposition parties yesterday called for "open" Erasmus commission hearings after the weekend TV interview with the Prime Minister, Mr. P. W. Botha, which they said was "unconvincing".

The Leader of the Opposition, Mr. Colin Eglin, wanted investigations into all departments using secret funds and called for an "unrestricted audit" by the Auditor-General and a report to Parliament.

Mr. Vause Raw, leader of the New Republic Party, referring specifically to the Information issue, said whatever action the Government took now it would not restore public confidence while hearings were held behind closed doors.

Mr. Eglin also con-

Mr. Botha that the Prime Minister did not control secret funds.

"The Prime Minister has direct control over the Security Services Special Account set up by Act 81 of 1969," said Mr. Eglin.

He asked for a full audit of those funds and those controlled by the Department of Defence. He also wanted the Prime Minister to make available to Parliament all evidence held by the Erasmus commission.

Cover-up

"As long as investigations are held in camera and are limited essentially to the Department of Information and not all departments controlling, or using secret funds and as long as the Government withholds some of the evidence from Parliament, the public will continue to hold the view the Government is still covering up."

Mr. Botha hit back at Mr. Eglin last night and told him to "do his homework."

"The Prime Minister's Department does not deal with any secret funds. The Department of National Security deals with secret funds for specific purposes and the Department of Defence also has a secret fund that is used to collect military intelligence."

● See also Page 9.

Liaison and Works Committees

Instead of simply providing for the in-plant of the pyramid, a dual system of works and A liaison committee in any establishment the employer and others elected from the least half the members of a liaison committee employees but the chairman may be designated a member of the liaison committee, or may by the committee itself. As we shall see liaison committee and it is true that it committee in the Act. The functions of defined. Its task is "to consider matters employer and his employees and to make recommendations concerning conditions of employment of such affecting their interests ..." The law of a liaison committee which would presume constitution.

The works committee, on the other hand, is a wholly elected body establishment employing more than twenty African workers, where committee exists, such workers may elect a works committee consisting of fewer than three or more than twenty persons. However, representation limited to a quarter of the total number of African workers in or section of the establishment at the time of the election. representation in the sense that it allowed for more than one in an establishment and in larger firms, therefore, sections of labour force can now elect their own works committees.

A meeting convened to elect a works committee is held under the chairmanship of the employer concerned or his authorised representative. Obviously where the employees and their employer enjoy a reasonably harmonious relationship dissension on this score is unlikely. However, where relations are cool or even hostile, where distrust exists on one or both sides, this particular arrangement is inadequate for resolving what may be a fundamental conflict of interests. While the present definition of a labour dispute is far wider than that contained in the 1953 legislation, and a Bantu Labour Officer and/or Inspector, with or without the assistance of the Regional Bantu Labour Committee concerned, should intervene in an attempt to effect settlement there does seem to be a remarkable shortcoming in this connection. The Act

Reg sal geskied, sê Van der Walt

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JOHANNESBURG

EK is seker dat reg en geregtigheid sal geskied in terme van die mandaat wat my kommissie ontvang het en in terme van die Kommissiewet van 1947 wat voorsiening maak vir die wyse waarop 'n kommissie van hierdie soort sy werk moet doen."

Só het mnr Hennie van der Walt, hoof van die parlementêre kommissie van ondersoek na wanpraktyke in die valutabeheer-regulasies, gister hier gesê.

Mnr Van der Walt het in 'n onderhoud met die S.A U.K.-TV se program Weekend Newsroom, die perke van sy kommissie omskryf

WANPRAKTYKE

"Ons moet kyk na die wanpraktyke in die valutabeheer-regulasies van Suid-Afrika: ons moet dit ondersoek en die Minister van Finansies dienoreenkomstig inhg. Ons

moet ook die Minister inhg oor metodes om sulke wanpraktyke die nek in te slaan.

"Ons is nie tydgebonde nie: Ons het geen opdragte oor 'n tydbepanking ontvang nie

Dit hang alles af van die hoeveelheid werk waaruit dit bestaan."

Mnr. A. J. Pretorius, sekretaris van die Tesourie, wat aan die hoof staan van die komitee wat die geheime projekte van die voormalige Departement van Inligting ondersoek, het gesê sy komitee sal enige onreëlmahede onmiddellik aan die Erasmus-kommissie voorle.

VERSEKERING

Toe hy gesê is of hy dit kan waarborg dat reg en geregtigheid geskied, het mnr. Pretorius gesê. "Die enigste versekering vir die werk wat gedoen moet word, die werk wat my komitee moet doen, is die integriteit van die mense waaruit die komitee bestaan. Afgesien van my self is daar mnr. Du Toit, adjunk-hoofstaatsprokureur en A. J. Engelbrecht, die Direkteur-generaal van die Buro vir Nasionale en Internasionale Kommunikasie.

"En in die laaste geval is daar mnr. Koos Kemp, 'n assistent-sekretaris in die Departement van Nasionale Veiligheid" — (Sapa.)

Regter

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publiek

se hulp

PRETORIA

HY doen 'n beroep op die publiek om na vore te kom met inligtinge wat betrekking het op die ondersoek na die gewese Departement van Inligting, het regter R. P. Erasmus, voorsitter van die kommissie van ondersoek, gister hier gesê.

In 'n verklaring sê regter Erasmus hy doen veral op die pers 'n beroep. Inligtinge moet nie later as 30 November verskaf word nie.

Die sekretaris van die kommissie kan by tel. 21114 of 21115 in Pretoria opgebeld word of skriftelik genader word by Privaatsak X81, Pretoria 0001. — (Sapa)

son Committee in Practice

There can be no doubt that generally employers have shown a marked preference for liaison committees rather than the works committee. According to the Financial Mail there were 118 liaison committees in existence at the end of

1972. In effect these were non-statutory works committees which were later, by the new definition of 'liaison committee'. By the end of

1974 the number had increased to 773,²⁷ while at the end of 1974 the number had fallen to 482.²⁸

Of these liaison committees, 750 were located in the Orange Free State (50,6%), 376 in Natal (25,4%), 298 in the Cape (20,1%), and 58 in

the Free State (3,9%). By May 1975, 1 751 liaison committees had been established.²⁹ This fifteen-fold increase does appear remarkable.

In 1974, Ryno Verster, of the Personnel Research Division within the

Department of Industrial Psychology at the University of the Orange Free State,

conducted an investigation into the constitution and functioning of liaison and committee.³⁰ His survey included questionnaires addressed to 1 064

organisations on the subject of liaison committees and he received a suitable response from 326 (roughly 30%) employing 164 995 African workers covered by 437 liaison committees. The organisations which participated in the investigation were grouped in the following industrial sectors:³¹

TABLE 2

Sector	Industrial Classification of Participants	
	Number of Organisations	%
Manufacturing	257	79,0
Mining	9	3,0
Construction	9	3,0
Commerce	13	4,0
Services	27	8,0
Local authorities	11	3,0
	<u>326</u>	<u>100,0</u>

26. Financial Mail, 22 December 1972 p.1145. Cited in: R. Verster, Liaison Committees in the South African Industry, Bloemfontein, U.O.F.S., 1974, p.9.

27. Hansard 3 columns 160-161, 22 August 1974.

28. Hansard 10 column 691, 15 April 1975.

29. Rand Daily Mail, 22 May 1975. Cited in: Muriel Horrell and Tony Hodgson, A Survey of Race Relations in South Africa, 1975. Johannesburg S.A.I.R.R. 1976, p.212.

30. Op.cit. pp.14-16.

31. Ibid, p.17.

De Villiers sal getuig - Marais

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Van Ons Korrespondent
JOHANNESBURG

HY glo nie mnr. Les de Villiers, voorheen Adjunk- sekretaris van die voormalige Departement van Inlig- ting, sal omgee om na Suid-Afrika te kom en voor die Erasmus-kommissie getuieis oor die depar- tement se werksaamhede af te lê nie, het dr. Jan Marais, L.V. vir Pinetown, gister gesê.

Dr Marais is 'n direkteur van die Suid-Afrikaanse tak van die groot skakelmaat- skappy, Sydney S. Baron. Mnr. De Villiers is voorsitter van die Suid-Afrikaanse tak en ondervoorsitter in New York, waar hy nou woon.

Mnr. De Villiers was nie gister beskikbaar vir kom- mentaar oor die moontlikheid dat hy hier sal moet kom getuig nie. Volgens sy sekreta- resse sal hy tot einde vande- week in Washington wees.

Dr Marais het gesê hy het hoe agting vir mnr. De Vil- liers. "As dit in die landsbe- lang is, sal hy sekerlik getuie- nis wil aflê en sy kant van die saak stel," het hy gesê.



MNR LES DE VILLIERS

erved for specific purposes: Mrs Winery a/c, is destined presented to various schools or the purchase of prizes. cost of prizes and of the ed our grant for '78/79 from outside sources for help when, ve, recur this coming financial

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'77/78

Total

Surplus

grammes for Ludi Romani

Printing of 250 pro-

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of Classics, UCT for

Honorarium to secretary

UCT towards costs

Dr. Kraay's lecture:to

Xeroxing

Cash floats 2 x R5

Commentaries Project:

Ludi Romani

Reading Comp.

Prizes: Quiz

Stationery

Xeroxing

Stamps

Revenue

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Revenue

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Revenue

Expenditure

No to travel closed shop

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FORTY of South Africa's smaller, independent travel agents have banded together to form a free trading co-operative — the Independent Travel Agents Organisation, ITAO

The move is one of self-preservation, according to a spokesman. He said this week, after a new constitution had been approved, that the better known Association of Travel Agents operates a closed shop which, because it excludes members trading with non-members, threatens to deprive some travel agents of their livelihood.

The offending clause is Clause 15, which specifically prevents an Association of Travel Agents member trading with a non-member.

Of South Africa's some 600 travel agents, about 350 are members of the Association and this means that a vast number of travel agents are battling on their own against the might of the association.

The members of ITAO together handle about R35-m of travel business a year which gives them sufficient muscle to negotiate better prices for their clients and to organise cheaper exclusive tours. And the ITAO is hoping to attract more members before the end of the year.

"We're not out to discount," Morris Hack was quick to point out. "We're just looking for better prices for our members to pass on to the consumer. Neither do we oppose the association."

"We just believe in free trade and fair competition and believe that there's enough room in the market place for everyone."

INFORMATION CONTROVERSY

MPs fear curbs on evidence

RETORTIA — The fear is growing among opposition politicians that the Government will use "security" as a reason for withholding vital evidence even before the Erasmus Commission.

An extraordinary session of Parliament on December 7 and 8 will debate those parts of the report released by the Prime Minister, Mr P. W. Botha.

The commission has rejected a plea from the Progressive Federal Party to be allowed representation at the hearings.

The chairman of the FP federal executive, Mr Harry Schwarz, said the position of parliamentarians, particularly opposition parliamentarians, would be affected seriously if they were not even allowed to be present at the hearings.

"Right now there is no guarantee of any kind that evidence will be made available to parliamentarians."

The Prime Minister had omitted himself only to invite Parliament a report on the commission.

"Is it going to be an bridged report or is it going to be the full report excluding only those parts which could be prejudicial to national security?" Mr Schwarz asked.

He emphasised it was entirely at the discretion of the Prime Minister how much of the commission's hearings would be revealed.

"If there was a substantial hold back of evidence the position of parliamentarians would become particularly impossible. After all the issues being inquired into, or at least some of them, revolved around public monies voted by Parliament."

Mr Schwarz emphasised the commission was well within its rights to hold the hearings in camera.

The Natal leader of the New Republic Party, Sen Warwick Webber, said his party "demanded" that the full report of the commission be tabled in Parliament.

"Nothing must be held back, public faith in the Nationalist Government has been tarnished badly. The public will not stand for any effort to withhold vital information from Parliament."

If there was any reason to suspect that in fact the Prime Minister was suppressing any part of the Erasmus report, except where the judge had recommended this for reasons of national security, then an angry public reaction was certain — DDC

Break funds scandal Wide open says Eglin

CAPE TOWN — The Leader of the Opposition, Mr Colin Eglin, called on the Government last night to "cut the secret-fund scandal right down to the bone, no matter how painful the truth might be."

He told a PFP protest meeting at Fish Hoek that the secret-funds scandal had done immense damage to South Africa already, at home and abroad.

He expressed disappointment that the Erasmus Commission of Inquiry into alleged misuse of public funds by the former Department of Information had turned down a PFP request to be represented at commission hearings.

The PFP was also disappointed that the Prime Minister, Mr P. W. Botha, had restricted its terms of reference to the activities of the Information Department only.

"As the Department of Information did not have secret funds of its own but was allowed to use secret funds belonging to other departments and for which other Ministers were responsible, the in-

vestigation should have been broadened to include an investigation of all departments controlling secret funds."

It was ridiculous that the executive arm of government, which was being investigated, should decide what evidence and findings of the Erasmus Commission should be revealed to Parliament.

"The way the Prime Minister is handling this affair could make it impossible for a proper debate to take place when Parliament meets on December 7."

Mr Eglin repeated his call to Mr Botha to allow a full and unrestricted audit by the controller and Auditor General of all departments which had controlled secret funds over the past few years.

"Let the people of South Africa, through an unrestricted audit and a report to the parliamentary select committee on public accounts, know the truth, however painful that truth may be."

The Government had given the impression it had something to hide and Mr Botha should put the

national interest before that of any party or individual.

"I ask him to open up the secret-fund scandal right down to the bone so that trust, faith and confidence can be rebuilt in the integrity of government in South Africa."

Mr Eglin replied to a retort from Mr Botha that, had he done his homework, he would have known that under the Prime Minister it was the Department of National Security, and not the Department of the Prime Minister, which controlled secret funds.

"Perhaps if members of the Nationalist Cabinet had done their homework over the past few years, the Government would not be in the mess it is today."

The Prime Minister had direct control over secret funds through the Secret Services Special Account Act of 1969.

Budgetary contributions to this account had been R9 043 000 in 1973-74, R12 536 000 in 1974-75, R14 million in 1975-76, R11 830 000 in 1976-77 and R12 086 000 in

1977-78

The MP for Pinelands, Dr Alex Boraine, told the meeting the present crisis over the Information Department was a crisis not of politics but of credibility, conscience and morality.

"No nation can survive if it builds on the sinking sands of corruption," he said.

The "pernicious and amoral" philosophy that no rules applied gave birth to detention without trial and burnings.

He said the former Minister of Information, Dr Connie Mulder, should not be the sacrificial lamb which absolved all others who must have been involved.

"Each minister in the Cabinet must declare publicly that he is in no way connected with the disgraceful events which were made public by Judge Mostert.

The people of South Africa had a right to know whether they were involved either in the initial act or "the subsequent cover-up," Dr Boraine said — DDC

MP quits Triomf

JOHANNESBURG — Mr Dawie de Villiers, MP for Johannesburg West, and former Springbok rugby captain, has resigned as a member of the board of directors of Triomf Fisheries Investments.

His resignation follows Mr Justice Anton Mostert's disclosure of evidence led before his commission of inquiry

According to the managing director of Triomf, Mr Kobus Bekker, Mr De Villiers' letter of resignation had been received last week. No reason had been given for his resignation.

Mr De Villiers said he resigned on principle. He added that his resignation did not reflect on the company or its management — SAPA

Call for evidence

PRETORIA — Mr Justice Erasmus, chairman of the commission of inquiry into the former Department of Information, yesterday again appealed to members of the public to come forward with any information pertinent to the terms of reference of the commission.

In a statement here, Mr Justice Erasmus said his

appeal was especially addressed to the press and any information should be lodged not later than November 30.

The secretary of the commission could be contacted by telephone at Pretoria 21114 or 21115 or written to at Private Bag X81, Pretoria 0001 — SAPA



Mr Eugene Roelofse sets the official seal on his latest consumer ombudsman's project.

Stickers thank Mostert

JOHANNESBURG — Consumer ombudsman Eugene Roelofse is providing a novel way for taxpayers to publicly show their appreciation of Judge Anton Mostert's revelation of evidence of alleged corruption in the former Department of Information.

"Thank you Judge Mostert" is the message spelt out loud and clear on the bundle of bright yellow car window stickers which Mr Roelofse has started dis-

tributing free of charge.

"Judge Mostert did more for the consumer-taxpayer in the space of one hour than any member of the cabinet has done in a decade," Mr Roelofse explained.

"This is a small gesture on our part to show that we back him to the hilt. He merits recognition for his services."

"It's time to get our priorities right and to start honouring those sons of South Africa who are worthy of the name Com-

pared to the immense blow which Judge Mostert has struck for the country. The efforts of the Prime Minister Mr Botha are puny, amateurish and gravely disappointing," he added.

Mr Roelofse set the seal on his latest official ombudsman project when he licked a sticker and lopped it on the rear window of his car.

Standing back to admire his handiwork he chuckled, "I think it looks rather attractive, don't you?" — DDC

R27 million for Citizen

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Luyt bought a million copies

JOHANNESBURG — Mr Luyt bought more than a million copies of The Citizen during his 18-month association with the newspaper.

At least this is the irresistible conclusion to be drawn from an entry in a document released by the Mostert Commission.

Mr Luyt was credited with R111 620 for "news-papers bought for cash" when loan accounts between Mr Luyt, SA Today (Pty) and the Government were reconciled this year.

The clandestine dumping of 30 000 copies of The Citizen a day in 1976 to present a false picture of the newspaper's popularity was uncovered by a team of reporters and photographers.

The dumping exercise could have given The Citizen circulation figures an advantage had there been no cash payment for the newspapers. But if the

JOHANNESBURG — A detailed examination of The Citizen's accounts, which were released by Mr Justice Mostert two weeks ago, indicates that nearly R27 million of government money may have been committed to the launching and running of The Citizen.

Of this, R16 647 062 appears to have been lost to date — and losses are continuing at an estimated rate of R20 000 per issue of the paper.

The remaining government money, more than R10 million, has ended as a low-interest loan — effectively 4.5 per cent — to Mr Louis Luyt's Triomf publisher group.

This latter sum was part of an initial loan of R13 million made by the former Secretary for Information, Dr Eschel Rhoadie, to Mr Luyt for the launching of the pro-Nationalist newspaper in 1976.

Mr Luyt subsequently passed more than R10 million of — as a loan to Triomf — a company which has experienced severe liquidity problems.

In terms of a later agreement between Mr Luyt and Dr Rhoadie, Mr Luyt was to repay this R10 million loan, plus interest to the government in a series of eight annual instalments, beginning on March 2 next year.

Post-dated cheques for these instalments, signed by Mr Luyt, were made out in favour of a Volkskas bank account belonging to

But unless there is a secret Nationalist financier somewhere of enormous wealth and with a great lust for loss, it must be assumed that the money is continuing to come from the government.

Mr Pik Botha, the Minister responsible for the Department of Communications (successor to the disbanded Department of Information), has given categorical assurances that it has paid no money to The Citizen since he has been in charge.

If that is correct, the channel must now be through another department.

The Rand Daily Mail was assisted in its examination of The Citizen's accounts by leading chartered accountants who drew attention to many curious aspects of the agreement in terms of which To The Point's managing director, Mr J van Zyl Alberts, bought SA Today (Pty), The Citizen's holding company, from Mr Luyt.

In terms of the agreement, the new owners of The Citizen — whoever they may be —

apparently owed to Mr Luyt reconciles with the R10 118 000, which in terms of an agreement will be repaid to the Government via Homerus Finance, can be reconciled is impossible to establish.

It is also not clear who assumed responsibility when ownership of SA Today changed hands for a bank overdraft of nearly R7 million which the company reflected in its accounts but was apparently not taken over by Mr Van Zyl Alberts.

Nor does it seem from the agreement between Mr Luyt and Mr Alberts that the new owners have assumed the MGD Vandag liabilities.

A note to SA Today's balance sheet says no interest is paid on the long-term loan from Konsortium Vandag and the date of repayment is not fixed.

Another note says, "Luyt has deferred his right to claim or accept payment of R13 205 172 of his loan of R15 780 000 until the fairly valued assets of the company exceed its liabilities."

The balance sheet to which the note refers reflects an accumulated

It is difficult to perceive how a bank, in the absence of gilded assurances that some big daddy or other was waiting in the wings to bolster the company's resources if necessary, would have allowed a company with such a history of losses to get that sort of facility.

It is doubtful whether Mr Luyt would have wanted, even if he could, to commit himself to backing that overdraft.

Could it have been the government?

And yet in May this year, the then Minister of Information, Dr Mulder, told Parliament that not one cent of government money had been paid into The Citizen.

In suggesting that all The Citizen's losses are for the government's account, it is as well to record that Mr Luyt has said repeatedly that he suffered no loss. Indeed, he has often boasted of the profit he made on the sale of The Citizen.

Apart from the advantage of a low-interest loan to Triomf, which has clearly been helpful, since it cost him nothing to start.

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poration, a mystery company controlled by Mr David Abramson (who is also chairman of Hortors) and wealthy industrialist and restaurateur, Mr John Heinrich

There is no mention in the documents released by Judge Mostert of any plans for the repayment of the R16 million that has been lost to date.

Nor is there any indication of how the current loss of R20 000 per publishing day is being borne

capital and R1 for the company's loan account

SA Today's balance sheet at February 28 this year showed accumulated losses of R11 957 062 and long-term loans of R16 870 791. Of this, Mr Luyt was owed R15 780 000, MGD Graphics R490 791 and Konsortium Vandag R600 000

How the difference between the R15 780 000

and evidence of further heavy losses still to be sustained

The bank overdraft at February 28 had risen by nearly R3 million from 1977's level of R4 078 916 to R6 966 330 and this, together with guarantees issued by the bank on behalf of the company for another R510 026, were secured by a special notarial bond for R700 000 over a printing press

the R4 sale was indeed a profit.

A final irony to the government's investment in The Citizen is that the Minister of Sport, Dr Koornhof, asked Mr Luyt to put up R200 000 to save the South African Grand Prix. Eventually Mr Luyt did so and took the kudos for his patriotic generosity

But it emerges from evidence to the Mostert Commission that the R200 000 was government money anyway — DDC

Info scandal, page 3

Citizen m

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15/11/78

Mercury Correspondent

JOHANNESBURG — A detailed examination of the Citizen's accounts, which were released by Mr. Justice Mostert two weeks ago, indicates that nearly R27 million of Government money may have been committed to the launching and running of the Citizen.

Of this, R16 647 062 appears to have been lost to date — and losses are continuing at an estimated rate of R20 000 per issue of the paper

The remaining Government money, more than R10 million, has ended as a low-interest loan — effectively at 4,5 percent — to Mr Louis Luyt's Triomf fertiliser group

This latter sum was part of an initial loan of R13 million made by the former Secretary for Information, Dr Eschel Rhodie, to Mr Luyt for the launching of the pro-Nationalist newspaper in 1976

Mr Luyt subsequently passed more than R10 million on as a loan to Triomf — a company which has experienced severe liquidity problems.

In terms of a later agreement between Mr Luyt and Dr Rhodie, Mr Luyt was to repay this R10 million loan, plus interest, to the Government in a series of eight annual instalments, beginning on March 2 last year.

Post-dated cheques for these instalments, signed by Mr Luyt, were made out in favour of a Volkskas Bank account belonging to Homerus Finance Corporation, a mystery company controlled by Mr. David Abramson, who is also chairman of Hortors, and wealthy industrialist and restaurateur, Mr John Heinrich

There is no mention in the documents released by Judge Mostert of any plans for the repayment of the R16 million that has been lost to date.

• Nor is there any indication of how the current loss of R20 000 per publishing day is being borne

Mr Pik Botha, the minister responsible for the Department of Communications — successor to the disbanded Department of Information, has given categorical assurances that it has paid no money to the Citizen since he has been in charge

If that is correct, the channel must now be through another department

Curious

Leading accountants assisted in the examination of the Citizen's accounts. They drew attention to many curious aspects of the agreement in terms of which To The Point's managing director, Mr. J. van Zyl Alberts, bought

S.A. Today (Pty), the Citizen's holding company from Mr Luyt-

In terms of the agreement, the new owners of the Citizen — whoever they may be — paid R3 for the issued capital and R1 for the company's loan account

S.A. Today's balance sheet at February 28 this year showed accumulated losses of R11 957 062 and long-term loans of R16 870 791. Of this, Mr Luyt was owed R15 780 000, MGD Graphics R490 791 and Konsortium Vandag R600 000

How the difference between the R15 780 000 apparently owed to Mr Luyt reconciles with the R10 118 000 which, in terms of an agreement will be repaid to the Government

R27m Citizen mystery

• FROM PAGE 1

via Homerus Finance, is impossible to establish

It is also not clear who assumed responsibility when ownership of S-A Today changed hands for a bank overdraft of nearly R7 000 000 which the company reflected in its accounts but was apparently not taken over by Mr van Zyl Alberts

Nor does it seem from the agreement between Mr Luyt and Mr Alberts that the new owners have assumed the MGD Graphics and Konsortium Vandag liabilities

A note to SA Today's balance sheet says no interest is paid on the long-term loan from Konsortium Vandag and the date of repayment is not fixed

Another note says "L Luyt has deferred his right to claim or accept payment of R13 205 172 of his loan of R15 780 000 until the fairly valued assets of the company exceed its liabilities

That is rich in the light of the fact that the balance sheet to which the note refers reflects an accumulated loss of nearly R12 million and evidence of further heavy losses still to be sustained

The bank overdraft at February 28 had risen by nearly R3 000 000 from 1977's level of R4 078 916 to R6 966 330 and this together with guarantees issued by the bank on behalf of the company for another R510 026 were secured by a special notarial bond for R700 000 over a printing press

It is difficult to perceive how a bank in the absence of gilt-edged assurances

that some big daddy or other was waiting in the wings to bolster the company's resources if necessary, would have allowed a company with such a history of losses to get that sort of facility

It is doubtful whether Mr. Luyt would have wanted, even if he could, to commit himself to backing that overdraft

Could it have been the Government?

And yet in May this year, the then Minister of Information, Dr Connie Mulder, told Parliament that not one cent of Government money had been paid into the Citizen

In suggesting that all the Citizen's losses are for the Government's account, it is as well to record that Mr Luyt has said repeatedly that he suffered no loss

Indeed, he has often

boasted of the profit he made on the sale of the Citizen

Apart from the advantage of a low-interest loan to Triomf, which has clearly been helpful, since it cost him nothing to start the R4 sale was indeed a profit

A final irony to the Government's investment in the Citizen is that the Minister of Sport, Dr Piet Koornhof, went on his knees to beg Mr Luyt to put up R200 000 to save the South African Grand Prix. Eventually Mr Luyt did so and took the kudos for his patriotic generosity

But it emerges from the evidence to the Mostert commission that the R200 000 was Government money anyway

A minister had been forced to his knees to beg a private businessman to use Government money

2.

WORLD

WEDNESDAY, NOVEMBER 15, 1978. (259)

GET IN THERE NOW

THE ERASMUS Commission's refusal to allow the Progressive Federal Party to be represented at its closed hearings makes it all the more imperative that the PFP should reconsider its decision not to have two of its MPs on the Parliamentary commission appointed to take over Judge Mostert's inquiries into currency conventions

The present crisis of confidence over the Info. scandal stems from fears that the Government will attempt to cover up, as far as it deems prudent, facts which should be made public

This fear of a cover-up is no reflection on the members of the Erasmus Commission or any other body inquiring into related matters. They can be expected to do their duty in the best traditions of their respective callings.

Suspicion would have been largely allayed if the Erasmus Commission had decided to hear its evidence in public, with sessions in camera where necessary for State security. It is understandable that the Commission felt it could work more effectively behind closed doors, but its reasons for excluding representatives of the PFP (and presumably any other political party) are less readily understandable, particularly as its report is expected only on the eve of the climactic two-day debate due to start in Parliament on December 6

MPs, and particularly Opposition MPs, would be far better equipped for the debate if they had been afforded

some means of following the Commission's proceedings

The same argument applies to the secret Parliamentary commission which will take over the work Judge Mostert intended to continue in public. Although its scope may now be more limited, it is reasonable to assume that its members would have access to the unpublished evidence gathered by Judge Mostert. And who knows what else might be revealed to the commission?

The refusal of the PFP and the New Republic Party to appear to be associated in any way with the high-handed termination of the Mostert Commission is understandable. But having registered their protest, they must surely now realise that they have a vital duty to the electorate to act as watchdogs on the Parliamentary commission. If they are not there, it will simply carry on without them, and the last open window on the whole scandalous affair, with all its unseen ramifications, will be closed to opposition MPs by their own default.

Nat MPs only will sit in judgment on the Government, which also has the power to release only what it chooses from the reports of the various inquiries (eight in all) it has appointed since the first tremors started a year ago.

Is that what the PFP and the NRP want? Is that what the people who elected them to watch their interests expect of them? Only the most hollow kind of self-righteousness can now prevent them taking their seats on the commission.

to cover large concentrations of employment in the economy by interviewing firms in these sectors than by spending time on the other sectors where there are relatively fewer large firms. Also, in the case of Manufacturing it proved possible to obtain a list from the Bureau of Market Research at the University of South Africa of all the manufacturing firms in each of the geographical areas we were to cover.

1/ See Standard Industrial Classification (SIC), Department of Statistics, Pretoria 1974, for breakdown of economy into Major Divisions etc.

Disclosure always worth it — Mostert

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15/11/78 Star

The Star Bureau

LONDON — Mr Justice Anton Mostert has told BBC World Service listeners that a disclosure in the public interest — whatever the price — is always worth it

He was speaking in a telephone interview with Hilton Fyle of the BBC Network Africa programme, broadcast yesterday.

REPORTS

Fyle, who had earlier asked the judge about reports that police were guarding his house, recalled that the inquiry he had been conducting had been terminated and that Government officials had been to his house and taken away some documents

"Reflecting on that," said Fyle, "do you think that what you did by bringing out these disclosures was worth it?"

Judge Mostert: "Oh yes, oh yes. These things are always worth it. I think a disclosure in the public interest, whatever the price, is always worth it."

"And when I say 'whatever the price,' I mean to the individual. The public interest in this matter is always paramount."

Fyle recalled that last November Dr Robert Smit, one of South Africa's most respected economists, had been killed. "According to some reports," he said, "there could be a connection between his killing and the fact that he might have been on the verge of disclosing evidence of the sort that you have brought out"

At this stage in the programme there was a

pause, and then Judge Mostert said: "Yes, I listened to you..."

Fyle: "Do you have a comment on that?"

Judge Mostert: "Your question... No, I have no comment"

FIREBOMB

Earlier, Judge Mostert was asked if he had changed his view of the political situation in South Africa. "Not one bit," he said

Judge Mostert told Fyle that his house was being guarded by the police, but only in the evenings. "There was a bomb scare in this neighbourhood," he explained, "and there is a slight chance that it might be connected with the affairs with which I have been concerned in the last fortnight"

"I believe not. I believe that this bomb scare has nothing at all to do with me."

Smit murder 'highly controversial' — Boraine

Own Correspondent

CAPE TOWN — The unsolved murder of Dr Robert Smit the National Party candidate for Springs in last year's general election, was raised at a PFP meeting in Fish Hoek last night

Dr Alex Boraine, MP for Pinelands, told a protest meeting on the Information Department affair that Dr Smit's murder was "a highly controversial matter."

The public was asking what information Dr Smit reportedly had when he was murdered

"Recently a close friend reportedly stated that Dr

Smit was deeply troubled by a matter so serious that he was going to speak to a senior Cabinet minister and that it was something which would 'rock the nation' and 'go right to the top'

"Should not the police publish the docket which they opened? What was the information he had? Who were his killers? Did he in fact speak to a senior Cabinet Minister?" Dr Boraine said

The leader of the Opposition, Mr Colin Eglin, told the meeting that the secret funds scandal had destroyed the image of integrity which South

African governments had abroad.

He called on the Prime Minister, Mr P W Botha, to "cut loose the albatross around the neck of the government" and to allow a full and unrestricted audit by the Controller and Auditor General of all departments which have controlled secret funds over the past few years.

In Worcester the leader of the NRP, Mr Vance Raw said the public was not satisfied to be told that justice was to be done in the Department of Information scandal. It wanted to see it done

Court told how crowd leader died

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15/11/72

Own Correspondent

PORT ELIZABETH — A policeman told a Port Elizabeth inquest court yesterday that while another policeman sat on the branches of a tree he stood under it because he was scared and feared another attack at the school they were guarding

Constable M G Gelderblom was giving evidence at the inquest of Andrew Khomo, 16, and Mr Michael Heshu, 23, who died of gunshot wounds near the Molefe Higher Primary School, New Brighton, on December 27

Const Gelderblom said he and Const N E Botha were on guard duty at Molefe Higher Primary School when he heard some shots

He ran from the back of the school and found a man lying on his back with bullet wounds

Const Botha told him that the man, later identified as Andrew Khomo, had been the leader of a mob which stoned the school

When they resumed guard Const Botha climbed a tree for a better view of the street

Const Gelderblom said he stood under the tree because he was scared and feared another attack

Later another mob approached the school throwing stones

Const Gelderblom said one of the stones hit Const Botha on the eye causing him to fall out of the tree.

"I fired a warning shot and the mob fled. Const Botha and I ran after a man in a T-shirt and I fired two warning shots in his direction

"He ran through the gate of a house and disappeared.

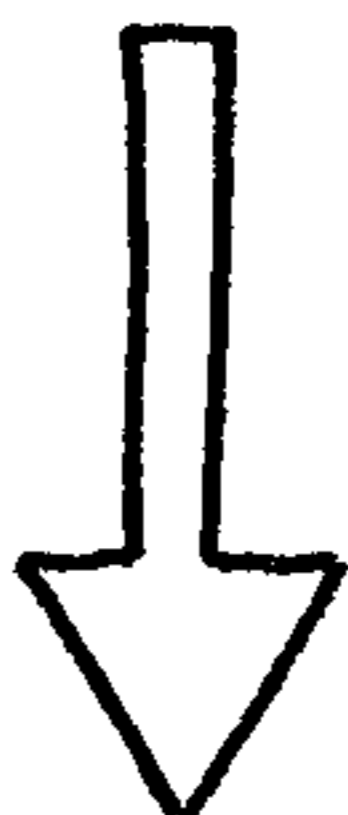
"Const Botha told me to watch the gate. While I was standing at the gate I heard shots and ran to the circle where I saw the man in the T-shirt lying on the ground. He appeared to be dead and had a bullet wound on his neck," Const Gelderblom said.

Const Botha completed his evidence yesterday morning after having been over eight hours in the witness box.

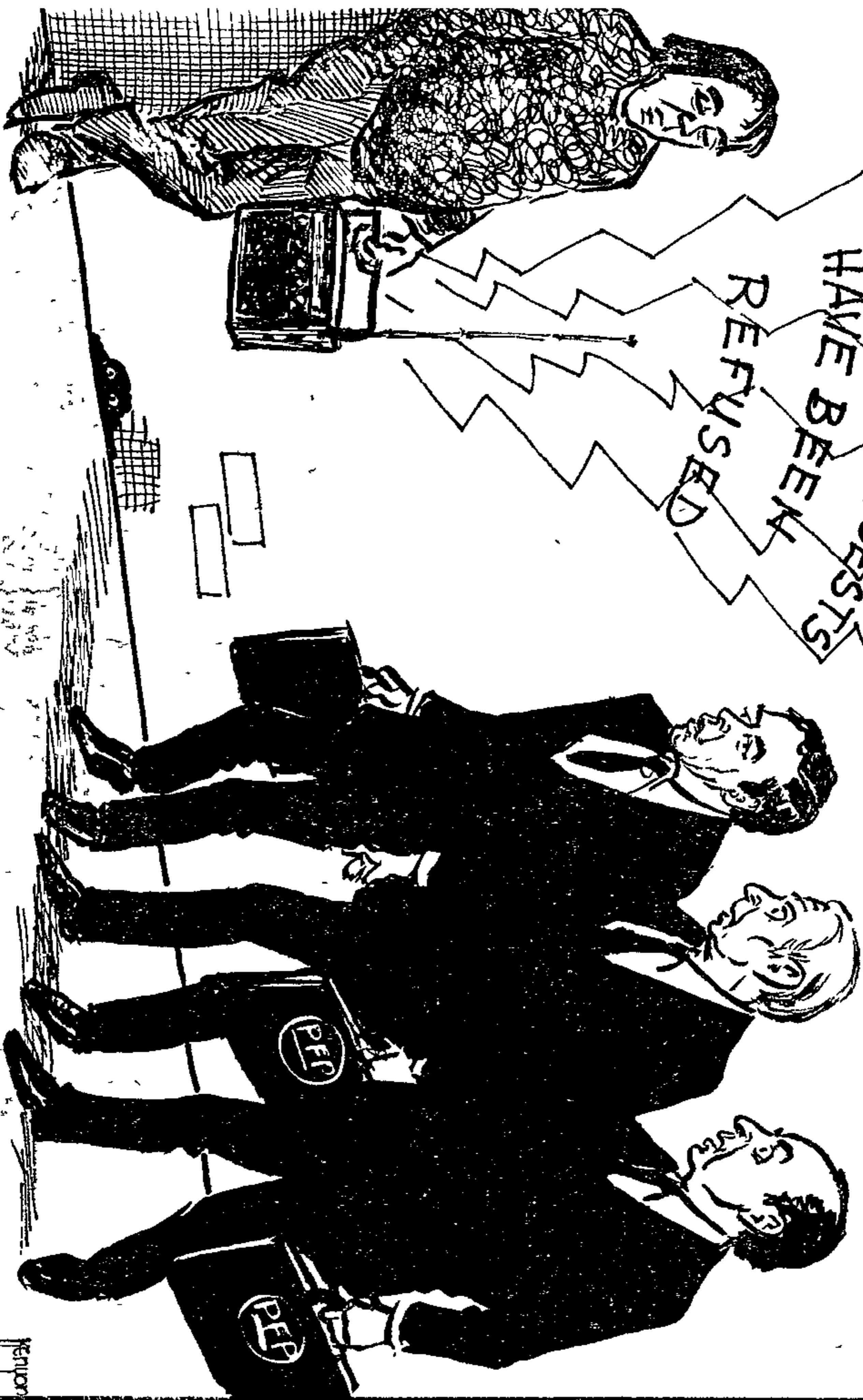
The magistrate yesterday granted an application by Dr W E Cooper, SC, who appeared for the Heshu and Khomo families, for an inspection in loco at the Molefe Higher Primary School tonight

The hearing continues today.

ERASMUS COMMISSION



THE PEP'S REQUESTS
HAVE BEEN
REFUSED



EDITORIAL OPINION

Firsts by the SABC

The SABC which fell badly behind other news media in keeping the public informed of one commission's investigations relating to the former Department of Information has certainly beaten its competitors in divulging decisions taken by another.

The rapidity with which it announced that the Erasmus Commission had turned down a Progressive Federal Party request to be represented at the commission's hearings surprised even the chairman of the commission, Mr Justice Erasmus. He said he had intended informing the PFP's Mr Harry Schwarz of the decision before it was broadcast and that he was shocked and dissatisfied that the SABC had put it on the air so quickly.

But surely it would be unfair to criticise the SABC for doing its job unhesitatingly at least as a news disseminator. After all, it had the news direct from the commission's secretary, Mr J. G. Geysler, who had seen fit to release it to the SABC.

Clearly, Mr Geysler must have been involved in another misunderstanding with his chairman.

There was an earlier misunderstanding, readers will recall, between Judge Erasmus and Mr Geysler when the editor of the Rand Daily Mail, Mr

Allister Sparks, and his legal adviser were given incorrect information on what matter the judge wished to discuss with the editor when he summoned him last Friday.

Mr Geysler, on that occasion, admitted there had been a misunderstanding over which report published by the Mail had caused concern when he telephoned Mr Sparks. However, he acknowledged The Citizen, which approached him on the matter, had correctly published in advance of Mr Sparks' meeting with Judge Erasmus what the judge wanted to talk about.

Be that as it may — it is up to Judge Erasmus and Mr Geysler to sort out their own communication problems — Mr Sparks was warned by the judge and by the time he got back in his car to return to Johannesburg from Pretoria, a report of the judge's warning to him was broadcast by the SABC — another first with the news!

Which just goes to show that the SABC can get news out quickly when it has the will to do so and is not inhibited by considerations of possible government disapproval.

In the last instance of breaking the news it did earn PFP disapproval for jumping the gun, of course.

But that sort of disapproval doesn't seem to worry the SABC so much.

Citizen:

By HAMISH FRASER

A DETAILED examination of The Citizen's accounts, which were released by Mr Justice Mostert two weeks ago, indicates that nearly R27-million of Government money may have been committed to launching and running the newspaper.

Of this, R16 647 062 appears to have been lost to date — and losses are continuing at an estimated rate of R20 000 per issue.

The remaining Government money, more than R10-million, has ended up as a low-interest loan — effectively 4,5% a year — to Mr Louis Luyt's Triomf Fertilizer group.

Luyt bought one-million newspapers

By HAMISH FRASER

Mr Louis Luyt bought more than a million copies of The Citizen during his 18-month association with the newspaper

At least, this is the irresistible conclusion to be drawn from an entry in a document released by the Mostert commission

Mr Luyt was credited with R111 620 for "newspapers bought for cash" when loan accounts between Mr Luyt, SA Today (Pty) Ltd, and the Government were reconciled this year

The clandestine dumping of thousands of copies of The Citizen during the latter part of 1976 — to present a false picture of popularity — was first disclosed by the Sunday Express last Sunday and was confirmed in the Rand Daily Mail on Monday.

A team of "Mail" reporters and photographers found that up to 30 000 copies of The Citizen were being destroyed daily during the newspaper's early existence

been able to give the illusion of a higher circulation than it could otherwise claim

Mr Luyt was not available for comment on the R111 620 credit last night

Mr John Marquard, chairman of the management council of the Audit Bureau of Circulation said earlier this week it would be a matter for an ABC investigation if it was true The Citizen dumped papers and later claimed these were paid sales

The ABC is an independent watchdog on newspaper circulation statistics.

"It would mean that advertisers were led to believe that The Citizen's sales were much higher than they actually were," Mr Marquard said

Mr Harry Schwarz, of the Progressive Federal Party, said advertisers should have the right to reclaim at least some of the money they paid to advertise in The Citizen during the period when copies of the newspaper were being destroyed

"I believe advertisers

This sum of R10-million was part of an initial loan of R13-million made by the former Secretary for Information, Dr Eschel Rhoodie, to Mr Luyt for the launching of the pro-Nationalist newspaper in 1976

Mr Luyt subsequently passed more than R10-million on as a loan to Triomf — which has experienced severe liquidity problems.

In terms of a later agreement between Mr Luyt and Dr Rhoodie, Mr Luyt was to repay this R10-million loan, plus interest, to the Government in a series of eight annual instalments, beginning on March 2 next year

Post-dated cheques for these instalments, signed by Mr Luyt, were made out in favour of a Volkskas bank account of Homerus Finance Corporation, a mystery company controlled by Mr David Abramson, chairman of Hesperia, and Mr John Heinrich, an industrialist and restaurateur.

There is no mention in the documents released of any plans for repayment of the R16-million which has been lost to date

Nor is there any indication of how the current loss of R20 000 per publishing day is being borne.

But unless there is a secret Nationalist financier somewhere of enormous wealth and with a great lust for loss, it must be assumed that

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The dumping exercise would have given The Citizen circulation figures no advantage had there been no cash payment for the newspapers.

But if money was being provided to pay for copies that had been destroyed, The Citizen would have

have a right to reclaim, either wholly or partially on advertisements placed in the issues concerned. Also, if The Citizen is a newspaper which was subsidised with public money, then it becomes a very serious matter because the taxpayer is concerned.

ing to come from the Government.

The Rand Daily Mail was assisted in its examination of The Citizen's accounts by leading chartered accountants. They drew attention to many curious aspects of the agreement by which To the Point's managing director, Mr J van Zyl Alberts, bought SA Today (Pty) Ltd, The Citizen's holding company, from Mr Luyt.

In terms of the agreement, the new owners of The Citizen — whoever they may be — paid R3 for the issued capital and R1 for the company's loan account.

SA Today's balance sheet at February 28 this year showed accumulated losses of R11 957 062 and long-term loans of R16 870 791. Of this, Mr Luyt was owed R15 780 000, MGD Graphics R490 791, and Konsortium Vandag R600 000.

How the difference between the R15 780 000 apparently owed to Mr Luyt reconciles with the R10 118 000 which in terms of an agreement will be repaid to the Government via Homerus Finance, is impossible to establish.

It is also not clear who assumed responsibility when ownership of SA Today changed hands for a bank overdraft of nearly R7-million which the company reflected in its accounts but was apparently not taken over by Mr Van Zyl Alberts.

Nor does it appear from the agreement between Mr Luyt and Mr Van Zyl Alberts that the new owners have assumed the MGD Graphics and Konsortium Vandag liabilities.

A note to SA Today's balance sheet says no interest is paid on the long-term loan from Konsortium Vandag and the date of repayment is not fixed.

Another note says Mr Luyt has deferred his right to claim or accept payment of R13 205 172 of his loan of R15 780 000 until the fairly

Triomf, Gazocean drop legal battle

Deputy Financial Editor

TRIOMF Fertilizer (Pty) and Gazocean of France have mutually agreed to abandon their proceedings against each other.

A statement from Triomf yesterday said: "On November 13, Triomf and Gazocean mutually agreed to abandon proceedings instituted before the Court of Arbitration of the International Chambers of Commerce and to settle all disputes between themselves out of the court and on the basis that both parties have

withdrawn and waived any claims against each other."

Triomf's claim for compensation against Gazocean for alleged breach of a "take-or-pay" contract for phosphoric acid from its Richards Bay factory was for about R40-million and Gazocean's counter-claim was for even more.

A high-powered legal team representing Triomf recently spent time in Paris cross-examining certain witnesses, including officials of companies owned by the French Government who did not want to come to South Africa to give evidence.

The arbitration was to have been the biggest in South Africa's legal history and one of the biggest in the world. It had been set down for hearing in Johannesburg on November 26.

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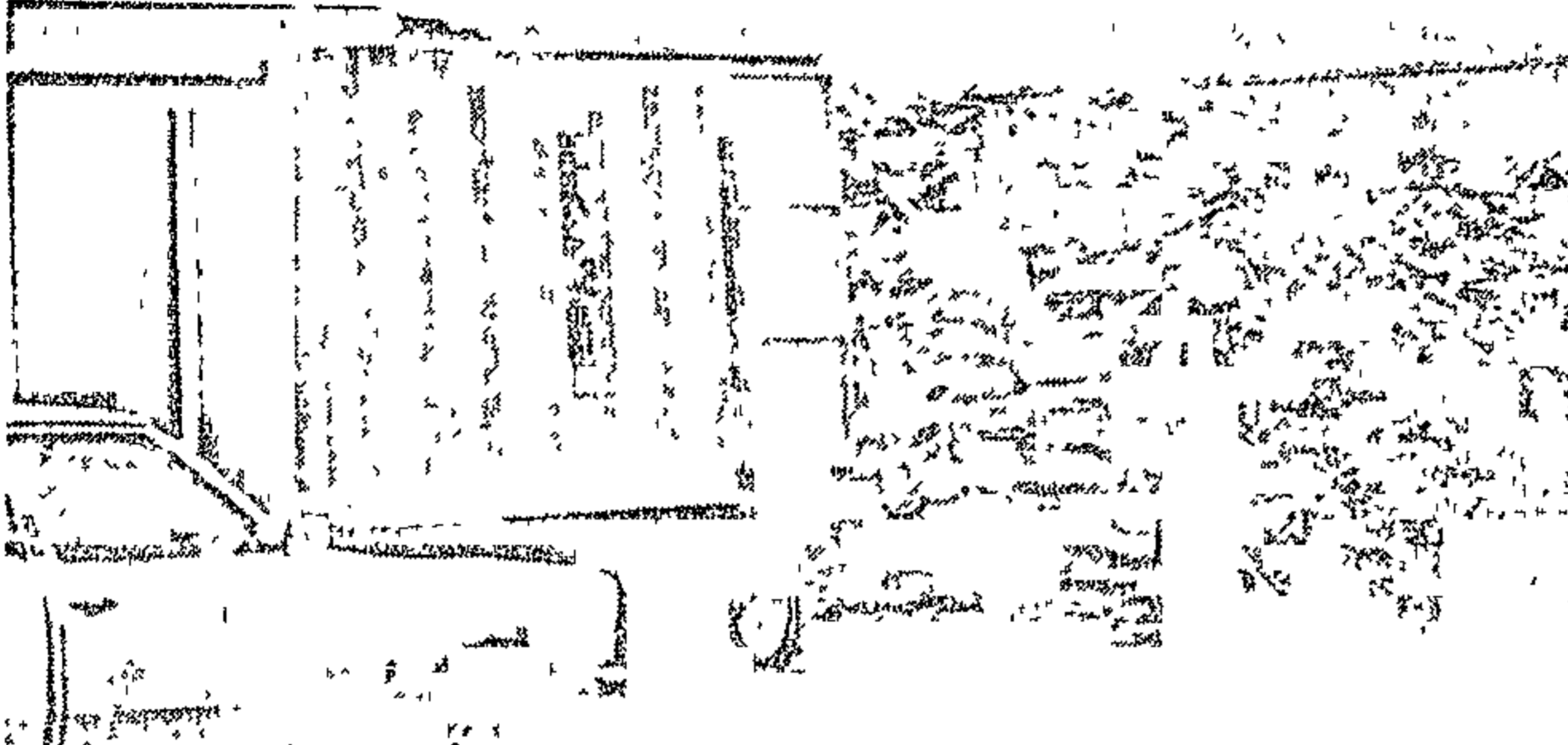
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Accounts reveal huge losses by Citizen



One of the dumping places for copies of The Citizen, factory worker piles plastic-covered bundles of the newspaper . . . hot off the press. Now an entry in a document released by the Mostert commission indicates that Mr Louis Luyt bought more than a million copies of the newspaper during his 18-month association with it.

valued assets of the company exceed its liabilities”

This is rich in the light of the fact that the balance sheet, to which the note refers, reflects an accumulated loss of nearly R12-million and evidence of further heavy losses still to be sustained.

The bank overdraft at February 28 had risen by nearly R3-million from 1977's level of R4 078 916 to R6 966 330. This, together with guarantees issued by the bank on behalf of the company for another R510 026, were secured by a special notarial bond for R700 000 over a printing press.

It is difficult to perceive how a bank, in the absence of gilt-edged assurances

that some big daddy was waiting in the wings to bolster the company's resources if necessary, would have allowed a company with such a history of losses to get that sort of facility.

It is doubtful whether Mr Luyt would have wanted, even if he could, to commit himself to backing that overdraft.

Could it have been the Government?

And yet in May this year, the then Minister of Information, Dr Connie Mulder, told Parliament that not one cent of Government money had been paid into The Citizen.

In suggesting that all The Citizen's losses are for the Government's account, it is as well to record that Mr Luyt has said repeatedly that he suffered no loss. Indeed, he has often boasted

of the profit he made on the sale of The Citizen.

Since the newspaper cost him nothing to start, the R4 sale was indeed a profit — apart from the advantage of the low-interest loan to Triomf.

A final irony to the Government's investment in The Citizen is that the Minister of Sport, Dr Piet Koornhof, went on his knees to beg Mr Luyt to put up R200 000 to save the South African Grand Prix. Eventually Mr Luyt did so and took the kudos for his patriotic generosity.

But it emerges from the evidence to the Mostert commission that the R200 000 was Government money anyway.

A Minister had been forced to his knees to beg a private businessman to use Government money.

Mulder evidence over two days

Own Correspondent

Dr. Connie Mulder, who resigned from the Cabinet last week, gave evidence before the Erasmus Commission in Pretoria yesterday and today.

Dr. Mulder's evidence lasted for seven hours yesterday and was resumed at 9 am today.

Early yesterday, General van den Bergh, former Secretary for National Security, continued his evidence which he started giving on Tuesday night after the State President, Mr. Vorster, gave evidence at his own request.

MOSTERT

The commission's secretary, Mr. Johan Geysler, confirmed that certain evidence heard by the now disbanded Mostert Commission was being considered by the Erasmus Commission.

It is believed that among those who have testified before the Mostert Commission and the Erasmus Commission are a Pretoria advocate, Mr. Retief van Rooyen, SC, and Mr. P. F. du Preez, a partner of a Pretoria firm of accountants who handled accounts of Mr. Louis Luyt.

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P.W. Smith in secret summit

JOHANNESBURG — The Prime Minister, Mr. P. W. Botha, and Minister of Foreign Affairs Mr. P. K. Botha met Rhodesian premier Mr. Ian Smith and his three Black executive council colleagues yesterday.

It was the first meeting between South African leaders and the full interim Government of Rhodesia and the first time Mr P W. Botha held talks with Mr Smith since he became Prime Minister

No statement was released about what was discussed but indications were that the security situation in southern Africa was discussed in depth as well as the steps needed to improve and maintain stability.

The meeting was kept secret and only a short statement saying it had taken place was later released.

Returned

Mr Smith and his Black colleagues, Bishop Abel Muzorewa, the Rev Ndabangani Sithole and Senator Chief Jeremiah Chirau, returned to Salisbury yesterday evening without revealing anything about their trip

Today the Rhodesian Government is scheduled to hold important talks to decide on the date for one-man-one-vote elections and a transfer to majority rule in the country

The deadline was December 31 and any possible delay has been criticised by some Black members of the council who fear losing support to the terrorist-backed Patriotic Front.

Reasons for a possible delay have been problems in drawing up the new con-

approved by a referendum of White voters before the elections can be held, and the war situation

Normally Mr Smith would have gone down to South Africa on his own to pay his official respects to a new prime minister.

But since the March 3 agreement he has been anxious to present the Rhodesian Government as a Black and White coalition and has tended to avoid acting on his own

Mr. Smith has had dealings with only two South African prime ministers over the past 14 years, emphasising his own long tenure in Rhodesia

He first dealt with Dr. Verwoerd who was lukewarm about his seizing "independence" in November 1965 but was forced to give it de facto recognition by allowing normal trade between the two countries

But it was on Mr Vorster that Mr Smith came to rely for survival.

Mr Vorster continued the Verwoerd policy on ignoring sanctions and even stationed South African police in Rhodesia for eight years

There was official silence in Salisbury on the reason for the sudden trip to South Africa except to repeat the Pretoria statement that it was a courtesy call

Observers believe that the Rhodesian quartet would have brought Mr. Botha fully up to date with the serious security situation — (Sapa-Mercury Correspondent)



Gen Hendrik van den Bergh (left), former head of the Bureau for State Security, was one of the special guests at the opening of the new Heinrich restaurant, which adjoins the famous Zoo Lake restaurant in Johannesburg. With Gen Van den Bergh are his hosts, Mr John Heinrich, and his wife, Samantha.

Mostert supports Nat policies

LONDON — Mr Justice Mostert said in a BBC radio interview yesterday that he believed disclosures, such as his disclosure of the Information Department scandal, were always justified "whatever the price to the individual" provided they were in the public interest.

When the interviewer quoted Judge Mostert as saying he had "great faith in the government," the judge corrected him, saying he had only expressed support for the National Party and its principles — "I say no more than that."

The interview follows:

Question: Is your house being guarded by police?

Answer: Only in the evenings.

Question: Why is this?

Answer: There was a bomb scare in this neighbourhood and there is a slight chance that it

might be connected with the affairs with which I have been concerned in the last fortnight. I believe not. I believe that this bomb scare has nothing at all to do with me.

Question: Nevertheless, two other things have happened to you. The inquiry you have been conducting has been terminated, and also officials of the government have been to your house and taken away some documents. Reflecting on all that do you think that what you did by bringing out these disclosures was worth it?

Answer: Oh, yes. These things are always worth it. I think a disclosure in the public interest, whatever the price, I mean to the individual, the public interest in this matter is always paramount.

Question: Has it changed your view of the

political situation in South Africa?

Answer: Not one bit. I have been a supporter of the National Party and I continue to be a supporter of the National Party. The aberrations of a few individuals can't ever affect the support of a principle.

Question: You say you have great faith in the government and the National Party, but what about the government's relationship with the judiciary after what has happened?

Answer: I think you've misquoted me slightly. Let me correct that. I say that I am a supporter of the policies of the National Party. I continue to be a supporter of the National Party and of its principles. I say no more than that.

Question: Not even to comment about what you

think about the government and the judiciary?

Answer: No, I prefer not to comment. I think it's for others to comment and they have done so. They have done so very eloquently in the last few days.

Question: Last November, Dr Robert Smit, who was one of South Africa's most respected economists, was killed, and according to some reports there could be a connection between his killing and the fact that he had been on the verge of disclosing evidence of the sort that you have brought out.

(Pause)

Answer: Yes, I listened to you.

Question: Do you have a comment on that?

Answer: Your question? No, I have no comment. — DDC.

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10. QUESTIONS

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11. ADVERTISING

Sports Club...
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12. INPAS

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*I am...
S. L. M. A. R.*

Pieterse Probe Transvaal editor tells of makes murders smear campaign among Nats headlines plea

LONDON — The South African film man, Mr Andre Pieterse, makes front page of the current British film trade weekly, Screen International, under the heading "Pieterse in South Africa scandal."

A great deal of space is given to the Department of Information scandal.

The journal alleges that Mr Pieterse diverted money given to him to set up a black film industry to salvage the international movie, Golden Rendezvous, which was running over budget.

A good deal of space in the same story is also given to British actor Richard Harris, whom Pieterse accused of drinking a bottle of vodka a day while starring in the picture.

Harris called a press conference and strenuously denied Mr Pieterse's statements — DDC

DURBAN — The Erasmus Commission investigating the former Department of Information scandal should look into the "ugly" rumours concerning the Smit murders and the Information fiasco, Mr Nigel Wood (NRP, Berea) said here yesterday.

Speaking at a meeting of the Durban and Coastal Women's Council of the New Republic Party, Mr Wood said: "The commission now sitting would be doing South Africa a tremendous service if it availed itself of the opportunity to investigate the rumours and comment on the issue and its relevance."

Mr Wood said so far the Information fiasco had only revealed the symptoms of illness.

"The illness is of a government too long in power — a government grown complacent, arrogant and even incompetent." — SAPA.

JOHANNESBURG — Divisions among Transvaal Nationalists are running so deep that an Afrikaans editor yesterday compared the situation with that depicted in the epic poem Raka, the creature symbolising evil which penetrated and ultimately destroys a community.

In a strong appeal for party unity, Dr Willem de Klerk, Editor of Die Transvaler, reported vicious infighting and appealed to Cabinet Ministers not to claim he was talking "a lot of nonsense."

Dr De Klerk, writing in his weekly column under the headline "Raka Walks," told Nationalists: "These things have to be said so that we can take fright at the horror image of ourselves as Transvaal Nationalists, so that we may know how destructive the scheming is, so that we can become ashamed of this squabbling which could hurt the NP considerably."

His warning came after

bitter party feuding over the Department of Information scandal and the election of a new Prime Minister and Transvaal Nationalist leader.

In the Premiership struggle, Transvaal Nationalists, led by the Minister of Foreign Affairs, Mr Pik Botha, withdrew vital votes from their provincial leader, Dr Connie Mulder, which he needed for victory against the Cape leader, Mr P. W. Botha.

Dr Mulder's subsequent resignation as a Cabinet Minister and provincial leader has intensified infighting for the Transvaal leadership election on November 25.

Reflecting widespread alarm over the destructive nature of the power struggle within the party, Dr De Klerk said it was difficult to find traces of unity despite assurances that this had been regained.

"Ordinary members of the Transvaal NP are very forthright in disputes among each other," he

reported. "Parliamentarians in this province — there are exceptions — are not doing much to calm things down."

Dr De Klerk said it was unrealistic to expect anything else at this stage because "big and disruptive things" had taken place. But, he said, he had found "terrible reproaches."

"This started over the election of a new Prime Minister and it reached a low point with the resignation of Dr Connie Mulder. Transvaal MPs are 'traitors,' 'deceivers,' and 'let tu Brute.'

"The inevitable result of this is smear campaigns which here and there come down to character assassinations. Unconfronted attitudes find fertile ground and this is followed by petty revenge — men are marked who either push Dr Connie Mulder or let him fall."

Dr De Klerk said group formation in the party had intensified. "There are

pro and anti Dr Mulder groups, pro and anti Pik Botha groups, and old verkramp-verlig feuds flame up again, and a north-south motivation emerges everywhere," he said.

"Now some of other minister must please not come and tell us that what I am writing here is a lot of nonsense, that the party is as unified as never before, and that the pot isn't on the boil. Nobody will believe this if they want to be honest."

Dr De Klerk said Dr Mulder's stated reason for his resignation should be a guideline for all to follow — "in order to help the Prime Minister, Mr P. W. Botha, to fight off the onslaught against the NP, the Government and the country, I have decided to

Dr De Klerk said it was vital to regain party solidarity because divisions would merely play into the hands of the Nationalists' enemies. — DDC.

Special session value queried

JOHANNESBURG — Following the refusal of the Erasmus Commission to admit Progressive Federal Party representatives at its hearings, the party's MPs are questioning the value of the special session of Parliament, due to be held in Cape Town on December 7 to discuss the Information affair.

The Erasmus Commission is investigating the alleged abuse of public funds by the former Department of Information, and a special Parliamentary debate is intended to evolve around the commission's report.

There has not yet been a decision on whether the full contents of the report will be tabled, as Judge Erasmus has undertaken to hand his findings to the State President, Mr Vorster, so that the government can take the steps it considers necessary.

Shortly after learning of the commission's refusal to admit PFP representatives, Mr Harry Schwarz, the convenor of a committee dealing with the Information scandal, said the special session of Parliament was beginning to show all the elements of a farce.

If the opposition were excluded from the hearings, and did not know how much of the evidence was being held back, it was impossible to conduct a meaningful, relevant debate, Mr Schwarz said.

Dr F. van Zyl Slabbert, the party's constitutional expert, said he fully supported Mr Schwarz's description of the special session as "a potential farce."

Dr Slabbert said there was an important question that had to be answered before one could tell whether the special session would be useful in getting to the bottom of the Information scandal.

The question was: Who would decide what evidence would be placed before Parliament, and who would decide what would be held back "in the interests of state security?" Who would define the phrase "the interests of state security?"

Unless the opposition were present at the hearings, there would be no guarantee that all relevant facts became known.

Treurnicht: It's right to expose corruption

BLOEMFONTEIN — The press had a right to expose malpractice and corruption, and if there had been such in the South African Government, it was in the interests of the country and the National Party that it was rooted out, Dr A P Treurnicht, Deputy Minister of Plural Relations and Development said here.

It was part of the freedom of the press to be able to praise what was "good and beautiful." It was also a right of the press to expose corruption

and malpractices, he said, addressing a political rally.

It is not in the interests of a community to cover up everything.

All states and countries had secret projects because that was in the interests of national safety, Dr Treurnicht said. These projects were not intended however to be left lying around the street for all to see.

Should it however appear that the public trust had been misused

and that corruption had taken place, then it was in the interests of the National Party and the country that the alleged corruption be rooted out.

South Africa now needed honesty, fearlessness, circumspection, humility and self-control.

While things should not be covered up, realism had to be used to ensure that genuine projects were not exposed to the detriment of the country and its friends, Dr Treurnicht said — SAPA

End the rumour says Raw

CAPE TOWN — The public wanted to know what kind of "monkey business" they held shares in, the leader of the New Republic Party, Mr Vause Raw, said here.

"We want to see justice done and will go on demanding this until we get it or the people force it on the government," he said in a statement.

"Our government dare not allow the torrent of rumours of South Africa's Muldersdrift to flow unchecked.

"Long before the Mostert Commission,

rumours of wild, incredible stories of numbered Swiss bank accounts and farms of tens of millions of funk-money stashed away in some South American republic and others were already growing recklessly into a dangerous flood of suspicion and speculation.

"The public demands an end to rumour and the establishment of the truth, the whole truth and nothing but the truth.

"It is the people's money — every PAYE deduction, every cigarette smoked, every item

bought over the counter and every kilometre travelled has made the people shareholders in the national purse.

"They want to know what the kind of business — of monkey business — they hold shares in and they want to be able to see how that truth is established."

Mr Raw said the Information scandal was a "symptom of a government at the end of the road" and only a new regime could restore confidence and credibility in government — DDC.

Dr Slabbert pointed out that there was a "practical problem" in the time that would be available for MPs to study and prepare for a debate on the report.

If the findings were only made available the day before the special session, it would be extremely difficult to prepare for a debate on the issue. — DDC

Botha, NPU meet

PRETORIA — Discussions between the Prime Minister and a Newspaper Press Union delegation at the Union Buildings here yesterday will continue at a later stage, according to a joint statement issued after yesterday's meeting.

The statement said "We had deep and frank discussions

"The Prime Minister will report back to the Cabinet, the press delegation will report back to the NPU and the talks will be continued later."

In addition to the Prime Minister, Mr P. W. Botha, the Minister of Justice, Mr Jimmy Kruger, and the Minister of the Interior, Mr Alwyn Schlabusch, and the Minister of Foreign Affairs, Mr P. Botha, and the Minister of Community development, Mr Marais Steyn, also attended.

The talks yesterday dealt with the agreement between the government and the NPU entered into in March last year as a result of which a new Press Council was established, working under a new ethical code of conduct. — SAPA

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Info: the case against secrecy

IT would be a pity if the Prime Minister turned down the request for the Erasmus Commission to "go public" and widen its scope, simply because the pressure comes from the official Opposition.

The secrecy which presently surrounds the hearings and the limited terms of reference could result in vital links in the chain of mismanagement and perhaps corruption being overlooked, with the consequent escape of some of the culprits. The fact, too, that the Erasmus and Vander Walt commissions will be operating separately—in their own vacuums, as it were—increases the risk that important issues will slip between them unsuspected, undetected.

This danger is magnified greatly by the decision to hold hearings in camera. As Mr Harry Schwarz said yesterday, public hearings (with the exception of matters touching on State security) would make it less likely that witnesses would give misleading or false evidence. They would fear that others in the know would come forward to rebut them. Mr Botha has said he is particularly anxious to receive evidence from both sides,

as in a court of law. The truth is that in camera hearings make one-sided evidence far more likely.

There is another vital issue. Judge Erasmus has called on newspapers to volunteer evidence, but we believe he should take a stronger personal initiative in this matter. Newspapers have presumably published all the facts they are sure about. All else must be unsubstantiated, or repressed because of the sub judice rule.

It would therefore be in the public interest for Judge Erasmus to read carefully through every word that has been printed, and then to follow through on the information already published. It would certainly be quite unsatisfactory to leave matters as they are, then to report later that newspapers had the chance to testify, but did not do so.

A great deal of investigation has been done by different newspapers over many months, and Judge Erasmus should make sure he obtains and evaluates all the facts gleaned in these painstaking inquiries, while respecting the confidentiality of the newspaper source.

	Income	Expenditure	Income	Expenditure
Farm Operations	21	5	100	25
Other Income	99	-	70	-
Transfers	40	-	10	-
BGS	-	-	250 (1)	-
Sale of Annual Rental	-	-	50 (2)	-
on Grazing Rights	-	-	-	-
	<u>Income</u>	<u>Expenditure</u>	<u>Income</u>	<u>Expenditure</u>
	160	5	270	25
	After	Before		

Employment Guarantee Programme and a Company Grazing System

Hypothetical Family Budget of Family in Poorest 5% Category with an

Table II

Security veil at Info probe

By Rob Meintjes,
Pretoria Bureau

The Erasmus Commission continued its marathon hearings on the defunct Department of Information yesterday behind a discreet security curtain in Pretoria's Northvaal building.

Business went on as usual in the Northvaal Arcade. City workers were seemingly oblivious that on the fifth floor above them Dr Connie Mulder was giving his ninth hour of evidence about the department for which he was responsible as Minister.

Shopkeepers have seen little of Mr Justice Erasmus and prominent witnesses such as the State President, Mr Vorster, slipping in and out of the building to make their contribution towards about 70 hours of evidence recorded since last Wednesday.

A glimpse was caught yesterday of General Hendrik van den Bergh, former head of the Bureau for State Security, now the Department of National Security.

Security men come down at lunch to buy sandwiches, but the first visible sign of the commission is a handwritten notice and arrow on the fifth floor pointing towards an office occupied by uniformed and plainclothes policemen.

Their commander politely says: "It is out of the question" to see Mr J G Geysler, the commission secretary, in person. Nor is it possible to wait in their "control room."

Peace reigns on the fifth floor, apart from the commission the offices are deserted, having been vacated recently by the Public Service Commission.

At teatime Mr Justice Erasmus and his assistant Mr G F Smalberger emerged briefly on to the landing, followed by a plainclothes security man. Even the friendly woman stenographer from the Supreme Court across the road can say nothing except that she is exhausted after having manned the recording machine throughout the hearings.

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+ The Smit Dossier + The Smit Dossier + The Smit Dossier

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By Pieter Schoonbee
and Mike Cohen

All indications are that the Smit killers were top professionals. Although the CID have been working non-stop, so far even a reconstruction of the murder has been impossible.

It also appears that the Official Secrets Act is tampering the investigation, although police will not say so.

All available leads are being followed, but detectives are still not hearing a solution.

For this reason The Star has decided to publish — today and later — information in its possession, including tip-offs from sources whose identities cannot be revealed.

As it is believed that such information can contribute to unravelling the double murder, informants' wishes not to be entangled will be respected. The police have also given an assurance they will not insist on being

of SA
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CID will

pay for tip-offs

Given the identities of the Star's sources.

In his office in Pretoria this week the CID chief and deputy commissioner of Police, Lieutenant-General C P Kleinhaus, said: "We are just interested in information that can help us solve the case. We are not interested in the names."

He repeated that a handsome reward would be paid for information leading to a solution. People who wanted to remain anonymous until after the conclusion of the case would still get the money.

There is a strong belief that the killer (or killers) was a hired assassin who entered the country for the murder only and left the night it was committed — after visiting the Smit house twice. They left no clues that

could help the police — no fingerprints, footprints or any other identifying marks. What they did leave was the spray-painted letters "RAUTEM". Information has now been received that the letters could have been a pre-arranged code warning victims of an elaborate confidence trick involving the illegal transfer of money from South Africa.

The Smit home in Salcourt, Springs, as it stands today.

Police have full details of the operation and know some of the people involved. They are probing it as part of the Smit murder investigation.

The system worked like this. Representatives of the syndicate would approach a person who they believed wanted to send money out of the country in excess of that allowed by law. They convince him that

they have connections high up in government and that their cooperation not only guarantees the success of the operation but also that he will not be caught and prosecuted.

Their fee is five, ten or more percent of the total he wants smuggled out. When the parties agree on an amount to be transferred, the victim is told that he has to deposit the total in cash in a safe-

deposit box at a Johannesburg bank.

A flight to Europe is arranged for the victim, where he is to satisfy himself that his money has arrived. On the way to the airport, he is accompanied by a syndicate member, who checks with him that the cash is in the Johannesburg safe-deposit box.

The victim keeps the key and in Europe he visits a certain bank, supplies a code and is then given an account number. He finds that his money, less five percent, is in the account.

Satisfied, he goes back to Johannesburg to hand the cash in the safe-deposit box to the syndicate. But the syndicate has a second key and he finds the box empty.

The victim is now told that there is no money in the European bank and warned that if he goes to the police, he will be charged under the currency-control regulations. He is also threatened with violence should he not co-operate, and influential friends in

high places are again mentioned.

A source of The Star claims Dr Smit came across this racket and wanted to expose it. The letters "RAUTEM," he says, are connected with the code the victims had to supply to the European bank — so that they knew the syndicate was involved and the Smit murders served as a warning to all of them.

This is only one of the theories surrounding the Smit murders.

Mr G P Croeser, close friend and former deputy to Dr Smit in the Department of Finance, said he believed it was quite possible that Dr Smit could have come across such a scheme and wanted to reveal it.

Also mentioned in the latest talk about the Smit murders is a heated argument Dr Smit had last year with a South African official in West Germany. South African money is being channelled illegally, it is said, through Swaziland, Reunion and Europe. The Habib Bank is being mentioned

Several knew of plan 'to blow lid'

Several people knew before Dr Robert Smit was murdered that he intended dropping a bombshell which would "rock the nation" after the general election last year.

A Pretoria businesswoman and confidant of the politician, Mrs Emmentia Liebenberg, said in an interview that he decided about five weeks before the killing to approach a senior Cabinet Minister on the matter.

She was apparently not the only one he told.

INVITED

A senior official in the Department of Finance and close friend and colleague of Dr Smit, Mr G P Croeser, said he was told that Dr Smit was going to reveal something once he had been elected to Parliament.

Mr Croeser said Dr Smit had invited him to his final campaign speech in Springs.

"We did not talk business on that occasion as Dr Smit was far too busy," Mr Croeser said.

"But, I spoke to some people, friends of Dr Smit, after the meeting. They told me that Dr Smit had mentioned that he was going to expose something once he was elected and reached Parliament," he said.

"I cannot vouch for what they said but it makes sense. He had obviously come across something and that is why he was assassinated. It is quite possible that he was on to something of that nature," Mr Croeser said.

CLOSE FRIENDS

Mr Croeser worked as Dr Smit's number two in the Department of Finance for some time. They became close friends.

He said Dr Smit was a very fervent South African and a great "vaderlander." He believed in South Africa and was violently opposed to any person who was in any way un-South African.

Terror fades at the Smit murder suburb

East Rand Bureau

After the brutal killings of Dr Robert Smit and his wife last year, which so frightened a neighbouring family that they fled to Britain for safety, fear has now disappeared from the Springs suburb where the Smits died.

There is nothing at No 17 Wedza Road to suggest that a year ago this was the scene of the professional murder of one of South Africa's top economists.

Dr Robert Smit and his wife, Jeanne-Cora, were shot and stabbed to death only a week before the general election in which he was a parliamentary candidate for Springs.

THE SCARS

For about five months the house bore the scars of the killings. The stained carpets were replaced in April, only two weeks before Mr John Krog and his family who

had bought the house, moved in.

Traces of the mysterious symbols, RAU TEM, were still on the wallpaper. Mr Krog replaced this, removing the last blot of the tragic killing from the luxurious Selcourt home.

It now stands sedately in the beautiful garden, still well kept, which time and again took the Springs garden competition prize when the house belonged to the Miller family.

The murders took their toll on the neighbourhood. Mr and Mrs J W Williamson, who were waiting up for an overseas call on the fatal night, were so frightened that the killer might think they had seen something and return to harm them, that they packed their belongings and returned to England.

Now, a year later, the talk is dying down.

Lieutenant-General C F Kleinhaus. . . "We are just interested in information that can help us solve the case. We are not interested in names."

Mrs Liebenberg said yesterday she does not know what Dr Smit planned to disclose. He had merely told her there was something troubling him — a matter which would "rock the nation and go right to the top". It is understood that Dr Smit was in contact with a group of Pretoria businessmen who were intent on getting long-term overseas loans — mainly from Switzerland — for the South African Government and its corporations.

KEEN INTEREST

He was at one time South Africa's International Monetary Fund representative in Washington and is believed to have shown a keen interest in the business group's ideas.

Mr Croeser said that Dr Smit had been offered a chance to stand in an election a long time before he actually accepted the Springs nomination.

He said that Dr Smit had had political ambitions for a long time and only turned down the initial offer because of financial reasons.

He said he wanted to gain experience overseas and work at a more lucrative job before entering politics.

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Headliners' wives

DURBAN — The women behind the two men who have dominated South African headlines lately, Justices Anton Mostert and Rudolph Erasmus are taking it all in their strides

Mrs Joan Mostert, whose husband opened the floodgates on what has been described as South Africa's Watergate when his one-man commission released evidence of the misappropriation of public funds, has spent the days since then "pottering about the garden"

Mrs Susanna Erasmus, whose husband has been appointed to a three-man commission of inquiry to delve further into the business for the special parliamentary session on December 7, has divided her time between needlework and bowls

"I'm right behind my husband," said Mrs Mostert from her new Pietermaritzburg home (The family moved down from Johannesburg in July)

"I'm very proud of my husband and I think he'll do a good job — it's his eleventh commission," echoed Mrs Erasmus from her home in Bloemfontein

And the two share more than a common regard for their men. For a start, they both met them in unusually romantic circumstances

Mrs Mostert and her husband were childhood

sweethearts — they met when they were at school together

"I was in standard VIII, he was in matric, and we got to know each other through mutual friends," she said "I think what first drew me to him was his beautiful voice — I've always ragged him about it. Then we shared our sandwiches but we never went steady, there were plenty of slices of bread in between"

Mrs Erasmus met her husband in hospital

"I lost both my parents within months of each other, and had a nervous breakdown. I was lying in my bed one day when my doctor put his head in the door and said he wanted to introduce me to someone very nice, an advocate friend who was waiting to give a lecture to a class of nurses. He turned out to be Rudolph. I felt so much better after that"

Another aspect the women have in common is a keen interest in the arts

Mrs Mostert took her BA, and finally her honours, in art and Nederlands through Unisa after her marriage

"That was after my husband began to be very busy with his legal work, and before I had begun to be busy — before I had a family"

Now I only really apply my art in flower arranging, and going to the theatre as much as possible. It's one of my

husband's great loves too. We also enjoy cinema, but only good cinema like Ingmar Bergman and the odd television programme. I think Kenneth Clarke's Civilisation series was the finest we've had"

Mrs Erasmus took a 15-month needlework course in Europe, visiting England, Germany and finally Holland "for the marvellous weaving"

During this period, she attended the 1936 Olympics when, unbeknown to her, the man she was to marry 13 years later was seated in the same stadium

"I love embroidery, I do a lot of tapestries, and now I will soon have a grandchild to knit for"

The grandchild will be born to her eldest son, 27-year-old Rudolph, an attorney in Ladysmith

The Erasmuses have two other children — Jan, 26, a public prosecutor, and Correen, 24, who in January this year became the only girl in South Africa to be sworn in as an advocate by her own father

Mrs Mostert has two children — a son of 19, Frederick, who is in his first year at Rand Afrikaans University and another of seven, Chris, who, like Mrs Erasmus' younger two, keeps away loneliness.

Both women said their husbands were wonderful fathers

Glynis Horning

Mostert's new shock

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Rhodie

FROM PAGE 1

evidence of other commissions and committees of inquiry which have already investigated the alleged malpractices by the department. The evidence before Mr Justice Anton Mostert's commission was included in the material.

Judge Erasmus said last night that he kept abreast of the information scandal as it was reported in the Press. "I am up to date with all the Press disclosures — although I have been too busy to read today's reports," he said.

The commission secretary has been instructed to keep a detailed file on all Press reports on the commission's work, starting from the first disclosures.

The commission's terms of reference are to inquire into and recommend on,

Any irregularities or unlawful gaining of advantage by individuals or bodies, or the misappropriation of public funds by the former Department of Information, or any person who was connected with that department.

...connection with any irregularities or misappropriation of public funds... Steps to be taken to ensure that any person or persons who are involved in such matters...

We say it is a most difficult task and I believe that everyone feels the same about it. Judge Erasmus said last night...

Mercury Correspondent

JOHANNESBURG — Mr. Justice Anton Mostert, who dropped South Africa's biggest political bombshell with his Information Department scandal revelations last week, is to call more witnesses this week — and the hearing will be public.

This means that Judge Mostert's commission of inquiry into currency contraventions will be holding hearings at the same time as Judge Erasmus's commission of inquiry into the department.

Mr. Justice Erasmus has not yet announced whether all, or part, of his hearings will be held in public but he said last night that Dr. Eschel Rhodie, the former Secretary for Information and leading figure in the scandal, would definitely be called to testify before his Commission, which sat in Pretoria for the first time yesterday.

"I am sure we will call him — if we can get hold of him," the Judge said.

Dr. Rhodie is on a tour of several European countries with his wife, Katie. He left South Africa just over a week ago when the Information Department scandal broke in the Press.

Another witness expected to appear before the commission is Dr. Conde Mulder, the former Minister of Information, who has indicated he will volunteer to testify.

Judge Erasmus said last night that Dr. Mulder would be welcome to give evidence, if he wanted to.

The commission will announce today whether its proceedings will be open to the public.

The decision was taken yesterday during the commission's first day of business, but Judge Erasmus said that the public would only be invited today.

The three-man commission — comprising Judge Erasmus, Mr. G. E. Smalberger, State legal adviser, and Mr. A. J. Latagan, Cape Attorney-General — had been given the task of having its findings ready for the special parliamentary session on December 7.

"We will have to work round the clock to complete our work in time and special night sessions will have to be organised to meet the deadline."

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THE Erasmus team at the Palace of Justice, Pretoria, yesterday . . . (from left) Mr. George Smalberger, State legal adviser, Mr. Firaam Lategan, Cape Attorney-General, and Mr. Justice Erasmus

President should step down during probe

Political Staff

THE CAPE Times yesterday suggested the Cabinet should advise the State President, Mr B-J Vorster, to step down temporarily until the Erasmus commission investigating the Department of Information scandal has reported and Parliament has dealt with the matter.

The full text of an editorial published by the newspaper is

The appearance of the State President, Mr Vorster, before the Erasmus commission raises constitutional issues of the greatest delicacy. Previously, it was widely reported that Mr Vorster had taken strong exception to being named in evidence as one of the instigators behind The Citizen while still Prime Minister.

It was also reported that the Cabinet had agreed to allow the State President to testify because he had been drawn into the controversy on what they regarded as untested and hearsay evidence. It was further re-

ported that the evidence Mr Vorster was likely to contest was given by Mr Louis Luyt, founder of The Citizen, to the effect that he had been told that the Prime Minister, then Mr Vorster, had chosen him to start the newspaper.

"In the light of these reports, constitutional authorities pointed out that it could be very difficult or even impossible for the State President to testify before a commission that would ultimately have to report to him in his position as State President. One constitutional authority has said it would be impossible for the Government to act on the report of a commission in which the State President himself would have to assess Mr Vorster's evidence — and this was something the State President could not allow because it could detract from the dignity of his office.

"Parliament would not at any stage wish the President to be drawn into parliamentary debate. This would be contrary to South Africa's constitutional tradition. Indeed, it would be unthinkable. Such a course would be wholly untenable — in terms of constitutional propriety and protection of the dignity of the office of State President.

"Such a course would be unfair to Mr Vorster as an individual entitled to protection of his good name — he would be constitutionally debarred from replying to the parliamentary debate, for example. It would be likewise unacceptable in terms of the public interest, which demands a complete and unfettered ventilation of all aspects of the Information debacle.

"It is an excruciating dilemma, constitutionally and

personally.

"To protect the institution of the State Presidency, and in fairness to the man who occupies that high office, we suggest that the only course for the Cabinet to follow is to advise Mr Vorster temporarily to vacate the State Presidency until the commission has reported and Parliament has considered the matter.

"The president of the Senate could act as State President to receive the report of the Erasmus commission and preside as Head of State until the matter is resolved. Then, with all the constitutional proprieties being met, Mr Vorster could resume office as State President.

"Any other course is fraught with insoluble difficulties.

"We would imagine that the commission may well be called upon to consider the following questions, among others, in evaluating the evidence with a view to submitting its report:

"Whether Mr Vorster knew that State funds were to be used to finance the purchase of SAAN.

"Whether Mr Vorster knew that State funds were to be used to fund The Citizen.

"Whether Mr Vorster knew of General Van Den Bergh's alleged involvement when he appointed him to investigate the affairs of the Department of Information.

"If Mr Vorster does not temporarily lay down his office, the presiding judicial commissioner will be placed in an impossible position because he will have to decide whether to accept the evidence given by the Head of State — to whom he must in due course present his report on the questions set out above.

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L. van

for public information inquiry

his crucial time in our history, the festering sore of the Information Department cannot be allowed to run indefinitely."

Mr Schwarz said the PFP would like to cooperate in a full and open investigation. It believed that the public wanted this. If the Prime Minister wanted to satisfy public demand then he should be willing to reconsider aspects of the Erasmus Commission's terms of reference and the regulations framed for the conduct of the inquiry.

The effect of the Erasmus Commission's refusal of PFP applications for representation was that neither the public nor the official Opposition would be aware of the evidence which was being placed before the commission.

"We believe that the circumstances of the information affair require a public inquiry except where national security in the orthodox sense calls for the exclusion of the public.

It was necessary to ascertain the origin of secret funds and where in turn the department or

bureau concerned obtained such funds. The Prime Minister had given no undertaking that the evidence given to the Erasmus Commission would be made available to MPs before Parliament meets or at all. The record of evidence was essential to insure proper debate and meaningful decision-making.

Mr Schwarz said the scope of the Erasmus Commission was far too narrow, bearing in mind that the Department of Information was never voted secret funds by Parliament.

Mr Schwarz let the people know.

PFP call to Botha

By Hugh Leggatt Political Correspondent DUBAN — The PFP last night asked the Prime Minister to meet the official Opposition to work out "improvements" to the Erasmus Commission of Inquiry into the Department of Information.

The PFP calls on the Prime Minister to agree to meet us to work out a form of inquiry which will satisfy the public as a whole, the chairman of the Federal Executive, Mr. Harry Schwarz MP, said.

"We make this call on the Prime Minister only after exhausting our remedies before the commission and in the belief that in the same way that an open public inquiry in the United States, after Watergate, helped to restore confidence in the process of Government, this can be achieved in South Africa and that, at

One way of deferring individual citizens' relieving the estate to provide in the manager be prescribed by (piece rates ap the setting of overseer role to contain an ince period of work invariably unskil residence; and before new work Within the rule citizenship. Wh The catch, unless have to proclaim operation.

An answer to the problem lies in the Employment G in Maharashtra State in India in the last four years programme whereby citizens can seek and obtain work government would be organised to quickly open a small works. The guarantee of work, it appears, at is a regular part of the management of rural d The guarantee of work in the countryside as a regular a move from the consideration of the most efficie management to a programme that, while operating a machinery for drought relief, is a major instrument. It is also, since income is redistributed by wages programme that can build much of the physical infrastructure. In table 1 there is an estimate of the amount required up to the poverty datum line; P9 million annually a company concept to manage grazing lands is proposed.

Time against Treurnicht?

7/11/78 AD
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JOHANNESBURG — Moves to postpone the election of the National Party's Transvaal leader are regarded by informed party sources as the latest attempt to prevent the right-wing Dr. Andries Treurnicht from succeeding Dr. Connie Mulder.

According to the sources, Dr. Treurnicht is in a very powerful position owing to an upsurge in his support as a result of the Information Affair.

The possible postponement of the leadership elections from November 25 to next year's Transvaal congress was made known yesterday by Sen Jack Steyn, the party's Transvaal secretary.

Most of the speculation on reason for the possible postponement is that by next year tension over the Information affair will have died down.

This week's Cabinet reshuffle, in which Verligtes were appointed over Dr. Treurnicht's head, was regarded by many as a

deliberate attempt to hamper his chances for the Transvaal leadership.

Dr. Treurnicht is standing against two Ministers, Mr. S. P. Botha, Minister of Mines and Labour, and Mr. Hendrik Schoeman, Minister of Agriculture.

But instead of reducing the conservative Deputy Minister's chances, the Cabinet reshuffle had backfired, the sources said.

Conservative Nationalists are outraged at what they regard as a deliberate attempt to meddle in the leadership race. Dr. Treurnicht's supporters are more

determined than ever to see their candidate elected.

But yesterday Dr. Treurnicht denied there was any tension in the party. "I do not intend to make a fight of the elections. I am not aware of any heat I do not intend to withdraw from the race at any stage. I will be available at any election date and I will abide happily by the date decided on by the head committee," he said.

Although his supporters believe his chances of success are greatest if the elections are held soon, they consider that another attempt to block him could give their case a

further boost

Sources also indicated yesterday that supporters of the Prime Minister, Mr. P. W. Botha, were determined to ensure Mr S. P. Botha would become the next Transvaal leader.

They claimed Mr S. P. Botha, with his wide appeal among Verligtes and conservatives, held the key to the Prime Minister's attempts to extend his influence among Transvaal Nationalists and to re-establish party unity.

As a Transvaal Nationalist with a Cape background, Mr S. P. Botha has long been regarded a close ally of Mr P. W. Botha — DDC

Star 18/11/78

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The cast of South Africa's biggest scandal is a large one — and it keeps growing as new characters appear on stage, some in brief walk-on parts and others in star roles. Here, for your information, Kevin Stocks presents the Who's Who and What's What of the Information scandal.

TOWERING INFOFORMATION

Multi million-rand epic with all-star cast

The cast of "INFO" may be divided into stars, potential stars and bit-players while the organisations concerned fall naturally into major and minor categories.

THE STARS

Cornelius (Connie) Mulder

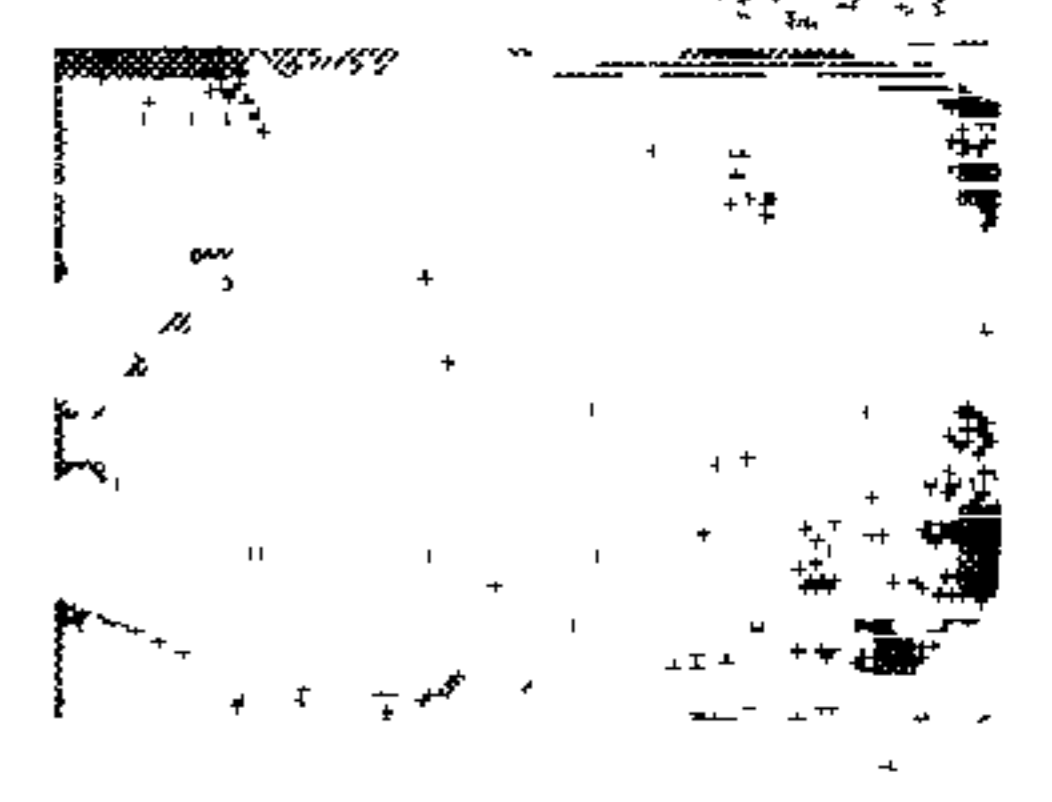
Former prime ministerial candidate, former Minister of Information, former Minister of Plural Relations, former Transvaal leader of the National Party. All posts lost since the scandal. He appointed Dr Eschele Rhoadie as Sec-



Hendrik van den Bergh

Former head of Bureau for State Security (Boss), former evaluator of secret information projects. Unexpectedly quit his post as evaluator without completing task. Evidence before Mostert Commission indicates the "evaluator" may have been an instigator of the attempt to take over South African Associated Newspapers and then to start The Citizen Memorial quote "If you take another picture of me I'll dinner you."

Former Secretary of Information Post lost since the scandal Directed and initiated many secret projects, arranged loan of R13-million to Mr Louis Luyt to start the Citizen, recruited directors of information department front organisations, stated Parliamentary Select Committee into Public Ac-



Former "owner" of the Citizen, chairman and chief executive of Trompsfertiliser empire Stated before Mostert commission he had received R13-million in secret funds to try and take over SAAN and to start the Citizen. Sold half of company owning his jet aeroplane to Thor Com-



Managing director of Citizen and The Point holding companies; partner of American publisher Mr John McGoff in printing enterprises in Pretoria and Bophuthatswana, stated in evidence before Mostert Commission to have been involved in original negotiations to take over SAAN and start Citizen; major shareholder in

Anton Mostert

udge of the Supreme Court, former one man commission into Exchange control irregularities, Obtained evidence in commission of information secret funds and founding Citizen Defied Prime Minister to release information to the Press Commission terminated because he refused to keep evidence secret Memorable quote "I feel I am making a contribution to lean Government"

RETIER VAN ROOYEN: Pretoria advocate and former director of Department of Information front organisation. Reported activities of Department of Information to Prime Minister, various Cabinet Ministers and to Mostert Commission of Inquiry Information provided to Minister of Foreign Affairs Mr Pk Botha held to have been instrumental in defeat of Dr Connie

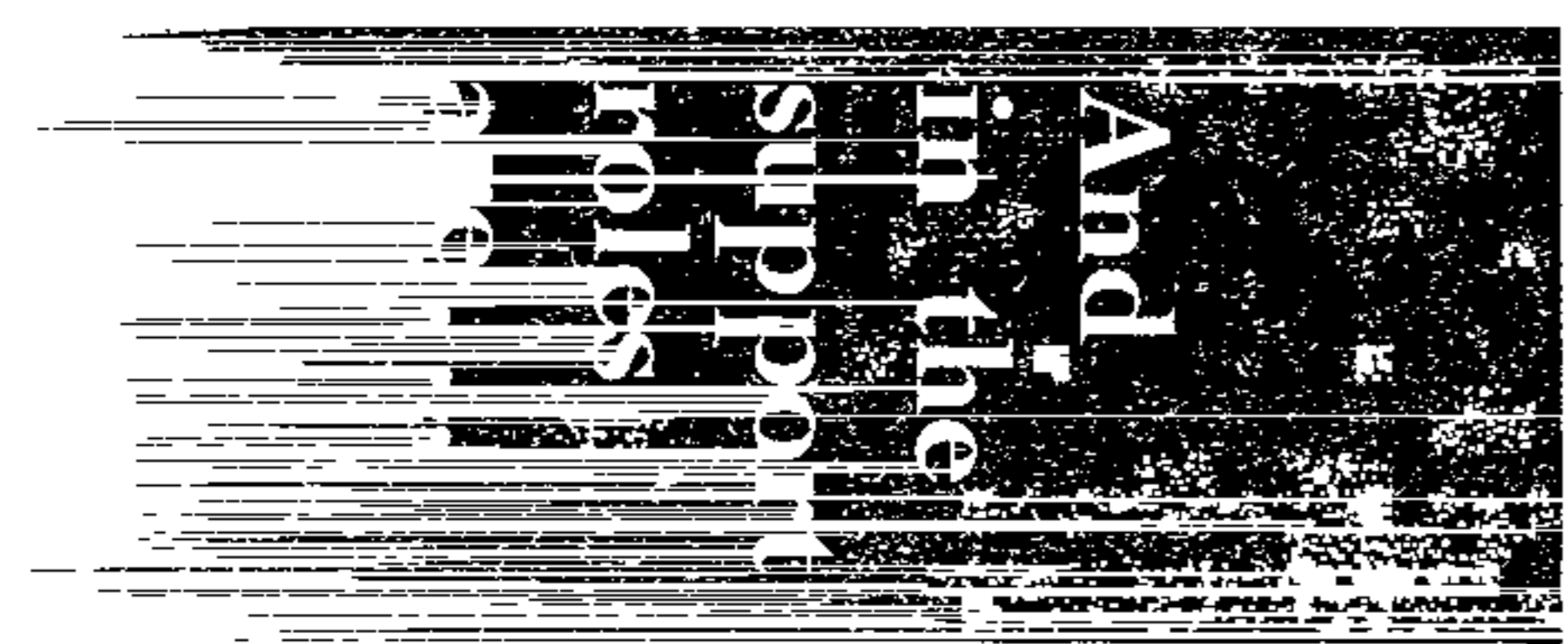
Mulder's attempt to be elected Prime Minister Memorable quote "I personally want nothing to do with this whole thing"

ANDRE PIETERSE: Film magnate and director of front organisation Thor Communicators (Pty) Ltd, Said in evidence before Mostert Commission that Eschel Rhoadie had lent him more than R800 000 in secret funds when he faced ruin because film Golden Rendezvous ran over budget Involved with Mr van Zyl Alberts

in project to set-up black theatre organisation for which secret funds were to have been used

JOHN MCGOFF: American publisher and friend of Dr Connie Mulder and Dr Eschel Rhoadie Stated in evidence before Mostert Commission to have been prepared to take-over the Citizen from Mr Louis Luyt; reported to have received R10-million from secret funds to support his attempt to take over the Washington Star, partner with Mr van Zyl Alberts in printing enterprises in Pretoria and Bophuthatswana. Memorable quote: "I'm sick of being attacked by my friends."

HUBERT JUSSEN: Former Dutch publisher now resident in South Africa; chairman of Citizen and The Point holding companies. Memorable quote: "There is no Government money in the Citizen and if anyone suggests there is I will sue him."



DAVID ABRAMSON: Businessman and head of controlling group in Hortons publishing and printing empire Director of Homerus Finance Corporation (Pty) Ltd to whose bank account almost R14-million in post-dated cheques were written out by Mr Louis Luyt Money was in repayment of secret funds used to start the Citizen Memorable quote "I have no links with Mr Luyt, the Citizen or Trompsfertiliser"

JOHN HEINRICH: Businessman and head of the Heinrich restaurant group Director with Mr Abramson of Homerus Finance Corporation. Memorable quote: "You'll have to ask me how ridiculous"

FOURIE DU PREZ: Mr Luyt's auditor and adviser Attended meetings at which founding of Citizen was discussed Subsequently dealt with officials on Citizen issue as Mr Luyt's representative Took delivery of funds, via his firm's trust account, supplied to finance the Citizen

DAVID OOSTHUIZEN: Former secret cameraman for the Department of Information Became a director for Visiorama (Pty) Ltd (which did work for the department) while still a civil servant Visiorama is controlled by Heyns Film of which Mr J van Zyl Alberts is the chairman Memorable quote "You'll have to ask me how ridiculous"

G P NEL: Director of the Citizen's holding company, SA Today and the man who certified he had paid over R2million in Citizen founding funds to Mr Fourie du Prez on behalf of Beurswms (Pty) Ltd

DENYS RHOODIE: Eschel Rhoadie's brother and former deputy secretary of the Department of Information scandal Stopped by customs officials at Jan Smuts Airport and found in possession of undeclared goods and undesirable literature (sex, not political variety). Memorable quote (attributed by humorists) "I have nothing to declare"

L E S (LES) DE VIL: Former deputy secretary of Information who resigned before scandal broke. Stated in evidence before Mostert Commission to have been unhappy at what was happening in the department

J F WALDECK: Former deputy Secretary (Administration) in Department of Information returned prematurely after scandal broke Name cleared by Parliamentary Select Committee into Public Accounts Known to have drawn Auditor General's attention to possible irregularities Memorable quote "Nothing about the information business surprises me"

ANDRIES KNOETZE AND JACOBUS BRUMMER: security officials and directors of Doornkloof (Edms) Bpk through which a large sum flowed to Mr Louis Luyt for the Citizen

M A (JOHNNY) JOHNSON: Editor and leader writer of the Citizen and director of SA Today; Memorable quote: "The little muckraker, the Sunday Express, is at it again"

ORGANISATIONS

Companies and organisations so far mentioned in connection with the information affair are.

SA Today (Pty) Ltd, Holding company of the

Citizen Thor Communicators (Pty) Ltd, Information "front" though which several million rands flowed from overseas Homerus Finance Corporation (Pty) Ltd; Post-dated cheques for almost R14-million made out to the company's bank account by Mr Louis Luyt in repayment of funds used to start Citizen.

Beurswms (Pty) Ltd; Paid money to Mr Luyt for Citizen. Doornkloof (Edms) Bpk; paid money to Mr Luyt for Citizen. Thesaurus Continental Securities Corporation of Zurich; Wrote letter to Mr Luyt saying it had given him a R12-million loan for Citizen

Trompsfertiliser Investments (Ltd); R5,4-million of Citizen funds invested in company by Mr Luyt. Sentrale Kunsmissie korporasie (Edms) Bpk; R4,49 million of Citizen funds invested in company by Mr Luyt LLL Groep Belegings (Edms) Bpk; R440 722 of Citizen funds invested in company by Mr Luyt.

Claserve (Pty) Ltd; Company controlled by Trompsfertiliser director Mr Phillip Clark, which at one stage had R69 000 of Citizen funds invested in it

LL Group (Swaziland); Registered owner of Mr Louis Luyt's plane which was used for information secret trips.

Konsortium Vandag; Invested R600 000 in the Citizen. Members of the consortium not identified

M E Teater; Company set up by Mr Andre Pretse to start black film industry using secret funds.

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Eglin to see PM over Info probe

By HELEN ZILLE

Political Correspondent

DURBAN — Mr Colin Eglin, re-elected leader of the Progressive Federal Party, and Mr Harry Schwarz, chairman of the party's federal executive, will meet the Prime Minister, Mr P W Botha, on Tuesday to discuss their demand for Opposition representation on any investigation into the Department of Information.

This was announced at

the party's congress yesterday shortly after Mr Eglin had pledged that the PFP would not rest until Parliament and the people of South Africa knew the whole truth about the Information scandal.

To applause Mr Eglin said "This is a pledge which I today give to the people of South Africa on behalf of the PFP."

The meeting with the Prime Minister is the latest

move in the party's attempts to turn the investigation into the Department of Information into a public inquiry.

Their move was sparked by the decision of the Erasmus commission to hold its hearings behind closed doors and to refuse the PFP access to the hearings.

The party has made it clear that it wished to ensure that any evidence withheld would be done so only

if State security in "the orthodox sense" were to be threatened.

Mr Eglin said yesterday the party had a duty to ensure that all relevant facts were put to Parliament.

"It is the duty of Parliament as the representative of the people to satisfy itself that the money which it has appropriated from the taxpayer and entrusted to the Executive is properly administered and spent. Any attempts by the Executive to deceive Parliament or to avoid the scrutiny of Parliament is not only contempt of the parliamentary system but contempt of the voters of South Africa."

The Government had destroyed its own integrity and the bond of trust between people and government without which parliamentary governments could not function. Mr Eglin said.

This had done more harm to South Africa than the campaigns of South Africa's enemies, he said.

"Against this background of shame and sordid manoeuvres, two beacons of light stand out. The one is the courage of Judge Mostert, the other is the tenacity and the sheer guts of South Africa's free Press.

"Unless the Government allows the whole story to be told, no matter who may be embarrassed or implicated, it will be untrusted even by those who support their policies and derided by those who oppose them."

PRP call on Info secrets

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Waddell tells Horwood: Quit

Political Reporter

AS custodian of taxpayers' money, the Minister of Finance should resign in the light of the scandal surrounding the former Department of Information, the Progressive Federal Party's national congress in Durban was told yesterday

Mr Gordon Waddell, the party's former MP for Johannesburg North was speaking during the two-hour congress debate on the scandal

He posed a series of questions to Senator Horwood

Had he been aware of money being lent to Mr. Louis Luyt?

Had the R12-million involved been lent at a "cheap" rate of interest?

Was he aware of the cost of the other secret operations of the former department?

Could he answer the previous questions if he had possibly been one of three ministers who, according to Dr. Eschei

Rhooie, supervised and approved the department's secret activities?

Had the Secretary for Finance received all the documents from Judge Anton Mostert?

Had he had a chance to consider these documents and would they be placed before Parliament for public scrutiny; and

Would he undertake to table in Parliament accounts dealing with the injection of money into the Citizen newspaper?

Mr Waddell said if Senator Horwood answered "No" to these questions he should resign.

The same would apply if the Minister claimed that he was not aware of the various activities concerning funds for the Department of Information.

"I don't have to tell you what would happen to the financial director of even the smallest company if he was in a similar position," said Mr Waddell.

ORMANDE POLLOK
Political Correspondent

All Cabinet Ministers have been asked to make a public declaration on what they knew about the Citizen affair and the Department of Information's secret funds.

The call came after a two-hour debate at the Progressive Federal Party's national congress in Durban when the Government was strongly attacked on the Information scandal, for dismissing the Mostert commission and threats against the Press which had helped expose the whole affair.

Leading the debate, Mr. Harry Schwarz, chief Opposition spokesman on

unacceptable

"It is like Hitler saying that it was in the interests of Germany to burn the Jews."

A few officials had been dismissed, a minister had resigned and a department had been disbanded.

"But, if anybody thinks this is the last of it they are wrong," he said, adding that the public wanted to know who had helped in the whole affair, who had covered up and who had been the engineer

Nixon

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finance, emphasised that he was not criticising the closed Erasmus commission, but the Government which had created it and its "inadequate terms of reference."

They were inadequate because the Department of Information had no secret funds in the parliamentary estimates, yet the department had the funds.

"We want to investigate BOSS," said Mr. Schwarz. Its former chief, General Hendrik van den Bergh had played a most remarkable role."

Call

A resolution accepted by the congress called on every minister to state publicly:

- When he became aware of the direction of public funds into the Citizen and what he did on becoming so aware:
- Whether or not he was aware, he approves of such application of funds;
- Whether, in terms of the accepted doctrine of joint Cabinet responsibility, he accepts his share for what was done in respect of the Department of Information.

It was also revealed during the debate that Mr. Colin Eglin, leader of the Opposition, and Mr. Schwarz will meet the Prime Minister, Mr. P. W. Botha, in Pretoria on Tuesday to discuss the Information controversy.

Mr. Japie Basson, MP for Bezuidenhout, said that the cry that everything which had been done had been done for the sake of South Africa was totally

In America President Nixon had been dismissed for trying to cover up and in Holland, Prince Bernhard had resigned from all public office because of the Lockheed scandal.

"I hope that the Nixons and the Princes in South Africa will take it that we will not rest or stop the investigations.

"There will be no peace till everybody who was guilty of political corruption resigns and gets out of public office."

The congress also called on the Prime Minister to tell the country who the three ministers were who, according to Dr. Eschel Rhoodie supervised, guided and approved the secret activities of the Information Department.

It also demanded that the Prime Minister and his colleagues repudiate the "dangerous statement" made in Parliament in May by Dr. Connie Mulder when he said: "When the survival of South Africa is at stake, no rules apply."

● See also Page 2

Political Staff

DURBAN.

THE PRIME MINISTER, Mr P W Botha, has been called upon to reveal the names of the three Cabinet Ministers who, according to Dr Eschel Rhodie, former Secretary of Information, had supervised and guided the secret activities of the former Department of Information.

The call was made yesterday by the National Congress of the Progressive Federal Party in Durban.

The congress also called on all Cabinet Ministers to make a public declaration stating when they became aware that funds were being channelled to The Citizen newspaper, whether they approved of this and whether in terms of the doctrine of joint Cabinet responsibility they accepted their share of guilt.

Speaking at the congress, Mr Gordon Waddell, former MP for Johannesburg North, said that as custodian of the taxpayers' money the Minister of Finance, Senator Horwood, should resign in the light of the scandal.

Mr Waddell asked of Senator Horwood

- Had he been aware of money being lent to Mr Louis Luyt?

Identify the 3 Ministers — PMP

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- Had it been lent at a cheap rate of interest?

- Was he aware of the cost of other secret operations of the former department?

- Would he undertake to table in Parliament the accounts dealing with the injection of money into The Citizen?

- Had the Secretary for Finance received all relevant documents from Judge Anton Mostert?

- Would those documents be placed before Parliament?

If Senator Horwood answered 'No' or claimed to be unaware of the various activities concerning funds for the former Department of Information, he should resign.

Mr Harry Schwarz and Dr Zach de Beer repeated their refusal to serve on the Van der Walt Commission. They claimed that its terms of reference clearly excluded the affairs of the department.

Dr De Beer said that it was quite clear that the department had been excluded from the investigations of the commission.

The congress unanimously adopted a resolution condemning the Government's action against Judge Mostert, who, it was resolved, by his courageous behaviour did so much to uphold the ideals of clean government.

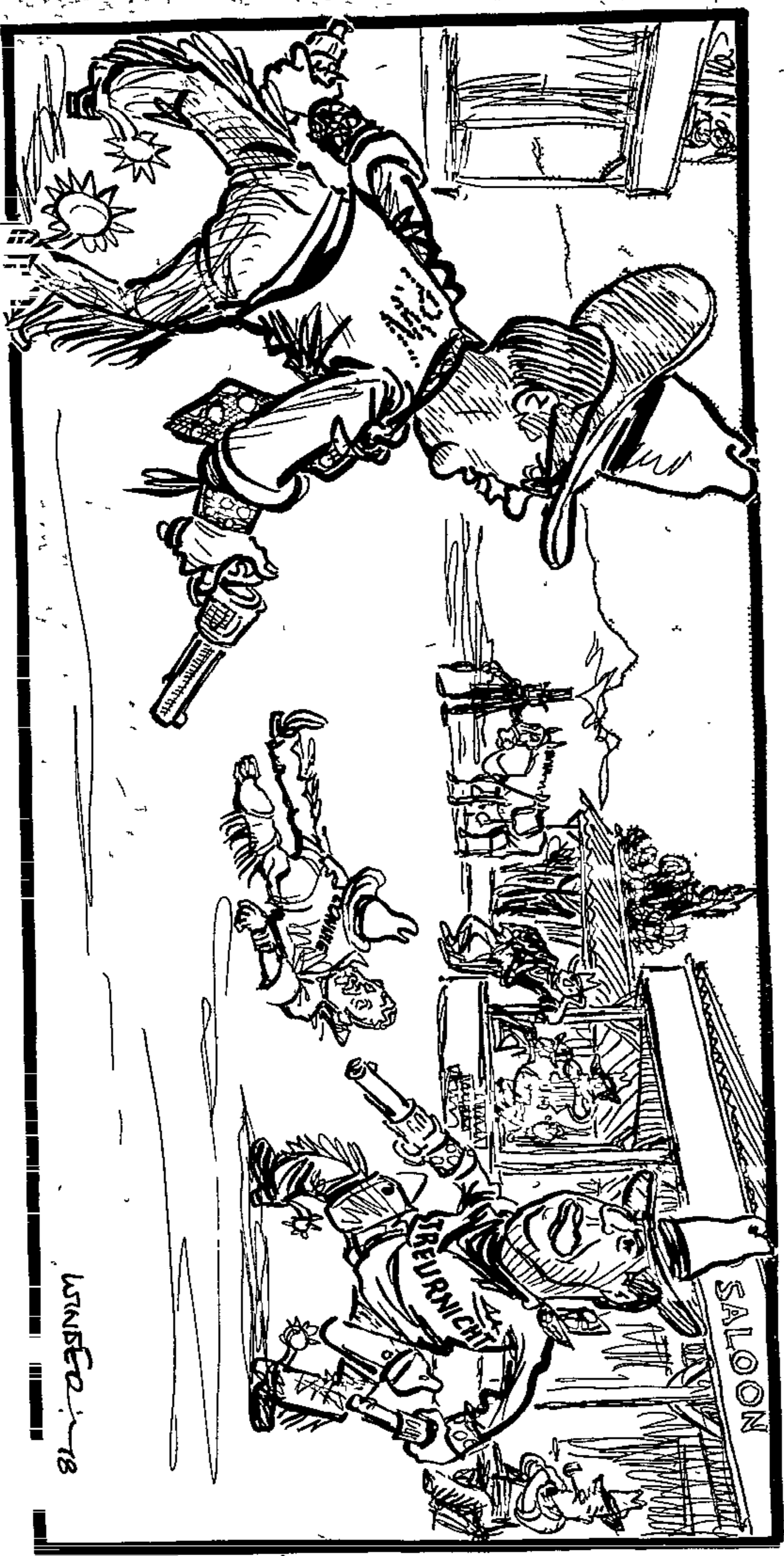
technicians by type - Manpower Surveys.

Sun. Times

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The battle for the soul of the National Party has begun...



STAN EGO 78

NOBODY can say that Mr P W Botha lacks courage. At a time when the National Party, in shock and sick at heart over the Information scandal and still weakened by the blood-letting of the premiership race, is in the throes of the worst bout of broedertwis since the Hertzog rebellion of 1968, its leader has openly chosen sides.

He has invited verligtheid out of the closet and into the Cabinet — and he has slammed the door in the verkrampste face.

It is something his predecessor, the careful chess master who played for a national stalemate rather than split the party, could never do. But Mr Botha has a natural aversion to compromise and an obvious preference for meeting trouble head-on.

As Transvaal MPs this week digested the news that the tyro Premier had not only kept Dr Andries Treurnicht out in the cold, but entrusted the Government's two key ideological portfolios to the party's super verligtes, there was little doubt that he was going to get it.

Even as the party's ver-



**Fleur
de Villiers**

ligte wing greeted the news of the appointments with glad hosannas, the embittered ranks of the verkrampstes closed round their snubbed champion.

Mr Botha's announcement, said one Transvaal MP, was nothing less than a declaration of war.

Nationalist commentators have argued unconvincingly that the reshuffle and its exquisite timing, which coincided with Dr Treurnicht's decision to challenge his elders and betters in the race for the Transvaal leadership, was not intended as a signal to the Transvaal party that his election would be unwelcome.

Neither, they say, was it intended to close the Cabinet shop before Dr Treurnicht, with the leadership in his pocket, could come knocking on the door.

Perhaps

Insult

But there is little doubt that Mr Janson's elevation to the Cabinet as Dr Treurnicht's Minister, and the appointment of Dr Piet Koornhof to the Plural Relations portfolio, have added insult to the conservative injury.

For the first time in its long and unhappy history, the state within a state which controls the lives and destinies of South Africa's 18-million black citizens has passed out of the control of the true custodians of the old-time Nationalist faith and into the hands of the heretics, who would drag the National Party into a new era of accommodation and compromise.

It was rather, a Nationalist MP observed this week, like inviting the thief into your house to guard the family silver.

Dr Koornhof and Mr Janson have no intention of guarding the silver. What they do intend is to trade it for something a little more useful and in keeping with the needs of the times. And they will obviously do it with the full sanction of the man who appointed them and who added, in a significant rider to his announcement this week, that the Ministers of Plural Relations and Labour would be expected to rationalise their departments.

It was a phrase which sounded the death-knell of the old Bantu Administration empire, a clear indication that control of the black worker would soon pass to where it belonged, the Department of Labour.

If that function goes, can others be far behind? Delighted verligtes this week looked forward to the day when the department would shed its "development" function as well, when the homeland corporations would be taken up in a new Department of Economic Development working in close co-operation with the Department of Economic Affairs.

Neither is Dr Koornhof expected to balk at the dissolution of the empire he has inherited. The man who by sleight of hand and tongue successfully manoeuvred the Government's sports policy and the dreadful legacy of Loskop Dam out of existence, made no secret in recent years of his

belief that sport was for sportsmen, not interfering bureaucrats.

His aim, he said, was to convert the Department of Sport into a mere co-ordinating body, stripped of its controlling function. And thus did he leave it.

But if Dr Koornhof has no wish to control every aspect of the black man's life, neither will he try to wish them away. It is extremely doubtful if South Africans will ever hear the man who has openly declared himself in favour of shared decision-making repeat the shibboleth that there are "no black South Africans".

He might at times — repeating the trick he worked with the Government's sports policy — try to persuade the faithful that the essence of the old racial policy is still there even as he conjures up its mirage, but it is doubtful whether they will believe him.

"He will have to play his cards very carefully," a Nationalist MP said this week. "The conservatives will be watching him like a hawk."

Promises

Neither will they overload Mr Punt Janson — the man reputed to out-verlig even Dr Koornhof. A head-on clash with Mr M C Botha when Mr Janson was Deputy Minister of Bantu Administration secured his almost permanent banishment to Deputy Minister status.

Now he had finally been given the opportunity to exercise both his compassion and his ideological freedom in the most sensitive portfolio in the Cabinet — black education.

He is reluctant to make empty promises as he faces the daunting task of closing the gap between black and white education. But of one thing South Africa can be sure. The days when the Government demanded sole control over the education of its black citizens and snarled "Hands off!" to those who would help it

close the gap are gone. Mr Janson sees his task in practical, not ideological, terms.

But if the two most significant Cabinet changes signalled the death of the years of stagnation and compromise when party leaders fought to keep the two extremes of the party in uneasy balance, they also served notice that Mr Botha does not intend to embark on the new course ill-equipped.

By retaining the Ministry of Defence and adding to it the new Department of National Security, South Africa's new Premier is effectively gathering to himself all the elements of power. Some years ago Nationalist thinkers suggested that the one way the party could drag itself and South Africa into the present would be via a "modernising oligarchy" in which the leadership possessed not only the will to reform but the power to enforce it ruthlessly.

on both the left and the right.

Mr Botha's opening manoeuvres are beginning to bear an uncanny resemblance to that unforgettable prophecy.

Whether or not it will finally come true will depend on how well Mr Botha, the supreme party tactician, has planned his strategy.

Laager

There can be little doubt that he knew his Cabinet announcement would chase Transvaal verkrampstes into the Treurnicht laager. There is also little doubt that he will not tolerate Dr Treurnicht in his Cabinet.

The conclusion therefore is that his move was timed and planned to provoke a final showdown with the right.

He has thrown down the gauntlet and the Transvaal right, still smarting from the "betrayal" of Dr Connie Mulder, its former champion, has not hesitated to pick it up.

The long-deferred battle for the soul of the National Party has begun.

Die twee groepe
skik, maar...

Triomf-geding kan

Maand 19/11/88

R500 000 kos

(289)

DIE koste van die geding tussen Triomf van die kunsmisiljoener mnr. Louis Luyt en die Franse Gazocean-maatskappy kan altesame by die R500 000 beloop, is die mening in Johannesburgse regskringe.

Vandeesweek is aangekondig dat hierdie twee partye 'n skikking bereik het nadat die eerste geding op 10 Junie verlede jaar aanhangig gemaak was.

MNR LOUIS LUYT, kunsmisiljoener en mede-eigendblywer van die storm om die uitgewesde tydskrif The Citizen, kan nou ook groot uitgawes hê met 'n hof-geding tussen sy maatskappy en 'n Franse onderneming.

Dit is gedoen kort voordat die arbitrasiehoof, benoem deur die Internasionale Kamer van Koophandel van Parys, die volgende ronde in die geskil tussen die twee maatskappye sou begin. "Elk van die twee groepe moes aanvanklik R130 000 by die IKK deponeer vir die

koste wat hierdie internasionale liggaam in verband met arbitrasie sou moet aangaan.

Dit is moontlik dat albei partye weer 'n deel van hierdie koste sal kan terugkry na raming tot 30 of 40 persent.

Die grootste deel van die koste is egter dié vir die prokureurs en advokate aan elke kant. Elke party het drie advokate gehad en die gesamentlike koste kan R300 000 oorskry. Dan is daar ook nog die

reiskoste van die regsmanne wat dikwels Frankryk toe moes gaan.

Die koste van Triomf sal waarskynlik minder as dié van Gazocean wees. Die eerste geding in die arbitrasiehoof is met koste teen Gazocean beslis. Die vraag was of die hof wel jurisdiksie vir die eise oor en weer tussen die twee partye sou hê.

Intussen het Triomf ten sterkste ontken dat daar met AECI van mnr Harry Oppenheimer se Anglo-American gepraat word met die oog

daarop dat AECI Triomf heeltemal sal oorneem. Mnr. Philip Clarke, besturende direkteur van Triomf (Edms) Bpk, waarin Triomf-Beleggings 'n belang van 51 persent het, en AECI een van 49 persent, het berigte in hierdie verband as onsin bestempel.

Volgens een berig sou so iets beplan word omdat die staat moontlik 'n eis teen Triomf sou kan instel.

Mnr. Clarke het kategories ontken dat daar staatsgeld in Triomf is. Die maatskappy het wel lenings wat deur sy aandeelhouders, mnr. Louis Luyt, AECI en die Koöperatiewe aandeelhouer aan hom toegestaan is, het hy gesê.

veto is by PFP

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stitutional blueprint which will allow 10-15% of the members of Parliament to veto any new Bill except for money Bills

Cultural councils will be established and each will be given one senator to protect its interests

In an interview, Dr van Zyl Slabbert said the minority veto would operate automatically, refuting the statements of several of yesterday's speakers who said it would be something to be hauled out of the bottom drawer on special occasions

"I imagine it will operate at the second reading of a Bill, but not at the committee stage," Dr Slabbert said

In yesterday's debate those who spoke against the minority veto included Dr Alex Boraine, who said the party should rather stress the 85% majority needed to pass a Bill as the PFP proposals emphasised consensus government rather than veto government

Two delegates said the minority veto would not operate normally but only when those concerned insisted it was a veto, rather than a mere vote against a proposal

But Dr Slabbert said this would be incorrect, as the act of voting against a proposal would be a veto in itself.

"The veto is a force helping people to negotiate better"

On cultural councils, the PFP's Afrikaans-speaking delegates were emphatic they were necessary, while English-speakers said they were irrelevant and could entrench divisions between people

Mr Tiaan van der Merwe, MP for Greenpoint, told the congress that one of the reasons the opposition parties in South Africa had become weaker was that they had been unable to convince the Afrikaans voters that their group identity would be protected, and cultural interests taken care of

"With these cultural councils we can go to the Afrikaners on the Platte-land and say 'look here, we made special provision for your interests'"

Another delegate, Mr Roger Hulley, said as an English speaker he saw no need for cultural councils

and as an old Progressive, the very idea fitted him like a hair-shirt as he saw no need to protect his Englishness but a "generosity of spirit" was needed and those people in South Africa who needed this sort of protection should be given it

After a vote, both cultural councils and the minority veto were approved

WHILE Dr Piet Koornhof has decided to get rid of the word "plurals" in his new portfolio the Progressive Federal Party's national congress yesterday voted overwhelmingly in favour of retaining it in its new proposals

A woman delegate said this was a Nationalist word and should be removed from PFP policy because of its now odious connotations.

Pressing her argument in the face of general criticism she handed in a string of amendments removing "plurals" from various phrases and substituting "heterogenous".

Thus where the proposals said the party must make provision for "the plural nature of our society" she wanted it to read for "the heterogeneous" nature.

'Plural' gets the nod

But her plan was killed stone dead when the party's leader, Mr Colin Eglin, rose and said, to roars of laughter, applause and general approval, her idea had merit but what would happen if Dr Koornhof now decided to call the old Department of Bantu Affairs the Department of Heterogenous Development?

So congress voted to retain plurals.



HEADY AROMA

Bid to stop Treurnicht

By JOHN MATISONN

SENIOR Nationalists are regrouping in the latest Nat Party leadership fight

Growing support for Dr Andries Treurnicht as Transvaal Nationalist leader has brought new tensions to the party

At the same time there is a move to restore Dr Connie Mulder to that position at a special congress of the Transvaal party early in the New Year

In a bid to stop either of those alternatives materialising, all those who joined the "Stop Mulder" bid during the campaign for the election of the Prime Minister in September have now joined a "Stop Treurnicht" move

There has growing anger among a large group of Nationalists since the Prime Minister,

Mr P W Botha, threw 'down' the gauntlet to the Treurnicht faction by announcing a Cabinet reshuffle which yet again excluded the verkrampste Deputy Minister

Dr Treurnicht is considered to have taken over most of the support previously held by Dr Mulder, first because they are regarded as ideologically similar, but also because of regional jealousies

Many MPs in the Transvaal saw the reshuffle as a bid to reinforce the power of Cape Nats throughout the country and in national leadership

Dr Piet Koornhof, who backed Dr Mulder, is reliably understood to have switched allegiances to the new Prime Minister, who promoted him this week to the senior portfolio of Plural Relations.

Minority endorsed

THE two most contentious items in the Progressive Federal Party's new proposals, cultural councils and the minority veto, were yesterday given the party's stamp of approval at its national congress in Durban.

Amendments proposed by both the Left and the Right of the party were thrown out, and Dr F van Zyl-Slabbert, who drew up the origi-

nal proposals, emerged a clear winner after hours of debate.

His proposals were approved unamended and are now official PFP policy.

In terms of these proposals when the PFP comes into power it will take to a national convention a con-

BY PETER SULLIVAN

WOS TERT EN

PREMIER

Van Ons Politieke Beriggewer

UVONGO

(259)
DIE Eerste Minister wou regter Anton Mostert opdrag gee om ook ondersoek in te stel na beweerde onreëlmatighede rondom die ou Departement van Inligting. Voordat mnr. P. W. Botha egter so aan die regter kon sê, het die omgedraai en uit sy hantoor gestap, omdat hy hom nie deur politici- laas voerse nie.

Hierna het die Erasmus-kommissie die opdrag gekry wat vir regter Mostert bedoel was.

Hiervan het mnr. Botha gister op 'n politieke vergadering vertel.

Die Mostert-kommissie se aanvaanklike opdrag was om valuta-oortredings te ondersoek. Die Eerste Minister wou dit uitbrei tot 'n ondersoek na ongeregtighede in die ou Departement van Inligting.

Maar toe kom die „kortsluiting“.

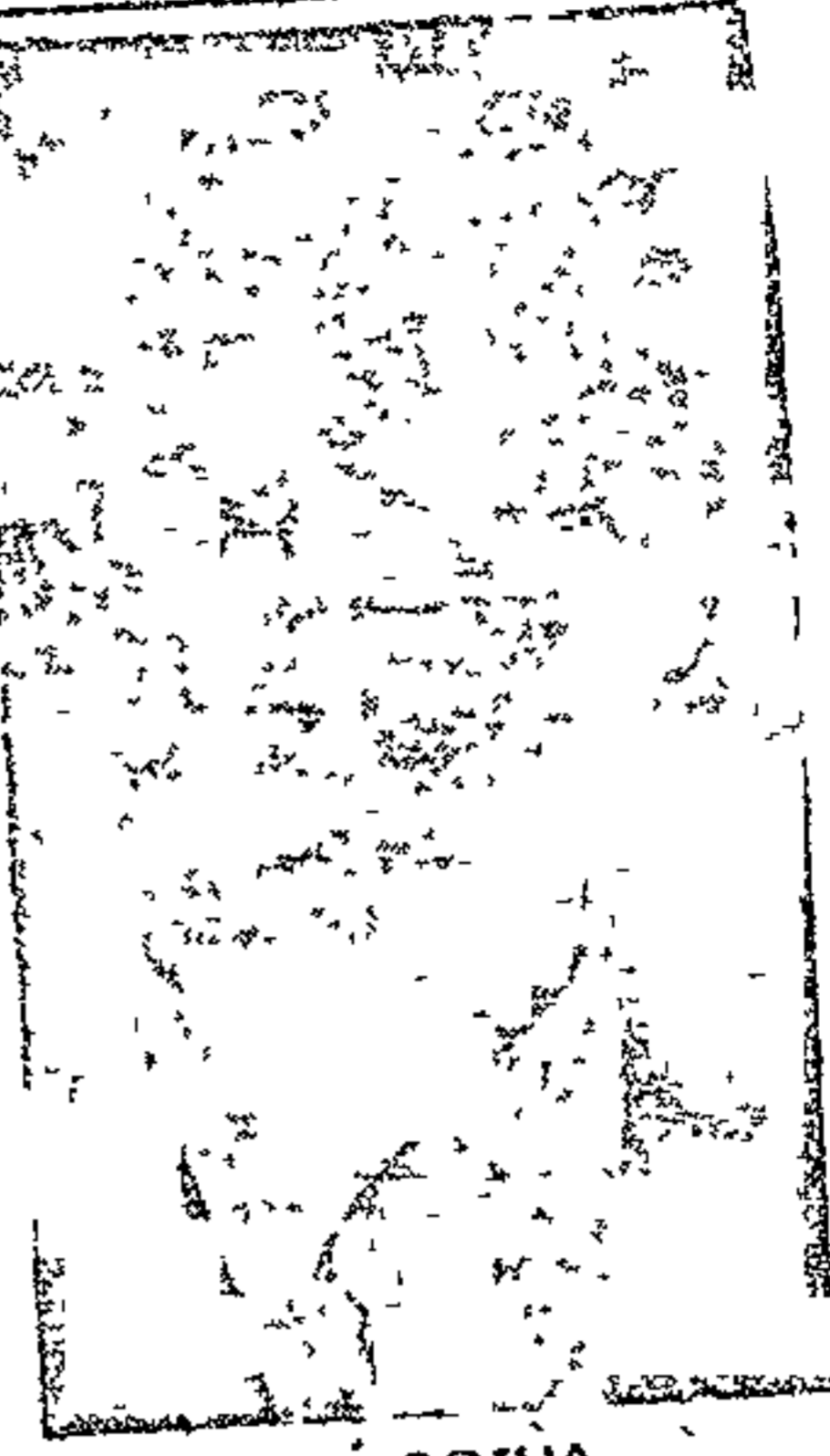
Selfs Afrika sal sy geheime

dienste behou, en daarvoor aanvaar hy volle verantwoordelikhed.

Hy sal nie toelaat, het mnr. Botha gesê, dat iemand die land probeer vernietig nie. Hy sal ook nie in die hande van die Kommuniste en andere speel nie.

Saam met die Minister van Finansies sal hy volle verantwoordelikhed aanvaar dat alle maatreëls getref word om die regte besteding van staatsgeld te verseker.

Mnr. Botha het voorts gesê dat hy niks wegsteek nie. Hy



MIN BOTHA

het Vrydag self, op eie versoek, voor die Erasmus-kommissie gaan getuig.

As die kommissie die Regering met sy verslag nader en vra dat dit gepubliseer moet word, sal die Regering dit doen. Sake wat die veiligheid van die land raak, sal egter

* VERVOLG OP BL. 23 *

Kopie 19/11/78

MOSTERT

* VERVOLG VAN BL. EEN *

nie bekend gemaak word nie. Hy daag mnr. Colin Eglin, wat so oor toesmeerdery van Inligting se sake praat, om self te kom getuig as hy dan so baie weet.

Aan hom en aan koerante sê mnr. Botha, volgens Sapa. „As u getuieis het van 'n toesmeerdery, maar dit nie aan die kommissie verskat nie, dan sê ek u speel 'n lafhartige spel.“

Nadat hy die hele opdrag van die Erasmus-kommissie voorgedra het, het mnr. Botha gevra: „Waar is die toesmeerdery?“

Dis 'n „openbare leuen“ om in die publiek te sê dat hierdie kommissie aangestel is om sake toe te smeer.

Nuwe rusie broei oor Smits tussen pers en polisie

'N NUWE polisie-pers-rusie broei oor die Smit-moorde. Die jongste haakplek is tussen genl. Mike Geldenhuys, Kommissaris van Polisie, en The Star van Johannesburg. *rapport 19/1/78*

The Star se redakteur, mnr. Harvey Tyson, het gister skerp gereageer op 'n verklaring van genl. Geldenhuys dat hy twee verslaggewers as getuies sal dagvaar as hulle weer om hul bronne bekend te maak vir die voorbladberig Vrydag in The Star.

In die berig is gesê Interpol en Amerikaanse ondersoekers help soek na die moordenaar van die egpaar Smit-Hoename, groot valuta-transaksies, en 'n gehuurde sluipmoordenaar is betrokke, word hier en oorsee geglo. Die moord is met twee rewolwers gepleeg, lui dit voorts.

Genl. Geldenhuys het gesê die koerant se bewerings oor Interpol en Amerikaanse ondersoekers is die „grootste klomp leuens onder die son”. Dis ook snert dat die Wet op Amptelike Geheime die ondersoek aan bande lê.

Klug

Mnr. Tyson het gister gesê hy weet nie of die hele saak in melodrama of 'n klug verander het nie. „Dit sal tydrens wees om ons verslaggewers as getuies te dagvaar. Hulle sal nie daardeur geïntimideer word nie.”

Mnr. Tyson sê daar is nie geïnsinueer dat die polisieonderzoek sensasionele ontdekkings aan die lig gebring het waarvoor 'n sluier getrek word nie.

Die polisie is ook nie daarvan beskuldig dat hulle aanmerklik stadig is nie.

Verslaggewers van The Star beroep hulle op die versoeking van genl. Kleinhans dat die polisie nie op die name van hul bronne sal aandring nie, sê mnr. Tyson.

In 'n berig gister sê The Star dat die meeste van die inligting wat Vrydag gepubliseer is, 24 uur tevore aan drie senior polisie-offisiere gegee is.

Die polisie het hul waardering uitgespreek en verslaggewers met die indruk gelaat dat hulle gretig is om met die pers saam te werk ten einde moontlike leidrade te

kry. Die berig lui dat genl. Geldenhuys net twee punte gekritiseer het in die vyf-berigte van sowat 2 500 woorde wat gepubliseer is. The Star aanvaar hy het 'n fout begaan deur te sê dat die Polisie Interpol om hulp gevra het.

Skuilnaam

Die ander fout was om nie te meld dat die naam Schneider 'n skuilnaam kan wees nie. In die berig is bespiegel dat die moordenaar ene Scheider van Baden-Baden kan wees.

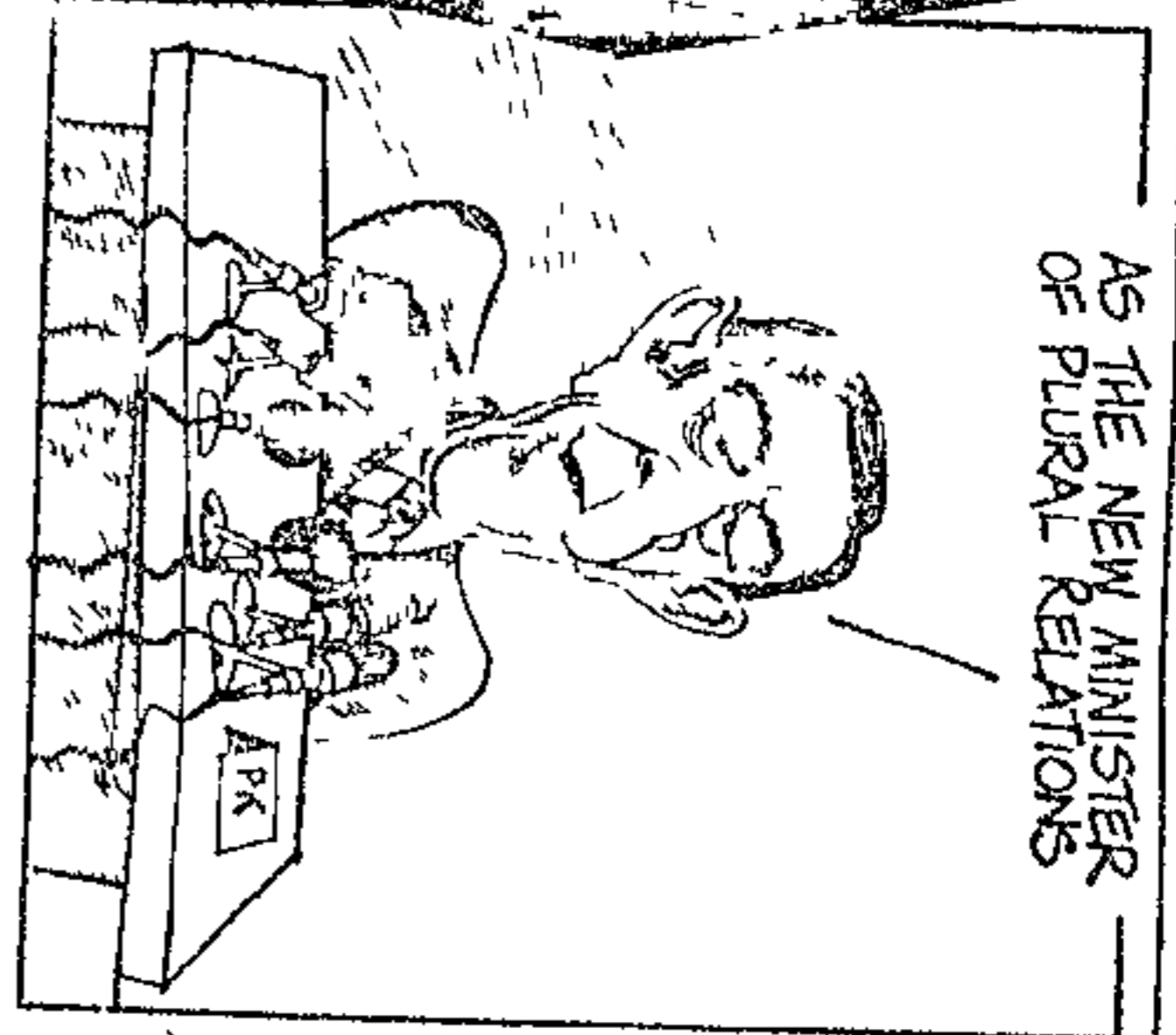
Dit blyk nou dat Gerd Richard Schneider, 'n Duitse teoloog, ten tyde van die Smit-moorde in 'n hospitaal in Europa was.

Genl. Geldenhuys het met verwysing na koerantberigte gesê hy het geen inligting op grond waarvan hy die saak kan ondersoek nie, „behalwe skinderstories van koerante. Ek het net bespiegeling en raaiery.”

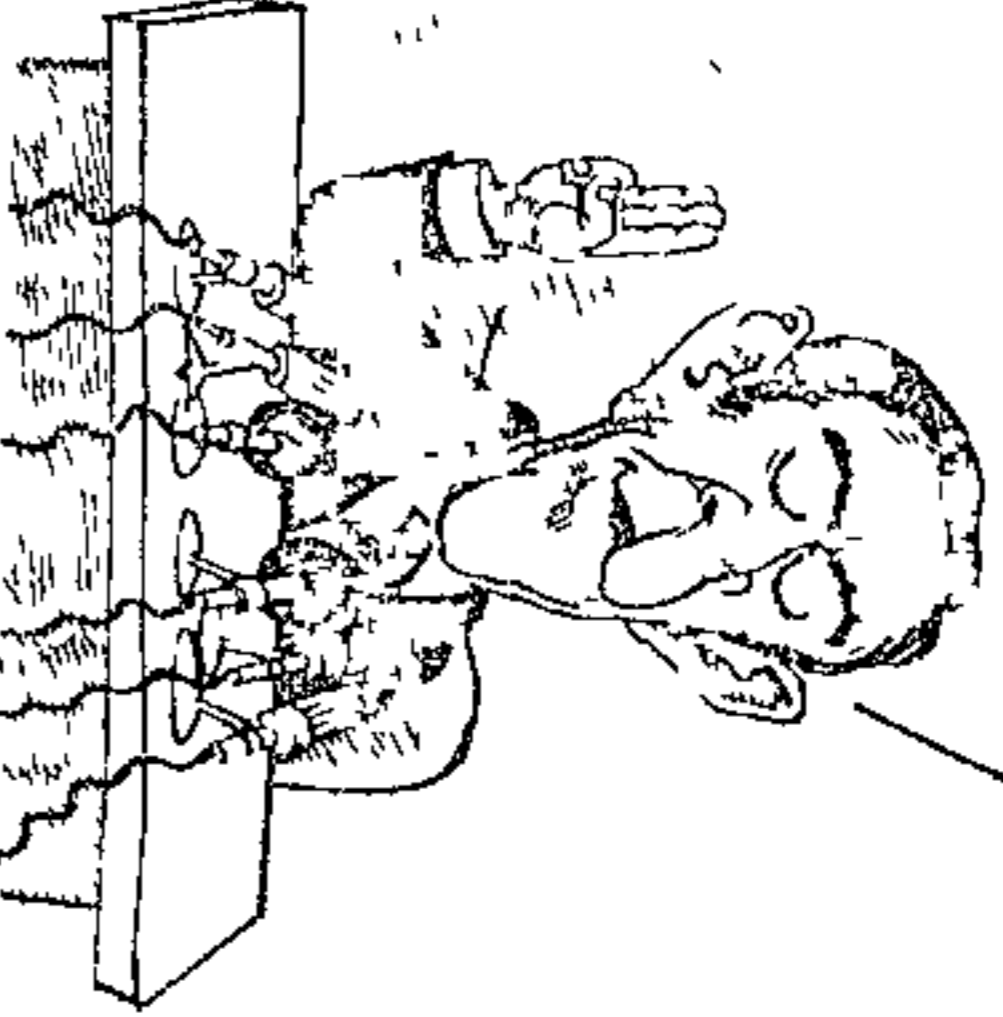


GEL. MIKE GELDENHUYS

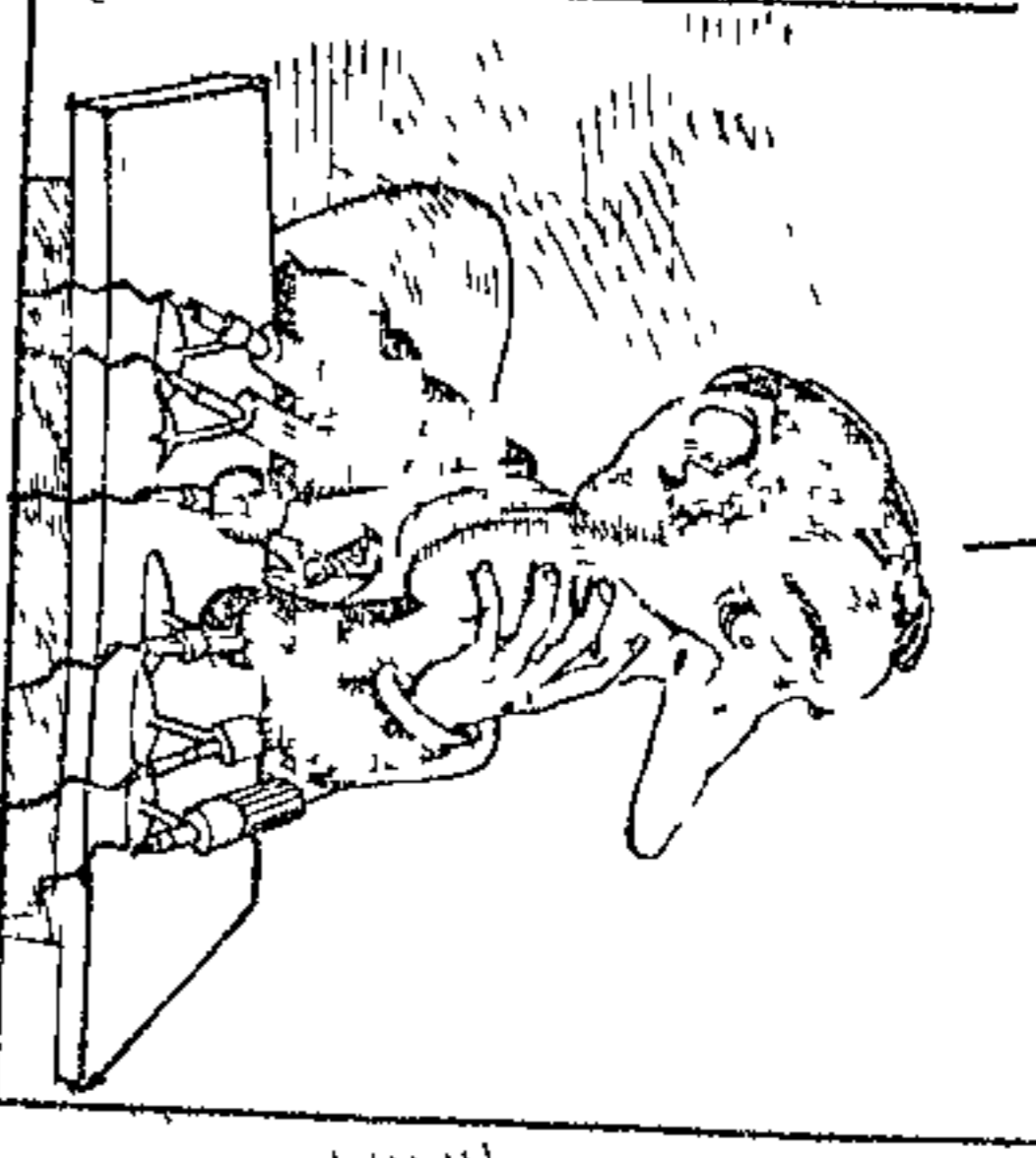
Pretoria Staff Looks at Pieter Plurals May Job



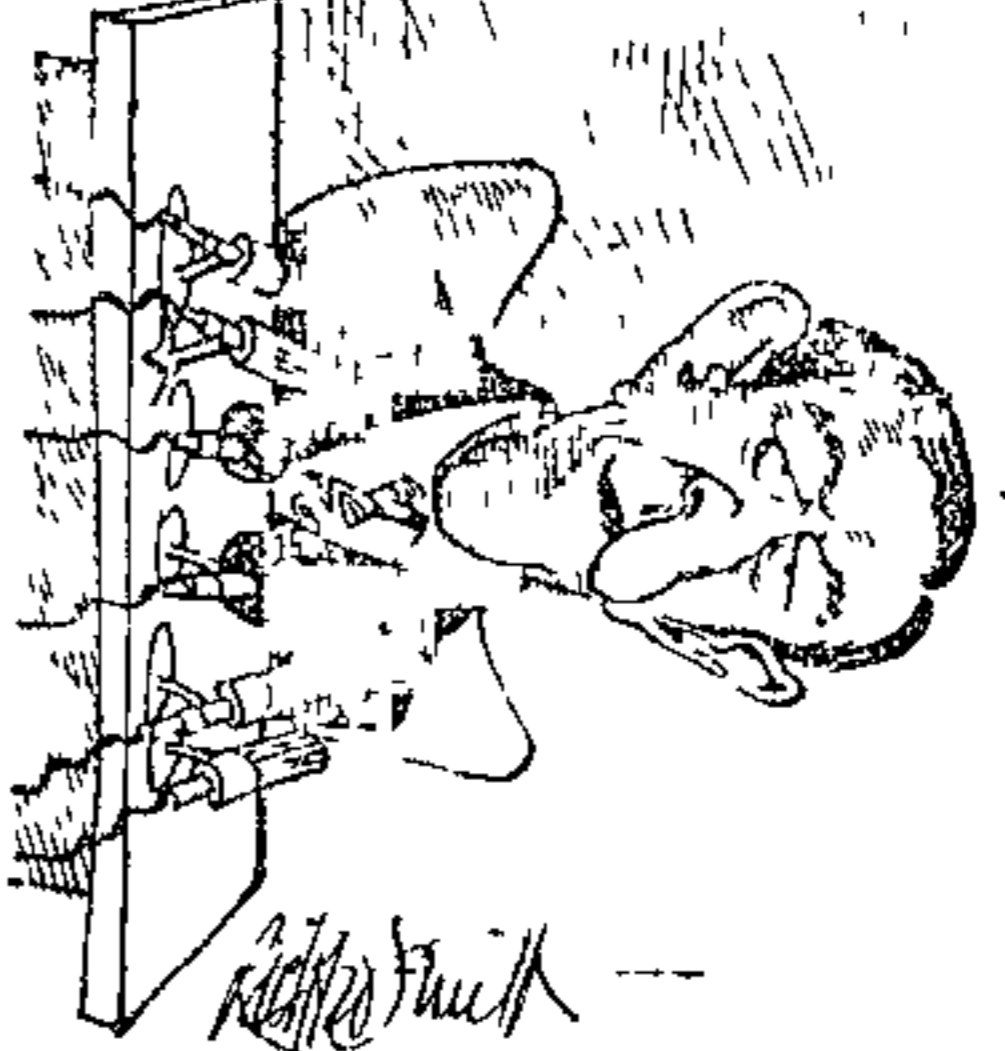
AS THE NEW MINISTER OF PLURAL RELATIONS



I PROMISE TO CARRY ON WITH THE GOOD WORK OF MY PREDECESSOR



NO WAIT A MINUTE.



I'LL REPHRASE THAT..

SECRET Dr. Erasmus Unfolds

SA'S MOST POWERFUL MEN GIVE EVIDENCE

BEHIND the heavily-guarded doors of a room in Noordvaal Building, Pretoria, where the Erasmus Commission is sitting, the most dramatic and politically significant events South Africa has ever known could be unfolding — with participants including the most influential men in the country.

In a closed-door inquiry unprecedented in our history, both the State President — the constitutional head of the country — and the Prime Minister have already testified before the commission about what they know of the activities of the former Department of Information.

ter in charge of the information portfolio and the most powerful National Party leader after the Prime Minister, lasted 11½ hours and was spread over two days.

The former head of the Bureau for State Security, General Hendrik van den Berg, testified for more than five hours after which

liser magnate who is alleged to have been loaned millions of rands to start The Citizen newspaper.

Mr Fourie Du Preez, Mr Luyt's auditor and advisor, who is alleged to have dealt with Department of Information officials on the funding of the Citizen.

Mr Van Zyl, Alberts, Managing Director of SA Today, the holding company of The Citizen and To the Point, who was alleged in evidence before the Mostert Commission to have been involved in original negotiations to take over SAAN and to start The Citizen.

The names of some witnesses have not been revealed.

All the papers about Dr Eschel Rhodie's company directorships are missing from the Registrar of Companies offices in Pretoria — and nobody knows what happened to them.

This week the Sunday Express tried again — after several earlier attempts — to check on Dr Rhodie's directorships.

But the company files were "not available" at the inquiry counter.

We then went to another office and asked to see copies of Form CM27, on which details of company directorships were recorded until recently (a new system is being introduced at the moment).

But Miss A Swart said all the forms concerning Dr Rhodie had been "removed without our knowledge several months ago".

"We have spent many hours searching for them, without finding them," she added.

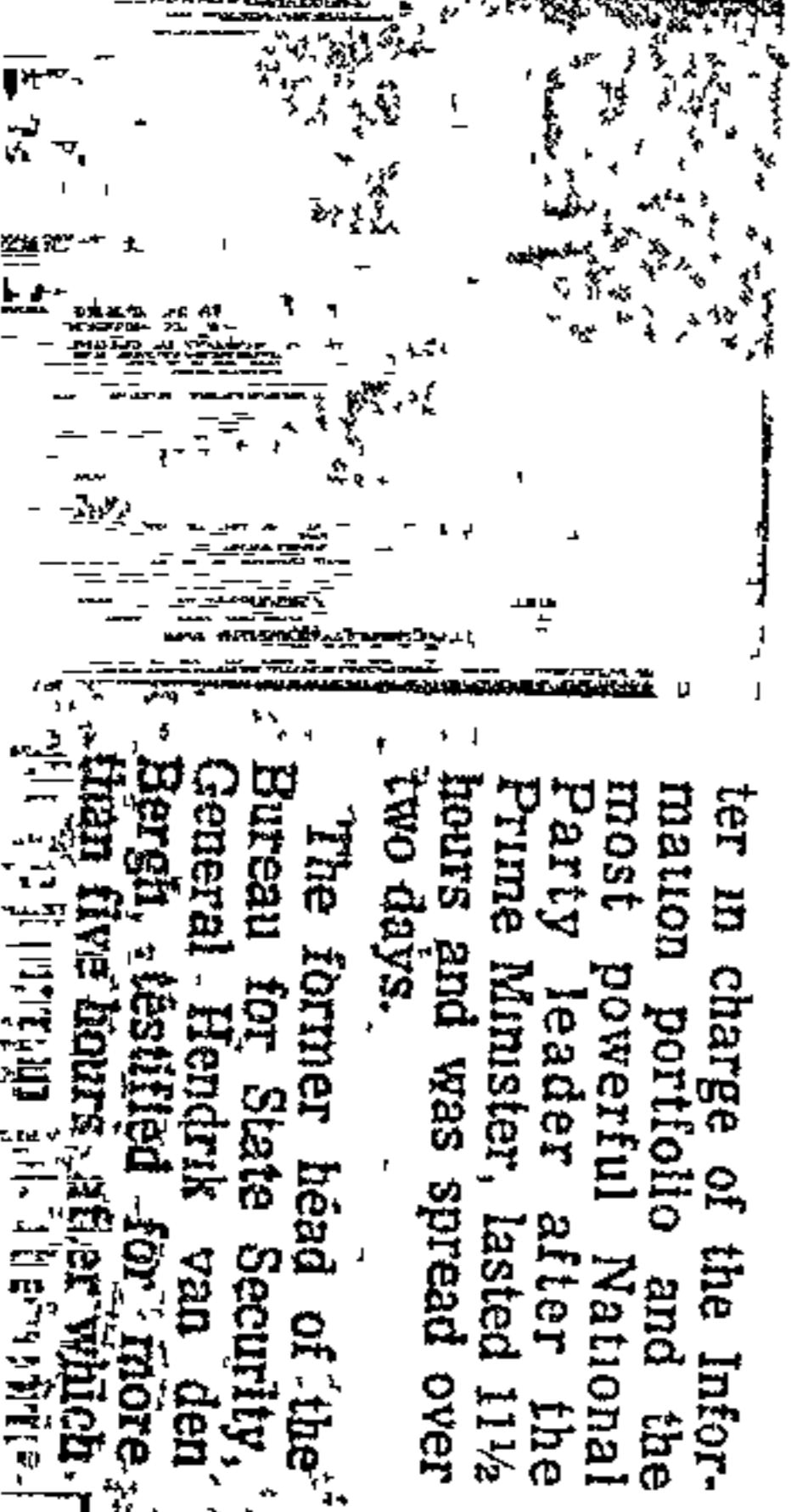
Mr J H Greenewald, deputy secretary, confirmed

that papers about Dr Rhodie's directorships could not be found — "and we don't know what happened to them."

He said it was easy for somebody to remove documents. The public office was crowded daily with people looking at company records and it was impossible to stop anyone "just putting a file or a microfilm among his own papers and walking out with it."

Rhodie papers are missing

Sunday Express Reporter



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...the State President to give evidence since the commission had been appointed by the State President and would ultimately have to report to him.

Professor Marius Wiechers, professor of constitutional law at the University of South Africa, some of the most influential men in Government, including the Prime Minister, Mr P W Botha, have testified — and in some cases their evidence took more than a day.

The evidence given this week by Dr Connie Mulder, who, before his resignation, was a senior Cabinet Minister.

Other influential people who have given evidence in the last ten days include

- Advocate Retief van Rooyen, a director of Thor Communicators which has been described as a Department of Information "front";
- Mr Louis Luyt, the ferti-

Auditor tells of bid to cover up Luyt links

SUNDAY EXPRESS revelations in April about Dr Rhodie's Seychelles trip sparked off a scramble to cover up Mr Louis Luyt's connection with the Department of Information.

This is disclosed in evidence that Mr Luyt's auditor, Mr Petrus Fourie du Preez, gave to the Mostert Commission.

Mr Luyt told the commission that the Government used his private aircraft "almost more than I did myself".

Finally it was decided that the Department of Information would buy a half-share in the aircraft for R1,5-million through one of its secret front companies, Thor Communicators (which later was also exposed in the Sunday Express).

Since the aircraft was registered in

Swaziland the deal had to be registered there but before that happened the Sunday Express broke the Seychelles story.

When Mr Du Preez saw this he got the documents back from Swaziland, with the result that the deal was not registered there.

"On the Sunday I read in the newspaper that they were busy with these Seychelles stories and immediately I thought they were going to get back on to this thing," he said.

"So I got the stuff back. So all the documents are back in my possession."

Mr Luyt added "As you can see, we tried to the end to stop this thing from getting out to the public."

Horwood objects to 'gag' report

SENATOR Owen Horwood, Minister of Finance, issued the following statement to the Sunday Express this week "My attention has been drawn to a report in the Sunday Express of November 12, 1978, headed "Horwood tried to gag Mostert"

"This report is not only tendentious but contains certain blatantly false statements. I shall pursue this matter in a manner and at a time to suit myself."

Mr Horwood was "not available" to identify which statements were in his view, "blatantly false". His

private secretary did not believe the Minister would elaborate.

The Sunday Express is satisfied the report was accurate. Without further information it is at a loss, therefore, to know to what the Minister is objecting.

By FLEUR de VILLIERS

A MAJOR campaign to prevent the election of Dr Andries Treurnicht as leader of the National Party in the Transvaal has been launched by top Nationalists who fear it would split the party.

Cabinet Ministers and senior MPs say a split is "inevitable" if Dr Treurnicht is elected provincial leader by the head committee next Saturday.

The split, which would rock the Government and divide the Cabinet, could lead to a general election some time next year.

Party sources this week gave the super-verkrampte Dr Treurnicht a hard core of about 40 supporters in the head committee, with the remaining 63 votes split between Mr Hendrik Schoeman, Minister of Agriculture, and Mr Fanie Botha, Minister of Labour.

There were conflicting reports on how these 63 votes were split between them, but the "Stop Andries Campaign" has focused initially on persuading one or other of his rivals to step down.

If this fails, moves will be made to force the head committee to call a special congress in January for the election of a provincial leader.

In-fighting

The contest for the leadership has led to the bitterest in-fighting the party has seen since 1968, when Dr Albert Hertzog and his allies were driven out.

In key constituencies, rival forces have been fighting bitterly to ensure that their own men represent them at next Saturday's meeting. At least one constituency chairman of 15 years' standing has been

Stop 'Doctor' No

From Page 1

port beyond the hard-core right-wingers is the bitterness of former Mulder supporters and Mr P W Botha's Cabinet appointments this week.

The fact that the Deputy Minister was once again overlooked in the promotion stakes and that verligte Dr Piet Koornhof was appointed to the key post of Minister of Plural Relations had hardened conservative support for Dr Treurnicht, Nationalists say.

Pressure

If Dr Treurnicht wins on Saturday there will be tremendous conservative pressure on Mr Botha to bring him into the Cabinet next year, when both Mr Marais Steyn and Mr Lourens Muller could retire.

Mr Schoeman is expected to draw heavily on Platte-land support, but his strength in the urban constituencies which dominate

the party is largely unknown. One factor in his favour is that he is believed to be getting some former Mulder support. Many in the party see him as a "reconciling figure" between the two factions.

Mr Fanie Botha, who can count at least in the first round on the whole-hearted support of the party's verligtes, is resented by former "Mulder men" who blame him in part for Dr Mulder's defeat in the premiership stakes.

He is also the main victim of a rumour-mongering campaign which is being kept assiduously alive by his conservative opponents.

Attempts to get either Mr Schoeman or Mr Botha to withdraw in favour of the other and thus present a united front against the Treurnicht may fail because of differences of opinion between the two men.

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Opponents of Dr. Treurnicht told the Sunday Times yesterday that if he was elected they would remain in the party until next year's provincial congress, when a concerted attempt would be made to unseat him. If that failed the party would split.

The breakaways, who believe that they are more in step with the other provinces and the line followed by the Prime Minister, Mr P. W. Botha, would apply for recognition by the party's federal executive as the official party in the Transvaal.

Bitter

Others said that a split would not come about immediately but there would be a long and bitter fight to unseat Dr. Treurnicht — one which would penetrate right down to constituency level.

"A Treurnicht victory will be the worst thing to hit the National Party since 1948," a Transvaal Nationalist MP told the Sunday Times yesterday.

The effects of a split in the Transvaal will inevitably divide the Cabinet and lead to party formations through the country.

The idea of a special congress is opposed by Treurnicht supporters, who agree that their champion would have a far slimmer chance of election at an open congress than in the head committee.

Clash

If Dr. Treurnicht won, MPs predicted an open clash between the Treurnicht-dominated Transvaal hierarchy and the other provinces over adaptations to Government policy.

"The position would be untenable," said one. "Andries will become the greatest dividing factor in the party for 30 years."

Two factors which have helped to expand his sup-

● To page 2

Treurnicht's bid for power

sparks off bitter Nat rift

Sun Times

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DR TREURNICHT
Could split the party

STONED!



* Mnr Van Zyl Alberts,
huidige Citizen-baas
* Mnr John Vorster,
Staatspresident.

REGTER R P ERASMUS, regs, en adv A. J Lategan
hier laataand voor die Noordvaal-Gebou in Pre-
toria afgeneem, waar die Erasmus-kommissie elke
dag en aand (behalwe Sondae) tot laat in sitting is

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- * Mnr. P. W. Botha, Premier
- * Dr. Connie Mulder, gewese Minister van Inligting
- * Mnr. Braam Fourie, amp-tenaar van die gewese departement
- * Genl. Hendrik van der Bergh, wat ondersoek ingestel het na aspekte van die Departement van Inligting se sake en vanjaar as die land se veiligheidshoof agetree het.
- * Dr. Eschel Rhoodie, wat as gewese Sekretaris van Inligting in die brandpunt van die ondersoek staan

Verskuif

By die atneem van die getuenis is die Erasmus-kommissie se prosedure bandopnames word gemaak, terwyl notule daarvan gehou word. Die bandopnames word daarna getranskribeer. Tiksters wat die werk doen, lê in eed van geheimhouding af. Die kommissie het vandeeweek van die Bauhaus-Gebou in Andriesstraat, oos van die middestad, na die Noordvaal-Gebou in die hart van die middestad verskuif. Die nuwe werkplek is langsaan die ou Departement van Inligting se gebou, die Ad Astra.

Mnr. F. G. Barrie, voormalige Ouditeur-generaal, wat 'omvattend' ondersoek gedoen het na wat in die Departement van Inligting gebeur het, is vandeeweek aangestel om die kommissie by te staan. Saam met twee advokate, Hendrik Klem en Francois van Zyl, lei hy die vrae wat aan die getuies gestel word.

RHOODIE GETUIG DRIE DAE

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Van JOHAN STRYDOM

PRETORIA

DR. ESCHEL RHOODIE het gistermiddag — ná twee dae en twee aande se getuënis voor die Erasmus-kommissie — sy marathon-getuëgssessie in Pretoria afgesluit. Drie regsgeleerdes het die voor-malige Sekretaris van Inligting bygestaan.

Al blaskansie wat hy gehad het, was Vrydagmiddag, toe die kommissie besluit het om sy getuënis te onderbreek sodat die Eerste Minister, mnr P. W. Botha, 'n kans kon kry om te getuig.

Andel sleutelgetuënis was vandeesweek ook lank voor die kommissie. Di. Connie Mulder, gewese Minister van Inligting, het langer as nege uur getuig. Die Staatspresident, mnr John Vorster, het drie uur lank getuig.

Mnr P. W. Botha het Vrydagmiddag ná twee begin getuig en was redelik gou klaar. Dr. Rhoadie het Donderdag die hele middag getuig, ook dié aand tot 10.30 toe. Vrydag was hy van nege-uur die oggend tot 10.45 die aand voor die kommissie met net mnr Botha se getuënis tussenin.

Amerika

Hy is voor die kommissie bygestaan deur 'n prokureur, mnr J. A. J. van Rensburg van die Pretoriaanse firma Haasbreek en Boezaart, en

sekretaris, mnr Johan Geysers, aan RAPPORT gesê dat dit wel moontlik is dat mnr Les de Villiers sal getuig. Mnr De Villiers was as Adjunk-sekretaris saam met die Rhoadie-broers aan die stuur van die ou Departement van Inligting. Hy woon en werk nou in Amerika. Mnr Geysers sê dat hy van die kommissie nog geen opdrag gekry het om mnr De Villiers in die buiteland te via om Pretoria toe te kom nie.

Daan is in die stadium ook geen aanduiding of die huidige Inligtingshoofde wat nou in die buiteland is, by die Erasmus-kommissie se ondersoek betrek sal word nie.

Wat mnr De Villiers betref, het die kommissie reeds te kenne gegee, dat hulle graag sy getuënis wil aanhoor. Daar was selfs sprake dat as dit moet, kan iemand sy getuënis oorsêe althoem Met dié dat die kommissie net twee weke het om sy weksaamhede af te handel lyk die oorsêe-storie na 'n onwaarskynlikheid, sê mnr Geysers.

Om sy werksaamhede teen 5 Desember afgehandel te kry, begin die kommissie soggens om sewe-uur. Tot nege-

uur toe word voorbereidingswerk gedoen. Die res van die dag word getuënis aangehoor en algemeen.

Daan word tot 10.30 toe in die aand gewerk. Middage is 'n uur en aandete twee uur.

Regier Rudolph Erasmus, voorsitter van die kommissie, besluit oor watter getuënis se name nie bekend gemaak mag word nie.

Louis Luyt

Dit kan wees dat gedeeltes van die getuënis wat gelewer is, nooit openbaar gemaak sal word nie. Dis oëk moontlik dat die kommissie aanbevelings sal maak en-hom sal uitspreek oor getuënis (byvoorbeeld oor hul geloofwaardigheid), maar daarvoor word nou niks gesê nie.

Die kommissie maak nie nou bekend hoeveel mense reeds getuig het nie.

Diegene wat reeds getuig het en geïdentifiseer mag word, is

* Mnr Louis Luyt, militoer-sakeman wat met die stryding van The Citizen so groot rol gespeel het.
* Mnr Fourie du Preez, mnr Luyt se rekenmeester

Sunday Times

THE PAPER FOR THE PEOPLE

This time the Nats choose a future

So long as the country must have a Nationalist Government — from which misfortune there is for the time being no obvious deliverance — then it is better to have Dr Piet Koornhof in charge of African affairs than Dr Connie Mulder, and Mr Punt Janson rather than Dr Andries Treurnicht.

By appointing Dr Koornhof and Mr Janson, and by shutting the door to the Cabinet once again in the face of Dr Treurnicht, the Prime Minister has thrown down the gauntlet to the right-wingers of the National Party in the Transvaal. He has seized the nettle which his predecessor so assiduously avoided.

Ostensibly the battle revolves now round the election of a successor to Dr Mulder as Transvaal leader. But this is no ordinary election. With Dr Treurnicht pitted against the divided verligte forces, it is a clash of ideologies, a choice of futures.

Dr Treurnicht is the pre-eminent custodian of the old-time Nationalist faith — the separatist visions for blacks, the domination of the English whites, the rejection of the Indian and coloured people. He does not flinch at the logic which demands mass population moves, the prosecution of those (often pitiful) lovers across the colour line, the obscenities of race classification or the burden of loneliness which it imposes on the Afrikaner. He is courtly, cautious, precise — and implacable.

He is also, let it not be forgotten, a man who differed sharply from Mr Vorster and very nearly landed in the Herstigte Nasionale Party in 1969. Caution and intelligence saved him from that fate, and he has survived to fight another day.

That day has arrived. The Prime Minister and his verligte cohorts have taken firm control of the Government; so Dr Treurnicht is reaching for control of the most important section of the party. If he becomes Transvaal leader he will have the power base — the almost-HNP element, the rural hard-liners,

the embittered admirers of Dr Mulder, the opponents of mixed soccer, the people who hate to see a black man sitting on a lawn in a Pretoria park — to try to wrest the Government from the verligtes.

In this battle the Prime Minister is showing predictable strengths and weaknesses. He has spent his life as a party functionary, often working at the nether end of party politics, and he does not balk at a fight. He is a talented administrator. He is putting the right men in the right jobs. He is cutting back the bureaucratic accretions of a generation of self-indulgent administration, and showing a determination to streamline the whole Government machine. He is also, as might be expected, shrewdly gathering the major instruments of power into his own hands.

But the crisis of confidence which he inherited — and his inheritance was a singularly poor one — has brought his weaknesses to the fore. He is neither as courtly as Dr Treurnicht, nor as disciplined. His rhetoric gets the better of him, especially when he finds himself on a platform. His instinct is to score points rather than to win followers, to fight rather than woo.

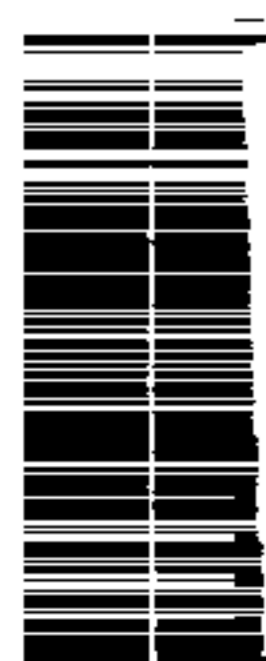
Not surprisingly, in his handling of the Information Department scandal, his control of the "atmospherics" (to employ a useful American term for the appearances that surround political actions) has been appalling. To quarrel with a judge and terminate his commission in the middle of this kind of mess, and then to go around threatening the Press, attests to an insensitivity to popular feeling that is apt to cripple any leader. Unless he convinces the public that every last shred of that scandal has been exposed to the light, his prospects for survival in the premiership must be short.

Therefore it remains to be seen whether the verligte wing of the National Party can keep its grip on the power which it has won.

And Dr Treurnicht waits in the wings.

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Hired gun in Smit

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Highly investigative sources in Washington believe that the killer or possibly killers was hired in West Germany to murder the Smit.

Sources in Washington believe Interpol was involved.

Government sources in Washington will not confirm it, but American agencies are known to have launched their own investigation.

The Carter Administration has ordered, however, that co-operation with the SAP must cease as part of US policy towards this country.

No proof

The Minister of Finance, Senator Owen Horwood, and the SAP have stated that no proof has been found of any link between the Smit murder and currency racketeering.

But in Zurich and other world financial centres it is being increasingly connected with mounting evidence of a massive illegal flow of money from South Africa.

Unconfirmed information is that the main channel for this flow is Swaziland, which is part of the rand currency area but which has looser cur-

To Page 3, Col 3

QUESTION: Has the rumour that Dr Smit was murdered because he uncovered a major currency racket been eliminated?

Answer: That rumour is impossible to eliminate completely.

QUESTION: Would you not consider making your findings public to reassure people and halt rumour?

Answer: No.

QUESTION: Do the police know if Dr Smit spoke to a member of the Cabinet shortly before his death?

Answer: To my knowledge there was no such communication.

QUESTION: How do the police know that?

Answer: Specific allegations were made. We checked them.

QUESTION: Did the police question every Cabinet Minister?

Answer: To answer would not be in the public interest.

QUESTION: Has any progress been made in the hunt for the killer?

Answer: No.

'Gun' named the murders

By Pieter Schoombee and Mike Cohen

Members of Interpol and American investigators have unofficially joined the hunt for the killers of the top South African economist Dr Robert Smit and his wife Jeanne-Cora.

Here and abroad the murders are believed to involve high names, huge currency deals and a hired assassin. An investigation by The Star has revealed that.

● The murderer could be a hired assassin named Schneider from Baden-Baden, West Germany. Police both here and abroad are checking this information.

● The Smit murders were committed with — not one, but two guns. They were 0,38 and 0,32 revolvers.

The double killing in the Smit home at Springs on November 22 last year, already the subject of massive speculation in South Africa, is now arousing interest in political and financial circles in Europe and America.

The SAP are checking information they have received that the killer is a hired assassin named Schneider and is from Baden-Baden.

Baden-Baden has raised a possible connection with the murder of two prominent German financial figures, Dr Hanns-Martin Schleyer and Dr Jurgen Ponto, who had links with South Africa and knew the late State President and former Minister of Finance, Dr Nico Diederichs.

Interpol have been asked to look into this connection and to supply the names of Red Army terrorists.

Fund-raising

Although the Red Army and the Baader-Meinhof terrorist group have acted from political motives, some of their crimes are believed to have been specifically to raise cash for other operations.

High investigative sources in Washington believe that the killer or possibly killers was hired in West Germany to mur-

Smit dossier — Page 9, and Editorial, Page 16

Death link with Info 'still not eliminated'

A possible link between the murder of Dr Robert Smit and the former Department of Information has not been eliminated by the police.

General Kobus Visser, deputy CID chief, replied to these questions on the murder of Dr Smit and his wife, in an interview with The Cape Times.

QUESTION: Has the suggested link between Dr Smit's death and the scandal surrounding the former Department of Information been eliminated?

Answer: I cannot say that the possibility has been completely eliminated. We do not know what we will find in the future.

QUESTION: Has the rumour that Dr Smit was murdered because he uncovered a major currency racket been eliminated?



DR ROBERT SMIT



MRS JEANNE-CORA SMIT

and social... legislative and... local government suggest that the TRIP white paper proposals discussions currently being... COMMISSION ON LOCAL GOVERNMENT It is believed that government

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'Hired gun' is named in Smit murders

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gency control than South Africa. Dr Smit had high-level financial dealings in Switzerland and it is suspected that in the course of his business he discovered cash smuggling and intended to expose it. The Star's inquiries

have revealed that the killer or killers of the Smits returned to their home at least two hours after the murders.

Dr Smit's body was found in the house by the police a short distance away from where he died.

What is new is that the body was already stiff when it was dragged away from the death spot.

One arm was clasped over the chest, where he was probably hit by the first bullet, and the other was outstretched.

Although he was dragged along the floor, both arms remained in these positions.

One theory is that the killer left quickly after the shooting for fear the shots might have been heard in the neighbourhood, and reported to the police (In fact, they were heard but the police were not notified.)

The killer, it is thought, then returned more than two hours later, moved Dr Smit's body, for some reason stabbed both bodies, and sprayed the letters "RAU TEM" in the kitchen with a spray can of paint.

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Smit murder report: paper apologises

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Staff Reporter

THE SUNDAY Afrikaans newspaper, Rapport, yesterday published an apology, resulting from a complaint to the Press Council, on the publication, earlier this year of a report alleging links between the Smit murders and the Department of Information.

The former Minister of Information and the Commissioner of the South African Police both lodged the complaint to the Press Council about an article which appeared in Rapport on May 18.

The article appeared under the headline "Murder and Millions, Pretoria takes over" (Moord en Miljoene, Pretoria vat oor) and "Murdered Dr Smit's possible links with Information investigation" (Vermoorde dr Smit se moontlike skakels met inligting ondersoek).

Rapport said yesterday the former Minister of In-

formation and the Commissioner of the South African Police both objected to the Press Council about the report. The complaint had been settled by the placing of yesterday's report.

The newspaper listed the following allegations as among those made in the earlier report:

- That the police investigated a possible connection between the Department of Information and the Smit murders and that the investigation had reached an advanced stage

- That the investigation by East Rand detectives was taking a sensational course when the matter was taken out of their hands.

- That for some time Pretoria detectives had been dealing with the investigation and all tips and leads had to be sent to Police Headquarters in Pretoria since a heavy veil had been drawn over all new leads

- That Dr Robert Smit was possibly indirectly concerned with certain operations of the Department of Information.

- That the police had started an intensive investigation into all financial transactions and connections of Dr Smit.

The newspaper said they had obtained their information from sources which were considered irreproachable and thus had not deemed it necessary to verify it with Police Headquarters.

Rapport said it now nevertheless accepted the denials by heads of police that the allegations were correct.

The financial transactions and connections of Dr Smit, the article continued, had been investigated by the Commercial Branch but the investigation had already been started in November 1977 as part of the whole murder investigation and in no way had any links with possible connections between the so-called secret operations of Information.

Press inquiries in connection with the Smit murders were, upon instructions from heads of police, referred to Police Headquarters in Pretoria, but from this it should not have been deduced that the investigations were taken out of the hands of East Rand detectives as was alleged by Rapport, the newspaper said.

Rapport said it was in no way their intention to create the impression that the police had kept important information from the public or handled the investigation in an improper or negligent manner.

It was also not its intention, Rapport said, to create the impression that anybody who had any connection with the former Department of Information was responsible for the Smit murders.

Rapport then apologised to "persons and instances who or which were unjustly wronged" by the report.

New demand by PFP likely

Political Staff

DURBAN. — The Progressive Federal Party may ask for a parliamentary select committee to investigate whether any members of the Government had knowingly misled the House over the spending of State funds.

This was revealed yesterday by Mr Japie Basson, chairman of the party's caucus, which held a special meeting in Durban following the national congress last week.

The meeting dealt with the crisis session of Parliament which starts on December 7 to discuss the information controversy.

Mr Basson said the caucus had insisted that the report of the Erasmus commission be given to MPs well before the start of the debate. It also wanted the commission's evidence to be made available to the different parliamentary parties so that "a proper

evaluation can be made of the state of affairs".

"In its study the party will devote special attention to the question of whether any member or members of the Government knowingly or deliberately misled Parliament over the spending of the State funds when the House was in session earlier this year," said Mr Basson.

"The party will call for the appointment of a select committee to investigate and deal with such cases, if any."

Mr Basson said that the party caucus had also dealt with several points to be raised by Mr Colin Eglin, Leader of the Opposition, and Mr Harry Schwarz, chairman of the federal executive, when they meet the Prime Minister, Mr P. W. Botha, in Pretoria on Tuesday for discussions concerning the former Department of Information.

PM denies Smit did secret probe

By HELEN ZILLE
Political Correspondent

THE PRIME Minister, Mr P W Botha, yesterday entered the controversy raging around the unsolved murder of financier Dr Robert Smit by issuing a strong denial of a Sunday newspaper report linking Dr Smit with a secret top-level Government investigation.

The statement of denial from Mr Botha's office said: "It is untrue that Dr Smit at the time of his death or at any other time was conducting a secret or other investigation on behalf of the Government as is alleged.

"It is untrue that Dr Smit had received instructions from or had discussions with senior Ministers or any other Ministers at the Union Buildings or elsewhere in connection with such an alleged investigation.

"It is untrue that Dr Smit had had any discussions with the former Prime Minister since he (Dr Smit) resigned as South Africa's representative at the International Monetary Fund in 1975. As a matter of fact, he never had any discussions with the former Prime Minister in connection with matters mentioned in the report. This statement is the

This statement by the Office of the Prime Minister has been referred to the Minister of Finance, Senator Owen Horwood, who says he has not seen the contents of the report. Sen Horwood said that as Minister of Finance he could state categorically that he has no knowledge of any kind of any investigation conducted for the Government by the late Dr Smit nor did Dr Smit ever see him or talk to him about any such matter.

The statement said the "untrue report" was being viewed in such a serious light that a complaint has been lodged with the Department of Justice.

The report, in this week's Sunday Express, was headed "Smit was on secret Government probe".

It said Dr Smit, the National Party election candidate in Springs last year, had been working day and night on the investigation for the Government less than three months before his death and that he had held talks and briefings with senior Cabinet Ministers and the former Prime Minister, Mr B J Vorster.

A spokesman for the Department of Justice said the complaint about the report had been received.

Mr Rex Gibson, Editor of the Sunday Express, said yesterday "I have referred the Prime Minister's vehement denial to our attorneys. The matter is receiving our attention I have no further comment to make."

Commenting on Mr Botha's denial, Mr Colin Eglin, Leader of the Opposition, said the Government should reassure the public on the steps it had taken to solve the murder and make it clear that, as it had not been able to find the killers, it would cooperate with anyone who could assist in solving the murder.

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PM scoffs at Eglin's 'quit' call

MM

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Political Correspondent

MR. P. W. BOTHA has scoffed at Opposition calls for the Government's resignation and a general election over the information scandal.

There was no "cover-up" as the leader of the Opposition, Mr. Colin Eglin, had suggested and he was the last man to tell the Government when it should hold a general election.

"His party is too small and unimportant," the Prime Minister told a meeting of about 350 at Uvongo at the weekend.

After sketching the history of the Information disclosures, starting with the Auditor-General's report and culminating with the scrapping of the Mostert commission and the appointment of the Erasmus commission, he rejected Opposition attacks on the Government.

"Where is the cover-up? To say in public, after we appointed the Erasmus commission, that we are busy with a cover-up is a public lie," said Mr. Botha.

People with information should report to the commission which was investigating the whole affair.

Anybody who persisted with the "cover-up" story but failed to testify before the commission was "playing the game of cowards."

He challenged Mr. Eglin to give evidence to the commission.

He and the Minister of Finance, Senator Owen Horwood would accept full responsibility for proper auditing of State money and, said Mr. Botha, he would publish anything the commission recommended to be published.

There was one proviso, however.

"We will not allow things to be published which could jeopardise the security of South Africa."

Mr. Botha warned too against elements who were trying to break down the secret services as had happened in other countries. "South Africa will continue to have its secret services."

Mr. Botha hit out too at "certain sections" of the media and said if they were concerned with South Africa's image what did they hope to achieve by presenting the elected Government of the country as a "bunch of crooks".

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A political meeting

Recently the Prime Minister delivered an address to the National Party. The published reports were factual but gave no indication of the spirit of the meeting, the crowd's emotion and the bearing of the speaker, a man under considerable pressure.

This background is the very essence of the relationship between the leader and his supporters. Thus, the public remain informed only in a limited way.

I was there. I saw it by proxy on the TV. This is what really happened.

The Prime Minister moved on to the dais. An austere, well-dressed figure with the customary carnation in his lapel. His domed-shaped head and thick glasses gave him an aura of strength. Can one detect signs of strain? Not a bit of it. A good politician wears an invisible mantle of "we never make mistakes." Think of Nixon until the bubble finally burst and Churchill who, in dire times, was covered with this cloak of self-confidence. If one is not hypnotised by the setting, the mind can wander. How did this English public schoolboy, David Owen deal with the formidable P. W. Botha?

The camera pans to the audience. True to type. Sober and earnest citizens with a few beards to lend extra dignity to the occasion. (Smuts was a past master in the mobilisation

Recently, the Prime Minister has addressed a number of political meetings on the Information Department furore. One of these was shown on television and it aroused the imagination of an East London man, Dr S. B. SACHS. This, he writes, is what could have happened . . .

of long white bearded Voortrekker types to give a sense of history to his meetings)

Mr Botha looks at the crowd, he is in no hurry. "ladies and gentlemen" This is a formality but the Prime Minister puts such meaning into these words that you feel that he is talking only to you. Certain film stars and of course Winston Churchill had this talent. Unfortunately Ian Smith lacks it. He should attend a few National Party meetings to brush up his style. I have been thinking all this out in the pause following "ladies and gentlemen". Never be in a hurry, if you are right you need never be nervous. He begins the speech. "The press and the Opposition are accusing me of a cover up."

They demand a Parliamentary Commission to investigate these matters. I offered it to them and what did they do? they ran away! the voice only slightly raised for effect. The crowd cheers and there is a stamping of feet and they think that the scandal is all the fault of the press. When there is

silence he goes on. "Whatever I have done has been for the good of South Africa. Can the press say the same? Their motives have only been to increase their 'circulations'." The crowd reacts as expected — a universal thought of a man who is being pilloried by the press.

This is what happened. It is a small extract from a long speech. What did not happen is this. A small man at the back of the hall, he might have been you or me but with more courage, got to his feet and in a loud voice said, "Sir, would you say that R12 000 000 given to The Citizen Newspaper was for the good of South Africa?" There were loud jeers from the audience.

"Communist. Progs throw him out", and that is exactly what they did. Somewhat bruised he arrived home. His wife said, "I told you so. Why do you get involved in such matters? Look what has happened to you."

"All I did was to stand up and be counted as they often advise but I did not stay on my feet very long. All I asked was a simple

pertinent question and wanted a true answer."

"Well," the wife replied, "all you got was a black eye." "You see," he said, "two things bother me. If we are thinking about the good of the country and we have so many millions to throw away, think how many houses could the state build for this amount? No one would argue about that being for the benefit of the country. Look how niggardly the state is about their bread subsidy. If R12 000 000 was injected into this fund millions could eat better and we would not get so much bad publicity about malnutrition, so the good deed would be twice blessed. The next matter that worries me is state security. And had I not been thrown out I would have asked this question. All those witnesses from the bureau refusing to give evidence on the finances of The Citizen suddenly being struck dumb as if such evidence would endanger the State. The Prime Minister has always told us that Parliament is supreme but it appears that we have a little band of grey men not responsible to Parliament nor to judiciary, making up their own laws as they go along. This is frightening."

My wife replied, "I think you had better go to bed, all we need now is the security people to come knocking at our door."

Pik tells why he backed P W

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Mercury Correspondent

JOHANNESBURG — The Minister of Foreign Affairs, Mr. Pik Botha, disclosed at the weekend how documentary evidence on the Information Department scandal, handed to him and other Cabinet Ministers five days before the election of a new Prime Minister, persuaded him to vote for Mr. P. W. Botha and not for his Transvaal leader, Dr. Connie Mulder.

Defending himself against allegations that he had stabbed Dr. Mulder in the back, Mr. Pik Botha said evidence concerning Dr. Mulder and the Information Department was atrocious if it were true.

Addressing a National Party rally in Springs, he said, "I want to state here tonight unequivocally that on the information given me I had decided that Mr. P. W. Botha would make a better Prime Minister and I am not ashamed of that."

He said the information handed to him and the other ministers, including Mr. P. W. Botha, had come

ment, and he considered it his duty to convey it to me.

"He said he considered my duty as a member of the Government to hear this information."

He said he agreed to see the man who gave him the information — informant — that has since appeared in the Press.

Documents

"I do not say this information is the truth or it was tested or examined but he had documents to prove it."

As he was a candidate for Prime Minister this information had placed him in an invidious position.

He told the man, "Do you realise that if I make public what you have said

to him from a man he did not name. Presumably Pretoria advocate Mr Retief van Rooyen, who later gave evidence to the disbanded Mostert commission).

First

Though newspapers have disclosed Mr. van Rooyen's contacts with the Cabinet Ministers who opposed Dr. Mulder for the premiership, Mr. Pik Botha's statement is the first official confirmation of the dramatic events before Mr. P. W. Botha's election.

In the election, 20 of Mr. Pik Botha's supporters withdrew their votes from Dr. Mulder, their Transvaal leader, and backed the Cape leader, Mr. P. W. Botha who won by 24 votes.

Mr. Pik Botha was given a standing ovation at the beginning and end of his Springs speech.

He had said he would like to speak about events surrounding the former Department of Information and about references to him in that connection.

Too much

"I have kept quiet, but there comes a time when the stabs in your back become too much and that time is now."

Mr. Botha said he was at home with supporters planning his campaign for the premiership when he got a telephone call from a man who insisted on seeing him.

"He told me he had information which was extremely dangerous for this country and this Govern-

here, the accusation could be levelled at me that I am using it to keep Dr. Mulder out of the election, because he is involved."

Mr. Botha said he phoned a colleague in the Cabinet and asked him to come over immediately.

"I asked the man to divulge this information to the minister because I was not prepared to carry the burden alone."

Atrocious

"It was a case of which the Government had to take notice because if the things he said were true, it was atrocious."

Mr. Botha said he telephoned the senior minister in the Cabinet, Mr. P. W. Botha, in Cape Town, and told him what the man had conveyed to him.

"Mr. P. W. Botha said that in these circumstances I must come to Cape Town, which I did — with this man and one or two other cabinet ministers. We decided together that we would go and see Dr. Mulder, openly and honestly, and tell what we had heard and ask him what his standpoint was."

"We did not go behind his back — no back-stabbing, no muck-throwing. We conveyed certain standpoints to him honestly and frankly in the interests of South Africa."

Last night Dr. Mulder said he objected in the interest of National Party unity to Mr. Pik Botha's "one-sided" statement.

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ORMANDE POLLOK

Political Correspondent

DR. Andries Treurnicht, the conservative deputy minister of Plural Relations, who is heavily involved in the Transvaal leadership struggle, has been slapped down for the second time in five days by the Prime Minister, Mr P W Botha

In Bloemfontein on Wednesday Dr Treurnicht took the unprecedented step of repudiating a full minister, Mr Hennie Smit, the Minister of Coloured Affairs, who has been intimately connected with the party's new constitutional proposals

He rejected Mr Smit's statement that Coloureds could become ministers of departments of common concern and said that the Council of Cabinets would not be a "scramble-eggs cabinet. It will be only a consultative body."

Without specifically referring to Dr Treurnicht, Mr Botha told about 350 people at the Uvongo meeting that he had noticed there was "con-

PM gives verkramppte rap again

fusion" again about the Cabinet Council

Spelling out the council would be mixed and that it would be more than just a consultative body he explained that there would be six White ministers, three Coloured and two Indian Others could be co-opted for specific matters.

The council would draft legislation on matters of common concern and, in consultation with parliamentary leaders, would arrange the programme and order of precedence for dealing with the legislation

In an obvious reference

to him at Uvongo over the weekend, Mr Botha made it clear that Dr Treurnicht's interpretation of the proposed Council of Cabinets conflicted with party policy as accepted by the various provincial congresses

Earlier last week, Mr Botha gave Dr Treurnicht's chances of succeeding Dr Connie Mulder as Transvaal party leader another blow by overlooking him for promotion to the Cabinet in what was interpreted as a clear message in the early stages of the power battle

Observers believe that if

Dr Treurnicht is still elected at this week's head committee meeting it would amount to an open act of defiance by the hierarchy against the Prime Minister.

It is thought that his election could lead to a split in the party and attempts are now being made to call a "snap" provincial congress in the hope of warding off total confrontation within the Transvaal party

The Government would introduce new proposals next session, said Mr Botha

Yesterday "Rapport" gave prominence to the controversy surrounding Dr Treurnicht

In a biting cartoon it showed him as the only one of the five ministers and deputies involved in Black departments not pedalling a multi-seated bicycle

Also, in a pointed leading article on the power struggle the newspaper explained how important the Transvaal leader was to the Prime Minister and how he should support him

'Info' decided stakes — Pik

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By JOHAN BUYS

THE Minister of Foreign Affairs, Mr Pik Botha, disclosed at the weekend that documentary evidence on the Information Department scandal — handed to him and other Cabinet Ministers five days before the election of a new Prime Minister — persuaded him to vote for Mr P W Botha instead of his Transvaal leader, Dr Connie Mulder.

Defending himself against allegations that his vote was a stab in the back for Dr Mulder, the Minister of Foreign Affairs said evidence concerning Dr Mulder and the Information Department was "atrocious" if true.

Addressing a National Party rally in Springs, he said: "I want to put it here tonight unequivocally that on the information given me, I had decided that Mr P W Botha would make a better Prime Minister, and I am not ashamed of that."

PM's new dig at Treurnicht

BY MARTIN SCHNEIDER
Political Editor

THE Prime Minister, Mr P W Botha, has ranged himself against Dr Andries Treurnicht for the second time in a week as verligte Nationalists continue their last-ditch campaign to block the rightwing Deputy Minister from becoming Transvaal leader of the National Party.

With less than a week to go before the scheduled election of a new leader to replace Dr Connie Mulder,

US probes McGoff

By RICHARD WALKER

NEW YORK — The American publisher Mr John McGoff is under Federal investigation as a result of disclosures in the Department of Information scandal in South Africa. Justice Department officials said he was being in-

Mr Botha repudiated Dr Treurnicht over the powers of the multiracial Cabinet Council under the Government's proposed constitution for whites, and coloured and Indian people.

Dr Treurnicht, who is opposing two Cabinet Ministers, Mr Fanie Botha and Mr Hendrik Schoeman, for the Transvaal leadership, told a meeting in Bloemfontein last week that the new Cabinet Council would be merely a consultative body.

But Mr Botha, addressing a Nationalist rally in Uvongo at the weekend, emphasised that the Cabinet Council would have legislative and other powers.

He added this was party policy and he hoped it would be the final word on the subject.

His statement came three days after his Cabinet reshuffle in which Dr Treurnicht, Deputy Minister of Plural Relations, was again overlooked while two verligtes, Dr Piet Koornhof and Mr Punt Janson, were

He said the information handed to him and the other Cabinet Ministers, including Mr P W Botha, had come to him from "a man" — this is obviously the Pretoria advocate, Mr Retief van Rooyen, who later gave evidence on the Information to the now-disbanded Mostert Commission.

Although newspapers have revealed Mr Van Rooyen's contacts with the Cabinet Ministers who later opposed Dr Mulder for the premiership, Mr Pik Botha's statement is the first official confirmation of the dramatic events.

In the election, 20 of Mr Pik Botha's supporters withdrew their support from Dr Mulder and backed the Cape leader, Mr P W Botha, who won by 24 votes.

Dr Mulder later resigned as a Cabinet Minister and Transvaal Nationalist leader.

Mr Pik Botha was given a standing ovation at the beginning and end of his speech in Springs on Saturday night.

"Several newspapers had inferred repeatedly that I had played a role in event that led to Dr Mulder's resignation and to his defeat in the election for Prime Minister," he said.

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Replace Dr Connie Mulder;

US probes McGoff

By RICHARD WALKER

NEW YORK — The American publisher Mr John McGoff is under Federal investigation as a result of disclosures in the Department of Information scandal in South Africa.

Justice Department officials said he was being investigated for violations of the Foreign Agents Act, which requires Americans acting for foreign powers to register and report their activities. He had not registered, said one

Mr McGoff has boasted close ties with Dr Connie Mulder, but denied allegations that the South African Government gave him R10-million to help his unsuccessful bid for the 'Washington Star' newspaper

at a Nationalist rally in Uvongo at the weekend, emphasised that the Cabinet Council would have legislative and other powers

He added this was party policy and he hoped it would be the final word on the subject

His statement came three days after his Cabinet reshuffle in which Dr Treurnicht, Deputy Minister of Plural Relations, was again overlooked while two verligtes, Dr Piet Koornhof and Mr Punt Janson, were promoted and placed in charge of black affairs

But Nationalist sources indicated yesterday that the Prime Minister's intervention in the bitter Transvaal leadership struggle could prove to be counter-productive

Far from mobilising support against Dr Treurnicht, the attempts to block him, particularly by the Cape-

town, who won by 2 votes.

Dr Mulder later resigned as a Cabinet Minister and Transvaal Nationalist leader

Mr P. Botha was given a standing ovation at the beginning and end of his speech in Springs on Saturday night

"Several newspapers had inferred repeatedly that I had played a role in event that led to Dr Mulder's resignation and to his defeat in the election for Prime Minister," he said

"I have kept quiet, but there comes a time when the stabs in your back become too much, also in the inner circle. I have decided to talk and that time is now"

He told his audience he was at home with supporters planning his campaign for the premiership when he received a telephone call from a man who insisted on seeing him

"He told me he had information which was extremely dangerous for this country and this Government, and he considered it his duty to convey it to me. He said he considered it my duty as a member of the Government to hear this information"

He agreed to see the man who gave him the information — information that has since appeared in the Press

"I do not say this information is the truth, or that it was tested. I do not say this is information that has been given under oath, or was cross-examined, but he had documents to prove it."

Mr Botha said the information had placed him in an invidious position as a candidate for the premiership

He had told the man: "Do you realise that if I make public what you have said here, the accusation could be levelled at me that I am using it to keep Dr Mulder out of the election, because he is involved?"

Mr Botha said he called a

Eglin: I'm no coward

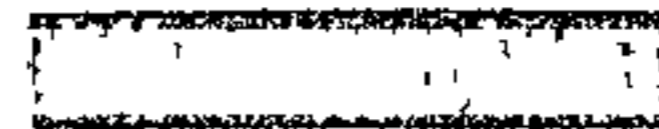
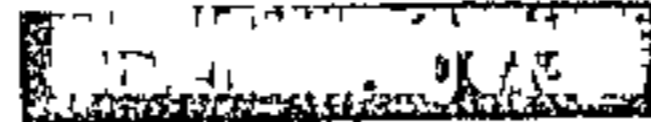
By ORMONDE POLLOK

DURBAN — The Leader of the Opposition, Mr Colin Eglin, yesterday reiterated that the Government had known of the "secret funds scandal" in Information for more than a year

He hit back at a weekend speech by the Prime Minis-

ter, Mr P W Botha, who said anyone who persisted with a cover-up story without testifying to the Erasmus Commission was playing a "coward's game"

He said the PFP had asked to be represented at its hearings, but had been turned down



Why did these men keep silent?

NOW Mr Pik Botha has confirmed it — several Cabinet Ministers knew about the Information scandal before the election of the new Prime Minister, but they kept quiet about it.

Five days before the election of Mr P W Botha, these Ministers were informed in some detail about what happened. Not only that — they were given documentary evidence, the Foreign Minister told a Nationalist rally at the weekend. So convincing was this evidence that Mr Pik Botha called a Cabinet colleague to his home, because he was not prepared to carry the burden of his knowledge alone.

"It was a case of which the Government had to take notice, because if the things were true, it was atrocious," said Mr Botha. He telephoned the senior Minister in the Cabinet, Mr P W Botha, in Cape Town, and then travelled to the Cape with his informant and "one or two other Cabinet Ministers".

The outcome was that Dr Connie Mulder was confronted with the information about his former department, and Mr Pik Botha decided to support Mr P W Botha in the premiership battle.

But Dr Mulder was still allowed to run for election — and he was only just defeated.

We asked last week how it was possible that Dr Mulder had been allowed to stand, when leading members of his party knew of his

involvement in the scandal. With that knowledge they must also have known that he had misled Parliament about The Citizen.

We ourselves had warned at the time that Dr Mulder was vulnerable, because of the strong chance that newspapers would make further disclosures about the Department of Information. And now Mr Pik Botha reveals that he and presumably others were well aware of this possibility. There were, he says, newspapermen in a position "to blow all these things", and to promote his candidature, but he had stopped them.

Was it in the interests of South Africa, or the interests of the National Party, that these Ministers kept silent? Why, with the election safely over and Dr Mulder defeated, did they not act on their knowledge?

It took the Press, and the subsequent disclosures of Mr Justice Anton Mostert, to bring the scandal into the open, with the Government doing its best to stop publication.

Now the Erasmus Commission is investigating the whole affair, and we welcome the Prime Minister's assurance that the Government will publish "everything the commission wants us to publish", apart from matters which may jeopardise the country's security. Such open publication is obviously in the public interest, just as the determined attempts at a cover-up, stretching back a long time, were against it.

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no has any ideas about the improvement of the estate (must be cheap!), tion of the problems we have discussed in this rear letter, or the n of good neighbourliness is asked, may be asked, to contract the s with his scheme.

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Alan Greenleaf
GARDIAN

Further inquiries into Info possible

CAPE TOWN — Further intensive investigations into allegations that the former Department of Information misappropriated public funds may follow the Erasmus Commission report, the commission's secretary, Mr Johan Geysler, said yesterday.

Mr. Geysler was approached following a reported statement by Mr. Justice Erasmus that the commission might not have time thoroughly to investigate everything "such as the misappropriation of money."

In an interview with the Johannesburg newspaper Beeld, Mr. Justice Erasmus said this would have to be referred to "the right people."

Mr. Geysler said this should not be interpreted as meaning the Erasmus Commission would ignore what was an important aspect of its terms of reference.

"The commission will investigate misappropriation and can make findings and recommendations in respect of irregularities

"It may be that a matter arises which requires further and more intensive investigation, for example by an auditor. A recommendation to this effect could then be made."

Mr. Justice Erasmus told Beeld the commission wanted South Africa to feel they had produced a proper report.

Recommendations would be considered about aspects which might need further investigation, such

as money matters.

In a statement after the original report appeared in Beeld, Mr. Justice Erasmus said: "Members of the commission are not auditors and it may very well be that recommendations might be made to the State President concerning information which came to our attention or, at a later date, with regard to certain accounts.

"Time is running out and

we would have liked to hear further evidence on some matters which appertain to our mandate."

The commission's terms of reference are to inquire into and recommend on.

• Any irregularities or unlawful gaining of advantage by individuals or bodies or the misappropriation of public funds by the former Department of Information and/or any person connected with that

department;

• The methods and malpractices which were employed in connection with any irregularities or gaining of advantage or any misappropriation which may be found;

• Steps to be taken to put an end to such practices as well as any action against any person or persons who were involved in such actions; and

• Any related matters.

JOHANNESBURG — The Foreign Affairs Association's director, Mr Cas de Villiers, has admitted the FAA was largely funded by the Government

He said he had requested a meeting with the Minister of Foreign Affairs, Mr Pik Botha, at the Union Buildings last week because of this and suggested to him that the association be disbanded

Mr De Villiers, who over the years has vehemently denied that the FAA was financed by the Government, said on Tuesday night the FAA was constantly aware that all front organisations would be exposed in time. "We cannot go on"

Meanwhile, Opposition spokesmen were quick to note the significance of a Cabinet Minister having the power to close down an organisation which purported to be financed by private enterprise

Mr De Villiers has disclosed that at least 75 per cent of the organisation's funding came from the disbanded Department of Information.

Mr De Villiers' bombshell statement came shortly after the Minister of Foreign Affairs announced the FAA was to be disbanded

Speaking from his farm on the outskirts of Pretoria, Mr De Villiers said he had requested a meeting with Mr Botha at the Union Buildings last week to discuss the continuation of the organisation because of persistent rumours which linked the FAA with Government funding

"But I did not only get funds from the Government I also received substantial funds from several South African mining houses. The Government's share amounted to about 75 per cent of our operating costs," Mr De Villiers said

At the time of its launching in 1975, it was said that the FAA was formed by five prominent South African businessmen with a fund of nearly R500 000. The founders

De Villiers admits: we got funds from the Government

were said to be Mr Louis Luyt, Mr Werner Ackermann, Mr Piet Liebenberg, Mr Dennis Greyvenstein and Mr Jan Pickard

But Mr De Villiers said the concept of the FAA had been his

"I was working at the Africa Institute at the time and realised the need for a different kind of approach to put our case overseas, and I went to people like Werner Ackermann for financial support. The Government got involved because it was impossible to get the funds I needed from businessmen alone

"Naturally the Government funding was handled through the old Department of Information and Eschel Rhodie, the former Secretary for Information. I did not go to Rhodie he came to me before the FAA was launched," Mr De Villiers said

Speaking about the break-up of the FAA, Mr De Villiers said "We have constantly been faced with the fact that all front organisations would be exposed in time as receiving funds from the Government

"I always told the people we dealt with that the FAA was a private organisation, funded by private companies. If it was revealed that we ac-

tually got funds from the Government, then we could not continue with our work both here and overseas

"We cannot go on," he said

In spite of Mr De Villiers knowing about the FAA's closing for one week, the small and dedicated staff who work out of the plush FAA headquarters at 936 Pretorius Street, Arcadia, Pretoria, were only told officially yesterday.

"I must face them tomorrow," Mr De Villiers said on Tuesday night. "I did not want to break it to the staff before the Minister made his announcement"

Immediately after seeing Mr Botha at the Union Building last week, Mr De Villiers had a meeting with Mr Red Metrowich, director of the South African Freedom Foundation, an organisation which conducts an operation similar to the FAA

Mr De Villiers also went back to his office and began clearing out his desk and cupboards. "As soon as I realised that it was definitely going to close down I went to my office and removed my papers. There is little left there now. I did not destroy any papers of importance — only old correspondence," he said. — DDC

Cash scandal

23/11/78

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payout goes

By DON MARSHALL

THE FOREIGN Affairs Association continued to receive money from the Government after its major sponsor, the Department of Information, was disbanded last June, the director of the FAA, Mr Cas de Villiers, said last night.

And in spite of the announcement earlier this week by the Minister of Foreign Affairs, Mr Pik Botha, that the FAA would also be disbanded, it was learned last night that the organisation would continue until at least the end of this year and that the 11 members of the staff — some of whom possess high academic qualifications — would be given at least three months to find alternative employment.

Mr De Villiers said that in his talks with Mr Botha, no timetable had been set for the closing of the FAA. "There are lots of things that will have to be done. We have a well-stocked library and it will take some time to clear it. I suppose we will be in a position to close by the end of the year," he said.

Earlier, Mr De Villiers had disclosed that at least 75% of the FAA's funds were obtained from the Department of Information and that the former Secretary of Information, Dr Eschel Rhodde, was the person behind the funding.

Asked last night how the FAA managed to continue to obtain Government funding after the closing of the Department of Information, he said: "We continued to get our funds from the Government and I presume this was done through some interim arrangement, but I never bothered to find out."

Mr Pik Botha said through his secretary last night he had no further comment at this stage on the Foreign Affairs Association or on any other matter. He would not say when he would be in a position to comment.

The cover of the Foreign Affairs Association as a front for the South African Government was probably blown long before Mr Botha revealed on Tuesday night that he and the Prime Minister had decided to disband the organisation.

Ridm 25/11/78
Cash scandal:
payout goes on

contributed to its closing, Mr De Villiers said "Yes I would say so. People were constantly saying that the FAA was another front organisation. You cannot live with that kind of rumour indefinitely."

He was not sorry the Government became involved — it was just a pity they did not disclose it at the outset.

"I knew from the start that Government money was behind the FAA. Now the cover has been blown I do not want to try to project the image of an honest Cas de Villiers who was trapped into launching a certain project. It is impossible to do this sort of thing indefinitely because you always have something to hide."

No decision has yet been taken on how or when the luxury mansion — purchased from Government funds in Mr De Villiers's name on behalf of the FAA — is to be disposed of. The house, situated in the Pretoria suburb of Arcadia, was bought for R95 000 and at least R30 000 more was spent on improvements.

Two Mercedes Benz cars — also registered in Mr De Villiers's name — will also have to be disposed of.

Mr De Villiers said the house was paid for through his own personal banking account, although he could no longer remember other details of the transaction.

He denied FAA funds had ever been wasted on unnecessary trips or luxury living. His wife, Erna, had accompanied him during only two of his overseas trips during the FAA's three-and-a-half years of ex-

ON GOVT

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Meanwhile Sapa reports that the Director-General of the South Africa Foundation, Mr Peter Sorour, yesterday revealed that the Government had at one time tried to use the foundation to front its own activities.

Mr Sorour said the Government asked the Foundation to invite certain people to visit South Africa as guests of the Foundation, while in fact their names would be put forward by and all expenses paid by the Government itself.

The council refused to have anything to do with the offer said Mr Sorour.

A senior diplomatic source told two Rand Daily Mail reporters nearly a month ago that he had for a long time been aware that the Foreign Affairs Association was a front organisation of the Government. The same source mentioned the name of another similar organisation which he said was suspected of being a front.

Asked last night whether he thought that suspicion in the United States that the FAA might have been a front for the South African Government could have

To Page 2

istence.

"One I paid for out of my own pocket, while the second trip was paid from FAA funds — and that was, after I had been overseas three or four times during that particular year. We flew tourist class because I never allowed myself the luxury of a first class ticket", he said.

The FAA no longer had any overseas banking accounts. The only one — at the Riggs Bank in Washington — was opened during a conference in the US capital earlier this year.

"An amount of \$50,000 was transferred there from our South African bank account, with Reserve Bank approval and a balance of \$15,000 was later returned to South Africa after our costs were met," Mr De Villiers said.

BRIAN O'FLAHERTY reports that trustees of the Southern African Freedom Foundation will meet in Durban today to discuss the disclosure that the foundation has received money from the Government.

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RAM 20/11/78 (221)

Deception is order of the day — Eglin

THE LEADER of the Opposition, Mr Colin Eglin, has attacked the Government for allegedly funding the Foreign Affairs Association which was arbitrarily disbanded on Tuesday night.

The FAA's founder-director, Mr C F "Cas" de Villiers, has admitted that its annual budget of more than R500 000 came largely from Government funds

Mr De Villiers said the Government provided more than 75% of the money used in running the FAA — and at that rate more than R1 200 000 has been poured in from Government sources since its founding in 1975.

Mr Eglin said the disbanding showed the new Prime Minister had taken the first step to clean up the "mess" he had inherited. But he still had a long way to go before the confidence of the South African people was restored in its Government.

The recent disclosures about the use of secret funds in the setting up of The Citizen had opened up a can of worms, he said. The further revelations about the funding of the FAA "showed the extent to which deception, intrigue and abuse of public funds had become the order of the day under the Nationalist Government".

Mr De Villiers also ad-

mitted he had discussed the future of the association with the Prime Minister last week.

He said he personally asked Mr Botha to disband the FAA — apparently for fear that the truth would be made public in the near future.

Ever since the body was formed in 1975, Mr De Villiers has denied suggestions that it was no more than a South African Government "front" propaganda organisation.

In July 1977 he denied reports from the United States that the FAA was "directly linked to South African efforts to win friends and influence people in the United States," and that it was in fact a Government "stooge".

He said at the time, after denying any connection between Pretoria and the association: "It is ironical that we, who are highly critical of the Government in many instances and are trying to work towards peaceful change, are being classed as Government agencies".

The FAA was initially alleged to have been formed by five prominent South African businessmen with a fund of R500 000.

The five were named as Mr Louis Luyt, Mr Werner Ackermann, Mr Piet Liebenberg, Mr Dennis Grey-

venstein and Mr Jan Pickard.

But Mr de Villiers now says the concept of the FAA was all his own.

A luxury Pretoria house valued at R95 000 is registered in the name of a company owned entirely by Mr de Villiers.

He paid cash with funds supplied by the FAA in 1975, and since then another R30 000 has been spent on the property.

Mr de Villiers said the house and a Mercedes Benz 280 which he drives were both in his name, and that the documents relating to both transactions were in the possession of the FAA's auditor.

He said there was "nothing irregular" about the matter.

In an interview with The Citizen, Mr de Villiers said it was "tragic" to have to close the FAA against the background of what he called its many successes in influential overseas circles.

He claimed several US observers had already admitted the FAA had played "an extraordinarily fruitful strategic role", and said it was "unbelievable" that the credibility of the FAA was suspect "merely because of a vendetta by certain English newspapers, which apparently had a pre-determined aim to undermine the FAA".

He said "this sort of campaign" made it impossible for South Africa to "build up a credible image".

Prior to its launching in 1975 he was approached by Dr Eschel Rhoodie, the former Secretary for Information.

"Naturally the Government funding of the FAA was handled through the old Department of Information," he conceded on Tuesday.

The now defunct department's activities are at the heart of the Erasmus Commission of inquiry appointed by the Prime Minister, Mr P W Botha, two weeks ago to investigate allegations of corruption and misappropriation of public funds by people in high places both in and out of Government.

Mr De Villiers formerly worked as an editor of one of the Africa Institute's publications, and has written regularly on a freelance basis for the Afrikaans Press.

One of the FAA's first "successes" came shortly after its inception three years ago when it hosted a dinner in South Africa for Mr Laurent Dona-Fologo, the Ivory Coast Information Minister who was visiting South Africa as a guest of Dr Connie Mulder, then South Africa's Minister of Information — Sapa.

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Government funds kept FAA going

JOHANNESBURG — The Foreign Affairs Association continued to receive money from the government after its major sponsor, the Department of Information, was disbanded last June, the director of the FAA, Mr Cas de Villiers, said last night.

And in spite of the announcement earlier this week by the Minister of Foreign Affairs, Mr Pik Botha, that the FAA's learned last night that the organisation would continue until at least the end of this year and that the 11 members of the staff — some of whom possess high academic qualifications — would be given at least three months to find alternative employment.

Mr De Villiers said that in his talks with Mr Botha no timetable had been set for the closing of the FAA. "There are lots of things that will have to be done. I

suppose we will be in a position to close by the end of the year," he said.

Earlier, Mr De Villiers had disclosed that at least 75 per cent of the FAA's funds were obtained from the Department of Information and that the former Secretary of Information, Dr Eschel Rhoode, was the person behind this funding.

Asked last night how the FAA managed to continue to obtain government funding after the closing of the Department of Information, he said, "We continued to get our funds from the government and I presume this was done through some in-

term arrangement, but I never bothered to find out".

Mr Pik Botha said through his secretary last night he had no further comment at this stage on the FAA or on any other matter.

Asked last night whether he thought suspicion in America that the FAA might have been a front for the government could have contributed to its closing, Mr De Villiers said "Yes, I would say so. People were constantly saying the FAA was another front organisation. You cannot live with that kind of rumour indefinitely."

He was not sorry the government had got in-

any overseas banking accounts. The only one — at the Riggs Bank in Washington — was opened during a conference in the American capital earlier this year.

"An amount of \$50,000 was transferred there from our South African bank account with the Reserve Bank approved and a balance of \$15,000 was later returned to South Africa after our costs were met," Mr De Villiers said.

In another development yesterday, Mr Reddy Metrowich, chairman of the Southern African Freedom Foundation, and a trustee, Dr Jan Hupkes, gave their support to a statement that the SAFF

Mr Cas de Villiers, director of the Foreign Affairs Association, at home ye

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volved — it was just a pity they did not disclose it from the outset.

"I knew from the start government money was behind the FAA. Now that the cover has been blown I do not want to try to project the image of an honest Cas de Villiers who was trapped into launching a certain project. It is impossible to do this sort of thing in, definitely because you always have something to hide."

No decision has yet been taken on how or when the luxury mansion — bought from Government funds in Mr De Villiers' name on behalf of the FAA — is to be disposed of.

The house, situated in the Pretoria suburb of Arcadia, was bought for R95 000 and at least R30 000 more was spent on improvements.

Mr De Villiers said the house was paid for through his personal banking account, although he could no longer remember other details of the transaction.

He denied that FAA funds had ever been wasted on unnecessary trips or luxury living.

The FAA no longer had

had received money from government funds.

Mr Raymond Ackerman, chairman of Pick 'n Pay and a trustee of the SAFF, made the disclosure yesterday.

Earlier yesterday, Mr Metrowich denied that the SAFF had ever received money from the government.

Speaking from East London last night, Mr Ackerman said: "I can't give you figures, but the majority of the foundation's money came from the government."

"I stand by my statement completely. I don't hide anything. As trustees we don't attend meetings very often. We are meeting in Durban tomorrow and in Johannesburg on Friday. We will be prepared to make a full statement on anything and everything after that."

"As I said I am happy with the objectives of the Freedom Foundation. I believe it is a very good thing and I don't want it to close down. I want it to continue."

Contacted again for comment on Mr Ackerman's statement last night, Mr Metrowich said he did not deny it.

— DDC

EDITORIAL OPINION

Quick way to recovery

(259) 23/11/78 AD

The Chief Minister of the Ciskei, Chief Lennox Sebe, has urged South Africa's new Prime Minister, Mr P. W. Botha, to "get on with urgent programmes that South Africa needs."

He has warned that preoccupation with worries about the former Department of Information's activities should not be allowed to hold up pressing needs.

We agree with Chief Sebe, but we ponder why he should doubt that the important work of government should not be able to proceed normally, even during this agonising time?

He obviously accepts that inquiries into what he calls the Department of Information "disaster" must also proceed.

"The cleaning up must take its course," he says, but no time should be wasted, he adds.

Again we agree. Our concern, in fact, is that time may be wasted unless everything is brought out into the open as soon as possible.

For the sake of the nation's morale and in the interests of getting on with urgent programmes of the kind Chief Sebe has mentioned, there must be complete public confidence that no cover-up will be tolerated.

We have been reminded by Americans lately that the reason why

Watergate almost paralysed that country was not so much the deed itself as the attempted cover-up afterwards. The people here, as in the United States, will forgive government mistakes, but they will neither forgive nor forget anyone being shielded.

The country's outside credibility, too, could be destroyed completely were it suspected that there could be things the government wanted to hide. In this regard, there is already a growing impression abroad that intimidatory tactics are being used against newspapers and journalists — which South African newspapers themselves are not able to correct because they have that impression themselves.

The freedom of the press to operate as a watchdog over public administration is a cornerstone of Western concepts of proper democracy. Therefore we say to Mr Botha and his government. "For South Africa's sake let the press play its part responsibly in revealing wrong."

This can only help to speed any necessary clean-up and restore confidence (both at home and abroad) in the integrity and openness of government in South Africa.

And the country will be able to get on quicker with more important and urgent programmes.

FAA got funds after shut-down decision

Cape Times
23/11/78
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JOHANNESBURG. — The Foreign Affairs Association continued to receive money from the government after its major sponsor, the Department of Information, was disbanded last June, the director of the FAA, Mr Cas De Villiers, said last night.

And in spite of the announcement earlier this week by the Minister of Foreign Affairs Mr Pik Botha, that the FAA would also be disbanded, it was learned last night that the organization would continue until at least the end of this year and that the 11 members of the staff — some of whom possess high academic qualifications — would be given at least three months to find other employment.

Mr De Villiers said that in his talks with Mr Botha no timetable had been set for the closing of the FAA. "There are lots of things that will have to be done. We have a well-stocked library and it will take some time to clear it. I suppose we will be in a position to close by the end of the year."

Earlier, Mr De Villiers disclosed that at least 75 per cent of the FAA's funds were obtained from the Department of Information and that the former Secretary of Information, Dr Eschel Rhoodie, was the person who was behind this funding.

Asked last night how the FAA managed to continue to obtain Government funding after the closing of the Department of Information, he said: "We continued to get our funds from the Government and I presume that this was done through some interim arrangement, but I never bothered to find out."

Mr Pik Botha said through his secretary last night he had no further comment at this stage on the Foreign Affairs Association or on any other matter. He would not say when he would be in a position to comment.

The cover of the Foreign Affairs Association as a front for the South African Government was probably blown long before Mr Botha revealed on Tuesday night that he and the Prime Minister had decided to disband the organization.

A senior diplomatic source told two Rand Daily Mail reporters nearly a month ago that he had for a long time been aware that the Foreign Affairs Association was a front organization of the Government. The same source mentioned the name of another similar organization which he said was suspected of being a front.

Use had been made of individuals whose associations within Government circles were so well known that coupling them with certain front organizations like the FAA would automatically attract attention.

Asked last night whether he thought that suspicion in America that the FAA might have been a front for the South African Government could have contributed to its closing, Mr De Villiers said: "Yes, I would say so. People were constantly saying that the FAA was another front organization. You cannot live with that kind of rumour indefinitely."

He was not sorry that the Government got involved — it was just a pity that they did not disclose it from the outset.

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BY GORDON KLING

A TRUSTEE of the Southern African Freedom Foundation yesterday disclosed that the majority of the ostensibly private organization's funds came from the government.

This follows the disclosure yesterday that a similar body, the disbanded Foreign Affairs Association, was also largely funded by the defunct Department of Information.

The trustee, Mr Raymond Ackerman, chairman of Pick'n Pay, told the Cape Times in an interview from East London last night that a meeting of

trustees would be held in Durban today and another in Johannesburg tomorrow, after which a full statement would be made on the foundation's future.

He believed it had been doing good work and its policies were formulated by the businessmen who belonged to it. Mr Ackerman said he and other businessmen had put money into the organization but most of the

finance came from the government

The disclosure followed a day of contradictions and denials by the foundation chairman, Mr Red Metrowich, which only ended when the Cape Times made it known that it possessed evidence, from a highly reliable source, who was prepared to be subpoenaed, that the former Secretary of Information, Dr Eschel Rhoadie, and vast

government funds were behind the group.

In a telephone interview from Johannesburg, the opposition finance spokesman, Mr Harry Schwarz, said the new exposure was another example of "costly government actions destroying worthwhile organizations."

"I don't think there is any question that private organizations can obtain an entree over-

seas that the government can't."

The danger had now arisen that all bodies attempting to help the country would have a question mark put over their bona fides, he said.

The Freedom Foundation's links with the government first came under examination after the disbanding of the powerful Foreign Affairs Association on Tuesday night by the Minister

of Foreign Affairs, Mr Pik Botha, because of what he termed "circumstances bordering on blackmail" newspapers had discovered that it was supported by the government and were waiting to publish this information.

The director of the F.A.A., Mr Cas de Villiers, and the chairman, of the S.A.F.F., Mr Metrowich, are close friends. It was this relationship, said Mr

Metrowich, in a morning interview with the Cape Times from Johannesburg, that had prompted unfounded rumours on his organization's status.

"The foundation has never received financial support from the government," he said. All funds came from its trustees and business donations. The foundation's trustees are Mr Ackerman, financier Dr Jan Hupkes, Nedbank's head,

Govt also funded Freedom

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Freedom

Continued from page 1

about the organization. He and other businessmen saw it as a vehicle to eradicate problems in South African society and its successes included a role in obtaining 99-year home leases for blacks in urban areas.

Contacted later in the evening to comment on this, Mr Metrowich said he wished to associate himself with Mr Ackerman's statement that the foundation was funded by the government. "I accept that means that I retract my earlier statement issued to yourself."

He would recommend that the board of trustees should divulge details of its financial structure — "which I have not been authorized to do up till now" — at a press conference tomorrow.

Wind in F Mahani Room C 101

Foundation

Mr Gerry Muller, Dr Goolam Karim, of Durban; the chairman of the Durban-based Beares financial empire, Mr Aaron Beare; and a Sharpeville businessman, Mr Peter Mutlalyane. An Eastern Transvaal farmer, Mr Theo Eliastan, who was also a trustee, died recently.

Mr Ackerman released a statement in Cape Town saying some money came from the

government "as does money for universities and airways. If one has to stop every organization which has government money then I think we would have to close down the country."

When asked to comment on this, Mr Metrowich said he did not know what Mr Ackerman meant. He could have been referring to funds from the sale of books and publications to the

authorities

After consultations with its source, the Cape Times told Mr Metrowich that it believed the foundation was initiated and largely supported by the government. He responded that he was not prepared to say who was responsible for the establishment or to comment further.

In subsequent discussions, Mr Ackerman, who had since flown to East London on business, said the state was responsible for most of the foundation's funds. He emphasised that there was nothing sinister

Continued on page 2

Such changes in policy cannot be brought about without control regulations and laws as well. We are well aware of the fact that this would imply a fundamental change in policy towards migrant labour. In the Western Cape employment preference policy exists, this is an even stronger case. In spite of this we stand by our policy suggestions. We do not retract them lightly and we believe that they are essential if we are to have a just and peaceful society free from potential conflict.

TO SOME, it may seem that the demise of the Foreign Affairs Association has been one of the more unfortunate casualties of the great slush-fund scandal. Wasn't it, after all, a pretty worthwhile organisation — helping to establish new contacts overseas, bringing influential people to South Africa so that they might understand our problems better — playing a role in the process of dialogue?

Surely, such activities are in the interests of our country, some people will say. And if the FAA had to be financed by the Government to do them, what of it? What is wrong with spending taxpayers' money in the interests of the country?

An understandable line of argument — but one which completely misses the point of why these secret operations are so wrong and have ultimately turned out to be so damaging to South Africa.

The point is simply that they were deceitful operations.

There is indeed nothing wrong with

a government financing a body like the FAA to do the sort of work it did. But then it must do so openly. The association must be seen for what it is — a government information agency. As such, it will be perfectly acceptable to everyone.

But when a government finances such an association in secret, then it is engaging in deceit. It is trying to pretend that the agency is something which it is not — a private, independent body which will then be regarded as more nonpartisan and objective.

That is what is so terribly wrong about all of the secret operations which were financed out of the Government's slush funds. Quite apart from whatever corruption or misappropriations there may have been, the appalling thing is that these activities drew the Government and many leading citizens of our country into a morass of deceitfulness. And the thing about deceitfulness is that sooner or later it always gets revealed. Most of these activities

When a country destroys its own credibility

were suspect from the start anyway, so they never did have much effectiveness.

And now that it is all being exposed, it is leaving our national credibility in ruins.

This is the real tragedy. South Africa is coming to be looked upon from abroad as a nation of lies and dishonesty.

A country whose official voice cannot always be believed

Whose official denials will henceforth always be suspect

It will be remembered that we officially denied reports that we were invading Angola. That we officially denied, even in our own Parliament, that the Government was funding The Citizen. And that we officially denied there was Govern-

ment money behind the Foreign Affairs Association.

Who, after all that, is still going to believe our official denials that the Club of Ten, for example, is also a Government financed operation? Indeed who is going to believe any such denial any more?

Which means our enemies can have a field day. The next time one of them makes an accusation against us, and our Government denies it, there is going to be a disinclination to believe us.

Nor is this image confined to the Government. Many leading citizens, who themselves have important international contacts, have been caught up in the web of deceitful operations — some knowingly, others, we suspect, more unwittingly.

Their credibility has been injured, too, such as Mr Louis Luyt, who was drawn personally and directly into the chorus of untruthful denials.

How ironic that the justification given for these secret operations is that they were necessary to improve our image in the world, to counter the propaganda war against us.

They have had the very opposite effect. It is doubtful whether our most unscrupulous enemies could have devised anything to do our national image so much harm.

What can be done now to repair the damage and restore our credibility and good name?

There is only one way — and that is to clean it all up, quickly and completely. And having done that to

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make sure that no such secret operations are ever undertaken again.

Secret projects, if they are necessary at all, are the proper province of the secret intelligence services, operating under strict budgetary control on the personal responsibility of the Prime Minister himself. There is no room for them in the business of public information. They can only destroy the value of the information services and pave the way for the corruption of parliamentary government itself.

As far as the clean-up is concerned, there are still disturbing signs that the Government would like to contain the disclosures as much as possible. Again, this line of thinking is understandable — but wrong. Once the facts in a scandal like this begin to emerge, there is no stopping them until they are all out in the open.

As the FAA's Mr Cas de Villiers sensibly put it on Tuesday night: "We have constantly been faced with the fact that all front organisations

will be exposed in time." So he and Mr Pik Botha decided that the best thing to do was to disband

It was the first sensible action on the Government side since this whole sorry business began. No dithering around, waiting for "more facts" and "the other side of the case". Just swift, effective action to disband the organisation before the scandal caught up with it and caused the Government and the country even greater embarrassment.

If only the rest of the Government could be persuaded to deal with the entire scandal in this way. Then we could be seen to be possessed of a determination to eradicate this deceitfulness from our midst — and South Africa would be on its way to re-establishing its credibility in the world.

To become once again a country of which others would say: "We don't agree with them, we think they're wrong-headed and foolish, but at least they're upright, honest and incorruptible."

THURSDAY, NOVEMBER 23, 1978.

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DANGERS OF DECEIT

THE Foreign Affairs Association, which was disbanded by the Government yesterday, has been revealed as another strand in the complex web of deception woven by the former Department of Information.

The apparent degree of deception was that the Association, founded in 1975 to promote detente and dialogue and to act as an independent clearing house for information on South Africa's contact with the outside world, consistently denied that it was getting funds from the Government.

On that basis it solicited the support of prominent people as trustees and arranged visits by prominent and influential people to and from South Africa, some of whom would have had nothing to do with it if they had been aware of its Government connections. The association, on the admission of its director, Mr. C. F. "Cas" de Villiers, knew that it could not continue indefinitely as a "front" organisation, and South Africa must now pay the price of that deception if there is a backlash.

On the credit side, however, many people, including the leader of the NRP, Mr. Vause Raw, and Mr. Harry Schwarz of the PFP, believe that the organisation did valuable work for South Africa. Mr. Raw believes that the results justified the spending of public money

This raises the whole question of what is in the national (as opposed to the National Party's) interest, what degree of secrecy should be permitted in furthering that interest, and what measures are necessary to protect that interest.

It would be utterly naive to suppose that other countries do not resort to subterfuge and deception in the protection and furtherance of their national interests. There is hardly a government in the world that does not have an official secrets Act, secret funds, intelligence and counter-intelligence, and probably a "dirty tricks" department as well.

The question is how to strike an acceptable balance between abuse and corruption on the one hand and fatal innocence on the other; between for example, the bizzare excesses of the American CIA, and a zeal for public exposure which in the end virtually degouted the agency, to the delight of the Kremlin.

The value of a free Press and an independent judiciary as guardians of the public interest has been amply demonstrated in the breaking of the Information scandal. In areas where the national interest requires that certain cards must be played close to the chest, public confidence must be restored by full accountability to say a committee of Parliament, for the administration of secret funds.

Editor, reporter face charges

JOHANNESBURG — The owner of The Citizen and his Volkskas bank manager argued yesterday in court here grounds that to do so "would not be in the public interests" and "might incriminate them".

Mr Johannes van Zyl Alberts, managing director of SA Today (Pty) Ltd, which owns The Citizen, and Mr Abraham Pretorius, manager of the De Villiers Street branch of Volkskas, Johannesburg, also said they regarded the evidence they were being called upon to give as sub-judice since it fell within the ambit of the Erasmus Commission inquiring into allegations of misuse of public funds by the defunct Department of Information.

On trial were the editor of the Rand Daily Mail, Mr Alister Sparks, and one of his reporters, Mr Hamish Fraser. Mr Sparks is also appearing for South African Associated Newspapers Ltd, publishers of the Mail.

It is alleged that a front-page story which appeared on November 15, headlined "Citizen: R27-million shock", contra-

vened Regulation 15, read together with Regulation 14, of Proclamation R295 of 1978.

It is alleged Mr Sparks and Mr Fraser breached these regulations by "wrongfully and unlawfully anticipating the proceedings and/or findings" of the Erasmus Commission, and "disseminated the said newspaper at a time when the said commission had not yet reported to the State President."

They pleaded not guilty to the charges through their counsel, Mr Sydney Kentridge, SC. He is assisted by Mr Colin Kinghorn.

The prosecution case is led by Mr J. C. Jansen, SC, assisted by Mr J. d'Oliveira.

Opening the case for the defence, Mr Kentridge said he intended to prove it could not be an offence simply to republish a matter of public interest which had come to light even before the Erasmus Commission had been appointed.

Earlier, Mr Kentridge told the court the report was based on information made public by the Mostert Commission prior to its disbandment earlier this month.

The accused could be guilty of "anticipating the proceedings or findings of the Erasmus Commission" only if they had known in advance what

those proceedings were and what the findings were going to cover.

The report on November 15, he said, could not in anyway be taken as anticipating the findings of the commission, still less its proceedings.

The main issue under debate at yesterday's trial was whether the court should order Mr Van Zyl Alberts and Mr Pretorius to disclose details about the financial affairs of SA Today.

Mr Kentridge said he wanted to question Mr Van Zyl Alberts on which Government department was paying for losses of The Citizen estimated in court at R500 000 a month.

Mr Kentridge said he wished to go on record as stating he would ask Mr Van Zyl Alberts four main questions and to produce documents relating to the bank overdraft of SA Today — running at R6 966 330, according to a balance sheet produced in court and covering the company's affairs up until February 28 this year.

He wished to know who had guaranteed this overdraft, if anyone had taken over the overdraft guarantee or if anyone had paid off the R6 million in question. He also wished to know who was guaranteeing this money if the loan had not been repaid.

Mr John Speirs, the



Mr Van Zyl Alberts arrives at the court for yesterday's hearing.

chartered accountant who audits the SAAN group's books, was handed the SA Today balance sheet which was made public by Mr Justice Mostert.

Referring to the headline, "Citizen: R27 million shock", Mr Kentridge asked Mr Speirs how the sum of R27 million had been arrived at.

Mr Speirs said R12 million was an accumu-

lated loss, according to the balance sheet. R10 million represented investments and R5 million was a trading loss estimated for 1978 to date — a total of R27 million.

Against this, said Mr Speirs, SA Today had an issued capital of only R3. According to the balance sheet, the company had R700 000 invested in a printing press.

Cross-examined by Mr Kentridge, the accountant said these appeared to be the only realisable assets available to the bank, but even then they represented only a tenth of the amount owing to Volkskas by SA Today.

It was unusual for any bank in South Africa to grant such a high overdraft facility to a company with such low realisable assets, he said.

Initially, Mr Van Zyl Alberts and Mr Pretorius were represented by Mr R C Lourens, but after an adjustment, Mr P. E. Streicher appeared for the witnesses.

He pleaded that they needed more time to consult counsel on their position.

Earlier, Mr Kentridge told the court that under South African law "no witness giving fully truthful answers in a court of law can thereby commit an offence."

The witnesses need have no fear of prosecu-

tion on that basis, he said. If they were to claim privilege, they should do so in respect of each individual question the defence put to them and which they felt might prejudice them. He cited legal precedents as recent as this year for such a procedure.

He said a witness could not refuse to be sworn in or make a general refusal to answer questions.

The chief magistrate, Mr L. P. Francis, granted the application for an adjournment so Mr Van Zyl Alberts and Mr Pretorius could consult counsel.

The hearing was adjourned until December 13.

Earlier, the prosecution called Maj Martinus Johannes Nel, a plain-clothes policeman.

Maj Nel, of the commercial branch in Pretoria, said he had gone to the SAAN office in Main Street, Johannesburg, on November 15 to meet certain people in connection with that day's front-page report in the Mail headlined "Citizen: R27-million shock."

He was met at the SAAN office by a Lt-Col Smit who introduced him to Mr Fraser. They went to Mr Sparks' office where he spoke to the two accused. He wanted to establish who had written the report. Mr Fraser said he had been responsible for

writing it.

Maj Nel told them he was investigating a possible contravention of Regulations 14 and 15 published in the Government Gazette in connection with the Erasmus Commission.

Mr Sparks said he was responsible for the new paper and assume responsibility for everything that appeared in it.

Cross-examined by Kentridge, Maj Nel said he was aware the Mostert Commission had made certain evidence available to the press. He could recall that on November 3 if newspapers had published information made available by Mr Justice Mostert.

On that day he had also seen the Mail's front-page headline, "It's all true."

Mr Kentridge handed a copy of the Rand Daily Mail of November 3 as an exhibit.

He told the court that the origin of the report had been evidence made public by the Mostert Commission.

Maj Nel said he had no specifically investigated Mr Sparks' explanation that the report was based on evidence released by the Mostert Commission but he accepted that it was based on information from that source.

The State closed its case without calling further witnesses. — SAPA

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Table 21. Number of establishments in Rosslyn with more than 200

employees by number of employees and manufacturing division.

NUMBER OF EMPLOYEES	Number of establishments in division				
	301 - 400	201 - 300	101 - 200	51 - 100	21 - 50
301 - 400	1	1	1	1	1
201 - 300	1	1	1	1	1
TOTAL	32.	34.	35.	36.	38.

NUMBER OF EMPLOYEES	Number of establishments in division				
	301 - 400	201 - 300	101 - 200	51 - 100	21 - 50
301 - 400	1	1	1	1	1
201 - 300	1	1	1	1	1
TOTAL	32.	34.	35.	36.	38.

ity of South Africa.

manufacturing divisions.

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Industrial Classi-

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SPATCH, SATURDAY, NOVEMBER 25, 1978 - 7

Share power says Minister

JOHANNESBURG — South Africans would have to realise that the sharing of power in South Africa would not be unthinkable for ever, the Minister of Public Works and Tourism, Mr. L. le Grange, has said.

Mr Le Grange, addressing the Rapportryers at Hazyview in Eastern Transvaal, said South Africa would have to find a solution to give power to people despite race or colour.

South Africa should keep up with the times, regarding its arguments. It could not stand still at 1948 or 1961, but should develop its policy with the times.

Mr Le Grange said the idea of power sharing should not be seen by South Africa as a red rag, but rather as something that would be introduced in the future.

Meanwhile, at a public meeting in Carletonville, the Minister of Labour

and Mines, Mr Fanie Botha, had a chaotic start when about 400 miners introduced a motion of no confidence in the Minister and stomped out of the hall.

Mr Botha was loudly booed when he stepped onto the rostrum. When the meeting was declared open, a mineworker stood up and introduced a motion of no confidence in the Minister because of his attitude to the abolition of work reservation and a five-day week for miners.

Most of the miners then walked out of the hall noisily.

Mr Botha expressed regret that the people had left the meeting. He said an inquiry into the five-day week showed South Africa would suffer a production loss of 12,3 per cent.

That meant a foreign exchange loss of R400 million a year, and a tax loss of R300 million. — SAPA

than regional can undertake A total of 14 firms involved in construction and the provision of related services were interviewed in the Durban area and on the Witwatersrand. In most cases the firm was in fact a group of firms and this accounts for them em-

Govt paid R1m into funds

25/11/88 BA
25/11/88



Three trustees of the Southern African Freedom Foundation, Mr Gerry Muller, Mr Raymond Ackerman and Mr Red Metrowich, at yesterday's press conference.

JOHANNESBURG — In a bombshell of disclosures at a press conference yesterday, it was revealed that the Government had paid about R1 000 000 to fund the Southern African Freedom Foundation and publishing companies run by Mr Redvers (Red) Metrowich, former political commentator of the SABC.

The chairman of the press conference, businessman Mr Raymond Ackerman, said he was "amazed" when Mr Metrowich, chairman of the SAFF board of trustees, revealed he was paid a salary, the size of which he refused to disclose, by a Government department.

Mr Ackerman said the associated himself with the remarks made by Mr Ackerman in this regard.

Speaking at a specially called press conference at the SAFF offices in Sandton City, which are also the offices of Mr Metrowich's publishing companies, Mr Ackerman said "I would not have agreed to Mr Metrowich, our chief executive of-

In making his admissions to the gathering of about 20 newsmen, Mr Metrowich refused to concede that he was a civil servant, despite the fact that he was drawing a Government salary. He said he regarded

Govt undermining Society says Eglin

CAPE TOWN — Mr Colin Eglin, leader of the Opposition, said yesterday the Metrowich disclosures showed the government had been systematically subverting South African society.

He called on the Prime Minister, Mr P. W. Botha, to give an unequivocal assurance that those responsible for the "sickening" situation would be dealt with and

that deception would end.

"Beyond the facade of a commitment to parliamentary government and free speech, the government has systematically undermined the democratic fabric of our society until today it is riddled with pro-Nationalist fronts and agents paid for with taxpayers' money," said Mr Eglin.

"The harsh fact is that behind a mask of honesty

and integrity and honourable standards, the previous government was busy deceiving in a most despicable way the very taxpayers whose money they were using for this nefarious purpose.

"It now becomes clear that many of the independent authorities that were given such prominence on radio and TV are not independent but paid agents of the Nationalist government.

"A situation has developed where the public no longer knows who or what to believe."

The issue went beyond the possible misappropriation of funds by some state officials. It went to the issue of the honesty and integrity of a government and its leaders.

Mr Botha had promised "clean government". He could not afford to remain silent until the Erasmus Commission reported on the defunct Department of Information.

"All the indications are that the defunct department is only the tip of an iceberg of deception and intrigue.

"I call on Mr Botha to give the people of South Africa an unequivocal assurance that his administration will not continue with the deception of the previous administration and that he will expose and deal — without fear or favour — with all those who were responsible for the sickening situation which is being uncovered

fact that the SAFF was Government funded had been known from the start by all the original five trustees.

He did not believe two more recent trustees, Mr Peter Mutlanjane, a Sharpeville businessman, and Dr Goolam Karim, an Eastern Transvaal doctor, had been aware of the source of the funds. They had not been told, and the actual source of the funds had not been raised at meetings.

He said they apparently were aware of the foreign visitors' programme of the SAFF had been funded "partially" by the Government.

He said he would have considered going ahead with the SAFF on the principles it represented had he known of Mr Metrowich's links with Government.

But he would not have allowed Mr Metrowich to become associated with the organisation had he known Mr Metrowich was being paid by the Government or that his companies had been funded by the Government.

Mr Ackerman said that early yesterday Mr Metrowich had contacted the Minister of Foreign Affairs, Mr P. W. Botha, who earlier this week took action to disband the Government funded Foreign Affairs Association, to advise him of the press conference.

He said Mr Botha had been reported to be non-committal.

Mr Gerry Muller, deputy chairman of Nedbank, another of the trustees,

was being involved in it.

In response to earlier questions, Mr Ackerman said he was surprised to learn Mr Metrowich's companies received Government funds. He said the trustees were never informed of this.

Mr Muller also associated himself with these remarks.

"Very little can shock me after what has happened recently," said Mr Ackerman when he was asked if the disclosures shocked him.

The funding shocks disclosed yesterday were

- R335 000 had been paid by the Government to run the SAFF, named by Mr Ackerman as "fund number one"
- An additional R170 000 had been paid to the SAFF on an ad hoc basis to bring foreign guests to South Africa (fund number two)
- Valiant Publishers received about R130 000 a year from the Government to fund its operations. The company was formed in September 1974

Mr Metrowich himself was paid a salary by the Government. He refused to state how much he was being paid, but he said he was also receiving R300 a month in director's fees from Valiant Publishers.

- Valiant Publishers was handling the distribution of all 12 of the SAFF's publications, but no figures pertaining to what the company had been paid were given.

According to Mr Metrowich and Mr Ackerman,

himself as a link between a Government department and the Freedom Foundation.

He said his terms of employment were described in a contract between himself and the former Secretary for Information, Dr Eschel Rhoodie, but he could not give these terms as he did not have a copy of the contract available.

But he said his job was not described in this contract, nor had Dr Rhoodie prescribed to him the way the SAFF funds were to be spent, although Dr Rhoodie had received regular reports on the expenditure of the SAFF.

Mr Metrowich said Dr Rhoodie had not placed any limitations on how the funds were to be spent.

"There was trust between Dr Rhoodie and me."

The money had been transferred to the SAFF bank account by transfer, the source of which was not traceable on the documents but which was the Government.

He said Valiant Publishers was "set up" by Dr Rhoodie and the idea to create the SAFF had also been that of Dr Rhoodie.

"The money I lived on was paid by the Government," he said. "I'm being paid a salary by the Government for the work I'm doing for the department."

Mr Metrowich said he had not informed the other trustees of the SAFF that his companies were funded by the Government.

More FAA, SAFF disclosures page 9.

In an interview earlier this week, Mr Metrowich said he had known Dr Rhoodie for about 25 years — "since we were junior people starting out on our careers" — DDC

**Gerald
Browne
testifies**

New evidence of Govt link with FAA comes to light

HE FORMER Secretary of Finance, Mr Gerald Browne, gave evidence yesterday before the Erasmus Commission of Inquiry into alleged irregularities in the former Department of Information, according to the secretary of the Commission, Mr J G Géyser.

In a brief statement he said the commission had decided to recall some witnesses.

"In addition, Mr G W G Browne, the former Secretary for Finance, also gave evidence today," the statement said. — Sapa.

Admiral's reaction

ANDON. — Rear-admiral Morgan Gies, former head of Royal Navy Intelligence, who visited South Africa as a guest of the "Teen Foundation, said he could have come anyway, even had he known the organisation was government-

BY DON MARSHALL
NEW evidence of continued links between the Foreign Affairs Association and the Government emerged yesterday with the disclosure that the Director of the Bureau for National and International Communications addressed FAA staff members this week.

The bureau was created to replace the now defunct Department of Information. The day after Mr Pik Botha, Minister of Foreign Affairs, announced the closure of the FAA, the bureau director Mr A J Engelbrecht went to the FAA headquarters in Pretorius Street, Arcadia, Pretoria, to address staff members on the closing of the organisation.

Sources said yesterday Mr Engelbrecht officially informed FAA staff members of the Government's decision to disband the organisation after it had been

half years. Mr Engelbrecht could not be contacted for comment last night.

Earlier this week the FAA director Mr Cas de Villiers revealed that the organisation had continued to receive money from the Government after its major sponsor, the Department of Information, was disbanded in June.

"We continued to get our funding from the Government and I presume this was done through some interim arrangement, but I never bothered to find out," Mr De Villiers said.

Yesterday Mr De Villiers denied he had been ordered to stop talking to newsmen after Mr Pik Botha's announcement on Tuesday.

He was reacting to an attack on him by three FAA senior staff members who said in a joint statement they wanted to disassociate themselves from their director's statements. "We

it has caused the FAA staff."

They said they had been asked not to comment to the media beyond the framework of Mr Botha's statement.

Mr De Villiers said: "I think that under the circumstances nobody could expect me to stick to the classical 'no comment' kind of statement and I certainly do not believe that I have embarrassed members of the FAA staff by issuing statements."

Several Pretoria businessmen — and at least one official from a foreign embassy — have phoned Mr De Villiers with offers to buy the R95 000 house which served as the FAA's luxurious headquarters.

"I have no doubt that the State will not lose a penny on this house. We bought it for a lot of money, but let me tell you it also saved the FAA a lot of money."

offices in downtown Pretoria, where we would have paid rent over a period of more than three years?"

"People may sneer at the R95 000 that was paid for this house, but even with the present economic conditions I am prepared to stick my neck out and say it was a sound investment."

Mr De Villiers said the FAA would close on December 5, so the staff of 11 could go on their annual Christmas leave. "I cannot say what will happen after that," he said, referring to speculation that this would be the last time the FAA closed its doors.

He is hoping private enterprise will help to revive the organisation. "If this country thinks it will get an effective information policy going without bending the rules and regulations of civil service procedures, they

CAPE TOWN. — A PFP motion denouncing Dr Connie Mulder's doctrine that "no rules apply" when the survival of South Africa was at stake, was rejected by the Cape Provincial Council on Thursday night.

The PFP motion called on the council to denounce the viewpoint, expressed by the former Minister of Information in May, as "a dangerous and degenerate doctrine." It also asked the council to "declare that it was in conflict with the values and traditions of the council and of all democratic South Africans, and to express its outrage that a Minister of State in South Africa should advocate such a doctrine."

The motion was proposed by Mr Roger Hulley, chairman of the PFP caucus.

Mulder's 'no rules' debated

Mr O Saartman MEC moved an amendment that the council support steps taken by the Government to investigate the former Department of Information, to call a special sitting of Parliament in connection with the investigation, and if there was misconduct, to take steps against anyone found guilty and to take steps to stop these practices.

Mr Hulley said that anything could be justified if the doctrine was accepted. Adopting no rules made it possible to attempt to justify the unjustifiable for the good of the country," he said.

Mr J Merring, NP, said no government was faultless and "the surest way of not making a mistake is not to do anything."

He accused the PFP of plotting to use the information scandal for political ends.

The motion was rejected with the SAP voting with the National Party. The SAP supported the National Party in accepting the amendment. — Sapa.

SABC had no time to 'No deceit name 'Mail' witnesses in funding'

BY IAN REID
TV Editor

LACK of time prevented the SABC from naming the wit-

nesses would not testify in the Johannesburg Magistrate's Court in the case in which the Editor of the

By TONY STIRLING
BUSINESSMAN Raymond Ackerman, who was chairman of yesterday's Press

Govt funded Publishers New R1m shock on Govt fund

as a donee there before becoming assessor of the Cape Nederduits Gereformeerde Kerk

Dr Treurnicht is unlikely to precipitate a Rightwing breakaway if he is defeated, observers agreed yesterday.

They said the situation in the party was so fluid and tensions were running so high that he would bide his time and wait for new opportunities to renew his challenge

The Department of Information scandal, they said, would continue to be a major divisive force in the party and could present Dr Treurnicht with new opportunities even in the near future

Victory for Mr Fanie Botha today would pave the way for an entirely new power structure in the National Party, and possible greater pragmatism in its race policies

The Prime Minister would also be able to count on the committed support of the influential Free State leader, Mr Alwyn Schlabusch, who openly campaigned for him against Dr

From Page 1
Mulder during the premier-ship struggle.

He would also be in a position to consolidate behind him the support of the Minister of Foreign Affairs, Mr Pik Botha and his small but significant group of Transvaal MPs

Dr Treurnicht is said to have the support of only three of the 11 Transvaal Cabinet Ministers — Mr J T Kruger, Minister of Justice and Police, Mr Louis le Grange, Minister of Tourism, and Mr Braam Raubenheimer, Minister of Water Affairs and Forestry

But he apparently also has the support of Dr Mulder, who still has considerable party backing despite his involvement in the Information affair

Most Transvaal Nationalist newspapers have published thinly-veiled support of Mr Fanie Botha.

Beeld yesterday urged Nationalists to bear in mind when making their choice the Prime Minister's recent statements that adjustments would be made in Party policy

From Page 1
salary by the Government

He refused to state how much he was being paid but said he was also receiving R300 a month in director fees from Valiant Publishers.

That Valiant Publishers was handling the distribution of all 12 of SAFR publications but no figure pertaining to what the company had been paid was given.

According to Mr Metrowich and Mr Ackemann, the source of these funds was the Department of Information

In making his admission to the gathering of about 20 newsmen, Mr Metrowich refused to concede that it was a "civil servant" despite his drawing a Government salary

He said he regarded himself as a link between the Government department and the foundation.



Artist Gavin Doyle (right) is a man with an eye for horses. When Politician came to the Transvaal, Gavin took advantage of the opportunity to compare the finer details of the real thing with his commissioned painting. Holding Politician, who has won more stake money than any other horse in South African turf history, is veteran Natal trainer Syd Laird.

2 GENERAL NEWS

PM must deal with situation — Eglin

Own Correspondent

CAPE TOWN. — Mr Colin Eglin, leader of the Opposition, said yesterday that the "Metrowich disclosures" showed that the Government had been "systematically subverting the South African society".

He called on the Prime Minister, Mr P W Botha, to give an unequivocal assurance that those responsible for the "sickening" situation would be dealt with and that the "deception" would end.

"Behind the facade of a commitment to parliamentary government and free speech, the Government has systematically undermined the democratic fabric of our society until today it is riddled with pro-Nationalist 'fronts' and 'agents' paid for by taxpayers money", said Mr Eglin.

"The harsh fact is that behind a mask of honesty and integrity and honourable standards, the previous Government was busy deceiving in a most despicable way the very taxpayers whose money they were using for this nefarious purpose.

"It now becomes clear that many of the 'independent' authorities that were given such prominence on radio and television are not 'independent' but paid agents of the Nationalist Government.

"A situation has developed where the public no longer knows who or what to believe," he said.

The issue now went beyond the possible misappropriation of funds by some State officials. It involved the issue of the honesty and integrity of a government and its leaders.

Mr Botha had promised "clean government". But in the circumstances which were developing he could not afford to remain silent until the Erasmus Commission reported on the now defunct Department of Information.

"All the indications are that the defunct department is only the tip of an iceberg of deception and intrigue," said Mr Eglin.

"I call on Mr Botha to give the people of South Africa an unequivocal assurance that his administration will not continue with the deception of the previous administration and that he will expose and deal — without fear or favour — with all those who were responsible for the sickening situation which is now being uncovered.

"The issue goes beyond political parties or party politics. It has to do with the soul of government in South Africa," he said.

Raw backs Gerald Browne 'effective' operation testifies

Own Correspondent

DURBAN. — If the Southern African Freedom Foundation achieved results in strengthening South Africa's communication with the world, the Government's funding of it did not appear to be excessive, Mr Vause Raw, leader of the New Republic Party, said yesterday.

Mr Raw said he had little personal knowledge of SAFF's workings.

"I am not really in a position to judge the effectiveness of the foundation's contribution to our international relationships. But any instrument designed to strengthen communication has a value, provided it is not used for internal political propaganda," he said.

Gerald Browne testifies

THE FORMER Secretary for Finance, Mr Gerald Browne, gave evidence yesterday before the Erasmus Commission of inquiry into alleged irregularities in the former Department of Information, according to the secretary of the Commission, Mr J G Geysler.

In a brief statement he said the commission had decided to recall some witnesses.

"In addition, Mr G W G Browne, the former Secretary for Finance, also gave evidence today," the statement said — Sapa.

Admiral's reaction

LONDON. — Rear-admiral Sir Morgan Giles, former head of Royal Navy Intelligence, who visited South Af-

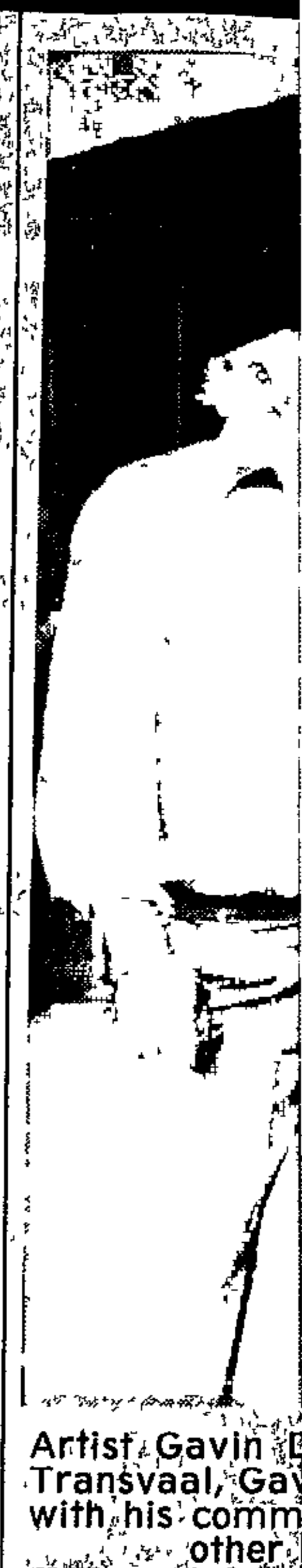
New evidence with FAA

BY DON MARSHALL. NEW evidence of continued links between the Foreign Affairs Association and the Government emerged yesterday with the disclosure that the Director of the Bureau for National and International Communications addressed FAA staff members this week.

The bureau was created to replace the now defunct Department of Information.

The day after Mr P W Botha, Minister of Foreign Affairs, announced the closure of the FAA, the bureau director Mr A J Engelbrecht went to the FAA headquarters in Pretorius Street, Arcadia, Pretoria, to address staff members on the closing of the organisation.

Sources said yesterday



Artist Gavin E. Transvaal, Gav with his comm other.

half years Mr En could not be cont comment last night

Earlier this w FAA director Mr Villiers revealed organisation had c to receive money Government after sponsor the Depar Information, was d in June

"We continued to funding from the ment and I presu was done through term arrangement never bothered to fr Mr De Villiers said

Yesterday Mr De denied he had been to stop talking to n after Mr P W Botha announcement on Tues

He was reacting attack on him by the

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Glen Anil stands go at knockdown prices

By DEREK SMITH, City Editor

FULLY serviced Johannesburg stands valued on the open market at R6 000, and more were knocked down for an average of R733 each at an auction of Glen Anil properties yesterday.

The 150 stands, in the "new south" suburb of Naturena, were just some of the snags on offer from the insolvent estate of a company which was once South Africa's biggest property developer.

But bargain hunters whose bids stood at the end of the sale will have to wait for confirmation. This is common procedure at such auctions, and allows the sellers to keep their options open.

More than 30 lots, brought in individual bids totalling R914 000, but a single company then bought the total package for an extra R1 000.

If this overall bid is accepted, the buyer will be able to take up any of the offers made for the individual properties. The offers are binding for 21 days.

The company which offered R915 000 for the whole package may have been acting for the consortium of banks which holds

the bonds, according to a spokesman for the auctioneers, Mr Sam Pedlar.

He said the figure of R915 000 was reasonable. The expectation before the auction was that the properties would fetch about R1 million.

There had been a great deal of interest in the sale and in general larger pieces of land had attracted more interest and higher bids than the smaller ones.

Apart from the Naturena stands, all the properties are farmland bought by Glen Anil for future township development. The land sold yesterday is mainly in the Transvaal but farm portions in Natal and the Free State were also on offer.

A parcel of Cape properties was sold in Stellenbosch, earlier this month.

A spokesman for the liquidators, Mr Clive Landsdowne, said the consortium of banks would probably meet next week to decide on the offers.

The prices achieved were indicative of the state of the market at the moment, he said. In the circumstances the results were fairly satisfactory.

A similar package of Glen Anil properties will be auctioned in Johannesburg on Monday.

The campaign was aimed at both the Prime Minister who is also Cape leader of the party, and Mr Fanie Botha, his long-time ally, who has strong Cape connections.

In an attempt to counter the propaganda, the Prime Minister earlier this week took the extraordinary step of announcing that Cabinet Ministers would no longer be permitted to hold directorships in newspaper companies.

His move coincided with Mr Fanie Botha's decision to resign his directorship in the Cape-based Nasionale Pers group — of which Mr P.W. Botha was also a director until his election to the premiership.

The Prime Minister's other attempts to thwart Dr Treurnicht have included his decision last week to leave the Deputy Minister out of the Cabinet.

Ironically, Dr Treurnicht has a longer association with the Cape than Mr Fanie Botha. He was born and educated in the Cape and served for many years

Mr Metrowich had contacted the Minister of Foreign Affairs, Mr Pik Botha, who earlier this week took action to disband the Government-funded Foreign Affairs Association, to advise him of the Press conference. He said Mr Botha's attitude had been reported to be "non committal".

The deputy chairman of Nedbank, Mr Gerry Muller, who is another of the trustees, associated himself with Mr Ackerman's remarks in this regard.

Speaking at a specially-called Press conference at the SAFF offices in Sandton City, which are also the offices of Mr Metrowich's publishing companies, Mr Ackerman said, "I would not have agreed to Mr Metrowich, our chief executive officer, being involved in it."

In response to earlier questions, Mr Ackerman said he was "surprised" to learn that Mr Metrowich's companies received Government funds. He said the trustees were never informed of this. Mr Muller also associated himself with these remarks.

"Very little can shock me after what has happened recently," Mr Ackerman said, when asked if the disclosures had shocked him.

The funding, shocks disclosed yesterday were

● That R335 000 had been paid by the Government to run SAFF, named by Mr Ackerman as "fund number one"

● That an additional R170 000 had been

□ To Page 2

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Metrowich admits Govt funded publishers

Staff Reporter

THE DEPARTMENT of Information not only paid R130 000 a year towards the running of Valiant Publications, run by Mr Red Metrowich, the former SABC political commentator, but paid nearly R400 000 for a publication which it took over, part of which was in turn funnelled back into the company in the form of royalties

At a Press conference yesterday called to discuss the position of the Government-funded Southern African Freedom Foundation, Mr Metrowich admitted that his publishing company, Valiant Publishers, was given "about R130 000" a year in Government funds.

In 1972, the Department of Information began purchasing a book entitled "South Africa: A Visual History." The book was put out by Visual Publications, which in 1975 became a company with Mr Metrowich as the sole shareholder

Until 1977, when the Department stopped its orders for the book, nearly R400 000 had been paid to Perskor, who declined as a matter of "policy" to name the editors when questions were put to the former Minister of Information, Dr Connie Mulder, in Parliament earlier this year

For the first year of publication a royalty of R4 000 on R20 000 sales was reported to have been paid — double the normal rate

Mr Metrowich admitted in earlier interviews that he had edited the book during its final year of publication. He also admitted that his company had been paid the royalties

The print order from the department for the first year of publication, covering 1971, was R4 000. Over the last three years of publication, the department's order increased to 7 500 copies, and the price had risen to R13.63 a copy by the final year of publication

Mr Metrowich claimed that he did not know who the authors had been before he took over the publication through his company, Visu-

al Publications (Pty) Ltd, which he described yesterday as now being a dormant company. But he said that Visual Publications was a subsidiary of Valiant Publishers, which was being funded directly by the Government

During its years of publication, the authors of the book, largely consisting of Perskor and Department of Information photographs, were described simply as "The Editors"

Both the Department of Information and Perskor have consistently declined to name the editors — and only once was an admission gained from Perskor that Mr Metrowich had been among the publication's editors



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Ustensibly it is simply to choose a new chairman to succeed Dr. Connie Mulder. But in fact it will be the climax to a bitter struggle for the soul of the NP. A struggle which has brought the fundamental divisions in the party to the surface for the first time, where they are set to fight it out.

To understand the situation it is necessary to note that the Information scandal, the Premiership struggle and the subsequent actions of Mr P. W. Botha have all become intertwined.

In normal circumstances Dr. Mulder, as Transvaal leader of the NP, would have been the automatic choice for Prime Minister — but the Information scandal hung over his head.

In the bitter contest, his supporters sought to give the impression that the department had been given a clean bill of health — while his opponents were equally anxious to show that it had not.

Most Transvaal Nationalists stood by Dr. Mulder, taking the view that the "total onslaught" on the Afrikaner justified everything.

So he was still in a strong position, and would have won but for a small group of Transvaal verligtes who couldn't go along with the general view of their provincial colleagues. They were appalled that a man involved in a major scandal might become Prime Minister, so they threw their weight first behind Mr. Pik Botha, then, on the second ballot, behind Mr. P. W. Botha.

The Transvaal conservatives have reacted bitterly against this Pik Botha group, whom they regard as having betrayed their province and given power to the Cape "liberals".

That bitterness was aggravated when Dr. Mulder was forced to resign.

Then Mr. P. W. Botha rubbed more salt into the Transvaal wounds when he gave the two key Cabinet portfolios on black affairs to such renowned verligtes as Dr. Piet Koornhof and Mr. Punt Janson — with not even a compensatory bone for the verkrampes.

It amounted to a declaration of war against the Transvaal conservatives. And they, angry at what they see as the political assassination of

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Trustees of the Government-funded Freedom Foundation (from left) Mr Gerry Muller, deputy chairman of Nedbank, Mr Raymond Ackerman, chairman of Pick 'n Pay, and Mr Red Metrowich face the Press yesterday

Nats face showdown

BY MARTIN SCHNEIDER
Political Editor

THE entire course of Mr P W Botha's premiership depends on a handful of votes in the showdown election of a new Nationalist Transvaal leader in Pretoria today. The 103-member provincial head committee consisting of Ministers, Deputy Ministers and constituency representatives meets in the SATU Hall in Pretoria at 10 am.

It is expected to announce within an hour whether the pragmatic Mr S P Fanie Botha, Minister of Labour and Mines, or the right-wing Dr Andries Treurnicht, Deputy Minister of Plural Relations, will succeed Dr Connie Mulder as Transvaal leader.

Their supporters, at the end of one of the most bitter campaigns in recent Nationalist history, said yesterday no more than six or seven votes separated the candidates for the second most powerful position in the National Party.

Most Nationalists approached yesterday agreed that a Treurnicht victory would be tantamount to open defiance of the Prime Minister by the majority of Transvaal representatives and would eventually force him to bring Dr Treurnicht into the Cabinet.

The rightwing ideologue would then be in a powerful position to oppose several important verligte adjustments the Prime Minister is said to be planning in Nationalist race policies.

The Prime Minister's supporters also fear that animosity generated among verligtes by a Treurnicht victory would make it virtually impossible for Mr Botha to restore party unity in the foreseeable future.

Most observers agreed that even if Dr Treurnicht lost "elections", the party would continue to run high, although they would be easier to control in the long term.

By Tony Stirling and Brian O'Flaherty

A BOMBHELL of disclosure at a Press conference yesterday it was revealed that the Government has paid about R1 000 000 to fund the Southern African Freedom Foundation and publishing companies run by Mr Redvers "Red" Metrowich, former political commentator of the SABC.

The "chairman" of the Press conference, businessman Mr Raymond Ackerman, said he was "amazed" when the chairman of the SAFF board of trustees, Mr Metrowich, disclosed in the face of questions that he was paid a salary, the size of which he refused to disclose, by a Government department.

Mr Ackerman said the fact that SAFF was Government-funded had been known from the start by all the original five trustees. He did not believe that two more recent trustees, Mr Peter Muttanyane, a Sharpeville businessman, and Dr Goolam Karim, an Eastern Transvaal doctor, had been aware of the source of the funds. They had not been told and the actual source of the funds had not been raised at meetings.

He said, however, they were apparently aware that the foreign visitors' programme of SAFF was "partially" funded by the Government.

He said that while he would have considered going ahead with SAFF on the "principles" it represented had he known of Mr Metrowich's links with Government, he would not have permitted Mr Metrowich to become associated with the organisation had he known the Government was paying Mr Metrowich or funding his companies.

Mr Ackerman said that early yesterday

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Politician in run for R50 000

BY DAVID MOLLERT
Racing Editor

THE richest weight for age race in South Africa takes place at Turffontein race-course today with the running of the Kronenbrau 1308 R50 000 for a stake of R50 000.

Bookmakers yesterday reported a massive gamble on Eyer Fair who takes on the mighty Politician in the big race.

Eyer Fair, winner of last year's Holiday Inns, was quoted a 10-1 chance when betting on the race opened but is now second favourite at 11-2. The horse is to be ridden by Michael Roberts who recently returned from a six-month riding contract in England.

Turffontein is expecting a bumper crowd for the race which is being sponsored for the first time by International Breweries.

Politician, whose popularity in racing circles is on a par with John Paul Young in the pop world, is the star attraction.

This year the horse has won six races including the J & B Metropolitan and Rothmans July Handicap. Politician was recently syndicated for a quarter of a million rand and makes his penultimate appearance at Turffontein. He will reappear in two weeks' time in the R100 000 Holiday Inns — South Africa's richest race.

- Racing preview and selections on page 13

Deportee back

WINDHOEK — Professor Wolfgang Thomas, the Cape Town academic deported from the Republic last year, has been in South West Africa for the past two weeks preparing a report for the West German Government — on "possible foreign aid to an independent Namibia". He said yesterday he had been granted a visa for the visit by the Administrator-General's office.

paid to SAFF on an ad hoc basis to bring foreign guests to South Africa (fund number two)

● That Valiant publishers received "about R130 000 a year" from the Government to fund its operations. The company, formed in September 1974, has now been running for four years.

● That Mr Metrowich himself was paid a

□ To Page 2

Morne 'wins' Currie Cup

By DAN RETTIEF

CAPE TOWN — Western Province took on Northern Transvaal in a grudge match on Thursday, with the Currie Cup at stake.

Province won, and it was a gratifying moment for captain Morne du Plessis when Northern Transvaal's secretary, Robert Denton, had to "hand over" the Golden Trophy.

Free State ended up with the Sport Pienaar Trophy and Transvaal came a distant fourth with nothing to take home. Unfortunately for Morne it was all just make-believe.

The Province skipper, partnered by his business associate, Ian Stadler, took on the

might of the north in a golf competition at Milnerton, Cape Town.

Province, with superior local knowledge, easily compiled the best individual stableford tally to win the Currie Cup.

Northern Transvaal secretaries, Robert Denton and Jan Oosthuizen, being the beaten finalists, had to be satisfied with the Board Trophy. And Free State, represented by its secretary, Neels Neuhof, and vice-president, Piet du Plooy, made off with the Sport Pienaar Trophy.

Morne was said to have quipped: "This seems to be the only way we will ever win the Currie Cup."

Prof pleads for Operation Expose in SA

*C. Times
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Staff Reporter

STELLENBOSCH economist, Professor Sampie Terreblanche, has called for a general Operation Exposé in South Africa, to throw open to the public information about big companies like Anglo American and their influence over newspapers and politics.

Professor Terreblanche, head of the Department of Economics at the University of Stellenbosch, says Operation Exposé could be the golden road to utopia and challenges the Rand Daily Mail — or another English language newspaper — to take up his suggestion.

He says, in a letter to the Burger, that while the English language press and the PFP are carrying on about frankness, he wondered whether the government shouldn't introduce legislation compelling newspapers to declare their shareholdings.

"While we are busy with Operation Exposé, shouldn't we

also get legislation to turn Anglo American inside out?"

Professor Terreblanche's letter followed the appearance on TV last week of the chairman of Anglo American, Mr Harry Oppenheimer, who, he says was unconvincing in more than one respect.

"His answer on why his undertakings, which make hundreds of millions of rands profit yearly, did not pay their black workers higher wages, was nothing less than evasion of the question.

"On the question of his influence on and control over the English press, he answered that

Anglo had a minority share in JCI which in turn had a minority share in the Argus, which also has a share in SAAN.

"He added that he had never given any advice to any newspaper on its editorial or management affairs.

"Why didn't he also tell viewers that for an undertaking like Anglo, a maximum of 20 per cent of another company's shares is often enough to exercise effective control of that company?"

"Why didn't he tell viewers that he was once a United Party MP and that it is obviously Anglo American's policy to have at least one member of its top management in Parliament? Why didn't he mention how much financial support he and his companies have given the PFP and his own and his executives' burning interest in the PFP?"

In a subsequent letter published in the Burger, Professor Terreblanche said not only economists, but every citizen ought to be interested in the manner in which undertakings, large or small, made their profits.

"The important question is whether enterprise — in the private and public sector — fulfills its social responsibility to the full.

"In South Africa, where such a large section of the population is still in the development stage, this responsibility is so much greater and we must not relax our vigilance for one moment.

"When a single conglomerate of companies like Anglo American controls such a large part of the national wealth, is it not reasonable to ask if it is really in the national interest?"

"When the head of such a conglomerate gives evasive and unconvincing answers on television, is it not only my right but my duty to express dissatisfaction and to ask for appropriate investigations?"

Mr Oppenheimer was not available for comment yesterday as he is overseas. Anglo American's chief press officer, Mr John Park, said the company welcomed the opportunity to reply to Professor Terreblanche but preferred not to do so.

State paid

R1m to

fund SAFF

Own Correspondent

JOHANNESBURG. — It was disclosed at a press conference here yesterday that the government had paid about R1 million to fund the Southern African Freedom Foundation and publishing companies run by Mr Redvers "Red" Metrowich, a former political commentator of the SABC.



Mr Gerry Muller, Mr Raymond Ackerman and Mr Red Metrowich at the SA Freedom Foundation offices in Johannesburg yesterday

Businessman Mr Raymond Ackerman, a trustee of the foundation, told the press conference he was "amazed" when the chairman of the SAFF board of trustees, Mr Metrowich disclosed that he was paid a salary, the size of which he declined to disclose, by a government department. Mr Ackerman said the fact that SAFF was government-funded had been known from the start by all the original five trustees. He did not believe that two more recent trustees, Mr Peter Mutlanyane, a Sharpeville businessman, and Dr Goolam Karim, an Eastern Transvaal doctor, had been aware of the source of the funds. They had not been told, and the actual source had not been raised at meetings.

He said, however, that they were apparently aware that the foreign visitors programme of SAFF was "partly" funded by the government.

Mr Ackerman said that while he would have considered going ahead with SAFF on the "principles" it represented had he known of Mr Metrowich's links with the government, he would not have permitted Mr Metrowich to become associated with the organization had he known that Mr Metrowich was

SAFF

Continued from page 1

paid by the government to run SAFF, named by Mr Ackerman as "Fund No 1"

- That an additional R170 000 had been paid to SAFF on an ad hoc basis to bring foreign guests to South Africa (Fund No 2)

- That Valiant Publishers received about R130 000 a year from the government to fund its operations. The company, formed in September 1974, has now been operating for four years.

- That Mr Metrowich himself was paid a salary by the government. He declined to state how much he was being paid, but said he was also receiving R300 a month in director's fees from Valiant Publishers.

- That Valiant Publishers was handling the distribution of all 12 of SAFF's publications, but no figures pertaining to what the company had been paid were given.

According to Mr Metrowich and Mr Ackerman, the source of all these funds is the Department of Information.

In making his statements to the a gathering of about 20 reporters, Mr Metrowich refused

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to concede that he was a "civil servant" in spite of the fact that he was drawing a salary from the government. He said he regarded himself as a link between a government department and the Freedom Foundation.

He said his terms of employment were described in a contract made between himself and the former Secretary for Information, Dr. Eschel Rhodie, but that he could not give these terms as he did not have a copy of the contract available. But he said that his job was not described in this contract, nor had Dr. Rhodie prescribed to him the way in which SAFF funds were to be spent, although Dr. Rhodie had received regular reports on the expenditure of SAFF.

Mr. Metrowich said Dr. Rhodie had not placed any limitations on the manner in which the funds were to be spent. There was no agreement between himself and Dr. Rhodie prescribing the way in which the funds were to be spent and he said the question had never arisen.

"There was trust between Dr. Rhodie and me," he said.

The money had been transferred to the SAFF bank account by transfer, the source of which was not traceable on the documents, but which was the government

being paid by the government or that his companies had been funded by the government.

Mr. Ackerman said that early on Thursday Mr. Metrowich had contacted the Minister of Foreign Affairs, Mr. P. W. Botha, who earlier this week took action to disband the government-funded Foreign Affairs Association, to advise him of the press conference. The attitude of Mr. Botha had been reported to be "non committal."

Another of the trustees, Mr. Gerry Muller, deputy chairman of Nedbank, associated himself with the remarks made by Mr. Ackerman.

Speaking at the specially-convened press conference at the SAFF offices in Sandton City which are also the offices of Mr. Metrowich's publishing companies, Mr. Ackerman said "I would not have agreed to Mr. Metrowich, our chief executive officer, being involved in it."

In reply to earlier questions, Mr. Ackerman said he was "surprised" to learn that Mr. Metrowich's companies received government funds. The trustees were never informed of this.

Mr. Muller also associated himself with these remarks.

Mr. Ackerman said "Very little can shock me after what has happened recently."

Disclosures yesterday on fundings were

- That R335 000 had been

Continued on page 2

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Mr Raymond Ackerman and Mr Red Metrowich (right) . . . at this week's Press conference when it was disclosed that the Saff had been funded by the Government Picture OLTMANN MINNIE

By EUGENE HUGO

... one of Eschel's
...
He said he had become
involved in the Informa-
tion Department's covert
activities at the end of
1974. "But Cas de Villiers
director of the now dis-
solved Foreign Affairs
Association) became in-
volved before me."

Mr Metrowich said he

had been paid by Dr Rhoo-
die from the moment he
left the SABC

He then earned money
from the Africa Institute
and the SABC on a free-
lance basis

A breakdown of secret
Government funding for
his organisational running
costs is as follows: R135 000 for the fiscal
year 1976/77, R135 000 for
77/78, plus an additional

sum to cover this year.

In addition, R103 000 for
1977/78 and R57 000 from
March 1 this year to the
end of last month was
granted to fly foreign visi-
tors from Europe and
America to South Africa
as guests of the Saff

Valiant publishers re-
ceived about R130 000 a
year from the Govern-
ment to fund its oper-
ations. The company was

formed four years ago

The publishing company
has been paid for dissemi-
nating thousands of publi-
cations produced by the
foundation over the past 30
months

Mr Metrowich said he
had gone through a "pret-
ty tense time" since the
first Information Depart-
ment disclosures . . . "but
I went into it with my
eyes open"

UCT head says he was misled over State funds

Botha apologised to Sir Richard Luyt, Principal of the University of Cape Town, before he disbanded the Foreign Affairs Association this week under circumstances he claimed "which border on blackmail".

Sir Richard, as a member of the six-man FAA National Advisory Council, said he had been misled into believing that the organisation was independent and not funded by the Government.

In a Tuesday morning telephone call Mr Botha expressed his regret that Sir Richard had not been told of the FAA's financial sources. That night he went on to blame the Press for hanging the "sword of disclosure" over the organisation.

After repeated earlier denials, FAA Director Mr Cas de Villiers disclosed this week that the organisation was the brainchild of prematurely retired Secretary for Information Dr Eschel Rhoodie and received at least 75 per cent of its financing (about R200 000 a year) from the now defunct department.

Brainchild

It also emerged this week that the Southern African Freedom Foundation, run by Mr Redvers (Red) Metrowich, was another Rhoodie brainchild receiving Information Department funds in excess of R500 000 along with its publishing companies, Valiant and Visual Publications.

Both front organisations continued to receive money from the Government after their major sponsor, the Department of Information, was disbanded in June this year.

Sir Richard told the Sunday Times that when he was invited to become a member of the National Advisory Council of the FAA early this year he specifically asked Mr De Villiers whether he could be assured that the source of its finances was as claimed in the official brochure.

The brochure states that



MR PIK BOTHA... Expressed regret



SIR RICHARD LUYT... Invited to join

the FAA is an independent organisation sponsored by "a number of prominent South African businessmen".

"I was given that assurance by Mr De Villiers," said Sir Richard. He went on to say that he clearly would not have remained a member had he known the true position. "Of course I feel let down," he said.

The UCT principal said he was invited to join the advisory council along with five other principals. Professors W M Kgwane, of the University of the North, Tjaart van der Walt, of Potchefstroom University, S P Olivier, of Durban-Westville, Richard van der Ross, of the University of the Western Cape, and T J van Wijk, of Unisa.

Conference

He had attended a 1975 FAA conference at Turfloop, thought it was excellent, and felt later that there was a need for an impartial and independent non-political body like that. "But I wanted to be confident that I was assisting an organisation which was

By Eugene Hugo

what its brochures said it was."

The first he knew of the Government funding was when he was telephoned by Mr Botha on Tuesday. "The Minister may have phoned for two reasons. He didn't want me to see it in the newspapers; he fully recognised I would not have known that it was subsidised with Government money."

Objection

"The main thing I object to is that they got me involved without knowing the full story."

He said he would not have minded if the Government involvement was in the open "I sit on the board of the Africa Institute and that is supported by the Government. If it is done openly and there are no strings attached, the organisation does not lose its autonomy. This affair, however, is disappointing."

er, that the Minister had apologised and that he appreciated that "He regretted that I had been allowed to become a member without knowing about the Government funds."

But Professor Van der Ross did not get the same treatment. He told the Sunday Times he first learnt about the FAA's funding on the radio news.

"It was quite a surprise and a shock to me," said Prof Van der Ross. "If I had known the organisation had finances of a kind not revealed I would not have accepted a seat on the advisory council."

Prof Van der Ross said he also felt "let down". "It was not an honourable thing to do."

Finances

Asked why he did not disclose the true sources of the FAA's finances — even to the advisory council — Mr De Villiers claimed "nobody asked anything".

Asked specifically about Sir Richard Luyt's position, Mr De Villiers said "Sir

about the finances but did not ask directly."

And he said that he personally was "for a considerable time" all for setting up the organisation "But with the Information affair it was difficult to find a suitable time. Don't for one moment think it is easy or one enjoys working under those conditions."

"We decided, myself naturally Dr Rhoodie, that this should remain confidential."

"You cannot ever invite to this country any prominent American, for example, if it is known that Government funds are involved."

Mr De Villiers said that his organisation received about R200 000 annually from the Government in quarterly amounts of R50 000. "This money was deposited in a Trust Bank account."

Discretion

He did not know the present source of financing because this was not reflected on deposit slips.

And Mr De Villiers claimed that the R95 000 home he bought for the FAA headquarters and the Mercedes 280 car he drove were "good investments".

Mr De Villiers said his salary, which came from the FAA budget, was "far less" than the R22 000 paid to a Government department secretary.

He said that although Dr Rhoodie was footing the bill for his organisation he left things "pretty much" to Mr De Villiers's discretion. "He very seldom made suggestions and never raised questions about our activities. There were rules guidelines on what

SORRY, Sir

Rhodie

recruited

me, says

Saff

BOSS

SOUTHERN African Freedom Foundation boss Red Metrowich told the Sunday Times this week that he was an agent of the defunct Information Department recruited directly from SABC by Dr Eschel Rhodie in 1974.

He disclosed that he was lured from the SABC by Dr Rhodie for an income of R17 000 three-and-a-half years ago. He now receives from the Government R17 000 and a company car — a 1975 Mercedes-Benz.

He also received R300 monthly in director's fees from a State-funded publishing company.

Mr Metrowich said he left the SABC for the specific purpose of going into the publishing operation — an operation which with publishing companies netted at least R100 000 from the Government.

"But I assure you I did not enrich myself. My income was less than that of a departmental secretary and I would have been better off had I stayed with the SABC," Mr Metrowich said in his Sandton office block offices after the disclosures. He had set up a front organisation for the Saff.

Metrowich's revelation that not only did he receive a direct income from the Government, but that his publishing company, Valiant Publishing, was also State-funded, amazed even some of the trustees of Saff who had not been told of his involvement with Dr Rhodie.

Other trustees of the organisation are: Business Development chairman of Nedcor, Raymond Ackerman, and Gerry Muller, Afri-

By EUGENE HUGO

became one of Eschel's agents."

He said he had become involved in the Information Department's covert activities at the end of 1974. "But Cas de Villiers (director of the now disbanded Foreign Affairs Association) became involved before me."

Mr Metrowich said he

had been paid by Dr Rhodie from the moment he left the SABC.

He then earned money from the Africa Institute and the SABC on a freelance basis.

A breakdown of secret Government funding for his organisational running costs is as follows: R135 000 for the fiscal year 1976/77, R135 000 for 77/78, plus an additional

sum to cover this year.

In addition, R103 000 for 1977/78 and R57 000 from March 1 this year to the end of last month was granted to fly foreign visitors from Europe and America to South Africa as guests of the Saff.

Valiant publishers received about R130 000 a year from the Government to fund its operations. The company was

formed four years ago.

The publishing company has been paid for disseminating thousands of publications produced by the foundation over the past months.

Mr Metrowich said he had gone through a "pretty tense time" since the first Information Department disclosures. "But I went into it with my eyes open."



Mr Raymond Ackerman and Mr Red Metrowich (right) . . . at this week's Press conference when it was disclosed that the Saff had been funded by the Government. Picture: OLTSMANN MI

company.

Mr Metrowich said he left the SABC with the specific purpose of going into the Saff operation — an operation which with its publishing companies netted at least R500 000 from the Government.

"But I assure you I did not enrich myself. My income was less than that of a departmental secretary and I would have been better off had I stayed with the SABC," Mr Metrowich said in his Sandton tower-block offices after the disclosures that he had set up a front organisation for Dr Rhoodie.

Mr Metrowich's revelations that not only did he receive a direct income from the Government, but that his publishing company, Valliant Publishing (Pty) was also State-funded "amazed" even some of the trustees of Saff who had not been told of his total involvement with Dr Rhoodie.

The trustees of the organisation are Businessman Raymond Ackerman, deputy chairman of Nedbank; Gerry Muller, Afrikaans Economist; Dr Jan Hupkes, Mr Peter Motlanvane and Mr Goolam Karim.

Mr Ackerman said he was "amazed" by the disclosures. Had he known this previously, he would not have agreed to Mr Metrowich staying on as chief executive.

The Saff executive director said he had first met Dr Rhoodie "something like 25 years ago" when he was a parliamentary reporter and the former Secretary for Information was a junior official.

Job offer

"When he came back to To The Point magazine, he offered me a job and we used to meet once a week until he was appointed Secretary for Information. Some time after that, he asked me if I would be interested in helping him with what he was doing."

He said Dr Rhoodie had outlined how the Information Department should work and how this would entail covert work. "All I can say is that I had a great ideal — an ideal to make Saff a base to publish books of a positive nature on South Africa and break through into the overseas market."

Mr Metrowich said he believed that within a few months from now Saff would have reached profitability status and that he would have broken through into the overseas market.

He said he had opted to join Dr Rhoodie in the face of suggestions that he apply for two very senior jobs in the SABC. "I then

By EUGENE HUGO

became one of Eschel's agents."

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Mr Raymond Ackerman and Mr Red Metrowich (right) when it was disclosed that the Saff had been funded by the

JOY, Sir

(259)
SUNDAY TIMES, November 26, 1978

Richard — Pick



DR. ESCHEL RHOODIE

DIT WAS
OMTRENT
NET
'HALLO'



MNR. LOUIS LUYT

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Rapport 26/11/78

Eschel en Luyt saam op vlug na Europa

Deur
THINUS PRINSLOO

TWEE van die hooffigure in die Inligtingsdrama, dr. Eschel Rhoodie en mnr. Louis Luyt, het vroeër vandeesweek op dieselfde vliegtuig oorsee vertrek en omtrent net „hallo" gesê.

Mnr. P. Clarke, besturende direkteur van Tiriomf-Beleggings, sê mnr. Luyt en dr. Rhoodie — wat vroeg vanjaar haaks was oor 'n TV-program en later weer in die Inligtingsdrama toe mnr. Luyt dr. Rhoodie 'n James Bond sou genoem het — het heel toevallig op dieselfde vliegtuig beland.

Mnr. Clarke het Sondagoggend saam met mnr. Luyt na Nice vertrek. Dr. en mev. Rhoodie was op dieselfde vliegtuig.

Mnr. Clarke sê hulle het beslis nie geweet die Rhoodies gaan ook op die vliegtuig wees nie. Die Rhoodies het ook nie geweet hy en mnr. Luyt sou daar wees nie.

Mnr. Clarke sê hy en mnr. Luyt het sowat twee rye agter die Rhoodies gesit. Sover hy weet, is die Rhoodies na Amsterdam

en hy en mnr. Luyt is na Parys

Mev. Rhoodie het aan hom gesê hulle het tot Saterdagmiddag nie geweet of die „kommissie" hulle sal toelaat om te vlieg nie, sê mnr. Clarke.

Volgens mnr. Clarke het mnr. Luyt en dr. Rhoodie nie baie gesels nie. Daar is omtrent net hallo gesê.

Mnr. Luyt het Donderdag na Suid-Afrika teruggekeer. RAPPORT het twee keer met hom in verbinding probeer tree, maar hy wou nie praat nie.

In Januarie vanjaar was dr. Rhoodie en mnr. Luyt haaks oor 'n TV-program waarin mnr. Luyt opgetree het. In die hitte van die woelinge om die Departement van Inligting sou die vonke weer gespat het toe mnr. Luyt na bewering na dr. Rhoodie verwys het as 'n James Bond.

Die stremming tussen die twee het vroeg vanjaar gewys nadat mnr. Luyt en mnr. Chris van der Walt, gewese Londense direkteur van inligting, saam daar aan 'n besprekingsprogram oor Suid-Afrika deelgeneem het.

'n Berg het daarna in 'n Suid-Afrikaanse dagblad verskyn waarin gesê

is dat Suid-Afrika gerus uitgesoekte segsmanne vir sulke programme kan stuur as hy daar voordeel uit wiltrek.

Dr. Rhoodie het dit in 'n brief aan die koerant duidelik gestel dat sy departement nie vir mnr. Luyt gevra het om na Londen te gaan nie. Hy het net gereel dat mnr. Van der Walt daar moet wees.

Net die volgende dag het mnr. Luyt in 'n brief gereageer en veral eksepsie geneem teen dr. Rhoodie se „sinspeling" dat hy saamstem... dat Suid-Afrika uitgesoekte mense moet stuur.

Aan RAPPORT het mnr. Luyt gesê hy het nie nodig om dr. Rhoodie se toestemming te vra as hy in 'n buitelandse TV-program wil optree nie. „En ek is ook nie van plan om dit ooit te doen nie."

'n Omgekrapte mnr. Luyt het gesê. Hy moet ook onthou dat daardie TV-program nie was soos wat hy, dr. Rhoodie, op Suid-Afrikaanse TV kry nie, waar hy 'n kans gegun word om sy saak te stel sonder dat hy in die rede geval word, en waar al die regte vrae aan hom gestel word.

Assosiasie

Cas wil albei hande los hê as hy veg

DIT het hoog tyd geword dat 'n koördinerende liggaam gestig word om die werk van die verskillende instansies wat op die een of ander manier in die propagandastryd vir Suid-Afrika betrokke is, meer planmatig te koördineer, sê mnr. Cas de Villiers, direkteur van die ontmaskerde Assosiasie Internasionaal. Ek glo dat daar baie meer

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Mappent 26/11/78
samerewerking moet wees en onderlinge raadpleging tussen die onderskeie liggame. Ek glo dat staatsgeld op 'n openlike wyse aan sekere institute beskikbaar gestel kan word op dieselfde basis as wat universiteite en ander navorsingsinstansies gesubsideer word, sê hy.

Oor die ontmaskering van sy assosiasie as nog een van die frontorganisasies van die gewese Departement van Inligting sê mnr. De Villiers: „Wanneer 'n mens terugkyk, moet jy erken dat dit waarskynlik beter sou gewees het om van die begin af openlik te opereer.”

In dieselfde asem voeg hy by: „Ek self het vroeg vanjaar, in 'n vroeë stadium, voorgestel dat ons die organisasie moet oopmaak, maar dit was nie in daardie stadium aanvaarbaar vir seker mense nie.”

„As ons op grond van die spoeke wat oor die ou Departement van Inligting loop, die propaganda-oorlog streng binne die staatsdiensraamwerk moet voer, sal ons in wese met die een hand agter die rug vasgemaak moet veg.”

„Sal nie dat Pik

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ons

voorse

RAPPORT 26/11/78

ONS sal nie toelaat dat mnr. Pik Botha, Minister van Buitelandse Sake, vir ons voorskryf wat om te doen met ons organisasie nie. Ons sal ons die toekoms bepaal, het mnr. Raymond Ackerman, een van die trustees van die ontmaskerde Suid-Afrikaanse Vryheidstigting, gister in Kaapstad gesê.

Regeringspogings om die stigting te ontbind, sal beveg word met alles wat ons het, het mnr. Ackerman gesê.

Die stigting het onafhanklik opgetree en hy beskou dit nie as bedrieglik om te werk vir 'n organisasie wat in die geheim geld van die Regering ontvang nie.

Die toekoms van die stigting word Dinsdag op 'n trusteevergadering beslis. (Lees vroeëre berigte op bl 2)

Klub van Tien

Hy weet nie wie betaal vir SA se advertensies

HY weet nie waar die geld vir die Klub van Tien vandaan kom nie, sê mnr. Don Boddie, Londense adviseur en enigste woordvoerder van die klub.

Mnr. Boddie, het uit Londen aan RAPPORT gesê wanneer geld nodig is vir die advertensies wat die klub plaas om Suid-Afrika se saak te stel, word die geld by 'n Londense bank inbetaal.

Hy weet nie waar die geld vandaan kom nie. Die sentrale fonds kan heel moontlik in Switserland of enige ander land gehou word.

Vermoedens dat die Klub van Tien deur die Regering gefinansier word, het weer uitgeslaan nadat Assosiasie Internasionaal vandeeweek as 'n front vir die gewese Departement van Inligting ontmasker is.

Drie lede van die assosiasie se frusteraad is ook lede van die geheimsinnige Klub van Tien.

Hulle is mnr. Jan Pickard, hoof van die Picbel-groep, Werner Ackermann, vooraanstaande sakeman van Pretoria, en John Heinrich, bekende restaurantbaas van Johannesburg.

Die twee ander lede van die klub wie se name in September vanjaar bekend gemaak is, is mnr. Lampies Nichas, 'n aartappel-miljoenêr, en Hendrik van Zyl, 'n boer van Sétlagole.

In September is gesê die name van die lede word bekend gemaak omdat die klub moeg is vir stories dat dit deur die Suid-Afrikaanse Regering gefinansier word.

Die Suid-Afrikaanse lede het sedertdien alle navrae oor die klub na mnr. Boddie verwys.

Toe RAPPORT mnr. Boddie Vrydag vra of hy kan sê dat die klub geen geld, subsidie of fondse van die Regering ontvang het nie, was sy antwoord:

„Nee, ek is nie in 'n posisie om daarvoor kommentaar te lewer nie. Ek is net 'n adviseur. Die geld vir die advertensies beland in 'n fonds in Londen. Die bronne is aan my onbekend.

Gevra hoekom die oorsese lede nie ook bekend gemaak word nie, het mnr. Boddie gesê hy wens hulle wil hul name openbaar maak. Dit is egter 'n baie vertroulike operasie.

Die mense is bekommerd oor die sterk anti-apartheidsbewegings. Hul ondernemings kan geboikot word as hulle uitkom.

Mnr. Boddie kan nie bekend maak watter Londense bank die klub se rekening hanteer nie, ook nie van wie hy sy opdragte ontvang nie.

Mnr. Jan Pickard wou geen kommentaar oor die klub lewer nie.

Oor sy verbintenis met Assosiasie Internasionaal was hy meer genee om te praat. Hy pak nooit iets met toe oë aan nie en hy het geweet dat die assosiasie Regeringsgeld ontvang het.

„Ek het geweet daar is staatsgeld in.

„Mens kan nie opereer in die buiteland en mense uitbring as die staat dit nie gefinansier het nie. Dit is hoe eenvoudig dit is.

Mnr. Pickard sê dis „ baie moeilik as 'n regeringsman vir jou vra om hulle te help — wat maak jy, sê jy ja of nee?

„As daar in my woongebied verkeerde elemente is en Boss vra my om bietjie te kyk, wat sê ek dan? As goeie Afrikaner sê ek ja, ek sal kyk.”

Mnr. Ackermann wou niks sê nie.

259 dappert 26/1/78

Metrowich is unrepentant: 'being caught only mistake'

(259) Sunday Express 26/4/78

TAXPAYERS paid twice over for consignments of books which the Government commissioned from one of its own "front" companies — because the State's right hand was not allowed to know what its secret left hand was doing.

This has been revealed in a remarkable Sunday Express interview with Mr Redvers "Red" Metrowich, who ran Valiant Publishers as well as the SA Freedom Foundation, both exposed this week as secret Government front organisations.

Mr Metrowich also said that as far as he was concerned, the only thing wrong with the entire deceit was that it had been found out.

"I'd do it all again," he said.

Valiant Publishers was set up and run with Government money to the tune of R130 000 a year.

According to Mr Metrowich, who has confessed that he was a salaried Government employee, the double pay-off for the books came about because "the overt side of the Department of Information didn't know what the covert side was doing".

He told me "We would produce a book with secret funds and then someone from the publications section, who did not know we were financed by his Department, would order copies and pay for them.

"We couldn't very well do anything about it without the risk of blowing the whole covert operation.

"So we sold them the books and kept quiet."

Two days after his bombshell revelations about the secret funding of his organisations, an unrepentant Mr Metrowich insisted "I would do it all over again. Only this time I would adopt a different strategy to ensure that I wouldn't be found out."

Was he bitter that his operation had been exposed?

Not really.

"When I was recruited by Dr Eschel Rhodie and offered the opportunity of joining his covert operations I did so with my eyes open.

"Although I was assured by Dr Rhodie that the op-

By JENNIFER HYMAN

eration was watertight and would remain a secret the fear was always there.

"In fact I have been living in a state of tension on and off for four years — and perpetual tension for the last year."

Did he regret his recruitment on to the State's payroll?

"I believed implicitly in Dr Rhodie's strategy to combat the enemies of this country. I subscribed and still subscribe 100% to his concept.

"And if guys like Dr Rhodie and me could get people like you off our backs, we could do it all over again."

Mr Metrowich, a former SABC political commentator and victorious "independent" candidate in the last municipal elections, denied at his public election meeting — as well as on frequent other occasions — that he had any connection with a Government department.

Yesterday he admitted that not only had he lied publicly, but he had also deliberately misled his own staff, friends and family.

Did he feel any remorse about these deceptions? Not as far as the public were concerned.

"It is far easier to issue denials to people like you than to lie to one's family or close friends.

"I must admit that it is unpleasant for me to think back on all the lies I have told to people close to me.

"But it's like a treadmill. Once you're on it it goes faster and faster. And the faster it goes the more difficult it is to get off."

Mr Metrowich admitted that for four years he had lied to his staff about the real source of funds for the SA Freedom Foundation and Valiant Publishers.

"My staff knew or suspected who was really behind us, but I consistently denied it to them so that they could be protected.

"I wanted each of them to be able to say, with a clear conscience, that they never knew."



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PRETORIA, 30 NOVEMBER 1978

[No. 6234

PROCLAMATION

*by the State President of the Republic of
 South Africa*

No R. 327, 1978

COMMISSION OF INQUIRY INTO MALPRACTICES RELATING TO THE AVOIDANCE AND EVASION OF THE REPUBLIC'S EXCHANGE CONTROL MEASURES. — AMENDMENT OF REGULATIONS UNDER SECTION 1 OF THE COMMISSIONS ACT, 1947 (ACT 8 OF 1947)

Under the powers vested in me by section 1 of the Commissions Act, 1947 (Act 8 of 1947), I hereby amend the regulations contained in the Schedule to Proclamation R 297 of 1978 by the substitution for regulation 11 of the following regulation

"11 Any person employed in carrying out the functions of the Commission, including any person appointed or designated to transcribe proceedings of the Commission taken down in shorthand or recorded by mechanical means, shall assist in preserving secrecy in regard to any matter or information that may come to his knowledge in the performance of his duties in connection with the said functions, except in so far as the publication of such matter or information shall be necessary for the purposes of the report of the Commission, and every such person, except the Chairman or any member of the Commission or any officer, shall, before performing any duty with the Commission, take and subscribe before the Chairman an oath of fidelity or secrecy in the following form

I, A B, declare under oath/affirm and declare that, except in so far as it shall be necessary in the performance of my duties in connection with the functions of the Commission of Inquiry into Malpractices relating to the Avoidance and Evasion of the Republic's Exchange Control Measures or in terms of an order of a competent court, I shall not communicate to any person any matter or information which may come to note, record or transcription of the proceedings of the said Commission, or suffer or permit any person to have access to any records of the Commission, including any

PROKLAMASIE

*van die Staatspresident van die Republiek van
 Suid-Afrika*

No R 327, 1978

KOMMISSIE VAN ONDERSOEK NA WANPRAKTYKE WAT DIE OMSEILING EN ONTDUIKING VAN DIE REPUBLIEK SE DEVIESEBEHEERMAATREELS BEHELST — WYSIGING VAN REGULASIES KRAGTENS ARTIKEL 1 VAN DIE KOMMISSIEWET, 1947 (WET 8 VAN 1947)

Kragtens die bevoegdheid my verleen by artikel 1 van die Kommissiewet, 1947 (Wet 8 van 1947), wysig ek hierby die regulasies vervat in die Bylae by Proklamasie R 297 van 1978 deur regulasie 11 deur die volgende regulasie te vervang:

"11 Elke persoon wat diens doen by die uitvoering van die Kommissie se werksaamhede, met inbegrip van iemand wat aangestel of aangewys is om verrigtinge van die Kommissie wat in snelskrif aangeteken is of op meganiese wyse opgeneem is, te transkribeer, moet ten aansien van enige aangeleentheid of inligting wat hy by die vervulling van sy pligte in verband met bedoelde werksaamhede te wete kom, geheimhouding help bewaar, behalwe vir sover bekendmaking van sodanige aangeleentheid of inligting vir doeleindes van die Kommissie se verslag nodig is, en elke sodanige persoon, behalwe die Voorsitter of 'n lid van die Kommissie of 'n beampte, moet, voordat hy enige diens by die Kommissie verrig, 'n eed van getrouheid of geheimhouding voor die Voorsitter in die volgende vorm aflê en onderteken:

Ek, A B, verklaar onder eed/bevestig en verklaar dat, behalwe vir sover dit by die uitvoering van my pligte in verband met die werksaamhede van die Kommissie van Ondersoek na Wanpraktyke wat die Omseiling en Ontduiking van die Republiek se Deviesebeheermaatreels behelst of ingevolge 'n bevel van 'n bevoegde hof nodig is, ek geen aangeleentheid of inligting waarvan ek in verband met genoemde Kommissie se ondersoek te wete kom, aan enigiemand sal mededeel nie en niemand sal toelaat of veroorloof om toegang te verkry tot stukke van die Kommissie nie, met

note, record or transcription of the proceedings of the said Commission in my possession or custody or in the possession or custody of the said Commission or of any officer"

Given under my Hand and the Seal of the Republic of South Africa at Pretoria this Thirtieth day of November, One thousand Nine hundred and Seventy-eight.

B. J. VORSTER, State President.

By Order of the State President-in-Council:

O. P. F. HORWOOD.

inbegrip van enige aantekening, opname of transkripsie van die verrigtinge van genoemde Kommissie in my besit of bewaring of in die besit of bewaring van genoemde Kommissie of 'n beampte"

Gegee onder my Hand en die Seel van die Republiek van Suid-Afrika te Pretoria, op hede die Dertigste dag van November Eenduisend Negehonderd Agt-en-sewentig

B J VORSTER, Staatspresident

Op las van die Staatspresident-in-rade

O P F HORWOOD

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SERIOUS POSSIBILITY OF A SPLIT

Nats expecting a general election within months

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A GENERAL election before the middle of next year is now being widely predicted in Nationalist circles.

The aim will be to unite warring factions in the National Party and help tide the party over its crisis of confidence brought on by continuing disclosures about the defunct Information Department and its leaders.

Damage to the National Party so far has not been fully appreciated by outsiders, they say. There is now

By JOHN MATISONN
Political Correspondent

a serious possibility of a split in the party — which could be postponed by the unifying spirit built up during electioneering.

An election next year will show the National Party to have passed its heyday forever, according to political commentators.

One of the best indicators that another election was on the way came this week with the announcement of

increases for civil servants. Railway employees will get 10% and postal workers an amount still to be determined.

Other reasons for the near-certainty of an early poll are

● The loss of confidence in the Government by its own electorate.

● The continuing feud within party ranks, which is not likely to end even now that the fratricidal contest for the Transvaal Nationalist leadership has been decided.

● Many Nationalists see no end of the Information scandal in sight after the special sitting of Parliament on December 7, or after the report of the Erasmus Commission.

The party has also been severely hit by continuing disclosures about the Afrikaner Broederbond — the elite secret society which has wielded disproportionate power over the party and the country for a generation.

The power of the Broederbond has rested specifically in its secrecy — its ability to affect important decisions and appointments without the Broederbond role becoming apparent to non-Broeders.

Throughout the Broederbond's history the secrecy rule has been constantly emphasised, and recently as many as 70 cells were suspended on suspicion of leaking information. Even the head office staff was suspected

to address a public meeting in the Pretoria City Hall on Thursday night.

Independents will also do better than at any time since the 1910 election, according to Professor Kleynhans.

A new election would probably see the final demise of the South African Party of Mr. John Wiley. His supporters may now join the Nationalists.

"You have no idea how deep the level of disillusionment amongst the rank and file is," says Prof. Kleynhans.

"People feel let down by their leaders. The usual Nationalist barometers in a party crisis have been the letters to the Afrikaans newspapers, the telegrams and statements of support from the divisions and branches of the party.

This time these have been absent. Morale and motivation are at rock bottom."

"The Broederbond without secrecy is like Samson without his hair," says Professor Willem Kleynhans of the University of South Africa's political studies department.

The danger for the Bond is that its power lies in its ability to control the appointments of members of key organisations around the country, from the level of school boards and church councils to high civil servants and members of professional bodies.

That power has been seriously threatened by disclosures in books and newspaper articles, with more information being published than at any time in the past.

The lists of names of members is being eagerly consulted, especially by loyal Nationalists, who understand for the first time why they failed to get promotions or appointments for which they were obviously best qualified.

Numerous observers confidently predict that the National Party will never have 135 MPs in Parliament again.

Honesty in Government has become an important theme in the public mind. The electorate has lost confidence in the people at the top.

"They are not so much interested in who they get in, as in who they get out," said one politician. Voters are more interested in honest leaders than in blueprints, constitutional plans or policies.

Both the Progressive Federal Party and the New Republic Party are likely to benefit. So is the Herstigte Nasionale Party, whose leader, Mr Jaap Marais, is

SA Stigting

„Sulkes wil ons nie hê nie”

Rapport 26/11/78

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„MENSE soos dr. Connie Mulder, enige sulke mense, kan nie in die raad van trustees dien nie.. En mense soos dr. Eschel Rhoodie, of senior amptenare, word eenvoudig nie in ag geneem vir so iets nie.”

Aan die woord is 'n veglustige mnr. Peter Sorour, direkteur-generaal van die Suid-Afrika-Stigting — die oudste van die instellings wat met buitelanders werk om beeld vir Suid-Afrika te help bou.

Mnr. Sorour plaas 'n hoe premie op sy stigting se onafhanklikheid van die staat en politici.

Die stigting het 350 trustees wat elke sweem van staatsbetrokkenheid uitskakel.

Die trustees bestaan uit die room van die land — universiteitshoofde, sportleiers, ens. Vir iemand wat in die politiek dien, is daar egter nie plek nie. „Dit is die enigste soort mens wat nie daar toegelaat word nie.”

So was dr. Jan Marais ons president gewees, maar toe hy tot die politiek toetree, moes hy uit die raad van Trustees bedank.

Mense soos dr. Connie Mulder, enige sulke mense, kan nie in die raad van trustees dien nie en mense soos dr. Rhoodie, of senior amptenare, word eenvoudig nie in ag geneem vir so iets nie.

Met alle respek sien ons hulle nie as leiers van die land nie. Dis leiers van ons land wat in ons raad van trustees dien.

Mnr. Sorour sê die geld vir die stigting kom van die sowat 5 000 sake-instellings wat lede is.

Gaan daar nou oorsee wagtroue bestaan teen die Suid-

Afrikaanse organisasie wat buitelandse sake hanteer?

„Ja, ek dink dit sal definitief so wees, spesifiek in kringe waar die stigting nie goed bekend is nie. Waar ons goed bekend is, sal dit ons nie raak nie.”

Mnr. Sorour sê die Regering het vyf of ses jaar gelede voorgestel dat hy die koste van gaste sal betaal wat onder die naam van die stigting hierheen kom.

Die aanbod is per telefoon gedoen — deur wie kan hy nie onthou nie — maar dit is dadelik van die hand gewys.

„Dit het die Regering net so goed soos ons aanvaar. Hulle verstaan net so goed waarom dit vir ons nodig is om onafhanklik te bly. Nadat ons die voorstel van die hand gewys het, was daar geen hitte in die ding nie.”

World 'interested in Info probe'

The Information Department revelations have caused little concern abroad, the president of the South Africa Foundation, Mr Basil Hersov, said last night.

But "great importance is being attached to how the investigations are conducted," he told the Germiston Industries' Association.

"Nothing can have more impact on how the world views South Africa than a clear demonstration of the existence here of free speech, a free Press and an independent judiciary.

"The attention of the world has been focussed upon us. We have an opportunity to prove a great deal about our society and we cannot afford any failure to grasp it."

Mr Hersov said the South African Foundation had maintained the strictest independence from the Government and from Government funding.

"A great deal can be achieved by conventional and honest diplomacy and this is borne out by results that this organisation has demonstrably been able to achieve," he said.

The foundation was guarding its independence and the credibility that sprang from it jealously.

"Without it the operations of the foundation would be largely ineffective," he said.

Most countries employed some or other "unconventional methods" in pursuing their national interest.

But "in the long run, diplomacy will remain successful and convincing only while it is based on having a good case to present, and presenting it openly and honestly."

Race bars 'hamper links'

Whatever the South Africa Foundation achieves abroad, its ultimate success will always depend on what happens within South Africa, the foundation's president, Mr Basil Hersov, said last night.

He said the matters he stressed in this regard included the belief that institutionalised race discrimination remained the major barrier to any normal contact with the rest of the world and between the various peoples within South Africa "to the extent that almost everything else is seen to be of less immediate importance."

Equality of economic opportunity was ultimately South Africa's best defence. The association of "anti-capital" and "anti-white" was dangerous, he said.

Star
29/11/78
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SALDRU/SAMST

CONFERENCE ON THE ECONOMICS OF HEALTH CARE IN SOUTHERN AFRICA

SEPTEMBER 1978

THE FUTURE OF HEALTH CARE IN SOUTH AFRICA

GILL WESTCOTT
by

Paper No. 45

UNIVERSITY OF DURBAN

period of exposure likely to cause pneumoconiosis exists. The acute toxicity of a series of dust particles has been worked out experimentally, but can serve only as a guide.

These standards determined by international organisations and in South Africa, but the Commission points out that variation of standards and threshold values for industries is the greatest accuracy and care, not only for the protection of the worker and the public, but "also because they have implications that may have serious and sometimes far-reaching consequences for an industry". (p.76)

The Department of Health will have to consult various bodies before it can recommend industrial health projects. They will have to secure the co-operation of employer organisations, White Paper, local authorities, voluntary organisations, industrial, national bodies and safety organisations.

The Commission thus recommends that 3 new branches of the Department be created: 1) Industrial Health Inspectorate Branch.

2) Legal Advisory Services Branch.

3) Industrial Health Development Branch in which can be incorporated.

(See p.78 for table.)

I. Sanctions.

The Commission recommends that industrial courts not be created. The legislation deals adequately with health and safety. The threshold values for different substances should only be fixed; thus litigations and prosecutions will be largely avoided. The enforcement of sanctions is seen as unnecessary; advice, persuasion and warnings should be used. If necessary for contraventions of industrial health regulations, they should be as "constructive" as possible - i.e. penalties.

The Commission should have the right of appeal. A system of appeal should be introduced to promote industrial health. The Commission should permit or licence can be refused/withdrawn if certain

Info inquiry is ended

Pretoria Bureau

Today was "R Day" for the Erasmus Commission - its report is due at the Government Printer's tomorrow.

The secretary of the commission, Mr J. G. Geyser, could not say precisely when the report would be completed, but he expected the commission to continue to work until late tonight.

The report is to be delivered to the State President by December 6 and a special session of Parliament will meet on December 7 to discuss it.

conditions pertaining to But licensing should for control of factories chemicals, hazardous

Chapter XXII: Trial... & Chapter XXIII: of Industrial Health.

If the Department of Health is to carry out its new functions with respect to industrial health, it is clear that trained industrial health staff are absolutely essential.

Except for first aid assistants, industry, at the moment, is making very limited use of safety officers, nurses and General Practitioners. There are no industrial health nurses and very few industrial health inspectors.

At the moment the following health staff could be profitably employed in industry: 6 300 G.P.'s; 1 275 health inspectors; 41 960 nurses; 32 factory inspectors; 82 inspectors of mines and quarries; 5 agricultural inspectors; 1 chief officer, assisted by 5 senior inspectors for air pollution control; 10 radiation inspectors; 159 safety officers; 5 industrial hygienists; 400 audiometrists.

The Commission recommends that consideration be given to the training of the following staff: safety officers, industrial health nurses; industrial physicians, industrial hygienists and industrial health inspectors.

Chapter XXIV. Nature and Content of New Legislation.

If overall control for industrial health is vested in a single authority, there should be one principal Act called the Industrial Health Act. This should contain a main theme on general principles of industrial health. The tenor should be 'constructive', rather than 'prohibitive'. The objects of the Act would be to provide for the health of workers in industry; to protect persons other than industrial workers against health hazards arising from industrial activity; for control over storage, transportation and use of explosives and other hazardous substances.

The Industrial Health Act would cover all workers in industry who would otherwise not be covered by other specific provisions in Act. Its general duties would be the initial cornerstone of inspection work. The general duties of employers would be to protect "as far

'Sportkomitee'

TOE DROOG LUYT SE TJEKS OP

DIE Komitee vir Regverdigheid in Sport is in die verlede deur mnr. Louis Luyt gefinansier, het mnr. Gert Wolmarans, die direkteur, op navraag aan RAPPORT gesê „Ek het altyd kontanttjeks van mnr. Luyt ontvang”

Hy het bygevoeg dat mnr. Luyt sy bydraes gestaak het nadat hy 'n uitval met dr. Eschel Rhoodie gehad het Sedertdien ontvang die komi-

tee kontanttjeks van mnr. Gary Player

Mnr. Luyt het vroer vanjaar ná sy uitval met dr. Rhoodie ook sy verbintenis met Assosiasie Internasionaal verbreek.

Mnr. Luyt was saam met mnr. Player en Wolmarans, direkteure van The Citizen

*Mnr. Player was gistermiddag nie vir kommentaar beskikbaar nie.

Hortors man fails in UK Press bid

BY IAN HOBBS

LONDON

MR DAVID Abramson, the South African businessman who excused himself from giving evidence before the now-disbanded Mostert Commission, has failed in a bid to become an influential voice in Britain's financial Press.

Mr Abramson and two partners, Mr Stuart Pegg in South Africa and Mr Christopher Dolley in London, secured a 50% shareholding in the respected London fortnightly magazine, Investors' Review, in January.

But now they have lost a power struggle with Sir Charles Forte and his giant Trusthouse group, which yesterday confirmed a decision to secure a 100% interest in the magazine.

Mr Abramson's name has featured in the Department of Information affair since he was asked to testify before the Mostert commission of inquiry into currency contraventions.

He was asked to give evidence on November 2, but was excused from appearing when he produced a medical certificate, saying he was ill.

On November 9 he denied a report in The Star linking

(g) Waterprooftering

Triomf, or The Citizen.

He has since given evidence before the Erasmus Commission

Last year, with Mr Pegg and British financial wizard Mr Jim Slater, he bought Hortors, a company quoted on the Johannesburg Stock Exchange. This was the climax to a series of deals that started in 1976 with the purchase of a 20% share in Morgan Gramplan, a British publishing house.

At the end of 1976 he made about R5 200 000 profit when he sold his Gramplan share.

Recently the Hortors company was involved in negotiations with Mr J van Zyl Alberts, The Citizen's managing director, for a printing contract for the newspaper, which is printed by Perskor

Mr Abramson said later the contract had fallen through. He said he knew Dr Eschel Rhoodie, former Secretary for Information, only socially although he had acted as Dr Rhoodie's tax adviser.

On November 15 Mr Abramson's name cropped up in the Mostert report, this time linked with that of Mr John Heinrich, a restaurant owner and member of the South African image-building syndicate, the Club of Ten

The Mostert documents showed the two men controlled Homerus Finance Corporation. And it was to the Volkskas Bank account of this mystery company that Mr Louis Luyt, founder of The Citizen and owner of the Triomf Fertiliser group, paid post-dated cheques for instalments on a R10 000 000 loan.

The loan was part of a R13 000 000 loan to Mr Luyt by Dr Rhoodie from Government funds for the launching of The Citizen.

Recently, Mr Peter Berry, financial adviser to Business Publishing International, the British arm of Mr Abramson's Bermuda-registered company Alpane Company Limited, flew to South Africa for discussions with Mr Abramson and Mr Pegg.

The Alpane plan had been to pump large sums of money into Investors Review and turn it into a major force in British financial journalism.

But Forte's were unhappy about the 50-50 share split and made no serious movement to realise the ambitions of the South Africans

Mr Vorster 'continues' evidence to commission

Cape Times 28/11/78 (259)

Own Correspondent

JOHANNESBURG — The State President, Mr Vorster, made his second appearance before the Erasmus Commission of Inquiry into the former Department of Information at the weekend.

Mr Vorster, who gave evidence for three hours before the three-man commission on November 14, testified for more than an hour late on Friday night. When asked if Mr Vorster had made his second appearance voluntarily, the secretary, Mr J G Geysers, said Mr Vorster was only "continuing" the testimony he had started two weeks ago.

The State President had not completed his evidence the first time. Friday's appearance was a continuation of that testimony, Mr Geysers said.

The former Minister of Information, Dr Connie Mulder, also made his second appearance before the commission. Dr Mulder, who testified for 9½ hours before the commission on November 15 and 16, gave evidence for several hours yesterday morning. Also called before the commission yesterday was Captain J C Kriek of the Com-



Mr Vorster

mercial Branch of the South African Police

Mr Geysers also said Mr David Abramson, chairman of

Hortors, one of the oldest printing and publishing groups in South Africa, gave evidence before the commission last week.

Mr Geysers said the commission planned to continue hearing testimony for several more days. "It is possible that the commission may call witnesses up to the time they must report to the State President."

The Erasmus Commission is due to report to the State President on December 6. A special session of Parliament is due to meet the next day.

n N. Transvaal is itself not toxic, but during the refining process, re formed which can give rise to an allergic condition known as irritation and chronic inflammation of the whole respiratory canal and ec dermatitis. 16 occupations in which platinosis can be contracted, refineries, 252 factories, 18 711 workers and an unknown amount in ries. In a sample taken in 3 refineries 27% of workers were found to With proper preventive measures, platinosis could be completely

berging as one of the major iron producers. Iron oxide in form of absorbed by the lungs. Workers exposed to high concentrations of lide and silica develop advanced pulmonary fibrosis. (16 mines and of 10 486 workers.) No statutory ruling on threshold in S.A. a variety of 102 occupations with 2 145 factories and 165 777 workers. to traumatic atrophic rhinitis. In survey of a chrome factory, that they expected to get perforated nasal septa. 75% of workers s, 4% had complete perforations. There is a lack of concern regarding of workers.

roduces 40% of the world's vanadium. The dangerous element is vanadium mages red blood cells and leads to chronic malfunctions of the

us system. There are indications that it causes chronic malfunctions of the so act of H e in con 7 so f ne itis includes myocarditis, emotional instability, headache, insomnia, ies, vision restriction.

stries with total of 715 factories, 77 132 workers. Although a gold refining industry, Department of Mines does not include it as

Aluminium in its natural state is not mined in S.A. and S.W.A. Semi-processed aluminium is imported.

Cadmium causes emphysema. Incidents have

Metal Fume Fever

CHAPTER VIII

Mainly concern factors in agriculture concern with other industries period 1965 - an average of industry where are difficult dangerous diseases

Other dangers

e.g. emphysema

Own Correspondent
The Reserve Bank's records of the Department of Information's foreign exchange dealings were confidential at this stage. This view was expressed today by Dr C L Stals, Deputy Governor of the Reserve Bank, in his evidence to the Van der Walt Commission into foreign exchange regulation contraventions. Dr Stals was replying to questions from Mr Harry Schwarz, one of the PRP commissioners.

He said he regarded them as confidential since they had been made available to the Erasmus Commission. They would however, become available to the Van der Walt Commission when the Erasmus Commission reported. Asked by Mr Schwarz what controls applied to foreign exchange dealings by Government departments, Dr Stals said that they were normally handled through the Department of Foreign Affairs.

In the case of the Department of Information, however, many of its exchange dealings were made through commercial banks. Asked by Mr Schwarz which officials normally authorised foreign currency requests, Dr Stals said that in most cases the Department Secretary, accountant and one other official were authorised.

Assistant general manager of the Reserve Bank, Mr J. C. Senekal, sketched to the commission the nature of contraventions which had been detected. The first of two best-used methods was over-invoicing on imports. He said it was quite easy and simple for a party to collaborate with a foreign supplier to reflect excessive amounts on invoices. A similar practice could be applied in reverse to exports.

A third common method was the physical removal of small items of value out of the country, such as gold coins, diamonds and so on. It was not easy to close this loophole, said Mr Senekal. Another method was private exchange dealings. South African residents, conniving with overseas parties, could finance completely a visitor's stay in this country. The visitor would then reimburse the South African in a bank account overseas, he said. Other abuses included forged documents, retention of income earned overseas and the creation of trusts of which foreigners were the beneficiaries. The commission chairman, Mr Henne van der Walt, MP, adjourned the hearings after evidence from Dr Stals and Mr Senekal, until January 15 in Cape Town.

Heat stroke, real problem on deep gold mines. A programme of heat acclimatisation gold mines has succeeded in reducing heat stroke mortality from 14 per 100 000 per annum to 4 per 100 000 per annum. Workers exposed to heat radiation at coke furnaces, glass furnaces, foundries; intense heat radiation can cause protracted periods of sterility. The potential population exposed to heat about 300 000.

Into S foreign exchange deals are 'confidential'

Star 30/11/78

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caused persons are removed from the



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VOL. 162]

PRETORIA, 30 NOVEMBER 1978

[No. 6234

PROCLAMATION

*by the State President of the Republic of
 South Africa*

No. R 327, 1978

COMMISSION OF INQUIRY INTO MALPRACTICES RELATING TO THE AVOIDANCE AND EVASION OF THE REPUBLIC'S EXCHANGE CONTROL MEASURES — AMENDMENT OF REGULATIONS UNDER SECTION 1 OF THE COMMISSIONS ACT, 1947 (ACT 8 OF 1947)

Under the powers vested in me by section 1 of the Commissions Act, 1947 (Act 8 of 1947), I hereby amend the regulations contained in the Schedule to Proclamation R. 297 of 1978 by the substitution for regulation 11 of the following regulation

“11 Any person employed in carrying out the functions of the Commission, including any person appointed or designated to transcribe proceedings of the Commission taken down in shorthand or recorded by mechanical means, shall assist in preserving secrecy in regard to any matter or information that may come to his knowledge in the performance of his duties in connection with the said functions, except in so far as the publication of such matter or information shall be necessary for the purposes of the report of the Commission, and every such person, except the Chairman or any member of the Commission or any officer, shall, before performing any duty with the Commission, take and subscribe before the Chairman an oath of fidelity or secrecy in the following form:

I, A B, declare under oath/affirm and declare that, except in so far as it shall be necessary in the performance of my duties in connection with the functions of the Commission of Inquiry into Malpractices relating to the Avoidance and Evasion of the Republic's Exchange Control Measures or in terms of an order of a competent court, I shall not communicate to any person any matter or information which may come to note, record or transcription of the proceedings of the said Commission, or suffer or permit any person to have access to any records of the Commission, including any

4682—A

PROKLAMASIE

*van die Staatspresident van die Republiek van
 Suid-Afrika*

No. R. 327, 1978

KOMMISSIE VAN ONDERSOEK NA WANPRAKTYKE WAT DIE OMSEILING EN ONTDUIKING VAN DIE REPUBLIEK SE DEWIESEBEHEERMAATREËLS BEHEL — WYSIGING VAN REGULASIES KRAGTENS ARTIKEL 1 VAN DIE KOMMISSIEWET, 1947 (WET 8 VAN 1947)

Kragtens die bevoegdheid my verleen by artikel 1 van die Kommissiewet, 1947 (Wet 8 van 1947), wysig ek hierby die regulasies vervat in die Bylae by Proklamasie R. 297 van 1978 deur regulasie 11 deur die volgende regulasie te vervang.

“11 Elke persoon wat diens doen by die uitvoering van die Kommissie se werksaamhede, met inbegrip van iemand wat aangestel of aangewys is om verrigtinge van die Kommissie wat in snelskrif aangeteken is of op meganiese wyse opgeneem is, te transkribeer, moet ten aansien van enige aangeleentheid of inligting wat hy by die vervulling van sy pligte in verband met bedoelde werksaamhede te wete kom, geheimhouding help bewaar, behalwe vir sover bekendmaking van sodanige aangeleentheid of inligting vir doeleindes van die Kommissie se verslag nodig is, en elke sodanige persoon, behalwe die Voorsitter of 'n lid van die Kommissie of 'n beampte, moet, voordat hy enige diens by die Kommissie verrig, 'n eed van getrouheid of geheimhouding voor die Voorsitter in die volgende vorm aflê en onderteken.

Ek, A B., verklaar onder eed/bevestig en verklaar dat, behalwe vir sover dit by die uitvoering van my pligte in verband met die werksaamhede van die Kommissie van Ondersoek na Wanpraktyke wat die Omseiling en Ontduiking van die Republiek se Dewiesebeheermaatreëls behels of ingevolge 'n bevel van 'n bevoegde hof nodig is, ek geen aangeleentheid of inligting waarvan ek in verband met genoemde Kommissie se ondersoek te wete kom, aan enigiemand sal mededeel nie en niemand sal toelaat of veroorloof om toegang te verkry tot stukke van die Kommissie nie, met

6234—1

note, record or transcription of the proceedings of the said Commission in my possession or custody or in the possession or custody of the said Commission or of any officer”.

Given under my Hand and the Seal of the Republic of South Africa at Pretoria this Thirtieth day of November, One thousand Nine hundred and Seventy-eight

B. J. VORSTER, State President.

By Order of the State President-in-Council:

O. P. F. HORWOOD.

inbegrip van enige aantekening, opname of transkripsie van die verrigtinge van genoemde Kommissie in my besit of bewaring of in die besit of bewaring van genoemde Kommissie of ’n beampte.”

Gegee onder my Hand en die Seel van die Republiek van Suid-Afrika te Pretoria, op hede die Dertigste dag van November Eenduisend Negehonderd Agt-en-sewentig

B. J. VORSTER, Staatspresident

Op las van die Staatspresident-in-rade

O P. F. HORWOOD

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