

Public Sector - Govt. - General

1986



● DU PLESSIS

R700m needed for public sector pay increases

FINANCE Minister Barend du Plessis will have to set aside at least another R700m in his March Budget if State employees are to get 10% pay increases from April.

Calculations based on Central Statistical Services' figures show that the 645 000 civil servants earned nearly R7bn in the 1985-86 financial year.

The Public Servants Association points out that the last general increase in earnings was a 12% hike in January 1984.

"So, at the start of the new financial year

8/11/86
250
GERALD REILLY

in April, it will be 26 months since salaries were last adjusted," said an official.

The PSA has asked government for double-digit increases and a restoration of the one-third cut on service bonuses imposed last year.

The association claims this is vital if the gap between the pay of private sector and government workers is not to widen further

AY
Although Commission for Administration chairman Johan de Beer has said that general increases were by no means certain, senior government workers claim the repercussions of a continued freeze would be costly politically for government.

For this reason, if for no other, increases were certain, they said.

The State's need for funds in the new financial year, government sources said, would be greater than ever.

Increases unlikely to be implemented

MPs opposed to pay rise proposals

25/1/86 STAR

250

Widespread anger and fears of a rail strike have been raised by proposed massive pay increases for the Cabinet and parliamentarians.

In Bloemfontein last night, a meeting of about 500 railway workers demanded an immediate meeting with the State President, Mr P W Botha.

Mr Carel Lezar, executive officer of the Artisan Staff Association of the Free State, said members were prepared to test the law which outlaws strikes among railway workers.

More protest meetings by railwaymen are planned for tonight in Johannesburg and Welkom.

It is believed that there is growing grassroots support for a strike among railway workers who felt insulted by the 10 percent increase they received.

This has been aggravated by the proposals tabled in Parliament yesterday for increases of 55 to 106 percent for Cabinet Ministers, members of Parliament and members of the President's Council.

The increased salary scales for parliamentarians were proposed by the commission of inquiry headed by former Deputy State President Mr Alwyn Schlabusch. The commission appointed professional personnel consultants to assess and quantify the various posts.

A final decision still has to be taken and the report is now in the hands of President Botha.

From Parliament it is reported that the proposed increases will almost certainly not be implemented immediately, to judge from the mood of politicians today.

Two parties have already officially rejected the recommended increases.

But the New Republic Party supports the proposals and says they should be implemented as soon as possible "as we sincerely believe that the remuneration is commensurate with what is expected of a parliamentarian in the new system".

Conservative Party leader Dr Andries Treurnicht said the CP could not accept the increases at such a time.

"It is out of the question that MPs can now accept salary increases as recommended in view of the current economic climate, parliamentarians should not receive any more than others in government employ," he said.

The Herstigte Nasionale Party rejected with contempt the notion of any increases.

Mr Lous Stofberg (HNP, Sasolburg) said it was disgusting and callous of the Government even to consider tabling such recommendations.

Nationalist MPs agreed today that the proposed increases were too high in the present economic climate although several were keen to take the new R10 000-a-year secretarial and constituency allowance.

Progressive Federal Party leader Mr Colin Eglon said that he had asked several senior MPs to examine the salary proposals with a view to reporting back to the caucus for a decision.

But, privately, PFP members said that the report had gone too far, particularly with regard to the huge increases for Ministers and the State President.

Feelings high

But feelings over the recommendations are running high, with consumer bodies and some staff associations joining railwaymen in the outcry.

Railway workers want another 15 percent rise.

Mr Jimmy Zurich, head of the Federation of Artisan Staff Associations, said that railway workers were feeling insulted and he could not condemn the proposed increases strongly enough.

"The announcement was badly timed and added fuel to the fire which was already burning. I have my hands full trying to put it out," he said.

The situation was explosive and only the Minister of Transport, Mr Hendrik Schoeman, was in a position to defuse it, he

By Political Staff and Staff Reporters

Mr Malcolm Domingo, head of the coloured Public Servants League, said he hoped parliamentarians would reconsider the 10 percent increase granted to public servants last week to "clear their own consciences".

The Press officer for one of South Africa's biggest trade unions, the National Union of Mineworkers, Mr Marcel Golding, said today that the proposed increases were typical of a government which was not ruling by the consent of the majority.

Although workers would feel outraged, they would not be surprised.

"Rulers always see to themselves first and not the majority," Mr Golding said.

Condemnation of the proposed increases has come from Mrs Jean Tatham, vice-president of the Housewives League. She described them as "insensitive" and "beyond belief".

The president of the Public Servants Association, which represents white civil servants, Dr Colin Cameron, today said there was no problem with the principle behind the proposed increases.

"We have always supported occupational differentiation and, if an objective assessment found these levels of remuneration appropriate, then we would have no problem in principle and would see no reason for delaying implementation so as to keep abreast of trends," said Dr Cameron.

But, added Dr Cameron, these same criteria of maintaining parity between private and public sector salaries must be applied throughout the public service.

Volkskas's chief economist, Dr At Engelbrecht, said it was still not clear if the increases would be implemented or not.

But, in general, care must be taken to keep a proper eye on increasing wages and salaries as this could spread to other sectors and defeat the inflation battle.

The 129 000-strong South African Nursing Association today said the profession was stunned to learn of the proposed salary increases.

"The health of the community in this country is obviously not a priority," said a statement by the association.

NEW
Cape Times
4/2/86
250

154
dining
room
row

By BARRY STREEK
HOUSE OF ASSEMBLY.
— The refusal of service yesterday in a House of Assembly restaurant to Labour Party ministers and MPs was a disgrace, a Progressive Federal Party frontbencher, Mr Horace van Rensburg, said yesterday.

This action was totally contrary to the spirit and content of the State President's speech last week, Mr Van Rensburg said during the no confidence debate in the House of Assembly.

His attack followed an incident yesterday when a number of Labour Party MPs, including two ministers in the House of Representatives, entered a restaurant which is reserved for the use of members of the House of Assembly and were refused service

Controversy

Among those understood to have been refused service in the restaurant yesterday were the Minister of Local Government, Housing and Agriculture, Mr David Curry, and the Minister of Education and Culture, Mr Carter Ebrahim.

Yesterday's incident follows a controversy last year over the use of the parliamentary dining rooms by coloured and Indian MPs.

It was decided then that the two main Parliamentary restaurants could be used by all MPs, but that the House of Assembly restaurant in the precincts of the House of Assembly would be reserved for the exclusive use of members of the House of Assembly.

Last night, the Labour Party held a special meeting about the incident and resolved to send a delegation to see Mr Speaker (Mr Johan Greeff) No formal statement was issued after the meeting, but it is understood that the caucus was angry about the incident.

One of the MPs involved, Mr Peter Hendrickse, MP for Addo, said last night that the matter would be raised in the no confidence debate.

Mr Hendrickse also

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To Page 4 **A**

Slabbert warns of escalating violence

Cape Times 4/2/86
Slabbert

By ANTHONY JOHNSON
Political Correspondent

HOUSE OF ASSEMBLY. — Conflict, siege and escalating violence would inevitably haunt South Africa unless the government completely scrapped apartheid and then unbanned the ANC, the Leader of the Opposition, Dr Van Zyl Slabbert, warned yesterday.

He was introducing the no-confidence debate that dominated a series of heated clashes between government and opposition spokesman on how to deal with the ANC and on the government's sincerity in moving away from apartheid

Dr Slabbert said there was no doubt that apartheid as a political system had used and generated violence

"Therefore, to eliminate apartheid is to eliminate the very important source of violence in our society."

The Progressive Federal Party leader called on the government finally to remove all apartheid legislation which the ANC and others cite as their cause for their commitment to violence.

'New challenge'

After restoring freedom of choice on a non-racial and non-ethnic basis for all South Africans, the government should legalize the ANC and release political prisoners so that they could participate peacefully in domestic politics.

"The ANC will be faced with an entirely new challenge — to move from being a charismatic movement in exile to a political organization with practical programmes and principles in the domestic situation."

Dr Slabbert warned that the government's

characterization of the ANC as an external group, funded and controlled by Moscow, engaging in acts of terror was both oversimplified and shortsighted.

Surveys conducted in



Dr Van Zyl Slabbert

major urban centres had shown that the majority of blacks supported or sympathised with the banned organization.

Dr Slabbert stressed that "the use of terror to achieve political objectives fills me with a deep sense of revulsion".

For this reason he condemned both the use of violence by the ANC and "the use of arbitrary violence by the State against its opponents whenever or wherever it occurs".

Referring to his decision to meet ANC leaders in Lusaka last year, Dr Slabbert said

that although he abhorred violence he would "not hesitate to talk to those who use violence in order to seek ways to persuade them otherwise".

Replying to Dr Slabbert, government ministers attacked both the ANC and the PFP's stand on the banned organization

The Minister of Environmental Affairs and Tourism, Mr John Wiley, said the government meeting the demands of the ANC or the UDF would amount to "total surrender".

He accused Dr Slabbert of "parlaying with terrorists" and of surrendering to the "forces of the Left" by going to speak with the ANC in Lusaka

The Deputy Minister of Foreign Affairs, Mr Ron Miller, said that Dr Slabbert had given credibility to the ANC and that it was "clear that the PFP is prepared to capitulate to the forces of violence in South Africa".

The Deputy Minister of Information, Mr Louis Nel, said that although the government was now prepared to release Mr Nelson Mandela on "humanitarian grounds", the ANC leader would still be fully subject to the laws of the country if he were released.

● Govt must 'spell out its plans', page 4

● Leading article, page 8

Row grows over restricted dining room

Cape Times 5/2/86

By BARRY STREEK

250

THE ongoing row over the whites-only restaurant in Parliament escalated yesterday when a cabinet minister, Mr Alan Hendrickse, joined the defiance and was refused even a glass of water.

And a Progressive Federal Party front-bencher, Mr Horace van Rensburg, said he would not eat in the canteen again "until such time as it has been opened for use for all Members of Parliament, irrespective of their race and colour"

In the House of Representatives yesterday, the refusal of service to Labour Party MPs was strongly condemned as an apartheid measure

But the Speaker, Mr Johan Greeff, said the dining room was a facility provided for the members of the House of Assembly.

"Each and every House has their own dining room where the members can discuss matters without interference," he said

Mr Greeff said this policy was "never brought in for apartheid reasons or for reasons of colour. It is like a club where they are entitled to their privacy".

At lunchtime yesterday Mr Hendrickse and two other ministers, Mr Andrew Julies and Mr Chris April, were among about 30 Labour Party

MPs who were refused service

Mr Hendrickse said salads were removed from the tables they were sitting at and even the serving of water was refused.

In a statement, Mr Van Rensburg said he had sat down with a member of the House of Representatives "and we proceeded to discuss matters relating to education in South Africa".

They had both ordered a meal but "the waiter only arrived with my meal and I noticed that he did not serve my companion.

"I asked him what the situation was, and he then said they were under strict orders not to serve members of the House of Representatives," he said

He said he then told the waiter he would not be having his meal, paid for it and left it untouched.

In the House of Representatives, a number of speakers said the leader of the Conservative Party, Dr Andries Treurnicht, had come into the dining room and said to

the Labour Party MPs "Gentlemen, this is our place"

The Minister of Education and Culture, Mr David Curry, said in the House of Representatives that the incident and Dr Treurnicht's statement showed that many whites were still living in the past

'Red flag'

"We came here to remove apartheid. We came here not to preserve white chambers of Parliament, not to preserve little rooms for whites only," Mr Curry said

Yesterday's incident showed that apartheid still rubbed up people the wrong way "It is like putting a red flag in front of them," Mr Curry said

Mr Curry said anyone, black or white, was free to use the House of Representatives dining room.

The MP for Bonteheuwel, Mr Patrick Mackenzie, said Mr Van Rensburg should be congratulated because he was the only white MP who had refused his meal and left.

But "the great freedom fighter", Mrs Helen Suzman, continued to eat her meal. "This shows what a hypocrite she is," he said.

Mr Mackenzie asked what right Dr Treurnicht had to say that the dining room was his place because "taxpayers' money built it".

"One day Dr Treurnicht will wake up and find us eating in his home. We have been mistreated for too long. We are tired of being humiliated and kicked about."

Mr Mackenzie said the Leader of the House of Assembly, Mr Hendrik Schoeman, who was Minister of Transport, should be reminded of Martin Luther King's statement that black people preferred "to walk in dignity than ride in humiliation"

Mr Desmond Lockey, a nominated MP, said Mr Schoeman had come to the House of Representatives and spoken of the members as colleagues, yet in the dining room Mr Schoeman had not treated them as colleagues.

APR 5
5/2/86
250
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Indians may join 'sit-in' at MPs' restaurant

By TOS WENTZEL
Political Correspondent

THE possible opening of the members-only dining-room of the House of Assembly to MPs of all races was strongly resisted today by a senior government spokesman.

Meanwhile, there were moves for House of Representatives members of the Labour Party to continue their "sit-in" protest in the dining-room and indications that members of the Indian House of Delegates may join them.

The issue of the dining-room reserved for white MPs is to be discussed next week by Parliament's committee on standing rules and orders, the Speaker, Mr Johan Greeff, confirmed today.

DIGNITY

He said he had told a delegation of Labour MPs yesterday that he was not in favour of demonstrations because this could affect the dignity of Parliament.

He had told them the "proper thing to do" was to bring the matter to the attention of the committee.

For the past two days Labour MPs, including the Rev Allan Hendrickse, who have entered the Assembly members' dining-room have been refused service.

DESEGREGATED

A row last year led to the opening of the general dining-room to MPs of all race groups and their guests.

The desegregated general dining-room is next door.

Labour Party members said that further moves would be considered today.

Mr Hendrick Schoeman, Minister of Transport and Leader of the House of Assembly, said he did not think the dining-room could be opened to all.

It had always been the custom that, like a club, there should be a dining-room for members only where they sat in separate party groups, often to discuss caucus matters.

The general dining-room was

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250

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(Turn to Page 3, col 1)

Appeal to press on dining dispute

Cap. Times
6/2/86
250

By **BARRY STREEK**
Political Staff

THE dining room dispute in Parliament has been referred to a committee — and the Speaker, Mr Johan Greeff, has asked the press to refrain from reporting on the matter until it has been brought to finality.

Mr Greeff said he deemed it necessary to make a statement on the matter, which he said could be resolved within Parliamentary Rules, "so that it will not be blown up into something of national and international proportions".

His statement, which was read in all three Houses, was issued shortly after the Labour Party announced that they would end their de-

fiance campaign in the House of Assembly dining room until the matter had been discussed by Parliament's committee on standing rules and orders.

Mr Greeff said "the use of, and the presence of persons in, the precincts of Parliament are subject to rules and conditions determined by the Speaker".

In performing these functions, the Speaker

acted in terms of the resolutions of a committee or committees.

"It is important to note that the existing catering facilities in the precincts of Parliament were and still are inadequate for serving all members of Parliament simultaneously, and therefore provision is being made for additional catering facilities for members in the new building.

"In terms of these arrangements certain refreshment rooms have been allocated for the use of members of the various Houses, but not on the ground of race or colour".

He said "the rationale behind the resolutions is, inter alia, to ensure some degree of privacy for members of Parliament".

"Apparently there are members of Parliament who feel inconvenienced by these arrangements, and I have accordingly decided to convene a joint meeting of the Committees on Standing Rules and Orders of the Houses of Parliament with a view to discussing this particular matter.

"I also wish to appeal to the media which are accredited to Parliament to refrain from reporting on and discussing this matter further until it has been brought to finality" Mr Greeff said.

In the House of Representatives, Mr Allan Hendrickse, the Labour Party leader who was refused service in the House of Assembly restaurant, said he did not "endorse" the Speaker's statement.

"In no way was our presence a demonstration but an exercise of a right," he said.

And in the House of Assembly, Mr David Dalling (FFP, Sandton) asked if he could put a question to clarify the statement, but Mr Greeff refused saying he could see him in his chambers later if he wanted clarification.

SUITS

EXAMPLE:
3-Piece Trevira
& Wool Suits.
Top Makes

R114,95
(PLUS YOUR OLD SUIT)

Plus FREE OF CHARGE

(with each suit purchased)
Matching Shirt & Tie of your choice
(e.g. Mosaic, Conspirato, etc)
Total value R33,49

Offer only applies to sizes 87 cm — 119 cm in regulars, shorts, longs and porties. Our expert staff will assist you and our master tailor will be in attendance. Credit card holders take advantage of your credit facilities and purchase your suit requirements for the next 12 months.



BUS STOP 73 FROM TOWN — 74 FROM SUBURBS
HOURS OF BUSINESS MON-THURS 8 15am — 5.30pm
FRI 8 15am — 5.45pm, SAT 8am — 1pm

- (3) For the period 1985-07-21 until 1986-01-31.

Note: The application of the emergency regulations which were declared in terms of the Public Safety Act, 1953 (Act No 3 of 1953) are primarily of a preventive nature.

Uitenhage: members charged

HANS SPARKS 11/2/86
*34 Mrs H SUZMAN asked the Minister of Law and Order.

- (1) Whether two members of the South African Police in Uitenhage, whose names have been furnished to the South African Police for the purpose of the Minister's reply, were found guilty of common assault in December 1985, if so, (a) what are their names, (b) what were the circumstances surrounding the charge and (c) what was the sentence in each case;

- (2) whether the South African Police have taken any action against these persons as a result of the conviction; if not, why not, (a) what action, and (b) when, in each case,

- (3) whether he will make a statement on the matter?

The MINISTER OF LAW AND ORDER.

- (1) Yes

- (a) Detective constable A M Lubengo
Detective constable G Simanga

- (b) On 17 March 1985 Black man Norman Kona was allegedly assaulted with a sjambok by two members of the force during interrogation on three counts of arson. Both members have been suspended from duty since 20 March 1985

- (c) On 9 December 1985 both members were sentenced to a

R150,00 or 3 months imprisonment

- (2) Yes.

- (a) In terms of Regulation 64(1) of the Regulations for the South African Police boards of enquiry were convened with the aim to establish the fitness of the members concerned to remain in the Force

- (b) 10 December 1985

- (3) No, accept to mention that the proceedings of the boards of enquiry have not been finalised yet

Sedgefield: residential areas opened for occupation by non-Whites

*35. Mr L F STOFBERG asked the Minister of Constitutional Development and Planning +

- (1) Whether certain White residential areas of Sedgefield were recently opened for occupation by non-Whites, if so, (a) when, (b) why and (c) which residential areas, if not,

- (2) whether a certain company, the name of which has been furnished to the Minister's Department for the purposes of his reply, has provided residential facilities in White residential areas of Sedgefield to non-Whites, if so, (a) what is the name of this company and (b) in which residential areas,

- (3) whether his Department has taken or will take steps in respect of this company; if so, what steps, if not, why not?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING.

- (1) No

- (a), (b) and (c) Fall away

- (2) The Department of Constitutional

Development and Planning has no record that the company whose name has been furnished to the Department supplied residential facilities to non-Whites in White residential areas of Sedgefield

- (a) and (b) Falls away.

- (3) Falls away.

Witwatersrand: transportation cost of petrol

*36 Mr L F STOFBERG asked the Minister of Transport Affairs +

- (1) What is the weighted real historical transportation cost, calculated from the refineries or other production plants, of the petrol delivered to oil company depots on the Witwatersrand in December 1985,

- (2) whether any other factors were taken into account in calculating the above-mentioned costs, if so, (a) what factors and (b) what is the total amount of the cost involved in these factors?

The MINISTER OF TRANSPORT AFFAIRS.

- (1) Separate costs for a particular section of the pipeline are not readily available but the total cost of all product pumped during December 1985 amounted to three cent per litre

- (2) Yes

- (a) As petrol is conveyed by both pipeline and rail tank trucks, pipeline tariffs are based on rail distances and rail tariffs

- (b) This information is not readily available

- (1) Whether the real production cost per hectare of maize farmers has increased since the 1985 season; if so, by what percentage;

- (2) whether the 1986 producer price of maize is to be adjusted to compensate maize farmers for this increase; if so, to what extent, if not, why not,

- (3) whether he will make a statement on the matter?

The MINISTER OF AGRICULTURAL ECONOMICS.

- (1) The cost calculations for the 1985-86 production season have not been finalised but it can be expected that the costs per hectare would have risen due to rises in input costs.

- (2) Production cost is not the only factor which is taken into consideration when the maize price is determined. Various other factors such as the supply and demand situation for maize, the economic conditions in the country and the expected export realisation are also taken into account.

- (3) No

For written reply.

General Affairs

HANS SPARKS 11/2/86
*37. Mr P G SOAL asked the Minister of Home Affairs

- How many voters were registered in (a) each constituency, (b) each province and (c) the Republic as at 31 December 1985?

The MINISTER OF HOME AFFAIRS

- (a), (b) and (c) See annexures A, B and C.

Maize *HANS SPARKS* 11/2/86
*37. Mr L F STOFBERG asked the Minister of Agricultural Economics: +

ANNEXURE A

HOUSE OF ASSEMBLY

Province of the Cape of Good Hope

Constituency	Number of Voters
Albany	15 994
Algoa	18 441
Allival	10 797
Beaufort West	9 721
Bellville	15 262
Caledon	13 001
Ceres	10 366
Claremont	16 867
Constantia	19 121
Cradock	10 538
De Aar	10 266
De Kuilen	19 217
Durbanville	20 475
Falaise Bay	17 838
George	10 918
Gordonia	9 830
Graaff-Reinet	13 689
Green Point	15 824
Groote Schuur	19 628
Helderberg	15 353
Humansdorp	16 553
Cape Town Gardens	14 732
Kimberley North	15 626
Kimberley South	16 818
King William's Town	10 502
Kuruman	19 046
Matieland	17 455
Malmesbury	13 328
Mosselbaai	10 293
Namaqualand	17 503
Newton Park	16 967
East London North	16 814
East London City	12 857
Oudshoorn	15 884
Paarl	16 945
Parow	14 807
Piketberg	16 379
Pimelands	16 023
Port Elizabeth North	15 458
Port Elizabeth Central	9 485
Prieska	12 323
Queenstown	16 993
Sea Point	19 087
Simonstown	12 941
Sundays River	14 703
Stellenbosch	11 833
Swellendam	17 635

Constituency

Number of Voters

Tygervallei	15 842
Uitenhage	16 787
Vasco	16 288
Vryburg	11 208
Walmer	16 843
Walvis Bay	4 495
Wellington	18 121
Worcester	14 597
Wynberg	16 732
Prov Total	833 049

Natal

Constituency

Number of Voters

Amamzintoh	17 881
Berea	16 714
Durban North	18 614
Durban Point	17 120
Durban Central	17 045
Greytown	19 459
Klip River	15 016
Mooi River	15 951
Newcastle	18 169
Pietermaritzburg North	18 157
Pietermaritzburg South	18 694
Pinetown	19 380
Port Natal	19 624
South Coast	14 720
Umbilo	17 129
Umtolozo	14 239
Umlhanga	16 643
Umlahluzana	19 451
Umlazi	19 560
Vryheid	15 315
Prov Total	348 881

Orange Free State

Constituency

Number of Voters

Bethlehem	16 697
Bloemfontein North	18 028
Bloemfontein East	19 939
Bloemfontein West	17 003
Fauresmith	9 953
Heilbron	13 574
Kroonstad	15 835

Constituency

Number of Voters

Ladybrand	13 609
Parys	17 213
Sasolburg	21 659
Smithfield	13 317
Virginia	19 247
Welkom	21 734
Winburg	14 815
Prov Total	232 623

Transvaal

Constituency

Number of Voters

Alberton	20 926
Barberton	16 811
Benoni	20 023
Bethal	26 440
Bezuidenhout	21 197
Boksburg	21 272
Brakpan	19 560
Brentwood	22 447
Brits	16 273
Bryanston	20 151
Carletonville	21 368
Delmas	20 785
Edenvale	20 815
Ermenlo	17 518
Florida	19 242
Geduld	21 259
Germiston	20 910
Germiston District	21 338
Gezina	19 509
Helderkrum	24 753
Hercules	22 093
Hillbrow	18 952
Houghton	20 354
Innesdal	19 281
Jeppie	22 698
Johannesburg North	19 033
Johannesburg West	20 039
Kempton Park	21 241
Klerksdorp	22 053
Koedoespoort	20 892
Krugersdorp	22 357
Langlaage	20 098
Lichtenburg	16 738
Losberg	19 637
Lydenburg	15 612
Marasburg	20 181
Meyerton	23 761

Constituency

Number of Voters

Middelburg	22 188
Modderfontein	24 985
Nelspruit	19 386
Nigel	20 317
North Rand	27 057
Overvaal	22 190
Parktown	18 212
Pretoriusburg	19 017
Potchefstroom	18 894
Potgietersrus	19 376
Pretoria East	27 216
Pretoria Central	18 252
Pretoria West	24 634
Primrose	20 333
Randburg	20 449
Randfontein	21 594
Russik	19 504
Roodeplaat	22 437
Rosettenville	19 745
Rustenburg	20 376
Sandton	22 177
Schweizer-Renke	23 053
Soupsansberg	15 230
Springs	16 941
Standerton	20 348
Sulfontein	18 641
Sunnyside	19 306
Turfontein	18 517
Vanderbijlpark	22 774
Ventersdorp	21 759
Vereeniging	15 704
Verwoerdburg	20 348
Waterberg	23 133
Waterkloof	16 868
Westdene	19 632
Witbank	19 916
Wonderboom	22 754
Yeoville	22 951
Prov Total	1 564 006
Rep Total	2 978 559

ANNEXURE B

HOUSE OF DELEGATES

Province of the Cape of Good Hope

Constituency	Number of Voters
Malabar	6 386
North Western Cape	5 158
Rylands	7 746
Prov. Total	19 290

Natal

ANNEXURE C

Constituency

HOUSE OF REPRESENTATIVES

Province of the Cape of Good Hope

Constituency	Number of Voters	Constituency	Number of Voters
Allandale	15 170	Addo	19 222
Arena Park	15 430	Belhar	28 073
Bayview	14 343	Berg River	24 382
Brickfield	17 071	Bethelsdorp	27 355
Camperdown	14 363	Bishop Lavis	23 741
Cavendish	19 117	Bokkeveld	18 749
Chatsworth Central	16 527	Bonteheuvel	20 344
Clare Estate	16 188	Britstown	17 897
Durban Bay	11 556	Daljosaphat	7 105
Glenview	16 613	Diamant	28 950
Havenside	14 295	Diaz	23 788
Isipingo	15 027	Dysselsdorp	25 380
Marranhill	11 070	Elises River	26 119
Merebank	18 166	Essellen Park	22 172
Montford	16 021	Gevandale	31 055
Moorcross	16 469	Genadendal	12 273
Natal Midlands	16 476	Grassy Park	26 027
Newholme	20 769	Border	22 756
North Coast	16 418	Grgualand West	17 119
Northern Natal	17 060	Haarlem	19 164
Phoenix	39 555	Hanover Park	23 254
Red Hill	15 747	Hantam	15 731
Reservoir Hills	14 648	Hawston	21 732
Springfield	17 250	Heideveld	21 622
Stanger	16 654	Kalahari	20 945
Southern Natal	14 293	Karee	16 780
Tongaat	14 586	Kasselsvlei	25 113
Umzinto	15 267	Liesbeek	13 205
Verulam	19 102	Macassar	27 936
Prov Total	485 251	Mamré	27 196

Transvaal

Constituency	Number of Voters	Constituency	Number of Voters
Actonville	9 852	Matroosfontein	21 384
Laudium	12 002	Mid Karoo	16 081
Lenasia East	8 092	Matchells Plain	21 174
Lenasia Central	8 048	Northern Cape	17 760
Lenasia West	9 510	North Eastern Cape	14 770
North Western Transvaal	13 237	Nuweveld	18 950
Eastern Transvaal	8 872	Ottery	26 190
Central Rand	15 310	Outeniqua	30 942
Prov. Total	84 923	Pniel	24 973
Rep. Total	589 464	Ravensmead	17 874
		Rawsonville	27 678
		Retreat	22 362
		Rietlei	17 522
		Riversdal	18 534
		Robertson	17 604
		Schauderville	23 167

Constituency

Number of Voters

Constituency

Number of Voters

Silvertown	18 208	Newclare	15 297
Springbok	12 745	Northern Transvaal	3 450
Stenkopf	16 397	Reigerpark	15 657
Strandfontein	18 756	Rust Ter Vaal	12 112
Southern Cape	12 419	Toekomsrus	13 572
Suurbraak	19 833	Prov Total	141 704
Swartkops	29 686	Rep. Total	1 481 776
Swarthland	26 770		
Table Mountain	12 523		
Uppington	24 385		
Fish River	17 419		
Vredendal	15 076		
Wuppertal	15 724		
Prov Total	1 252 320		

Natal

Constituency

Number of Voters

Durban Suburbs	8 778
Greenwood Park	12 157
Natal Mid-East	10 763
Natal Interior	9 831
Wentworth	17 622
Prov Total	59 151

Orange Free State

Constituency

Number of Voters

Hendedal	4 846
Eastern Free State	5 207
Opkoms	5 183
Southern Free State	6 740
Western Free State	6 625
Prov Total	28 601

Transvaal

Constituency

Number of Voters

Alra Park	10 277
Bosmont	10 073
Eerstens	19 576
Eldorado Park	23 494
Klipspruit West	18 196

Job creation programmes
 HANS SPRENGER
 24. Mr F J LE ROUX asked the Minister of Manpower†

(1) (a) How much of the amount of R600 million made available by the Government in June and October 1985 for job creation programmes and the granting of aid had been spent as at the latest specified date for which figures are available and (b) for what purposes was this amount utilised;

(2) (a) how much of the amount spent was utilised in respect of (i) White, (ii) Coloured, (iii) Asian and (iv) Black persons and (b) what employment opportunities were created for each of these population groups?

The MINISTER OF MANPOWER.

(1) (a) An amount of R131,5 million was spent up until 31 December 1985.

(b) The amount has been made available for employment creation actions, food relief, training of unemployed persons, creation or maintenance of jobs in the small business sector and for additional support for the Unemployment Insurance Fund

(2) (a) and (b) Employment creation projects are open to any unemployed person and consequently separate particulars in respect of the various population groups have not been kept.

10% State pay rises expected

12/2/86 GERALD REILLY

THE Cabinet has decided on moderate pay increases for public sector workers from April, informed Pretoria sources believe.

Current faith in the economy's ability to climb out of recession this year — Reserve Bank governor Gerhard de Kock claims indications of recovery have already surfaced — has created a climate for increases of 10%, they say.

The restoration of the 30% service bonus cut is also likely, they say. Finance Minister Barend du Plessis has, however, warned against unrealistic salary increase expectations.

Economists point out at least R1bn will be needed if central government and provincial workers, as well as Railways and Post Office staff, are to get 10% increases.

It was also pointed out that, no matter the state of the economy, Cabinet would have had no choice but to adjust salaries after a two-year freeze, with earning levels running at least 30% behind the consumer price index level.

First indication of whether increases will be given is expected tomorrow when Transport Minister Hendrik Schoeman meets the Federal Council of SA Transport Services trade unions in Cape Town.

Economists say if increases are to be given, Schoeman must make provision in his Budget, due to be tabled in the Assembly on Wednesday.

CAPE TOWN 17/2/80

Sats in clash over pay increases

Own Correspondent

PRETORIA. — Angry leaders of 23 000 Sats workers on Saturday passed a motion of no confidence in the Cabinet after a clash with the Minister of Transport Mr Hendrik Schoeman over pay increases.

Earlier at a meeting with Mr Schoeman the executive of the Federal Council of Sats Trade Union rejected an offer of a ten percent pay rise as totally unacceptable.

It is certain now, according to Pretoria sources, that the Cabinet has decided on a flat ten percent pay hike for all public sector workers — government and provincial staff, the post office, police, prisons and SADF personnel.

The pay delay will also meet with an angry reaction from public sector staff associations which had hoped for more after the two-year pay freeze.

Mr Schoeman also told the Federal Council the 30 percent cut in service bonuses would be restored in the new financial year.

After Saturday's meeting Federal Council Chairman, Mr Jimmy Zurich, said decisions on Sats increases were apparently being taken by Cabinet.

"In future, therefore, we will demand direct negotiations at Cabinet level as the Transport Minister obviously has no mandate to bargain and negotiate with his trade unions."

Mr Zurich said the ten percent offer was an insult to all railway workers.

Research funding ^{18/2/86} ⁽²⁵⁰⁾ is it fair? ^{BUS DAY}

SOUTH AFRICANS working on industrial research are allegedly being denied funds because "boffins" get more money to explore pure science.

And SA's Pretoria-based Council for Scientific and Industrial Research (CSIR) is castigated for being preoccupied with scientific as opposed to industrial research in the *South Africa Journal of Science* by Professor Richard Dutkiewicz, of Cape Town University.

Dutkiewicz believes that research in SA must be more community-oriented and of potential or actual benefit to industry. He says a research-funding policy which aims to allow some of our scientists to keep up with Nobel prizewinners at the expense of solving some basic problems is ill-advised.

Dutkiewicz blames the policy implemented by the CSIR Foundation for Research and Development (FDR) in 1985, whereby funding is based on the "rating" of a researcher.

According to Dutkiewicz, the number of publications in reputable international journals is the highest contributing factor in assessing a candidate's "rating".

Advantage

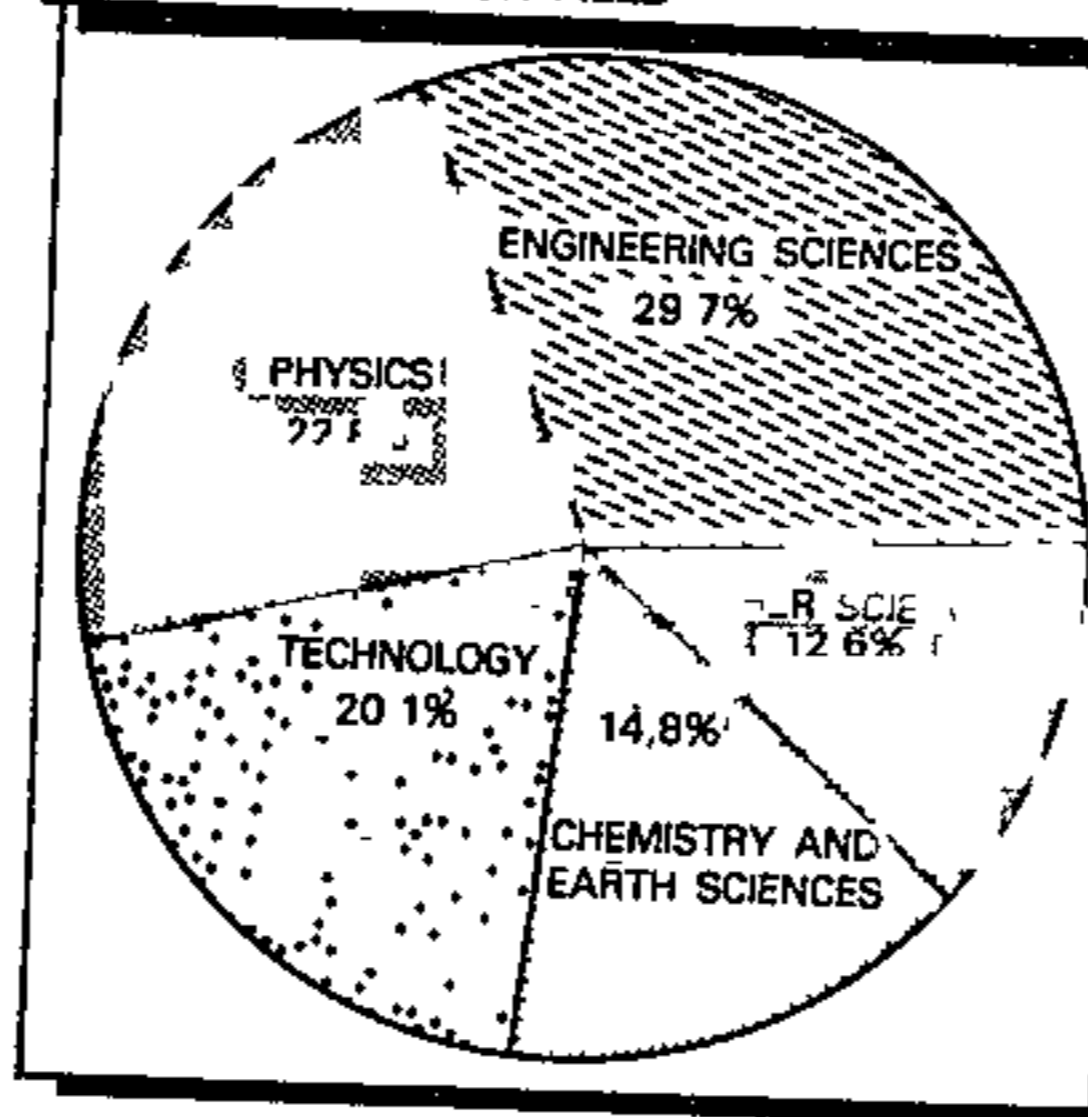
He claims that basic scientists have an advantage, as "people who are working on, say, methods of improving industrial productivity in local industry are unlikely to make any impact on the international scene but are more valuable to SA than those probing the origin of the Universe".

However, Dr Reinhard Arndt, Director of the FDR, said it was incorrect to say that a researcher would be penalised for concentrating on local development.

Under the new funding scheme, researcher's ratings were determined by peer review. Each field of research could nominate its own assessors. Hence, the criteria for assessing the rating of a mathematician and an engineer are different. After the peer review there was a final determination of the overall relative ratings.

Dutkiewicz compared the findings of the government White Paper on Industrial Development Strategy with the new FDR scheme. The White Paper found that "immediate attention must be given to improvement of

RESEARCH & DEVELOPMENT EXPENDITURE BY MAIN RESEARCH FIELD



SA technology policy ... an intensive effort be made to increase the productivity of all resources in industry, and that this be given the highest priority when deciding on financial support".

According to Dutkiewicz, to achieve industrial growth, research must be relevant to the needs of SA as a developing country. The industrial sector is moving towards a greater reliance on manufacturing. Although the manufacturing industry has become the greatest contributor to the national product, its performance is poor in the productive use of resources and its contribution to the balance of payments.

The White Paper says the industrial field in SA is largely dependent on imported technology and research, and development expenditure is relatively small. There is a shortage of experts for the creation, adaptation and use of the most suitable technology. Researchers should become geared to the demands of the market and work situation.

Although researchers are rated into three categories, individuals are positioned on a sliding scale of merit that determines their maximum amount of funding.

In the top two categories — A and B — a researcher receives comprehensive support, including allocations for salaries, travel and minor equipment. This support is guaranteed for five years. The amount awarded is dependent, first, on the limit determined by the researcher's grading, and then on an assessment of the project's cost.

CHARLES PARRY

Hence, a researcher may have a limit of R300 000, based on his rating, but may only be awarded R100 000 as the estimated project cost.

In the C category, researchers receive partial CSIR funding for materials only, and not travel or staff. The support is 50% of the proposed project costs, again up to the limit set by his rating. The other half would be supplied by the university.

Researchers who do not qualify for any rating have to rely on universities for all funding. As institutional resources are limited, researchers have to compete according to the individual university policy.

Analysis of the CSIR assessment of researchers shows engineering researchers (who tend to be more concerned with applied research) compare poorly with their colleagues in the basic sciences (chemistry, physics, maths and statistics).

Of all the successful applicants for evaluation, 8% were from engineering. If just basic science and engineering are considered, then engineering forms 15% of the total number of successful applicants.

Some 55% of engineering candidates fail to achieve a rating, compared to 35% of basic scientists.

More funding

In terms of actual numbers, there are only 39 rated engineering researchers, compared with 227 rated basic scientists. Of a total of 35 researchers from all fields in the top rating category, three are from engineering. Physics has the most top-rated scientists with 11.

Because of the low number of rated engineers compared with basic scientists (39 as opposed to 227), pure research will continue to receive more funding than applied research under the FDR scheme.

However, Dutkiewicz has considered only the FDR scheme, which is based purely on the researcher's merit. This is only one of several outlets for CSIR research funding, and in 1985 amounted to R9m.

Examination of CSIR spending

shows applied research — in particular engineering — receives the lion's share of the budget. The latest CSIR annual report, published in 1985, shows research and development (R&D) received 68% of the R156m research expenditure. Engineering received the largest allocation: 29,7%.

When the R&D expenditure is divided into socio-economic sectors, the contribution to the manufacturing sector was 21,3%.

In addition to state funds, the private sector also donates directly to specific university projects. While this funding is for both pure and applied research, it is certainly directed where industry feels that it is most needed.

To improve funding in applied research, attention should be given to the CSIR's other schemes. Many of these work closely with both the academic and industrial sectors.

SA scientists, whatever field they are in, are valuable assets. The FDR scheme is a fair means of rewarding them directly for their achievements.

**R20m more
to be spent on
Parliament**

ANTHONY JOHNSON
HOUSE OF ASSEMBLY
— Almost R20m would be spent on the second phase of extensions to Parliament, Public Works Minister Lapa Munnik said yesterday.

Replying to a question from Helen Suzman (PFP Houghton), Munnik said the contract for the extension had been awarded on May 24 to Murray & Roberts Buildings Cape Town.

Railmen threaten action for 15% more

BUD DAY
250

1008

Public servants to get 10% increase

20/2/86

ALL PUBLIC servants, including teachers, are to receive a 10% pay increase from April 1 and will also get a full 13th cheque this year.

The pay package also applies to Post Office and SA Transport Services employees and will be calculated on basic pay as well as the pensionable allowance introduced in January 1984.

Announcing the increases yesterday, Minister for Administration and Economic Advisory Services in the Office of the State President, Eli Louw, said the package applied to technikon, college and schoolteachers, the services, provincial staff and persons attached to statutory councils.

Public servants last received a pay adjustment in January 1984.

Louw said government's decision to commit itself to extra expenditure had not been an easy one but had been done in appreciation of "the sacrifices public servants made in past years".

He said government tried to compensate its officials "as reasonably and realistically as possible within fiscal limits"

Political Correspondent

However, as a result of economic pressure, it was forced to ask "certain sacrifices of them", Louw said.

With regard to the bonus, Louw said government was grateful that it had not been necessary to continue slashing the payment.

Announcing the 10% rise for Sats workers when he presented his budget in the Assembly earlier yesterday, Transport Minister Hendrik Schoeman said the 13th cheque would be permanently restored.

Sats workers had asked for a 25% increase but, owing to prevailing economic circumstances and the financial position of Sats, it was not possible to approve more than 10%, Schoeman said.

The executive of the 24 000-strong Artisan Staff Association has already warned, however, that consequences will be "drastic" if Schoeman does not reconsider the 10% increase.

Schoeman said further negotiations would be conducted with trade unions as

soon as circumstances permitted.

Commenting on the increase, Opposition spokesman on transport and MP for Port Elizabeth Central, John Malcomess, said 10% was totally unsatisfactory for lower-paid staff and would not compensate for a high cost of living.

Higher-paid staff could, however, exist with less than a 10% increase, Malcomess said.

PFP spokesman on post and telecommunications, Alf Widman, said the 10% increase was "the inevitable consequence of government's failure to provide an adequate financial policy".

NRP spokesman on post and telecommunications, Brian Page, described the increase as "niggardly", while NRP transport spokesman Vause Raw said a mere 10% over two years and a "radical reduction in living standards" was the reward for loyalty and increased productivity.

Raw added that "the 8% for pensioners

- To Page 2
- See Pages 3 and 4

10% for public servants

20/2/86

BUD DAY
250

is an absolute disgrace and will cause untold hardship".

After an emergency meeting of the Artisan Staff Association executive in Johannesburg yesterday, president Jimmy Zurich said reaction from branches of the 11 Sats trade unions indicated an explosive situation was developing.

The ASA sent a resolution taken at yesterday's meeting to Schoeman, warning him the unions would continue to press for the additional 15% of their original claim of a 25% increase.

Zurich, who is also chairman of the Federation of Sats Trade Unions, said: "We don't think the minister realises the extent of the anger among his workers."

"At a meeting of the ASA's Pretoria branch this week members threatened to down tools unless Schoeman increased the 10% offer."

Other meetings of Sats unions are scheduled over the next few days.

Zurich said railway workers were for-

bidden to strike or go slow in terms of the Railways and Harbours Services Act.

He said: "We have demanded an immediate response from the minister on the additional 15%."

"If the request is rejected, we will have difficulty in restraining our members from taking some form of retaliatory action."

Railway workers felt sacrifices made over the past three years to maintain productivity at a high level to compensate for drastic staff cuts had been ignored, he said.

Zurich also said the system whereby all public sector staff were lumped together when the Cabinet made decisions on pay was hopelessly outdated.

"We want the right restored to bargain and negotiate our own pay conditions with the transport minister," Zurich added.

● From Page 1

Rest of public service 'happy' but railmen threaten strike

By Sue Leeman,
Pretoria Bureau

20/2/86

Mainstream public servants, teachers and postal workers have been cautiously enthusiastic about the 10 percent salary increase they are to receive from April 1 — but angry railway workers are threatening strike action

South African Transport Services (SATS) Artisans Staff Association chairman Mr Jimmy Zurich has warned the situation is "explosive", saying railway workers may down tools in protest if their demand for another 15 percent is not met

The salaries of all four groups are to rise by 10 percent from April 1 and the full service bonus — slashed by one third last year — has been restored.

In addition, the 12 percent allowances for public servants and postal workers have been incorporated into fixed salary scales. SATS pensions are to be increased by eight percent

Public servants last had a general increase in January 1984

Mr Zurich said there were rumblings about strike action and railway workers were bombarding his offices with complaints

"The rest of the public service appears to be happy, but they have had their 12 percent allowances as well as occupationally differentiated increases, whereas we have not

"The Public Service Act says we may not strike — but this Act has yet to be tested"

"Feelings are running very high — the Minister must do something and do it quickly"

Head of the white Public Servants Association, Dr Colin Cameron said public servants were thankful for the increase, but had hoped for 13 percent

It was hoped that the main Budget would contain announcements of occupationally differentiated increases which could boost salaries further

The coloured Public Service League chairman, Mr Malcolm Domingo, welcomed the increase but said it would not really help public servants cope with the cost of living, which had risen by 30 percent since the last general salary increase in the sector

He pointed out some public servants were still earning as little as R180 a month and their pay packets needed further attention soon

Federal Council of Teachers Associations (FCTA) chairman Professor H O Maree said the adjustment did not represent the backlog which had built up since January 1, 1984. But the FCTA welcomed the promise that further attention could be given to specific adjustments in the profession

Post and Telegraph Association of South Africa chairman Mr Frikkie Smith said any relief was welcomed but his association had hoped for an increase of 15 percent. The incorporation of allowances would alleviate the situation to some extent

AG 20/2/86

SALARIES

250

Public servants to get 10 percent salary rise

By FRANS ESTERHUYSE
Parliamentary Staff

A GENERAL salary increase of 10 percent for public servants has been announced with effect from April 1.

Service bonuses which had been cut by a third in the 1985-86 financial year will be fully reinstated from the same date.

This was announced in a statement yesterday by Mr Eli Louw, the Minister for Administration and Economic Advisory Services in the office of the President.

He said the increases would also apply to technikon, college and school-related educationists, the services, provincial personnel and personnel attached to statutory councils.

The last general salary adjustment for public servants was made in January 1984.

A 10 percent salary increase for Post Office officials was announced in Parliament yesterday by the Minister of Communications and of Public Works, Dr Lapa Munnik.

A similar increase for South African Transport Services personnel was announced by Minister Mr

Hendrik Schoeman when he moved the second reading of the transport services budget.

Moving the second reading of the Additional Post Office Appropriation Bill, Dr Munnik said the adjustments, with effect from April 1, also involved the consolidation of existing allowances into basic salary.

Commenting in a statement afterwards, Mr Alf Widman (PFP Hillbrow) the chief Opposition spokesman on posts and telecommunications, said the 10 percent increase was the inevitable consequence of the Government's failure to curb inflation.

There had been no salary increase in the past two years, during which the cost of living had increased by about 35 percent.

The new increase would help Post Office employees to meet the high cost of living.

Mr Widman said the Minister should now concentrate on increased productivity and should not try to justify an increase in tariffs.

Mr Brian Page (NRP Umhlanga) said in a statement the increase was niggardly and should have been at least 15 percent.



Public wages top R11 000-m

By Sue Leeman, Pretoria Bureau

250 21/2/80

STAR

Salary increases of 10 percent and reinstated bonuses for public servants will push the State's annual wage bill well beyond the R11 000-million mark, according to calculations based on Central Statistical Services (CSS) figures

This amount does not make allowance for postal or transport workers' salaries, which will also go up by 10 percent from April 1. Bonuses, which were cut by a third last year, will be reinstated in full.

According to CSS figures, there are more than one million people of all races now employed at various levels of Government (excluding South African Transport Services (SATS) and the Department of Posts and Telecommunications) and the payroll is growing

Last year Government coffers were providing almost R2 600-million a quarter to pay these workers

With a 10 percent salary increase and a third more on bonuses, this quarterly wage bill will be closer to R3 000-million

In central Government alone, the wage bill for 380 000 employees has topped R1 000-million a quarter. This can now be expected to climb to R1 200-million

According to the CSS figures, the average salary among white public servants in central Government — before the latest increases — was R1 309 a month, while the average coloured salary here was R769 and the average black salary R513.

Opposition spokesmen have pointed out that civil

service salaries now account for one third of the country's total annual budget.

PFP spokesman on the public service, Major Ruben Sive, has said what is needed is a smaller, better paid public service which is more productivity-orientated

The privatisation of certain functions could also be a partial solution to the burgeoning public service burden

However, Government spokesmen say many new posts have had to be created for the new coloured and Indian administrations which came into being as part of the new constitution.

They add that many new positions have also been created in the field of black education as part of the Government's drive to achieve educational parity.

The productivity of all departments is being studied and many civil servants are being asked to work longer hours

● Sapa reports that the SA Nursing Association said today it was impossible for the association to get enthusiastic about the 10 percent increase for civil servants.

The association said the increase may mean as little as R20 a month for some nurses

However, the association said it was awaiting announcements on the following priority matters

● Revision of the Specific Career Dispensation (which would include salaries)

● Parity in salaries.

"Only when there is a positive reaction regarding the above can there be any enthusiasm," the association said

Pay goes up but so do train fares

250
CITY PRESS 23/2/86
554

By SINNAH KUNENE

PUBLIC servants will receive a 10% salary increase from April 1, while air and train passengers face between 10 and 15% tariff hikes

This was announced in Cape Town by Transport Affairs Minister Hendrik Schoeman and Administration and Economic Advisory Services Minister Eli Louw this week

The new intercity rail fares from Johannesburg as of April 1 are in the table alongside

Third class tickets to Mafeking, Pietersburg and Queenstown will cost R15,50, R18,00 and R39,50 respectively

Schoeman also announced that air fares will go up by 10% from next month. This means a single economy class air fare to Durban will cost R125; business class R144 and first class R163

The public servants' salary increase will affect all

military, prisons services and police personnel, provincial personnel and post office officials, said Louw. Teachers and nurses are also included

Louw said the last salary adjustments were made in 1984. Service bonuses reduced by one third last year will be paid in full with effect from April 1

However the salary increase was not approved by trade unionists and the government employees, who claimed it was far below the 35% increase of the cost of living in the past two years

Commuter (to JHB)

	1st class	single	weekly	monthly
Naledi	.....R1,90	.....R14,50	.....R55,00	
Krugersdorp	.....R2,20	.....R16,50	.....R61,00	
Pretoria	.....R4,30	.....R27,00	.....R99,00	
3rd class				
Naledi	.....80c	.....R4,10	.....R16,50	
Krugersdorp	.....90c	.....R4,40	.....R17,50	

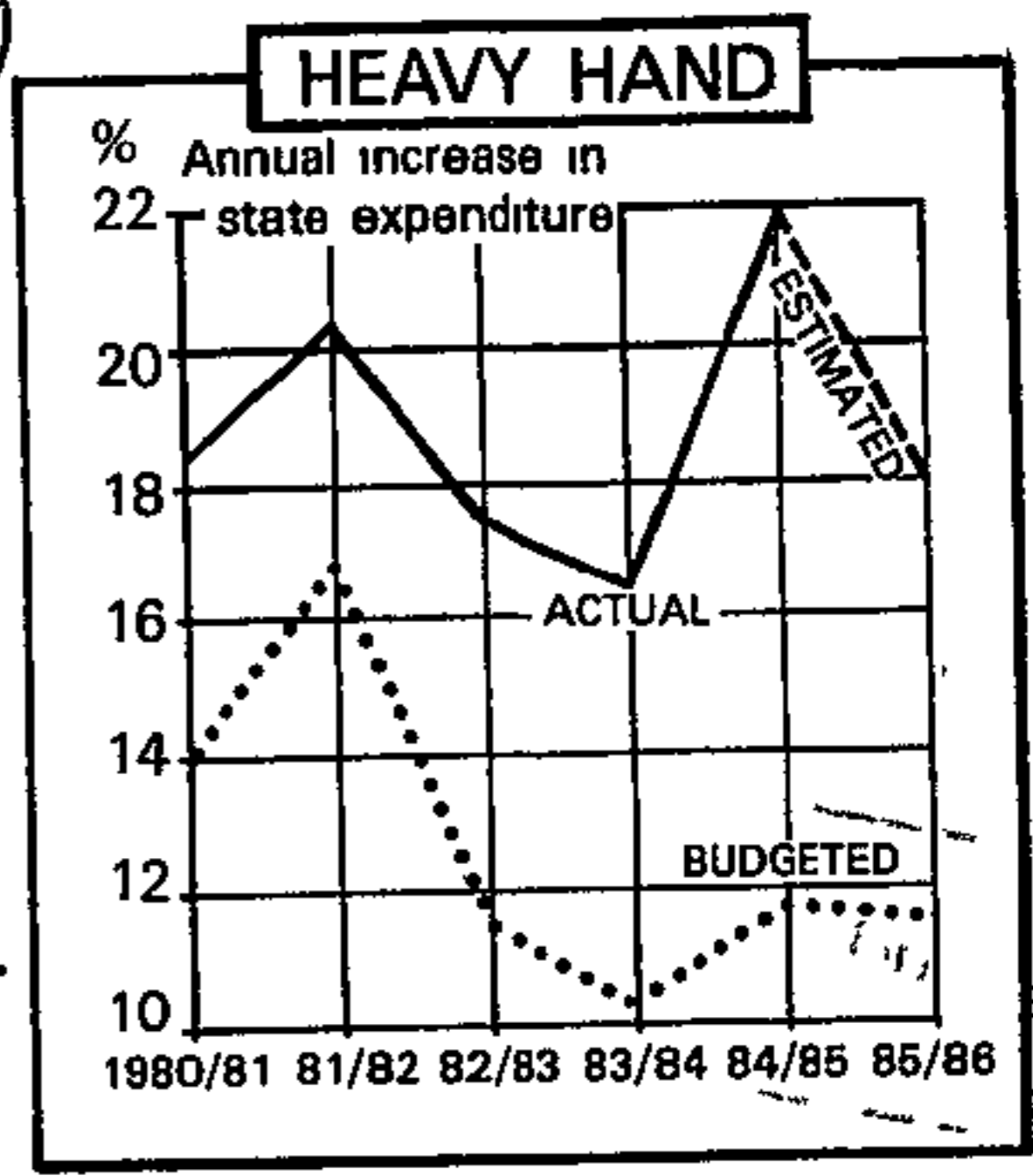
Mainline (single, from JHB)

	3rd class	2nd class	1st class
Durban	.....R36,00	.....R72,00	.....R102,00
Cape Town	.....R70,00	.....R139,00	.....R197,00
Port Elizabeth	.....R53,00	.....R93,00	.....R151,00
Bloemfontein	.....R20,50	.....R41,00	.....R58,00
East London	.....R50,00	.....R100,00	.....R141,00

Current figure put at R33bn (250)

Spending by govt set to soar by 18%

BUDAY
24/2/86



STATE spending is expected to top R33bn for 1985/86, an increase of more than 18% over last year. The outlook for next year is for an increase of another 15% to at least R38bn, and possibly as high as R40bn.

This means the deficit before borrowing is likely to be about R3,2bn, marginally less than 3% of gross domestic product (GDP) at current prices, says Sanlam chief economist Johann Louw.

The shortfall is in line with estimates provided by Treasury sources, but above original Budget expectations, which had placed the deficit at about R2,9bn.

Several windfalls, planned and inadvertent, have enabled the state to accommodate some of its excesses.

According to Sanlam calculations, total revenue in the current financial year could exceed the revised budgetary estimates by about R1,1bn.

Part of this is derived from the 10% surcharge imposed on imports not affected by the General Agreement on Tar-

CHRIS CAIRNCROSS

iffs and Trade (Gatt), and expected to draw in an additional R400m

Other higher receipts have come from the gold mines, where taxes have reaped revenue increases of up to 41%, from GST, where the increase has been about 38%, and from an improvement of about 28% in tax revenues from other mines and companies

Against this it is apparent government has not been able to tap the foreign capital market for loan funds, as it has done in the past, and the area of more concentrated resort has been the domestic market

What this boils down to is that the state is, whether it likes it or not, rapidly expanding its share of the economy

Its rate of spending is significantly faster than any growth in domestic economic activity.

Early indications are that government is incapable of stemming the roller-coaster growth in spending

The Part Appropriation Bills tabled in Parliament over the past two weeks — calling for total advances on the 1986/7 Budget of R27bn — illustrate the situation

Most allocations are for defence, constitutional development, education, housing and financing the short-term creation of jobs.

The implications are that Finance Minister Barend du Plessis is going to find it extremely difficult, if not impossible, to stem the growth in government spending in next month's Budget

As evidenced by last week's pay increases for the civil service, considerable restraint is being exercised in this respect.

Nevertheless, the 10% pay increase comes after a year's standstill and represents an additional drain on state resources over 1986/7.

Du Plessis has committed himself to

● To Page 2 ➔

Govt spending on rise

24/2/86
BUDAY
250

providing a mildly stimulatory Budget. To this end, the emphasis is expected to focus on improving and expanding SA's social infrastructure.

A further increase in capital expenditure is expected, therefore

Expectations are that Du Plessis will be looking at total government expenditure of at least R38bn over the next financial year — a further growth factor of at least 15%.

Treasury coffers are going to be hard-pressed to fund the expansion.

Says Louw: "It has already been announced that the 7% temporary surcharge on personal income tax will be abolished and that the official interest rate at which fringe benefit tax on certain loans to employees now stands is to be reduced.

"Together with the moderate salary and wage increases, this will prevent bracket creep from increasing personal income tax significantly."

To fund the the state's increasing demands, the strain will have to be taken up by the domestic capital market on the one hand, and by the individual on the other.

It is estimated that GST will probably yield about 17% more over the next year and that continued pressure will be exerted on company profits.

"Disposable incomes are going to come under tremendous pressure in the months ahead," warns Larry Schwarz, PFP spokesman on finance.

Analysts reckon that with government now having to tap the domestic capital market more heavily, the future does not bode well for long-term interest rates.

Cynically, perhaps, they believe the recent announcements by Escom of its gradual withdrawal from the domestic capital market are aimed at leaving a gap for a more intrusive state presence.

Economists predict that state revenue should amount to about R34bn at current tax rates for 1986/7.

This, in turn, should bring the deficit before borrowing to about R4bn for the year, says Louw.

On the basis of part performance, government is likely to budget for a far greater shortfall.

● From Page 1

Government overspends, Barend asks for more ...

ARBUS 24/2/86
250

Political Staff

FINANCE Minister Mr Barend du Plessis is to ask Parliament for extra money this afternoon to cover the Government's overspending during the current financial year.

He had originally hoped that Government departments would be able to keep within this year's record R31 000-million Budget, but abnormal political and economic problems put paid to this.

It is expected that the Government's over-expenditure for the financial year will be in the region of R1 500-million, bringing the 1985/86 total to near R33 000-million.

Mr du Plessis will be looking for a total of at least R36 000-million in his new Budget, to be tabled on March 17, which does not bode well for any significant tax relief.

"DETERIORATION"

Major reasons for the overspending have been the fall in the exchange rate of the rand, the high inflation rate and the hundreds of millions allocated to emergency job creation programmes and feeding schemes.

Progressive Federal Party spokesman on Finance Mr Harry Schwarz said the "economic deterioration in the country has caused a necessity for relief of joblessness and hunger in a manner which was not contemplated by the Budget."

Government expenditure did not otherwise seem to have got unduly out of hand.

"On the other hand, the Government has been lucky in that it received increased revenue, particularly from the gold mines," Mr Schwarz added.

Among the biggest overspenders in the current year have been the Defence Force (an extra R244-million on its R4 274-million budget), Constitutional Development and Planning (R386-million), the Police (R42-million), Communication and Public Works (R61-million), Development Aid (R40-million) and Agricultural Economics (R49-million).

only to convey the result of the discussions with the Minister of Constitutional Development and Planning to the people of Moutse;

(iii) no action or counter-action regarding the incorporation of Moutse into Kwandebele shall be discussed,

(iv) no speaker shall be allowed to incite, instigate, intimidate or by any other means influence any person to oppose the incorporation of Moutse into Kwandebele, and

(v) the South African Police shall be allowed to attend the meeting

(b) The conditions were imposed, since the Magistrate, Moutse, according to him, had reason to believe the public peace would seriously be endangered, if the meeting were not held subjected to the conditions concerned

(c) The South African Police, Siyabuswa, recommended that the conditions be imposed

(6) Yes, the South African Police, Siyabuswa, was consulted by the Magistrate, Moutse, in both instances

(a) The South African Police was consulted on 28 November 1985 about the first meeting and on 3 December 1985 about the second meeting

(b) The Magistrate, Moutse, consulted with the South African Police, Siyabuswa for a report and recommendation in both instances

(c) The Magistrate, Moutse, requested a report from the South African Police in order to be in a position to exercise his discre-

tion regarding the applications concerned.

(d) After the Magistrate consulted the South African Police, he decided to refuse the first application and to approve the second application, subject to the conditions in 5(a) above

(7) No

New Questions

Compulsory military service
HANSARD 25/2/86
Dr W J SNYMAN asked the Minister of Defence:†

(1) Whether the Government has taken a decision on compulsory military service for Coloured persons and Asians, if so, what decision,

(2) whether he will make a statement on the matter?

†The DEPUTY MINISTER OF DEFENCE.

(1) Yes

(2) Last year during the debate on the Defence Vote I put it unambiguously that the House of Representatives and the House of Delegates would have to decide for themselves on National Service for their own people. This is still the Government's standpoint. I also said that the Geldenhuis Committee was looking into the matter (Hansard column 6514). After thorough investigation and consideration of all the relevant factors the Committee came to the conclusion that on purely practical considerations, National Service for all population groups is not possible at the moment.

The Committee is of the opinion that the enlistment of only volunteers from the Coloured and Indian population, is at present the only practical solution. The Committee therefore supports the present approach to

make the maximum use of the large number of Coloured and Indian volunteers.

I endorse these views of the Committee. In this regard I want to point out that since 1979 until the present there has been a general growth of 352% in the Coloured ranks of the SA Army and 101% growth in Indian numbers in the SA Navy

†Dr W J SNYMAN, Mr Chairman, arising out of the hon the Deputy Minister's reply, do we now have to accept that in the case of military service for Asians and Coloureds it is an own affair, on which they themselves can decide, while in the case of the Whites it is a general affair? Further arising out of the hon the Deputy Minister's reply, does the Government not envisage at all to give any future consideration whatsoever to the introduction of compulsory military service for the two race groups mentioned?

†The DEPUTY MINISTER. Mr Chairman, I have just explained quite clearly to the hon member what the situation is and how we handle it. If the hon member now wants to make politics of this sensitive matter, which deals with the safety of our country, I resent him for doing that. I will not add to the reply that I have already furnished [Interjections]

Mr D J N MALCOMESS Further arising out of the reply given by the hon the Deputy Minister—and it is now clear that the Coloureds and Indians will have their own Houses decide for them—what then is his intention as regards the Chinese people who do not have a separate House or even a vote in any House? [Interjections]

†Mr S P BARNARD Mr Chairman, further arising out of the reply of the hon the Deputy Minister, can he inform the House whether the possibility will shortly arise that Whites will only be able to join voluntarily and that there will be no compulsory military service for Whites. Will the same choice that is given to the Coloureds and Indians therefore be given to the Whites of South Africa?

†The DEPUTY MINISTER: Mr Chairman, Whites can already join the Permanent

Force voluntarily. There is nothing to prevent that. I have just told the hon member for Langlaage quite clearly—it seems to me he does not want to understand it—that this is, politically spoken, a sensitive matter

†Mr S P BARNARD. Oh, man, go and tell that to a bunch of small kids!

†The CHAIRMAN OF THE HOUSE. Order! If the hon member for Langlaage wants to hear the reply to his question he must please give the hon the Deputy Minister the opportunity to reply to it

†The DEPUTY MINISTER. Mr Chairman, we do not want to make a political football of the security of our country and I therefore appeal to hon members of the Conservative Party—very seriously—please not to do it. These volunteers of the other race groups do valuable work in the interest of our security and these hon members must please not spoil that

†Mr S P BARNARD. They ostensibly do the valuable work but it is our Whites who die on the border! [Interjections] But that of course is not a sacrifice!

†The CHAIRMAN OF THE HOUSE. Order! The hon member for Langlaage will have to contain himself if he does not want me to order him to leave the House

†Dr W J SNYMAN. Mr Chairman, further arising out of the reply of the hon the Deputy Minister, can we therefore take it that military service is a general affair for Whites only while for the other groups it is an own affair? We want a clear reply to this, please

†The CHAIRMAN OF THE HOUSE. Order! The hon member for Pietersburg must please resume his seat. I put the next question

Amanzi...
HANS. ...
†Dr W J SNYMAN asked the Minister of Law and Order:†

(1) Whether the South African Police has investigated or is investigating the

bomb explosion that occurred at a shopping centre in Amanzimtoti in December 1985; if so,

- (2) whether any persons attached to the University of Natal have been questioned in this regard, if so, (a) to which faculties are they attached and (b) how many have been questioned,

- (3) whether any persons attached to this university have been arrested in terms of section 29 of the Internal Security Act, No 74 of 1982; if so, (a) to which faculties are they attached and (b) how many persons have been so arrested?

The MINISTER OF LAW AND ORDER:

- (1) Yes, the police investigation is in progress

(2) Yes.

(a) The Medical Faculty

(b) Three persons

(3) Yes

(a) The Medical Faculty.

(b) Three persons

HANS-25/2/86
Kwelera District: persons arrested
*3 Mr H K MOORCROFT asked the Minister of Law and Order

Whether two persons from the Kwelera District of East London, whose names have been furnished to the South African Police for the purpose of the Minister's reply, were arrested in or about January 1986, if so, (a) what are their names, (b) for what offence or offences were they arrested and (c) what are their respective ages?

The MINISTER OF LAW AND ORDER

No. According to police records no per-

sons by such names were arrested during or about January 1986 in the Kwelera District of East London.

(a) to (c) Fall away.

HANS-25/2/86
Magopu
*4 Mrs H SUZMAN asked the Minister of Education and Development Aid

- (1) Whether, with reference to the reply of the Minister of Co-operation, Development and Education to Question No 20 on 23 April 1985, the matter concerning the compensation offered to persons moved from Magopu has been finalized; if not, (a) why not and (b) when is it anticipated that it will be finalized, if so, (1) when, (ii) what were the findings and (iii) what were the reasons for the dissatisfaction of these persons with the compensation offered to them;

- (2) whether his Department has taken any steps as a result; if not, why not, if so, what steps?

The DEPUTY MINISTER OF DEVELOPMENT.

(1) No.

(a) Compensation has been paid but persons are dissatisfied and have issued summonses

(b) The matter is *sub judice*

(2) Falls away

Board of Review

*5 Mrs H SUZMAN asked the Minister of Law and Order:

- (1) How many cases were referred in 1985 to the Board of Review in terms of the Internal Security Act, No 74 of 1982;

- (2) whether the Board recommended the withdrawal of any notices; if so, (a) how many and (b) with what result?

The MINISTER OF LAW AND ORDER:

(1) 54.

(2) No

(a) and (b) Fall away.

HANS-25/2/86
Housing concessions
*6 Mr D J N MALCOMESS asked the Minister of Public Works.

- (1) Whether the State has at any time granted housing concessions to public servants having first homes built, if so, what are the particulars of these concessions;

- (2) whether any public servants have at any time received these concessions in addition to subsidies on housing loans, if so, how many?

The MINISTER OF PUBLIC WORKS.

(1) Yes

The State contributes R100 for each R1 000 that a civil servant pays out of own funds in cash towards the redemption of the purchase price of a first dwelling which was purchased for personal occupation by him. The maximum amount that the State contributes in this manner is R500 per case. Civil servants that have already purchased building sites out of own funds for the erection of a first dwelling for personal occupation also come into consideration for the State contribution on the basis that the amount that has already been paid off on the building site is deemed to be a cash contribution made by the civil servant.

- (2) Yes, 699 for the period 1 January 1985 to 31 December 1985.

HANS-25/2/86
Members of Parliament sent overseas
*7 Mr D J N MALCOMESS asked the Minister of Foreign Affairs:

- (c) USA
(d) To

enable Members to acquaint themselves at first hand with developments in the USA of significance to South Africa.

Whether any members of Parliament were sent overseas by his Department in 1985; if so, (a) how many, (b) what are their names, (c) which countries did they visit in each case, (d) what was the purpose of each visit and (e) what was the total cost to the State, including the cost of air travel, of these visits?

The MINISTER OF FOREIGN AFFAIRS

The Department of Foreign Affairs did not send Members of Parliament abroad because Members of Parliament do not permit themselves to be ordered about [interjections] In view of *inter alia*, the disinvestment campaign pursued against South Africa in the USA in general and in the US House of Representatives and the Senate, the Department considered it advisable and in South Africa's interests to invite a limited number of Members of Parliament to visit the USA in order to

enable members to acquaint themselves at first hand with developments in the USA of significance to South Africa,

meet policy makers and opinion formers and

discuss matters concerning our bilateral interests with such persons

(a) 19

(b) Messrs A K A Abram-Mayet, S P Barnard, G S Bartlett, A Fourie, P A C Hendrickse, J H Heyns, Prof G Marais, Messrs S Pachau, B W B Page, J A Rabie, Dr J N Reddy, Messrs A Stanley, D M Streicher, G P D Terblanche, C Uys, C J van der Merwe, H E J van Rensburg, D W Watterson, L Wessels.

when he was shot and (b) why was he shot;

(4) whether any other persons were killed on this occasion; if so, (a) how many and (b) what (i) were the circumstances and (ii) was the cause of death in each case,

(5) whether an investigation was held into the death of these persons; if not, why not, if so, what were the findings,

(6) whether any action has been taken as a result of the findings; if not, why not; if so, what action,

(7) whether any complaints were laid against any members of the South African Police following these events in Duduza on the above date, if so, what (a) was the nature of the complaints and (b) action was taken as a result?

THE MINISTER OF LAW AND ORDER. (Reply laid upon the Table with leave of House)

(1) Yes

(a) 91 members

(b) and (c) Foot and vehicle patrols were carried out to normalise the unrest situation

(2) Yes, various Blacks in groups of 20 to 30 threw stones and other objects at the foot patrols

(3) Yes.

(a) and (b) The person referred to and who acted as leader of his group threatened a police foot patrol with death and ran into a stand in Mofokeng Street. A member of the foot patrol followed him. Within the stand the deceased and four other Blacks threw stones at the policeman who followed him. The deceased was then fatally injured by the policeman

(4) No, not during this specific incident.

(a) and (b) Fall away

(5) Yes, an inquest was held only in respect of the person referred to. The court found that death did not result through an action or neglect which constituted a crime on the part of any other person

(6) No

(7) Yes

(a) and (b) Three complaints of assault. In one complaint the Attorney-General refused to prosecute due to lack of evidence and the other two complaints are still being investigated

Unrest: arms/ammunition issued Q. COL 196. Mr R R HULLEY asked the Minister of Defence: ~~ANSWERED 25/2/86~~ With reference to his reply to Question No 23 on 11 February 1986, what specified types of (a) arms and (b) ammunition have been issued to each member of the South African Defence Force employed in townships during unrest situations?

THE DEPUTY MINISTER OF DEFENCE:

(a) To individual members.

— 9 mm pistols to Officers and Warrant Officers Class 1

— R1 rifles to Citizen Force and Commando Other Ranks and Officers to the rank of Major.

— R4 rifles to Permanent Force Other Ranks and Officers to the rank of Major as well as National Servicemen

Per Buffel Vehicle

— 37mm Stoppergun

— Shotgun.

(b) Ammunition for the abovementioned weapons is issued according to a laid down scale per person and vehicle. Each vehicle is also additionally equipped with shock grenades and tearsmoke grenades

Mr R R HULLEY: Mr Chairman, arising out of the hon the Deputy Minister's reply, did I understand him correctly to say that troops are not issued with weapons that fire rubber bullets, buckshot or birdshot but are issued only with R1 rifles?

THE DEPUTY MINISTER. Mr Chairman, I have furnished the hon member with a list of everything that the troops are issued with. I can add nothing to it

Donkin Commando Q. COL 197. Mr A SAVAGE asked the Minister of Defence: ~~ANSWERED 25/2/86~~ Whether the Donkin Commando in Port Elizabeth has called up any persons for a compulsory camp from 3 March 1986 in terms of section 44 of the Defence Act, No 44 of 1957; if so, how many persons (a) is this Commando required to provide and (b) were issued with call-up papers?

THE DEPUTY MINISTER OF DEFENCE:

Yes

(a) 115

(b) 397 Statistics and experience have proved that a higher number of persons than the actual requirement have to be called up to ensure that the requirement set, is met. Reasons for this are among others:

— A large number of members are granted deferment of their call-up commitment by the Exemption Board. This number cannot be determined beforehand

— Many call-up instructions are returned as a result of members failing to advise their change of address

— Many members do not comply with the call-up instructions.

Given the above, it was, in the case of Donkin Commando decided to call up about three times as many members as was required.

Conditions of service/remuneration structures: investigation

*39. Mr R M BURROWS asked the Minister of Administration and Economic Advisory Services: Q. COL 198.

(1) Whether the investigation by the Commission for Administration into a system of organised consultation in respect of conditions of service and remuneration structures for staff remunerated from the State Revenue Fund has been completed, if so, (a) when and (b) which organisations were consulted in this regard; if not, (i) why not, (ii) which organisations are to be consulted and (iii) when is it anticipated that the investigation will be completed,

(2) whether a document outlining the system of organised consultation has been devised, if not, why not, if so,

(3) whether this document (a) has been or (b) is to be made available to the public, if not, why not, if so, when,

(4) whether he will make a statement on the matter?

THE MINISTER OF ADMINISTRATION AND ECONOMIC ADVISORY SERVICES

(1) No

(a) Falls away

(b) Falls away

(1) Due to the comprehensive nature of the project it could not, as envisaged, be finalised by the end of 1985. It is being executed to-

gether with numerous other projects of high priority and should be completed during the course of this year.

(ii) All government institutions with an interest in the matter, as well as the formally and informally recognised staff associations

(iii) During 1986

(2) No. The investigation has not yet been completed.

(3) No, because the document will deal with domestic personnel affairs which is only meant for parties concerned.

(4) No

Mr R M BURROWS. Mr Chairman, arising from the hon the Minister's reply, I should like to ask him whether he is aware of the fact that, since the system of organised consultation does not exist, the Public Service appears not to have been consulted at all and made no submission on the recent 10% increase in salaries?

The MINISTER. Mr Chairman, I should like to draw the hon member's attention to the fact that there are some 400 to 500 different vocational groups in the Public Service and that there are numerous vocational associations. All those people must be consulted. I also want to stress that the hon member need not be more concerned about the Public Service than the public servants themselves. [Interjections]

At 15:00 Questions on General Affairs interrupted in accordance with Rule No 59.

Deviation from principle of own education the principle of own education. HANS VAN DER MERF asked the Minister of National Education.

(1) Whether, with reference to his reply to Question No 26 on 11 June 1985, his Department has now devised the bases in accordance with which and limits within which deviation from

the principle of own education in separate educational establishments for each population group may be authorised, in so far as it is the wish of own education departments, in terms of paragraph 4.1.2(d) of the White Paper on the Provision of Education in the Republic of South Africa; if not, why not; if so,

(2) whether any other education departments have requested such deviation, if so, what was his response in each case,

(3) whether the said bases have been incorporated into any document; if so, what document;

(4) whether this document will be made available to the public; if not, why not; if so, when,

(5) whether all education departments have been acquainted with the bases for such deviation, if not, why not, if so, when;

(6) whether he will make a statement on the matter?

The MINISTER OF NATIONAL EDUCATION:

(1) No. The matter is still being negotiated.

(2) Yes, following upon an invitation which I extended to the Ministers of Government Departments responsible for education. In consultation with the Ministers concerned it has however been decided that no final decisions be made until all relevant information has been gathered. The stage has now been reached where an in depth discussion of the entire matter will soon be held at a meeting of all the Ministers concerned.

(3) No.

(4) Falls away.

(5) Falls away

(6) Consideration will be given at a later date as to whether or not a statement will be released.

Bakoven: firing of weapon
*41 Mr C W EGLIN asked the Minister of Law and Order:
Q. COL 199

(1) Whether any members of the South African Police took any action against any suspects in connection with the firing of a weapon at Bakoven on or about 30 January 1986, if so, (a) how many suspects were involved, (b) how many shots were fired, (c) what was the (i) rank and (ii) experience of each of the policemen involved and (d) what were the circumstances surrounding this incident;

(2) whether a warning was given prior to any shots being fired; if not, why not, if so, with what result;

(3) whether any persons were injured in the shooting, if so, what was the nature of the injuries sustained;

(4) whether the policemen involved attempted to assist, or obtain assistance for, the injured; if not, why not, if so, (a) how long after the shots were fired was assistance provided and (b) what was the nature of the assistance;

(5) whether the injured were treated for their injuries; if not, why not; if so, (a) by whom, (b) where, (c) when, (d) what was the nature of the treatment given and (e) with what result;

(6) whether any of the injured subsequently died; if so, (a) when and (b) what was the cause of death;

(7) whether an investigation has been held into this incident; if not, why not; if so, (a) what was the nature of the investigation and (b) what were the findings;

(8) whether any action has been taken

against the policemen involved; if not, why not, if so, what action,

(9) whether members of the South African Police are issued with any orders regarding (a) the use of firearms and (b) action to be taken following the use of firearms; if not, why not, if so, what are these orders?

The MINISTER OF LAW AND ORDER.

(1) Yes

(a) Two white men

(b) Two

(c) (i) Constable

(ii) He has completed 5 years of police service and has sufficient experience of police functions

(d) At about 02h30 on 30 January 1986, a constable of the South African Police observed two white men under suspicious circumstances at a vehicle in the Bakoven area. One of the men ran away after he saw the policeman and was fatally wounded during the ensuing chase. After a search lasting about 10 minutes he was found among the rocks on the beach. It was then ascertained that he had in his possession a canvas bag with 17 lobsters, of which five measured up to statutory regulations and twelve were undersize.

(2) Yes. Three oral warnings which the fugitive ignored.

(3) Yes, fatally in the left thigh.

(4) No. Before assistance could be summoned, the wounded person died.

(a) and (b) Fall away.

(5) Fall away.

bomb explosion that occurred at a shopping centre in Amanzimtoti in December 1985; if so,

- (2) whether any persons attached to the University of Natal have been questioned in this regard; if so, (a) to which faculties are they attached and (b) how many have been questioned;

- (3) whether any persons attached to this university have been arrested in terms of section 29 of the Internal Security Act, No 74 of 1982, if so, (a) to which faculties are they attached and (b) how many persons have been so arrested?

The MINISTER OF LAW AND ORDER.

- (1) Yes, the police investigation is in progress.
- (2) Yes
- (a) The Medical Faculty
- (b) Three persons
- (3) Yes
- (a) The Medical Faculty
- (b) Three persons

HANS - 25/2/86
*3. Mr H K MOORCROFT asked the Minister of Law and Order.

Whether two persons from the Kwelela District of East London, whose names have been furnished to the South African Police for the purpose of the Minister's reply, were arrested in or about January 1986, if so, (a) what are their names, (b) for what offence or offences were they arrested and (c) what are their respective ages?

†The MINISTER OF LAW AND ORDER:

No According to police records no per-

sons by such names were arrested during or about January 1986 in the Kwelela District of East London.

- (a) to (c) Fall away.

HANS - 25/2/86
*4. Mrs H SUZMAN asked the Minister of Education and Development Aid:

- (1) Whether, with reference to the reply of the Minister of Co-operation, Development and Education to Question No 20 on 23 April 1985, the matter concerning the compensation offered to persons moved from Magogopa has been finalized; if not, (a) why not and (b) when is it anticipated that it will be finalized, if so, (1) when, (ii) what were the findings and (iii) what were the reasons for the dissatisfaction of these persons with the compensation offered to them,
- (2) whether his Department has taken any steps as a result, if not, why not, if so, what steps?

The DEPUTY MINISTER OF DEVELOPMENT.

- (1) No
- (a) Compensation has been paid but persons are dissatisfied and have issued summonses.
- (b) The matter is *sub judice*
- (2) Falls away.

*5 Mrs H SUZMAN asked the Minister of Law and Order:

- (1) How many cases were referred in 1985 to the Board of Review in terms of the Internal Security Act, No 74 of 1982;
- (2) whether the Board recommended the withdrawal of any notices, if so, (a) how many and (b) with what result?

†The MINISTER OF LAW AND ORDER:

- (1) 54.
- (2) No.

- (a) and (b) Fall away.

HANS - 25/2/86
*6. Mr D J N MALCOMESS asked the Minister of Public Works

- (1) Whether the State has at any time granted housing concessions to public servants having first homes built; if so, what are the particulars of these concessions;
- (2) whether any public servants have at any time received these concessions in addition to subsidies on housing loans, if so, how many?

The MINISTER OF PUBLIC WORKS

- (1) Yes

The State contributes R100 for each R1 000 that a civil servant pays out of own funds in cash towards the redemption of the purchase price of a first dwelling which was purchased for personal occupation by him. The maximum amount that the State contributes in this manner is R500 per case. Civil servants that have already purchased building sites out of own funds for the erection of a first dwelling for personal occupation also come into consideration for the State contribution on the basis that the amount that has already been paid off on the building site is deemed to be a cash contribution made by the civil servant.

- (2) Yes, 699 for the period 1 January 1985 to 31 December 1985

HANS - 25/2/86
*7. Mr D J N MALCOMESS asked the Minister of Foreign Affairs:

- (c) USA
- (d) To

enable Members to acquaint themselves at first hand with developments in the USA of significance to South Africa.

Whether any members of Parliament were sent overseas by his Department in 1985; if so, (a) how many, (b) what are their names, (c) which countries did they visit in each case, (d) what was the purpose of each visit and (e) what was the total cost to the State, including the cost of air travel, of these visits?

†The MINISTER OF FOREIGN AFFAIRS:

The Department of Foreign Affairs did not send Members of Parliament abroad because Members of Parliament do not permit themselves to be ordered about [interjections] In view of *inter alia*, the disinvestment campaign pursued against South Africa in the USA in general and in the US House of Representatives and the Senate, the Department considered it advisable and in South Africa's interests to invite a limited number of Members of Parliament to visit the USA in order to

enable members to acquaint themselves at first hand with developments in the USA of significance to South Africa,

meet policy makers and opinion formers and

discuss matters concerning our bilateral interests with such persons

- (a) 19

(b) Messrs A K A Abram-Mayet, S P Barnard, G S Bartlett; A Fourie; P A C Hendrickse; J H Heyns; Prof G Marais, Messrs S Pachai, B W B Page; J A Rabie, Dr J N Reddy; Messrs A Stanley; D M Streicher, G P D Terblanche; C Uys; C J van der Merwe, H E J van Rensburg, D W Watterson, L Wessels

- meet policy-makers and opinion formers and to
- discuss matters concerning our bilateral interests with such persons
- (e) Approximately R200 000,00 X

HANS: ESCOM losses
25/2/86
*8 Mr B B GOODALL asked the Minister of Mineral and Energy Affairs:

- (1) Whether, with reference to his reply to Question No 40 on 19 February 1985, Escom has suffered any further losses; if so, (a) what total amount was lost, (b) over what period, (c) how did these losses occur, (d) how were these losses discovered and (e) in respect of what date is this information furnished,
- (2) whether any action has been taken as a result of the discovery of these losses, if not, why not, if so, (a) what action and (b) when,
- (3) whether the management of Escom has taken any steps to prevent the recurrence of such losses, if not, why not, if so, what steps,
- (4) whether he will make a statement on the matter?

THE MINISTER OF MINERAL AND ENERGY AFFAIRS

- (1) No It may be mentioned for the hon member's information that, as I undertook in the reply to Question 40, section 7(a), (b) and (c) of 12 February 1985 the relevant information was, after auditing, published in the 1984 Escom annual report (pages 14 and 44) and for his convenience I would like to quote the applicable section on page 14 of the said report.
- "The refusal of the authorities in the United States to release enriched uranium, under contract with the Department of Energy, obliged Escom

to find alternative supplies on the open market so that the power station could be brought into operation without undue delay. The problems involved in arranging these alternative supplies, together with the project delays arising from the sabotage in 1982, led to an excess stock of natural uranium feed (converted material) and enriched uranium in the United States, as well as surplus stocks of natural uranium ore concentrate in South Africa.

In 1983 it was necessary to write down the value of stocks of uranium feed and enriched uranium held by Escom in the United States because there had been a sharp reduction in the market price of such stock. The provision of R59,3 million required to write down the stocks to market value was done in accordance with normal accounting practice and included in the 1983 accounts.

In collaboration with and with the approval of the Atomic Energy Corporation and the South African government it was decided to dispose of all stocks of natural uranium feed and enriched uranium held in the United States. This was done mainly because it was unlikely that the authorities in the United States would release supplies of enriched uranium to South Africa or that there would be an improvement in the Dollar market price of the enriched uranium. The sale, finalised in 1984, resulted in a realised loss, including holding costs, of R56,8 million. This was R2,5 million less than the R59,3 million provided in 1983.

A comparison was also made between the costs of holding surplus stocks of natural uranium ore concentrate in South Africa for a prolonged period and selling surplus stocks at present-day prices. That indicated that it would be advisable to sell the surplus stock at present-day prices. This action resulted in a loss of R59,5 million, which is shown in the notes to the financial statements before deduction of the surplus provision on R2,5 million."

- (2) No The losses were caused by circumstances beyond Escom's control.
- (3) It is unlikely that similar circumstances will again be encountered in future with resultant losses of this nature. Escom's new management has, anyhow, committed itself publicly to a new businesslike approach aimed at achieving a high standard of efficiency and at improving customer service. As part of the new philosophy considerable emphasis has been placed on thorough planning, strict budgetary control and good management information. In accordance with this, Escom's internal auditors report monthly to the management board and two independent auditing firms will report twice yearly to the Electricity Council.
- (4) No

Alexandra: civil unrest
HANS: 25/2/86
*9 Mr D J DALRING asked the Minister of Law and Order

- (1) Whether any civil unrest occurred in Alexandra in 1985; if so,
- (2) whether any inquiries have been instituted in this regard, if not, why not, if so, who is or was in charge of these inquiries;
- (3) whether these inquiries have been completed, if so, what were the findings, if not, (a) why not and (b) when is it anticipated that they will be completed,
- (4) whether any action has been or is to be taken as a result of the inquiries; if not, why not, if so, what action?

THE MINISTER OF LAW AND ORDER:

- (1) Yes.
- (2) Yes, but in 348 instances cases which were related to civilian unrest, were investigated by the SA Police

- (3) Yes, 343 cases are completed, of which 297 were found undetected, 4 were found false, 36 were acquitted and 6 cases are still attended to in court.
- (a) 5 Cases are still being investigated in an attempt to trace the suspects.
- (b) It is not known when these investigations will be completed.
- (4) Yes, 42 cases were brought to court.

Alexandra: school boycotts
*10 Mr D J DALRING asked the Minister of Education and Development:
HANS: 25/2/86
(1) Whether any school boycotts occurred in Alexandra in 1985; if so,

- (2) whether any inquiries have been instituted in this regard, if not, why not; if so, who is or was in charge of these inquiries;
- (3) whether these inquiries have been completed, if so, what were the findings, if not, (a) why not and (b) when is it anticipated that they will be completed;
- (4) whether any action has been or is to be taken as a result of the inquiries, if not, why not; if so, what action?

THE DEPUTY MINISTER OF EDUCATION:

- (1) Yes Only at secondary schools.
- (2) Yes The acting Circuit Inspector
- (3) Yes. The reasons for the boycott were:
- 3.1 Intimidation.
- 3.2 Demands Release of detainees; withdrawal of SAP and SADF.
- 3.3 Complaints against one of the principals.

bomb explosion that occurred at a shopping centre in Amanzimtoti in December 1985, if so,

- (2) whether any persons attached to the University of Natal have been questioned in this regard; if so, (a) to which faculties are they attached and (b) how many have been questioned;

- (3) whether any persons attached to this university have been arrested in terms of section 29 of the Internal Security Act, No 74 of 1982; if so, (a) to which faculties are they attached and (b) how many persons have been so arrested?

The MINISTER OF LAW AND ORDER

- (1) Yes, the police investigation is in progress

- (2) Yes
(a) The Medical Faculty

(b) Three persons

- (3) Yes

(a) The Medical Faculty

(b) Three persons

HANS. 25/2/86
Kwelera District: persons arrested
*3. Mr H K MOORCROFT asked the Minister of Law and Order

Whether two persons from the Kwelera District of East London, whose names have been furnished to the South African Police for the purpose of the Minister's reply, were arrested in or about January 1986, if so, (a) what are their names, (b) for what offence or offences were they arrested and (c) what are their respective ages?

†The MINISTER OF LAW AND ORDER:

No According to police records no per-

sons by such names were arrested during or about January 1986 in the Kwelera District of East London

- (a) to (c) Fall away

HANS. 25/2/86
Magppa
*4 Mrs H SUZMAN asked the Minister of Education and Development Aid.

- (1) Whether, with reference to the reply of the Minister of Co-operation, Development and Education to Question No 20 on 23 April 1985, the matter concerning the compensation offered to persons moved from Magopga has been finalized; if not, (a) why not and (b) when is it anticipated that it will be finalized, if so, (1) when, (ii) what were the findings and (iii) what were the reasons for the dissatisfaction of these persons with the compensation offered to them,

- (2) whether the Department has taken any steps as a result; if not, why not; if so, what steps?

The DEPUTY MINISTER OF DEVELOPMENT.

- (1) No

(a) Compensation has been paid but persons are dissatisfied and have issued summons

(b) The matter is *sub judice*

- (2) Falls away

Board of Review

*5. Mrs H SUZMAN asked the Minister of Law and Order:

- (1) How many cases were referred in 1985 to the Board of Review in terms of the Internal Security Act, No 74 of 1982,

- (2) whether the Board recommended the withdrawal of any notices, if so, (a) how many and (b) with what result?

†The MINISTER OF LAW AND ORDER:

- (1) 54

- (2) No

(a) and (b) Fall away

HANS. 25/2/86
Housing concessions
*6 Mr D J N MALCOMESS asked the Minister of Public Works

- (1) Whether the State has at any time granted housing concessions to public servants having first homes built, if so, what are the particulars of these concessions;

- (2) whether any public servants have at any time received these concessions in addition to subsidies on housing loans, if so, how many?

The MINISTER OF PUBLIC WORKS.

- (1) Yes

The State contributes R100 for each R1 000 that a civil servant pays out of own funds in cash towards the redemption of the purchase price of a first dwelling which was purchased for personal occupation by him. The maximum amount that the State contributes in this manner is R500 per case. Civil servants that have already purchased building sites out of own funds for the erection of a first dwelling for personal occupation also come into consideration for the State contribution on the basis that the amount that has already been paid off on the building site is deemed to be a cash contribution made by the civil servant

- (2) Yes, 699 for the period 1 January 1985 to 31 December 1985

Members of Parliament sent overseas
HANS. 25/2/86
Mr D J N MALCOMESS asked the Minister of Foreign Affairs

Whether any members of Parliament were sent overseas by his Department in 1985; if so, (a) how many, (b) what are their names, (c) which countries did they visit in each case, (d) what was the purpose of each visit and (e) what was the total cost to the State, including the cost of air travel, of these visits?

†The MINISTER OF FOREIGN AFFAIRS.

The Department of Foreign Affairs did not send Members of Parliament abroad because Members of Parliament do not permit themselves to be ordered about [Interjections] In view of *inter alia*, the disinvestment campaign pursued against South Africa in the USA in general and in the US House of Representatives and the Senate, the Department considered it advisable and in South Africa's interests to invite a limited number of Members of Parliament to visit the USA in order to

enable members to acquaint themselves at first hand with developments in the USA of significance to South Africa,

meet policy makers and opinion formers and

discuss matters concerning our bilateral interests with such persons

- (a) 19

(b) Messrs A K A Abram-Mayet; S P Barnard; G S Bartlett; A Fourné; P A C Hendrickse; J H Heyns; Prof G Marais; Messrs S Pachai; B W B Page; J A Rabie; Dr J N Reddy; Messrs A Stanley; D M Streicher; G P D Terblanche; C Uys; C J van der Merwe; H E J van Rensburg; D W Watterson, L Wessels.

- (c) USA

- (d) To

enable Members to acquaint themselves at first hand with developments in the USA of significance to South Africa.

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PARLIAMENTARIANS' SALARIES

Pay rises: 'Not for some time'

Political Correspondent TOS WENTZEL gives the background to the salary increases for recommended by the Schlebusch committee.

THE massive salary increases recommended for parliamentarians are not likely to be applied in one go or for some considerable time

When President P W Botha appointed the committee to inquire into the structure of remuneration and conditions of service last March he pointed out that the implementation of any recommendations would be postponed until such implementation could be justified with a view to the economic climate

Meanwhile increases for MPs are linked to those of the civil service and they are likely to receive such increases soon

This arrangement was worked out in the seventies in order to save parliamentarians the embarrassment of having to vote themselves increases. There are usually no public announcements on what the increases are

The chairman of the latest committee was Mr A L Schlebusch, former Vice President, and the other members were Sir De Villiers Graaff, former Leader of the Opposition, Mr Justice V G Hiemstra and two prominent businessmen, Dr Frans Cronje and Dr F J du Plessis

The committee's terms of reference were to consider, in the light of the new parliamentary system

● A reconcilable structure of remuneration and conditions of service for public office bearers with due allowance for their new responsibilities, and

● The need of MPs for facilities — administrative and secretarial — to enable them to perform their task efficiently. The committee's report



Mr Alwyn Schlebusch



Sir de Villiers Graaff



Mr Justice Hiemstra



Mr Frans Cronje



Dr F J du Plessis

maintains that a considerable backlog in parliamentarians' salaries exists at present

In view of this and because phasing-in proposals will not initially result in any significant improvement in the backlog and also due to the phasing-in of fringe benefits tax the committee recommended that the increased cash remuneration recommendations should be implemented as soon as possible, when economic circumstances justified this

After first being submitted to the President the report has now been tabled in Parliament but the Government has not yet taken any decision

It is possible that it will seek an all-party agreement on the matter

The report points out that a 1971 committee on emoluments of MPs found that membership of Parliament tended to be a full-time occupation

Because of the additional obligations imposed by the new constitutional system — the

Presidency in the new system entailed far more work, Ministers now had to work in three Houses and MPs served on standing commissions which sat in the recess — membership of Parliament had now definitely become a full-time occupation

In addition to this there was the fact that the provincial council system was about to disappear, further increasing the workload of MPs

According to the report the salary and fringe benefits of MPs could not serve as a basis for the rest of the public service because

● The demands of modern society made it imperative that successful businessmen, professional people, farmers and industrialists became involved in the highest legislative and executive body

Such a person either had to relinquish or neglect his profession with great personal loss.

● In view of rapid change in the political sphere an MP

could not be assured of a long and uninterrupted period of service. The average period of service was seven years

● Interruption of an MP's career constituted a measure of professional risk and could also damage his career

Although MPs also had to have a sense of vocation and could not always be compensated on the same basis as the private sector, their remuneration levels still had to be related to the private sector

Parliamentarians' remuneration should not be so low as to deter suitable candidates from entering politics or to compel ordinary members from seeking additional income

On the other hand, the reports says, members' salaries should not

be so high as to be unacceptable to the informed public or to create the perception that

pecuniary reward is becoming the only attraction and that in the process the degree of idealism required to lead a country and its people to greater prosperity was being relegated to the background

A team of outside consultants did a job evaluation and produced eight grades for salaries ranging from that of the President to those of ordinary MPs and members of the President's Council

In the case of the pension scheme for parliamentarians the committee has recommended that the present system — whereby the basic allowance paid in addition to MP's salary is included in the annual net cash salary for pension purposes — should be abolished

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Pay proposals 'raise no eyebrows among senior private sector staff'

Financial Editor DEREK TOMMEY compares the salary recommendations for parliamentarians with salaries in the private sector

THE proposed new pay scales announced yesterday for the State President, cabinet ministers and members of Parliament have raised no eyebrows among the senior personnel in the private sector

They would seem roughly in line with what people with similar levels of responsibility outside Parliament are getting, said Miss Jane Ashburner, the country's top consultant on executive pay

Ministers could receive R121 500 a year, deputy ministers R77 400 and MPs and members of the President's Council R49 800 a year

Miss Ashburner, who is head of PE Corporate Services' remuneration division and who advises on executive remuneration in 10 of the country's largest companies, said these salary scales could even be slightly on the low side

This would certainly have been so in the case of the State President's proposed salary of R130 000 a year if it had not been tax free

This is the sort of salary earned by an executive running a company with an annual turnover of between R50 million and R75 million a year and employing about 1 000 people, she said

Even by South African standards such a company would be only a small to medium sized company. A company such as Sappi, the pulp and paper producer,

this week reported sales of R800 million last year

But Miss Ashburner said that turnover and the number of people employed could not really be used as a yardstick for determining the State President's salary — not when his organisation had a turnover of R32 billion a year and employed half a million people

What specific top South Africans in finance, commerce and industry earn is difficult to come by. Unlike Britain, companies are able to aggregate directors' pay in their annual reports and so are able to avoid giving each particular individual's income

But figures issued recently by the Commissioner for Inland Revenue show that in 1984 there were 622 whites and two Asians with an income of more than R250 000 a year. There were 373 people of whom three were Asians with incomes of between R200 000 and R250 000 while a further 4 000, of whom 52 were Asians and three were coloured people, earned between R100 000 and R200 000 a year

The source of these earnings is not known. But it seems reasonable to assume that among the 1 000 people with incomes of more than R200 000 a year in 1984 were the chief executives of the country's top 30 or so organisations

Figures compiled by the Human Sci-

ences Research Council in 1984 showed that the median income of a chairman of a board was R102 000. But the sample was small, numbering 10, and probably not representative

Nonetheless, if the average chairman was getting this amount in March, 1984, when money was worth 40 percent more than it is today, the proposal to pay cabinet ministers a fully-taxable R121 500 seems reasonable

The median income is that paid to the middle person in the sample and who thus can be regarded as a person of average ability

Other median incomes of people in private sector employment in March 1984 were financial and administration directors R66 500, managing directors R60 000 and personnel directors R64 000

In the self-employed category the median income of actuaries was R75 000, chartered accountants R50 000, medical specialists R64 000, gynaecologists R70 000, pathologists R101 000, radiologists R86 000, surgeons R75 300 and "other" medical specialists R65 200

HSRC officials were doubtful about whether these figures should be grossed up by 40 percent to compensate for the high rate of inflation

But it seems fairly certain that if these incomes have not yet been adjusted for inflation, it will happen once the economy recovers

ARGUS 25/2/66

Schoeman to meet rail unions

The Argus Correspondent

PRETORIA. — The Minister of Transport Affairs, Mr Hendrik Schoeman, and the Federation of Railway Unions are to meet to discuss the growing outcry over salaries.

This was confirmed today by a spokesman for Mr Schoeman's office who said the date and place of the meeting will probably be decided within the next two weeks.

According to railwaymen there is growing grassroots support for a strike by workers who feel insulted by the 10 per cent increase. This has been aggravated by proposals tabled in Parliament yesterday for increases of 42 percent to 106 percent for parliamentarians.

Mr Malcolm Domingo, head of the coloured Public Servants' League, said he hoped parliamentarians would reconsider the 10 percent increase granted to public servants last week.

MINERS' UNION

The Press officer for one of South Africa's biggest trade unions, the National Union of Mineworkers, Mr Marcel Golding, said today the proposed increases were typical of a government which was not ruled by the consent of the majority.

Although workers would feel outraged, they would not be surprised "Rulers always see to themselves first," he said.

The president of the Afrikaanse Handelsinstituut, Mr Donald Masson, said the AHI was in favour of reasonable, competitive salaries for parliamentarians and believed the recommendations had been based on sound, scientific studies.

Nat MPs red-faced over pay rise recommendations

By TOS WENTZEL
Political Correspondent

THE proposed huge salary increases for the President and for MPs are not likely to be implemented — at least not in the near future

Nationalist politicians emphasised today that no decision had yet been taken about the increases which have been recommended by a committee of inquiry

Apparently embarrassed by the publicity given to the recommendations yesterday, at a time when there is deep dissatisfaction in the Public Service over a 10 percent salary increase, Nationalist politicians are going out of their way to stress that the recommendations are merely those of the committee

The committee was appointed by Mr P W Botha last March

SECRETARIAL HELP

Today Nationalist MPs were in favour of only one recommendation being applied right away — that some secretarial help for MPs should be provided. Opposition MPs supported them in this.

Mr Colin Eghin, leader of the Progressive Federal Party, said today he had asked senior members of the PFP caucus to examine the recommendations and to report back without delay

The PFP caucus would then define its attitude to the proposals

Dr A P Treurnicht, leader of the Conservative Party, said it was out of the question for MPs to accept the salary increases as recommended

In the light of the present economic climate they should not be remunerated differently from others paid by the State

Mr Louis Stofberg, the Herstigste Nasionale Party's only MP, also rejected the recommendations

The New Republic Party supported the proposals

Mr Brian Page, MP, chairman of the NRP's caucus, said the party felt the proposals should be implemented as soon as possible

● See Page 17.

MPs' pay plan may be stalled

By ANTHONY JOHNSON

THE government is unlikely to implement the huge proposed pay hikes for parliamentarians — at least not soon — following a huge public outcry and the decision by most opposition parties to distance themselves from the politically explosive plan

As torrents of angry public reaction to the proposals continued to flood in yesterday, virtually all parties reacted with caution to what has clearly become a major political "hot potato"

Only the New Republic Party supported the proposals for the hikes of between 52 and 108 percent

However, there appeared to be significant differences between the public pronouncements of parties on the hikes and the private views of MPs, many of whom appeared to favour them

'Cautious government reaction'

In the wake of the public outcry, the government's official reaction to the proposals has been extremely guarded

A spokesman for the State President's office said yesterday "The government is giving attention to the report but as it is a parliamentary report on which consensus is being sought, all parties will have to consider it and after negotiations a decision can be reached"

National Party politicians yesterday appeared embarrassed that the pay proposals had been tabled at precisely the time when civil servants were dissatisfied at the more modest 10 percent increase they had been given

The Progresssive Federal Party said in a statement that "taking the economic climate into account, MPs and other office-bearers should not, at this time, receive any increase in excess of the 10 percent which is being given to employees in the railways or the civil service"

Conservative Party leader Dr Andries Treurnicht also said MPs "ought not to be rewarded in any way differently from the other civil servants" in the present economic climate

'Disgrace to have aired report'

The most heated parliamentary opposition came from HNP MP for Sasolburg, Mr Louis Stoffberg, who said "I think that is an absolute disgrace that the government could even have considered in the present economic climate tabling this stuff"

"Their skins are as thick as those of an elephant. When the ordinary man is struggling to exist it is a disgrace that they could even have aired the report."

The Labour Party will discuss the proposed pay hikes at its regular caucus meeting tomorrow

The leader of the National People's Party, Mr Amichand Rajbansi, said that no decision had been taken by his party on the matter yet.

Solidarity whip, Mr Mohanlal Bandulalla, said his party has not considered the matter yet and did not consider it a "priority issue".

STAR 26/2/86

CP, HNP slam salary increase proposals

Political Staff

PARLIAMENT — The right-wing parties in the House of Assembly have attacked the recommendations for big salary increases for parliamentarians

The criticism came from the Conservative Party and the Herstigte Nasionale Party, during yesterday's second-reading debate on the Additional Appropriation Bill. Mr Louis Stofberg (HNP, Sasolburg) said he had never seen such a thick-skinned attitude to the plight of ordinary people as that shown by the Government in tabling the recommendations in Parliament

He likened the Government's attitude to that of the aristocracy during the French revolution when it was said "If they don't have bread, let them eat cake"

The Government was adopting such an attitude amid all the signs of a sick economy and while children were going hungry and farmers were being strangled economically

He said there were even Nationalists who could not understand why the Government should have tabled the Schlebusch committee's report at all

Earlier Mr Jan van Zyl (CP, Sunnyside) read a statement issued by CP leader Dr Andries Treurnicht disapproving the committee's recommendations

Replying, the Minister of Finance, Mr Barend du Plessis, said the manner in which Mr Stofberg had handled the matter was "irresponsible"

The Government had not compromised itself in any way regarding the report on the salaries of MPs. The committee had been given its task a long time ago and had simply tabled its report in the House

Mr Stofberg interjected that he had not said the Government had compromised itself

But he also accused the Government of "enormous overspending" and waste.

Cape
27/2/86

250
MPs
'extra burden' queried

By ROGER WILLIAMS
Chief Reporter

CIVIC representatives on relatively low pay-scales are among those shocked by the proposed salary rises of up to 108 percent for parliamentarians

One Cape Town city councillor, Mr Sam Gross, said yesterday that talk of MPs' additional responsibilities was "so much window-dressing" There is not much difference, he contended, between a councillor in a big city and an MP in terms of time consumed and "so-called responsibilities"

Where the ordinary MP now received, in salary and allowances, an annual aggregate of R43 000, "plus a host of extra privileges", the average city councillor received about R6 000 a year (taxable) and was involved in council work under statutory obligation for the entire year, not just part of it.

"It is virtually unheard-of for city councillors to claim extra emoluments, or material privileges, yet many of them have the same, and in some cases better, backgrounds of business or professional skill and experience," Mr Gross said

Sudden cry

"So why the sudden cry for the betterment of the material pursuits of the average MP?"

"It must also be noted that the MP, like the city councillor, has a private source of income."

Referring to the timing of the pay proposals as "insensitive and unrealistic", and as "political dynamite", Mr Gross said it had been contended that the recommended increases were needed to compensate MPs for additional responsibilities brought about by the new tri-cameral system

"One must query these 'additional responsibilities' The average MP carries no responsibility for the functions of Parliament. Responsibility is in the hands of the President and cabinet ministers"

drum-majorettes tonight at 5.15 and dancers from the Erna Ackermann school of dancing followed by Alvon Collison at 7 tonight.

Tomorrow at 3pm the miniature Bellpark drummies will perform and at 4pm the Miss Junior Carnival finalists will be chosen

On Saturday there will be a Pick-a-Box show at 12.30pm and the Desmond Teale magic show will be held at 2pm.

Entry for adults is R3, and R1 for children Family tickets at R6 each will allow parents and children up to the age of 12 to enter as a group



Carnival can make it this... stalls at the carnival, ...ahl from Germany, Miss Giovanna Oddi and Mr ...onday from India, Miss ... from Spain.

P W to handle all talks on MP's salaries

Political Staff

CAPE TOWN — President P W Botha will personally handle all future negotiations with political parties on proposed salary increases for parliamentarians

That was the result of Cabinet committee talks on the Schlebusch recommendations today

The proposed hefty increases stirred up controversy this week and were rejected outright by the Conservative and Herstigte Nasionale parties while the Progressive Federal Party professed to some misgivings

Instead Mr Botha is expected to try to get an all-party agreement to salary increases in the

region of the 10 percent granted to public servants

MPs are also generally in agreement that some compensation for secretarial services as proposed by the committee should be provided

Mr Botha is said to have been upset by the publicity and the sharp criticism of the proposals at a time when public servants are dissatisfied with their increases

But National Party MPs said no final decision had been made on the increases and that Mr Botha had said the implementation of any recommendation would be postponed until it could be justified economically

STAR 27/2/86

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PW moves
to cool
row over
MPs' pay

27/2/86
250

By TOS WENTZEL
Political Correspondent

PRESIDENT P W Botha is to personally handle all negotiations with political parties on proposed salary increases for parliamentarians

This is the outflow of discussions at a meeting of a Cabinet committee

Among the members of this committee were Mr Hendrik Schoeman, Leader of the House in the Assembly, Mr J C Heunis, the Minister of Constitutional Development, as well as Mr F W de Klerk, the Rev Allan Hendrickse and Mr Amichand Rajbansi, chairmen of the Ministers' councils in the three Houses of Parliament.

ALL-PARTY

The hefty increases proposed by a committee under the chairmanship of former Vice State President Mr Alwyn Schlebusch, will not be applied at this stage

Instead Mr Botha is expected to try to get an all-party agreement to salary increases in the region of the 10 percent granted to public servants

Mr Botha is said to have been upset by the publicity and the sharp criticism of the proposals at a time when public servants are dissatisfied with their increases.

Even the Nationalist Press has criticised the timing of the release of the committee's report

week of four team leaders in a mine hostel. As the FM went to press, employer and worker representatives were attempting to negotiate the resolution of the strike. Anglo appeared hopeful of resolving the matter, but the Num has demanded the release from custody of the eight miners. ■

FM 28/2/86
MPs' PAY ~~200~~ 250

Money for ham

The timing of this week's report on MPs' pay was about as insensitive as you can get. A decent argument can no doubt be made for the proposed new scales. But seasoned political operators like those who run the National Party should surely have known this just isn't the time to float it.

For example, public sector personnel had just been offered a 10% pay rise from April 1 while Central Statistics reported a January year-on-year increase to 20,7% in the cpi.

To rub it in, Transport Minister Hendrik Schoeman announced that mainline rail passenger fares would rise by 15% and commuter tariffs by 12,5%, from April 1, and domestic air fares would rise by 10% from March 1. Commercial rail tariffs for high-rated traffic would be increased by 2,2% for short distances, and by 10% for runs over 4 000 km. Low-rated traffic charges were boosted by 3% for short distances, to 10,9% for 800 km.

Sanlam economist Johann Louw predicted State spending would jump 18% to exceed R33 billion in 1985-1986, and probably rise another 15% next year.

The committee of inquiry into parliamentary pay packages calls for increases ranging up to 108% in the case of Ministers. The committee, chaired by Alwyn Schlebusch, includes Sanlam chairman Fred du Plessis, Sir De Villiers Graaff, Nedbank chairman Frans Cronje, and Mr Justice Hiemstra.

The basic cash remuneration recommendations are decidedly attractive.

□ The President's salary to rise by 55% from R84 000 to R130 000 (unlike other parliamentary salaries this amount is tax-free) Ministers' up 108% from R59 000 to R121 000, and MPs' and PC members' salaries by 84% from R27 000 to R49 000.

The report goes on to recommend that the President's tax-free allowance should be boosted R4 000 to R29 000, while those of MPs and PC members should rise R3 000 to R19 000. MPs should also get an additional R10 000 a year for secretarial expenses, with any additional amounts being deductible for income tax from the basic allowance.

Looking as if he were about to break out in a cold sweat, Schlebusch reiterated the State President's advice that the suggestions did not have to be adopted on the turn. Government sources pointed out that they did not have to be accepted at all, but the committee, having adjudged a backlog, recommended immediate implementation. One of the few to openly agree was the NRP's chairman of

caucus, Brian Page. Most parliamentarians said nothing for the record, but let it be known they needed and deserved the extra money. The report may well stir public resentment at a time when the standing of elected representatives, and others, is not high. Beginning with the premise (established by an earlier committee) that it is not practical for a member of Parliament to do much else beside politicking, the report goes on to find that parliamentary emoluments cannot serve as a basis for the calculation of civil service pay. By implication, however, it draws parallels with the private sector and emphasises the need for high standards.

"The demands of modern society," says the report, "make it imperative that successful businessmen, professional people, farmers and industrialists become involved in our highest legislative and executive body."

But if they seek office, it notes, they face risks. "Rapidly changing circumstances in the political sphere or in consequence of voters' new personal preferences" have reduced average tenure in Parliament to "only" seven years. The committee found too that the interruption of a parliamentarian's outside career could damage it irreparably.

The study was conducted by the consulting firm, Hay-MSL SA (Pty) for a variety of reasons, including the belief that an internal investigation would make it possible "for hostile elements to find loopholes..." It was felt that an external investigation would be more defensible.

In spite of the subdued comments from members themselves, including the opposition, the public outcry has been predictable. The FM received a number of angry calls imploring us to "do something" about a "national disgrace."

On reflection, however, it seems the Schlebusch report may have a point: parliamentary packages are indeed relatively meagre.

For example, a chief executive of a holding company employing more than 7 500 people, with turnover of, say, R500m would have earned about R200 000 last year in pay and benefits, according to PE Remuneration Services manager, Jane Ashburner. Even the MD of a company with a turnover of some R5m and about 100 employees would have received a package worth R80 000. ■

FIN MAIL 28/2/86
PASS LAWS FIN MAIL 200
ID Bill to be tabled

Within the next few days government is expected to take the first steps to scrap pass laws and introduce legislation making provision for common identity documents.

It is reliably understood that Home Affairs Minister Stoffel Botha is about to table the Identification Bill — possibly within the next week. The Bill is expected to provide for the abolition of pass laws by July 1 as promised by President P W Botha in his series of advertisements to promote reform.

It will also make provision for the issuing

of common identity documents to all South Africans regardless of race, but the race of the holder will still be stipulated in the new document.

Scrapping of the pass laws is likely to be regarded as one of the most significant reform moves by government. The Bill will coincide with a Private Member's Bill submitted by the Progressive Federal Party's Rueben Sive, which is aimed at scrapping the Population Registration Act.

Sive's Bill must still serve before the Standing Committee on Private Member's Bills where it will be decided whether to refer it to the Standing Committee on Home Affairs for further consideration.

It seems unlikely, however, that government will accept the Bill which provides for the scrapping of all racial references in the Population Registration Act. ■

FIN MAIL 28/2/86
MINE WAGE TALKS 1400

Thorn of uniformity

Pressures in mining industrial relations have become intense. While some mining houses are still engaged with issues hanging over from last year's black miners' wage strike, all employers are giving serious thought to the forthcoming round of negotiations for 1986.

The resolutions adopted by the National Union of Mineworkers (Num) at its congress a fortnight ago have given employers plenty of food for thought. Of particular interest is Num's insistence that management must make a uniform wage offer, and its threat that Num members will strike if this does not happen.

Clearly, the Num does not want a repeat of last year's events at the Chamber of Mines when employer unity shattered and three of the mining houses put in a higher offer than the other three. The split was precipitated by Anglo American, Johannesburg Consolidated Investments (JCI) and Rand Mines followed suit. Anglovaal and Gold Fields later also raised their offer, but to a lesser level. Gencor, which implemented lower wages than all the other mining houses, was the odd one out.

There are good reasons why the houses made a split offer. Even though Anglo has a more liberal image than the others, it had compelling reasons for wanting to settle for more. The simple fact is that the Num has made the greatest inroads at Anglo, and it therefore stood to lose the most from a strike. Others might argue that Anglo simply has a more far-sighted approach to industrial bargaining.

The union must have experienced some satisfaction at watching the employer's facade of unity crumble. But the split was a two-edged sword. While there were obvious advantages for those Num members who got the higher increments, it is equally obvious that members who did not could well have been disappointed that Num could not do the same for them. Hence, there is a great deal of

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5 Weekend Argus, March 1 1986

P W 'fumes' over leaking of report on MPs' pay

By JOHN MACLENNAN, Political Staff

PRESIDENT P W Botha is said to be fuming over the hamhanded timing and handling of the Schlebusch report on MPs' salaries which recommends increases of up to 108 percent in the case of Cabinet Ministers

In spite of concerted official efforts to cushion the report's impact the Government is now on the receiving end of a wave of outrage.

It is thought that officials — mindful of past criticism of the Government's "fat cat" image — wanted to prevent the release of the report for as long as possible in the light of three developments which have tough implications for the man in the street

and especially the Government's own supporters

These are the inadequate 10 percent pay increase for public servants, the disclosure that the country now has a record inflation rate of more 20 percent and the increase in Sats rates of up to 15 percent

But details were leaked to a newspaper last week, apparently by a member of the House of Delegates. The story started to spread and the Deputy Minister of Information, Mr Louis Nel, called in a number of reporters and appealed to them not to speculate on the outcome of the commission's report

It was pointed out to officials that it might well be illegal to do so in terms of the Commissions Act

"Don't just shoot it down"

At the same time the Leader of the Assembly, Mr Hendrik Schoeman, made use of the weekly meeting of party whips to appeal for restraint

It is understood he emphasised that the report contained only proposals which had still to be accepted by the Government. His message, according to one whip, was "Don't just shoot it down. Consider it first"

None of the opposition parties in the Assembly is prepared to torpedo the report because it is known that many MPs without private means have to make considerable financial sacrifices. Politics has become a full-time job for many of them



Mr P W Botha

management, teacher training and organised teaching profession,

Mr C Hickling school boards of control,

Dr G A Hosking school education in general and particularly for Whites, as well as education management,

Mr L Kriel the education and training requirements of an important business sector,

Mrs D J le Roux non-formal education and youth movements,

Dr S K Maseke school education in general and particularly for Blacks, as well as education management,

Mr A M Muller school education in general and particularly for Coloureds, as well as education management,

Dr G K Nair school education in general and particularly for Indians, as well as education management,

Mr J Ndlovu school education in general and particularly for Blacks, as well as education management,

Mr M C O'Dowd, support for education by the private sector and the requirements of employers,

Rev I Petersen, parent involvement in education particularly in the Coloured community;

Sister E Qunlan private education,

Prof H W Rossouw universities,

Prof S J Schoeman: education in general and teacher training,

Dr T C Shippey, technical and technological education,

Dr H J S Stone education management and comparative education,

Dr J A S van Niekerk non-formal education, particularly the requirements of the agricultural sector,

Dr J B Z Louw an officer in the employment of the State appointed as Executive Officer of the Council.

(2) Yes A basis for the remuneration of members is being considered by Treasury

(3) No The Act does not provide for the dismissal of members

(a) and (b) Fall away

(4) Yes In constituting a ministerial advisory body attention is given to the collective expertise of the body. The Council is fortunate in having a number of members with formal qualifications in education. Those members who do not have such qualifications represent in turn fields of expertise which often result from years of experience. A life-history of each member was obtained. The members of the Council were appointed after consultation with the other Education Ministers. At the same time it was established that the composition of the Council complied with Government policy contained in paragraph 4.4.2(c) of the White Paper on the Provision of Education in the RSA, 1983

HANSARD 4/3/86
Katalia Development Board: Chief Director
G. COL 304
36. Mr G B D McINTOSH asked the

Minister of Constitutional Development and Planning:

(1) Whether the Chief Director of the Natala Development Board has held any meetings with the Sobantu Committee of Twelve since 1 November 1985, is so, when,

(2) whether the Chief Director was present for the full duration of these meetings, if not, why not,

(3) whether the Chief Director laid down any conditions for his attendance at future meetings, if so, (a) what conditions and (b) why?

THE DEPUTY MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

(1) Yes On 3 February 1986 It was not a formal meeting but he met the Sobantu Committee of Twelve as inhabitants of the township to discuss certain matters

(2) The Chief Director as Chairman was present until the discussion was terminated by him as a result of alleged personal and unwarranted attacks on him which made any further discussions impossible

(3) Yes

(a) Conditional upon the person being responsible for the incident in (2) not being present at future discussions unless an apology is tendered for his behaviour

(b) See 3(a) above

THE MINISTER OF AGRICULTURE AND WATER SUPPLY (for the Minister of Justice).

As the 1985/86 financial year has not been closed, it is not possible to calculate an exact figure at this stage. At present the estimated cost per prisoner per day is R8,71

Members of Parliament: motor vehicles

38 Mr D J N MALCOMBESS asked the Minister of Transport Affairs

(1) Whether any motor-vehicles belonging to Members of Parliament were transported to Cape Town for the 1986 session by the South African Transport Services at the expense of Parliament, if so,

(2) whether any of these motor vehicles were damaged *en route*, if so, (a) how many, (b) what was the cause of the damage and (c) what total amount will have to be paid by the South African Transport Services to repair this damage?

THE MINISTER OF COMMUNICATIONS (for the Minister of Transport Affairs)

(1) Yes

(2) Yes

(a) Five.

(b) Tarpauns/dust covers that came undone en route and the handling of a truck canopy at the loading station

(c) R3 791,29 in respect of four claims. The fifth claim is still being processed

Municipalities: profit margins
39 Mr L F STORBERG asked the Minister of Finance

(1) Whether the Government has at any

HANSARD 4/3/86
Prisoners: unit cost
437. Mrs H SUZMAN asked the Minister of Justice:

What was the unit cost per prisoner per day in 1985?

his Department in 1985 on placing advertisements for any purpose in newspapers in the Republic,

- (2) what amount was paid to each specified newspaper in the above regard in that year?

The MINISTER OF FOREIGN AFFAIRS

- (1) Nil
- (2) Falls away

HANS ROOPE 263
 Trading Licences
 147 Mr P R C ROGERS asked the Minister of Constitutional Development and Planning.

With reference to the reply of the Minister of Co-operation, Development and Education to Question No 718 on 26 April 1985, how many trading licences were operative in (a) East London, (b) Cathcart, (c) Queenstown, (d) King William's Town, (e) Komga and (f) Stutterheim as at 1 January 1986?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

The Department of Constitutional Development and Planning is not a licensing authority but has nevertheless succeeded in establishing the number of trading licences operating in the Urban Black townships attached to the cities and townships mentioned in this question

- (a) East London 20
- (b) Cathcart 3
- (c) Queenstown 19
- (d) King William's Town 5
- (e) Komga 2
- (f) Stutterheim 1

HANS ROOPE 263
 Reservists
 184 Mr D J DALLING asked the Minister of Law and Order.

- (1) How many persons joined the Police Reserve Force in Sandton in 1985;

- (2) how many reservists (a) retired and (b) dropped out from the Police Reserve Force in that year?

The MINISTER OF LAW AND ORDER.

- (1) 6 persons
- (2) (a) None
- (b) 8 persons

HANS ROOPE 264
 Salaries
 279 Mr D J N MALCOMESS asked the Minister of Law and Order.

Whether he will reconsider his decision regarding questions on police salaries; if not, why not, if so, what were the rates of pay for (a) White, (b) Coloured, (c) Asian and (d) Black members of the South African Police Force of each rank as at the latest specified date for which figures are available?

The MINISTER OF LAW AND ORDER

No I still hold the view set out in my reply to the hon member's Question No 13 on 7 October 1981 and which I confirmed on Question No 45 on 5 February 1985

HANS ROOPE 264
 Own Affairs
 National Senior Certificate examination
 9 Mr H E J VAN RENSBURG asked the Minister of Education and Culture

- (a) How many Whites entered for the full National Senior Certificate examination in 1985 and (b) how many entrants (i) passed, (ii) failed and (iii) obtained matriculation exemption?

The MINISTER OF EDUCATION AND CULTURE

- (a) 12 591
- (b) (i) 1 930 passed the full National Senior Certificate examination

- (ii) The remaining 10 661 candidates, including part-time candidates who did not enter for the full examination obtained subject credits with a view to the eventual acquisition of the national Senior Certificate. The particulars are as follows
- | | |
|---------------------------|--------|
| Number of subject entries | 37 027 |
| Number thereof passed | 19 727 |
| Number thereof failed | 8 965 |
| Number thereof absent | 8 335 |

(iii) 326

TUESDAY, 4 MARCH 1986

† Indicates translated version

For oral reply

HANS ROOPE 265
 General Affairs
 State President

Recording of meetings/discussions
 *1 The LEADER OF THE OFFICIAL OPPOSITION asked the State President.

- (1) Whether the meeting he held with the former Leader of the Official Opposition in the House of Assembly on 25 November 1985 was recorded, if so,
- (2) whether all confidential discussions which he conducts are recorded, if so, why, if not, what criteria are used in deciding which discussions are to be recorded,
- (3) whether participants in discussions which are recorded are informed beforehand that the discussions will be recorded, if not, why not,
- (4) whether transcripts are made of all recorded discussions, if not, (a) what criteria are used in deciding which discussions will be transcribed and

- (b) in what manner are recordings of discussions retained; if so, what steps are taken to ensure the confidentiality of the (i) tapes and (ii) transcripts,
- (5) whether participants in recorded discussions are offered copies of transcripts of the discussions, if not, why not, if so, on what basis,
- (6) whether any other persons in his Office or any other Government Department have access to the (a) recordings of discussions and (b) transcripts of those discussions; if so, (i) who and (ii) why?

The STATE PRESIDENT (Reply laid upon the Table with leave of House)

- (1) Yes
- (2) No I hold hundreds of interviews on a wide variety of subjects with a large number of local and foreign individuals and groups every year, and a record is kept of important discussions
- (3) When discussions are mechanically recorded, participants are not informed beforehand. Recordings are made for bona fide administrative purposes, and are treated as confidential within the Office. The contents of follow-up actions which may possibly arise from such discussions, must for example be determined with reference to the contents of the discussions. When written notes are kept, participants will obviously know this
- (4) No Transcripts are made if and when required. Such transcripts are filed in special files—as distinct from departmental files—are held in safe custody and only I, or someone authorised by me, has access thereto. Tape recordings are also held in safe custody. I respect the confidentiality of private discussions throughout, as persons whom I have talked to over many years, can certainly testify
- (5) and (6) I do not announce the fact of the discussions, nor their contents,

unilaterally, and transcripts are not normally released

If the other person later breaks the confidentiality of discussions unilaterally, or puts words into my mouth, or discloses misleading accounts of the discussions, I can, if I deem it necessary in the interest of the truth, offer to make the transcript of the discussions available to the person with whom I was in conversation, and with his consent release it for general information.

For example, after the confidentiality of the discussion of 25 November 1985 and the contents thereof had been broken, and a unilateral account of the discussions had been disclosed to the media, my representative offered to supply Dr Slabbert with a copy of the transcript, and inquired whether he would have any objection to its release. He had no objection.

Ministers
HANS. Q. COL 267
4/3/86
Lebowa: commission of inquiry
Snyman asked the Minister of Education and Development Aid †

- (1) Whether a commission of inquiry into the activities of the Lebowa Development Corporation has been appointed, if so, when,
 - (2) whether this commission has completed its investigation, if so,
 - (3) whether the commission has reported to the Cabinet, if so,
 - (4) whether he intends laying this report upon the Table in Parliament; if not, why not, if so, when;
 - (5) whether he will make a statement on the matter?
- The MINISTER OF EDUCATION AND DEVELOPMENT AID:

- (1) Yes 9 April 1985.
- (2) Yes

HoA

(3) Yes

(4) Yes In the course of this session

(5) No

Surcharge/general sales tax
4/3/86
Mr A SAVAGE asked the Minister of Finance.
HANS. Q. COL

(1) Whether he has received any requests or representations for the abolition of the (a) 10 per cent surcharge and (b) general sales tax payable on imported books and periodicals, if so, (1) from which bodies and (ii) when,

(2) whether he intends abolishing the (a) surcharge and (b) general sales tax on such books and periodicals, if not, why not, if so, when?

†The DEPUTY MINISTER OF FINANCE

(1) (a) and (b) Yes, during 1985 from various organisations such as:

S A Institute for Librarianship and Information Science
The Astronomical Society of South Africa
Academic Sub-committee Overseas Publishers Representative Association
South African Publishers Association

(2) (a) and (b) Requests for the abolishing of the surcharge and sales tax on books are still receiving attention along with requests in respect of other goods

Mr A SAVAGE: Mr Speaker, arising out of the hon the Deputy Minister's reply, is he aware that the Post Office's charge for collecting the surcharge can amount to an additional 2% levy, and does he believe that this is justifiable?

The DEPUTY MINISTER Yes, Mr Speaker.

Indians: requests to immigrate

*3 Mr H D K VAN DER MERWE asked the Minister of Home Affairs †

Whether he has received any requests from political parties to allow Indians to immigrate to South Africa, if so, (a) from which political parties and (b) from which countries?

The MINISTER OF HOME AFFAIRS.

No

(a) and (b) Fall away

Names on uniforms
HANS. Q. COL 269
4/3/86
*4 Mrs H SUZMAN asked the Minister of Law and Order

(1) Whether, with reference to his reply to Question No 14 on 13 April 1984, all members of the South African Police involved in (a) patrolling townships and (b) not control are required to display their names on their uniforms at all times, if not, why not, if so,

(2) whether any members of the South African Police failed to display their names in this manner in 1985, if so, (a) how many, (b) why and (c) what action was taken as a result,

(3) whether he will make a statement on the matter?

†The MINISTER OF LAW AND ORDER.

(1) (a) Yes

(b) Yes

(2) Yes

(a) About 20 percent.

(b) They do not possess name plates and name strips, on account of the factories' inability to satisfy the demand

(c) In co-operation with the factories it is attempted to provide name plates and name strips as speedily as possible

(3) No

Policemen killed/injured
HANS. Q. COL 270
4/3/86
*5 Mrs H SUZMAN asked the Minister of Law and Order

How many policemen, excluding policemen killed or injured in vehicle accidents or outside the Republic, were (a) killed and (b) seriously injured in the execution of their duties in 1985?

The MINISTER OF LAW AND ORDER.

(a) 29 members

(b) 82 members

Blocks of flats
HANS. Q. COL 270
4/2/86
*6 Mr W V RAW asked the Minister of Law and Order:

Whether consideration has been given to the erection of blocks of flats for married Black policemen in townships, if so, with what result, if not, why not?

†The MINISTER OF LAW AND ORDER.

Yes, provision has already been made in the 1985/1990 five years building programme of the Department of Public Works and Land Affairs for the erection of blocks of flats and groups of houses for married Black policemen at ten (10) different centres

Mr W V RAW: Mr Speaker, arising out of the reply given by the hon the Minister, what steps if any, are being taken in the meantime to protect the homes of Black policemen in the townships?

†The MINISTER: Mr Speaker, various steps are being taken. One of them is that members are permitted to take weapons is-

HoA

Parliamentary facilities open to all members

By TOS WENTZEL
Political Correspondent

ARGUS 4/3/86
250

THE coffee room of members of the House of Assembly has been opened to MPs of all three Houses of Parliament

This follows House of Representatives sit-ins in the coffee room, or dinette, earlier this session after they were refused service.

The decision to open the dinette was taken today at a joint session of the committees on standing rules and orders of the three Houses under the chairmanship of the Speaker, Mr Johan Greeff

Mr Greeff confirmed the decision

SQUASH COURT, GYM

He was asked about the position now of the reading room, members' bar, gymnasium, squash court and billiard room of the Assembly.

Mr Greeff said all facilities of Parliament were open to all MPs "with the necessary mutual respect for present customs"

This refers to the custom in the members' dinette that MPs sit together as members of their political parties, because they often discuss confidential party matters

There is also a problem of limited space in the dinette, which is next to the main dining room of Parliament

Those at today's meeting also decided that the three standing rules and orders committees would continue to decide about the use of facilities in their Houses. However, it was clear that there would not be any further segregation

"VICTORY FOR COMMON SENSE"

The Chief Whip of the Progressive Federal Party, Mr Brian Bamford MP was the first to confirm the decision today

He said all facilities in the precincts of Parliament would now be open to all MPs and there would be no race barriers.

Mr Bamford said today's decision was a victory for common sense and the culmination of an eight-year battle by the PFP to allow members of the Assembly to introduce black guests

Mr Jan Hoon, Chief Whip of the Conservative Party, said that at today's meeting of the committees he had tried to introduce an amendment to reserve Assembly facilities for whites, but he could not get a seconder.

CAPE TIMES 5/3/86
250

Dining hall open

Political Staff

THE dining room row in Parliament has ended with a decision to open the House of Assembly restaurant to the MPs of the other two Houses

This decision, taken by the House of Assembly's committee on standing rules and orders, was announced yesterday by the Speaker, Mr Johan Greeff

The decision was welcomed by the Labour Party.

It said the decision was "indicative of a willingness to demonstrate that at the highest level there is a move away from apartheid with its discriminatory practices. We believe that the getting together of people is essential for a clearer and better understanding of each other's perceptions"

Draft Bill worries industry, commerce

Own Correspondent

CAPE TOWN — Plans to give the State President sweeping powers to overrule legislation and promote small businesses have shocked sections of commerce, industry and labour

The plans were disclosed in the Draft Temporary Removal of Restrictions on Economic Activities Bill

As published, it gives the President power to suspend, wholly or partly, any law, condition, limitation or obligation if he thinks they impede economic progress to "an improper extent"

CONDEMNED

The Bill was condemned by Mrs Ruth Imrie, acting general secretary of the Trade Union Council of SA. Even bodies supporting the intentions of the Bill were aghast at the extent of powers proposed

Mrs Imrie said "It is a most sinister thing and represents a wholesale assault on wages and conditions of employment

"Basically, it gives the President almost absolute power to suspend any regulation that gets in the way of employers making money"

Members of an Assocom delegation, which was in Cape Town last week, gave evidence and presented a memorandum on the Bill to the standing committee on Home Affairs on Friday

"We are taking the Government on trust on this one but we do not like enabling legislation which confers wide powers on Ministers and bypasses the sovereignty of Parliament," said Mr Ken Warren, legal advisor to Assocom.

The memorandum said Assocom would have preferred more time to study the Bill

It urged that the powers be used circumspectly and said consistency of principle when effecting suspensions could not be over-emphasised

SYMPATHETIC

Mr Colin McCarthy, director of the Cape Chamber of Industries, said industry was sympathetic to the Bill's intentions but horrified at its scope

Apart from commerce and industry, it had implications for housing and local authorities, he said

The FCI also wanted to give evidence to the standing committee

"It is absolutely necessary for the President to consult industry and commerce before using his powers," said Mr McCarthy

"The intention is to provide a climate in which a Third World sector can develop — but you have to be very careful not to make it over-competitive against existing businesses"

MEMORANDUM

'60 000 a month go to UIF

CMT 7m 15 11/3/86

Political Staff

WHILE civil service employees were complaining of salary increases that were nearer 20 per cent than 10 percent, private sector employees were being dismissed by the hundreds of thousands, the MP for Walmer, Mr Andrew Savage, said yesterday.

And, he added, these people were approaching the Unemployment Insurance Fund at a rate of 60 000 a month.

Speaking during the second reading debate on the Unemployment Insurance Second Amendment Bill, Mr Savage said that a range of initiatives were being taken by informal and formal bodies "grown desperate in the face of government ineptitude".

Industry and commerce were using political scientists and economists to develop constitutional alternatives.

Shock as Bill aims to bypass regulations

Own Correspondent

CAPE TOWN — Plans to give the State President sweeping powers to overrule legislation and promote small businesses have shocked sections of commerce, industry and labour

The plans were disclosed in the Draft Temporary Removal of Restrictions on Economic Activities Bill

As published, it gives the President power to wholly or partly suspend any law, condition, limitation or obligation if he thinks they impede economic progress to "an improper extent"

The Bill was condemned out of hand by Mrs Ruth Imrie, acting general secretary of the Trade Union Council of South Africa, and even bodies supporting its intentions were aghast at the width of powers proposed

"It is a most sinister thing and represents a wholesale assault on wages and conditions of employment

"It basically gives the President almost absolute powers to suspend any regulation that gets in the way of employers making money," said Mrs Imrie

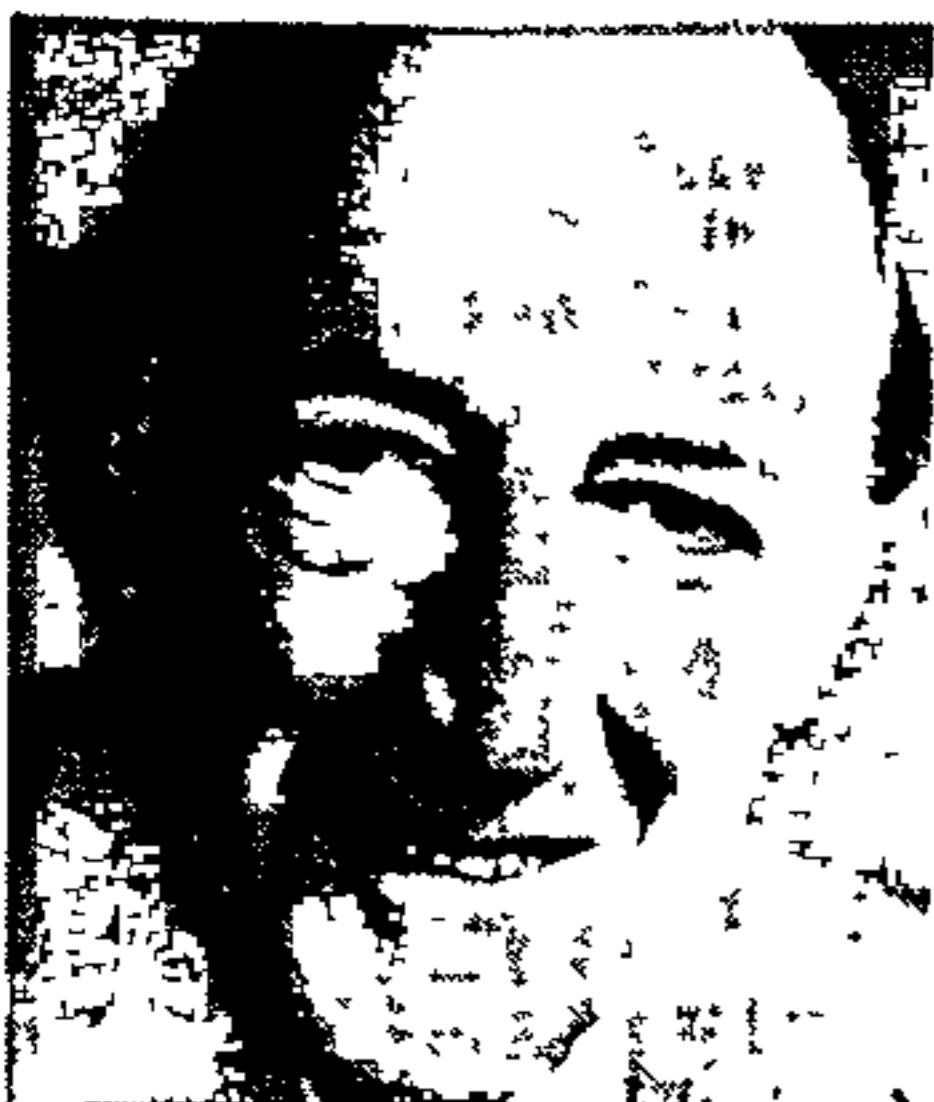
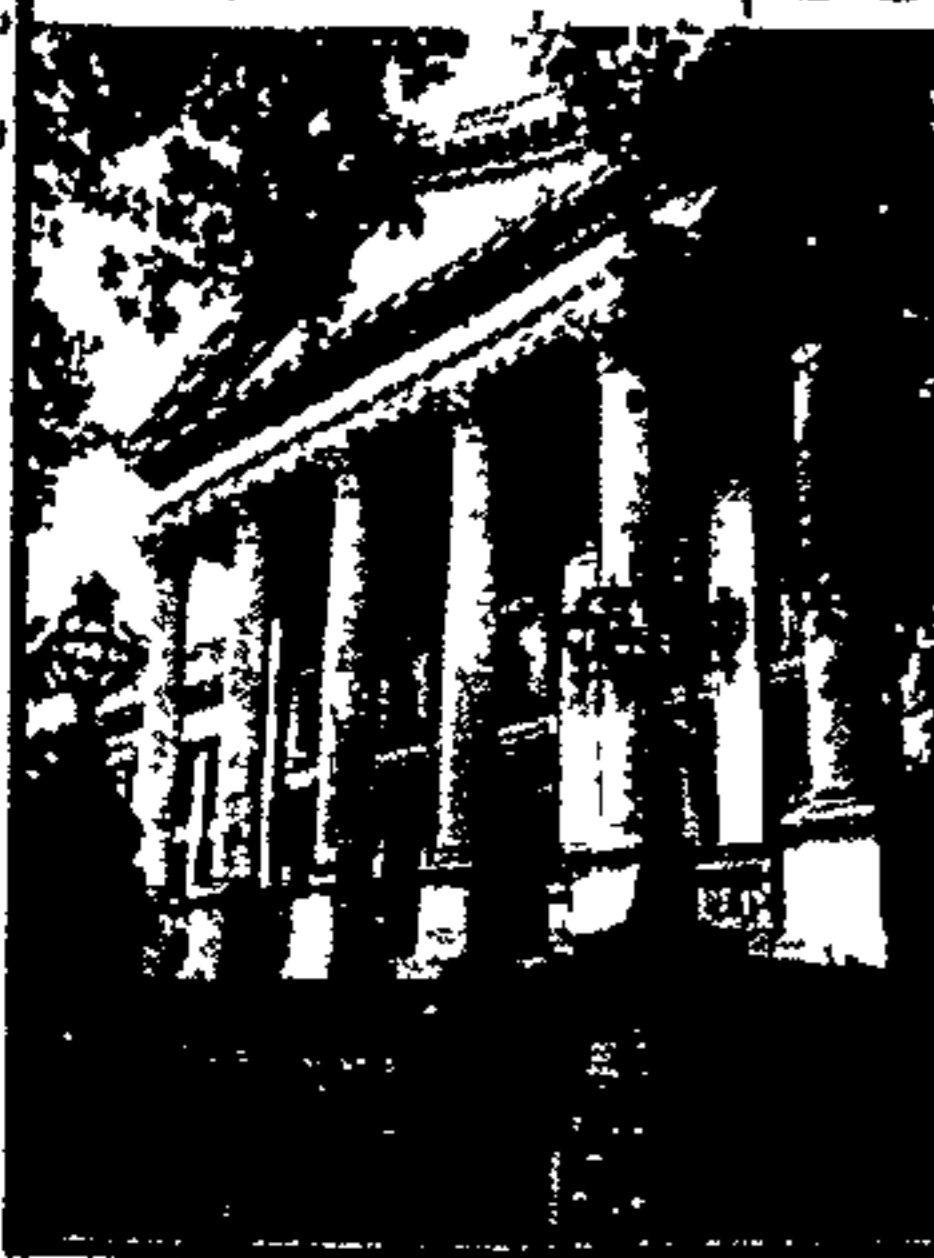
"I think the Bill might even have gone too far for the Government and the drafters are getting kicked in the backside," said one official in reaction

Members of an Assocom delegation, which was in Cape Town all last week, gave evidence and presented a memorandum on the Bill to the standing committee on Home Affairs on Friday

"We are taking the Government on trust on this one, but we do not like enabling legislation which confers wide powers on Ministers and bypasses the sovereignty of Parliament," said Mr Ken Warren, legal advisor to Assocom

The memorandum said Assocom would have preferred more time to study the Bill in view of its far-reaching economic and other effects

Mr Colin McCarthy, director of the Cape Chamber of Industries, said industry was sympathetic to the Bill's intentions but horrified at its scope



Mr Ray Swart ... 'Is this privatisation?'

'Public should know Govt view'

PARLIAMENT — It was incorrect to say that the SABC was one-sided, Mr MC Botma (NP, Walvis Bay) said yesterday.

Speaking in the second reading debate on the Broadcasting Amendment Bill, he said the task of a news service was to convey information and spread knowledge.

The viewpoints of the governing party were newsworthy and it was desirable for the public to know what those views were. Sapa

'Helping others can only be in our interests'

SA aid to African states yields rich returns — Miller

Political Staff

PARLIAMENT — South African economic aid to neighbouring states was yielding rich returns in peace, prosperity and goodwill, the Deputy Minister of Foreign Affairs, Mr Ron Miller, told Parliament

And he said every cent was "turned over three times" before it was invested in project aid to boost the economies of neighbouring states

Mr Miller was responding to a barrage of bitter attacks from the right-wing parties in the House of Assembly on Government moves to aid black states

The attacks dominated yesterday's second-reading debate on the Economic Co-operation Promotion Loan Fund Amendment Bill

The Bill provides for the streamlining of administrative procedures to authorise agreements for South African project aid to other states

The proposed legislation was opposed by the Conservative Party (CP) and the Herstigte Nasionale Party (HNP)

SUPPORT

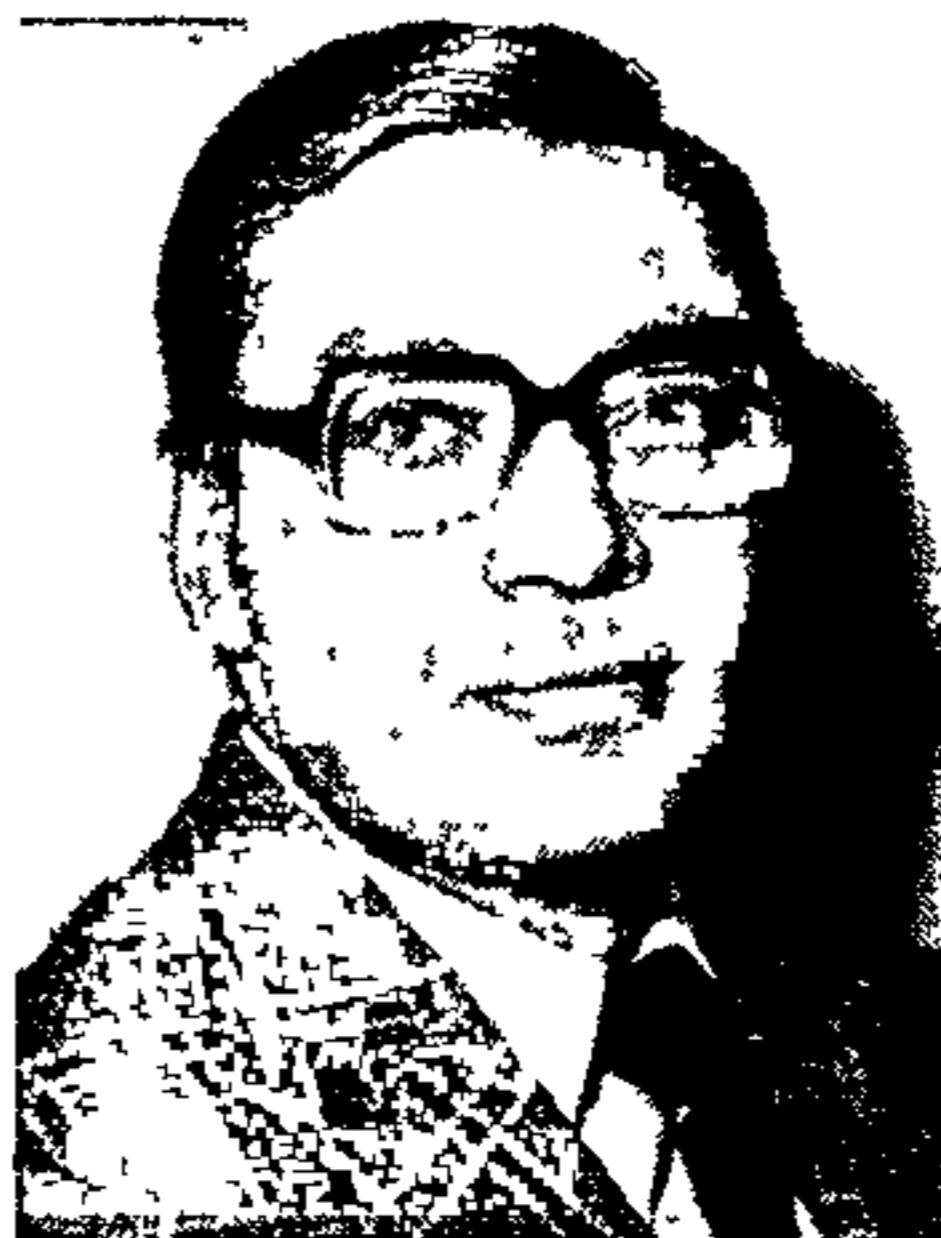
The Progressive Federal Party and the New Republic Party voted on the side of the Government in support of the Bill during a division

The right-wing parties accused the Government of dishing out millions of rand to black states at a time when the South African economy was in dire straits

The Government was also accused of side-stepping the principle of collective Cabinet responsibility by giving the Minister of Foreign Affairs and the Minister of Finance powers to authorise project aid to black states.

Mr Tom Langley (CP, Soutpansberg) said his party had "problems" with the objectivity and discretion of those Ministers — Mr Pik Botha and Mr Barend du Plessis

Under Mr du Plessis's handling of the economy, South Africa had to go "cap in hand" to foreign capitals to beg for a re-



Mr Ron Miller ... every cent turned over three times.

scheduling of foreign loans

And less than a month ago Mr Botha was repudiated by President PW Botha, leaving him without credibility.

Mr Langley said there were indications the Government had the same mentality as other Western governments which had pumped millions of pounds, dollars and francs into black states; only to find the money was wasted

A CP member interjected "Into the throats of the crocodiles"

Mr Langley said the reason for that failure was that the governments which had dished out the money had been "too eager to please, to buy favours, and to buy votes in the United Nations" There should be adequate control over money provided for aid to other states

Mr Louis Stofberg (HNP, Salsburg) said the Bill was aimed at making it easier to grant loans to black states

DEVOURING

The process of granting loans to "bankrupt states" should, however, be made more difficult, especially at a time when South Africa was in an economic crisis and when "locusts are devouring the farmers".

Earlier Mr Peter Gastrow (PFP, Durban Central) said his party supported the Bill. However, there was public concern about the manner in which funds made available to inde-



Mr Peter Gastrow ... public concern over how funds spent.

pendent states had been spent

Strict controls should be exercised and the Government should take into account the priorities of the states concerned

Replying to the debate, Mr Miller gave an assurance that the Government went to "considerable lengths" to ensure that projects for which aid was granted conformed to the high requirements

The system followed for assessing projects was similar to that used by the World Bank

Thorough feasibility studies were made and proposed projects went through six stages of close scrutiny before project aid was approved.

REJECTED

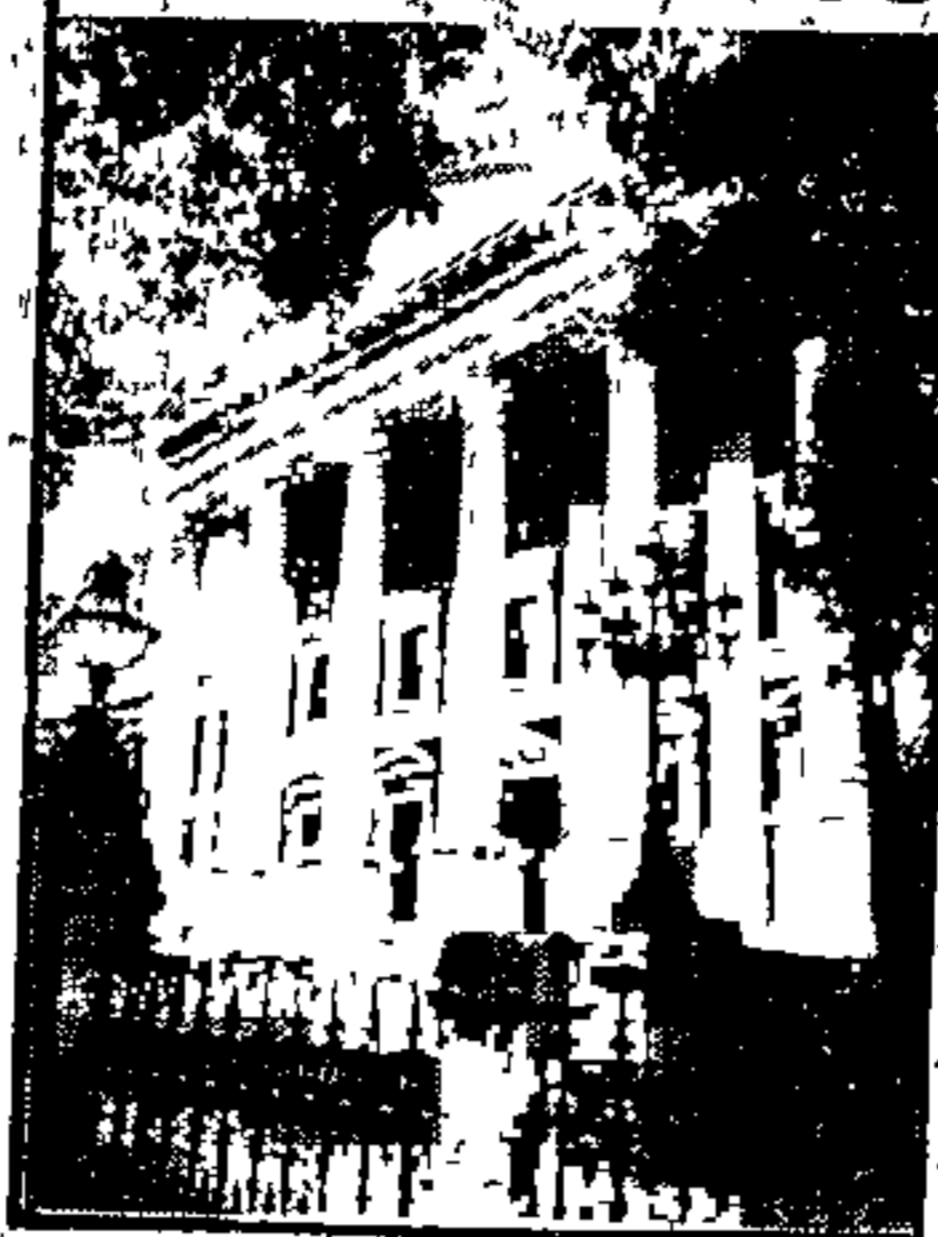
Mr Miller rejected opposition allegations that such aid was to be given from a secret fund. The aid was given from a loan fund which was subject to auditing by the Auditor-General on the same basis as other State funds.

What South Africa did by providing project aid was to help the country's neighbours in Southern Africa with their economies. And that could only be in South Africa's own interest

Mr Miller cited Malawi as an example of a country with whom South Africa had established "extremely good ties" while giving successful project aid

The Bill was read a second time

PARLIAMENT '86



Public posts down by ⁵¹⁴² 250 ¹⁴²¹⁸ 1,1 percent

PARLIAMENT — The total number of posts in the Public Service at the end of 1985 had declined by 1,1 percent compared to the previous year, according to the Commission for Administration's annual report, tabled in Parliament yesterday.

According to the chairman, Dr Johan de Beer, the decrease was due "mostly to the Government's initiatives to save on personnel expenditures and to further increase productivity".

Excluding the SA Defence Force and the police, the total number of posts at the end of last year was 126 242, in comparison with 127 665 at the end of 1984.

In contrast, the average growth of the Public Service in the previous five years was 3,5 percent.

In the previous three years the net personnel gain (appointments against terminations of service) had averaged 3 662 units per year.

In contrast, the personnel gain during the year under review was only 954 units.

There was still a tendency to replace men with women — especially men in temporary positions were replaced by women appointed to permanent positions, Dr de Beer said.

In the current economic climate and the resultant restriction on personnel expenditure, it had not been possible to maintain market-related remuneration for the Public Service and other government institutions.

"The result was that those professional classes where highly qualified manpower is to be found could not be maintained satisfactorily," he said. — Sapa.

PFP attacks 'regrading' while still doing same work

Public servants receive 'hidden' pay increases

STAR
250 5/3/86

By David Braun,
Political Correspondent

CAPE TOWN — Public Service salaries generally are to be raised by more than the 10 percent the public has been told

As was the case last year, when, in spite of the official freeze on salaries, the average public servant still received substantial pay-packet "adjustments", this year's increase is going to be more than the announced 10 percent

The Progressive Federal Party spokesman on finance, Mr

Harry Schwarz, said yesterday that one of the fallacies of Government budgeting was that public servants got none — or merely inflationary — increases

On the one hand the public was told about the overall inflationary increase awarded to public servants (such as 10 percent this year, and the freeze on increases last year) On the other hand, a lot of people doing the same jobs were being "re-assessed", "notched up", "regraded" or promoted

"The public gets the impression there are no increases, but

there are In the normal course, if a person gets promotion, he may expect to earn more money But there are a lot of people who do the same work and whose remuneration is adjusted by a variety of means to upgrade the overall pay," said Mr Schwarz To a large extent the public was being misled about this

He said the problem was not so much what public servants were being paid The reality was that they continued to cost more money

The whole service needed to be scrutinised to see what was

needed, what could be abandoned, and what could be privatised

The PFP's spokesman on public works, Mr Pierre Cronje, said in the House of Assembly this week that the average Post Office worker would earn 21 percent more in 1986

The 11 percent windfall, over the 10 percent announced, would be achieved by "notched increases", "restructuring", and certain "adjustments and consolidation" benefits

This explained the extra R122 million in the Post Office's total wage bill, he said

Sive slams size of State staff

GOVERNMENT'S 650 000 staff — excluding post office and railway workers — would cost up to R8,5bn in the new financial year, PFP public service spokesman Reuben Sive said yesterday.

According to calculations based on Central Statistical Service figures, central-government and provincial workers will earn nearly R7bn during the current financial year.

"But when the 10% salary hike, the restored service bonus and the incremental increase are taken into account, the real increase is nearer 20%, if not more," he added.

The 10% pay hike alone would cost R700m.

Sive said it was accepted that public servants had to be paid reasonably and competitively, but "it's not the individual's pay that is the problem;

6-DH 17/3/76
GERALD REILLY
it's the enormous size of the country's bureaucracy, much of it administering the failed policy of apartheid".

He stressed that as long as apartheid existed, taxpayers would continue to pay a heavy price in salaries and perks for government workers.

PFP postal affairs spokesman Alf Widman claimed last week that not only post office workers, but the rest of the public sector, would get increases of up to 21% from April 1.

Federation of SA Transport Services' Trade Unions chairman Jimmy Zurich says most railway workers are excluded from the incremental-salary-increase system.

Transport Minister Hendrik Schoeman is to investigate Zurich's claim.

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Own Correspondent

GOVERNMENT has accepted "in principle" the recommendations of the controversial Schiebusch Committee which last month called for parliamentarians to be granted massive pay increases of up to 108%.

But, in view of the economic situation political office bearers will only get a 10% raise — the same as the rest of the public service — from April 1.

And President P W Botha, whose basic salary was slated to jump by 55% from R84 000 to R130 000 in terms of the committee's recommendations — has indicated he would not accept any increase.

Public outrage and disgust greeted the proposed increases when they were announced and the pay issue became a political bombshell in view of government's steadfast refusal to grant public servants increases of more than 10%.

A statement issued by the Bureau for Information last night noted that government had studied the Report of the Committee of Inquiry into the structure and remuneration and service conditions of political office-bearers.

It had also consulted with all political parties in Parliament.

"Although government has accepted in principle the recommendations of the

108% MP
BDA
pay hikes
19/3/86
on ice

committee, it does not see its way clear at this stage to implement the recommendations in full," the statement said.

The recommendations accepted by government "in principle" yesterday include a 108% jump in salary for Ministers from R59 000 to R121 000. Salaries of MPs and members of the President's Council would increase by 84,4% from R27 000 to R49 000, and their allowances would be boosted R16 000 to R19 000.

The committee also advised that MPs be granted an additional R10 000 a year for secretarial and cash expenses in their constituencies, with any additional expenses this area being deductible for income tax purposes from the basic allowance. Members of the PC and nominated MPs would not be eligible for this secretarial allowance.

This is believed to be the largest single number of over computers
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the machine, the 3090
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LONDON AFTERNOON
FIX

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ICE MOVES
With most rumours, there

Government spending is 'reasonably stable'

By Dr Roger Gidlow

Criticism of the role of the government in the economy and especially the growth in state expenditure is rife within the business community.

Dissatisfaction with recent taxation policies has been instrumental in the establishment of the Margo Commission, whose recommendations on taxation policy are expected to be released later this year.

The inability of government to keep the growth in its spending within budgeted targets in recent years has been of particular concern.

Detractors argue that higher levels of tax on companies and individuals, which have been made necessary by high government spending, have stifled development in the inherently more productive private sector.

Yet if one takes a longer term perspective, the trend in state spending has been reasonably stable. From 1977 to 1984, government spending averaged 25.4 percent a year.

In 1977 the figure was 26.2 percent compared with 25.8 percent in 1984.

Although the share of government spending in total spending has not changed materially, government consumption spending in recent years has constituted a higher proportion of total state spending.

In other words, investment expenditures by the government have lagged behind consumption spending. Indeed, during 1983 and 1984 the current expenditures of the government exceeded its current income so that government

savings became negative.

The growth rate in state spending tends to be more stable compared with the other major components of expenditure. The share of total gross expenditures in the economy taken up by the state tends to fluctuate in line with business cycle developments.

In the fiscal years between 1981 and 1985, there was a marked increase in the size of the budget deficits but a fall is expected in the year ending March 1986.

The Minister of Finance has indicated this should be around R3.25 billion compared with roughly R4.7 billion the previous year.

Even so, overall fiscal policy has been conservative in recent years in the sense that the deficits have not, on balance, been financed by resorting to bank credit.

In the three years from 1982 to 1984, the net claims of the banking sector on the government consistently declined.

The solicitude expressed over budget deficits in South Africa can be exaggerated. By international standards they are not particularly high. The deficit for the year ending March 1986 is expected to be equivalent to about two percent of the gross domestic product (GNP). Even the higher deficit for the coming fiscal year is not expected to

exceed 2.7 percent.

This compares with the position in the United States, where the budget deficit for 1986 is expected to be around five percent of GNP. In contrast, the budget deficits in both West Germany and Japan are running at less than one percent of GNP.

Various options are open to Treasury to facilitate the financing of these deficits, apart from possible changes in prescribed investment requirements or modifications in the tax and expenditure policies of the government.

Several countries have adopted the practice of selling government stocks indexed to the rate of inflation.

In Britain, for instance, such bonds have attracted

much interest since their introduction in 1981. In view of the worries on the part of institutional investors about the rate of inflation here, such bonds might be well received.

Assuming the mixture of tax and expenditure policies remain unchanged, there is a much more attractive option which would appear to offer potentially enormous scope for the Treasury to ease any budgetary financing problems it faces.

An increasing number of governments in both developed and developing countries are embarking on the privatisation of state industries as a means of financing part of their budget deficits as well as easing their balance of payments problems.

Quite apart from its economic benefits, privatisation is proving to be one of the strongest sources of political appeal to the Conservative Party at the present time. Given the attractions associated with this option it cannot be excluded that steps will be taken in this direction in South Africa.

The Treasury could raise billions of rands annually over a period of years by selling off public corporations. What is more, insofar as conscious efforts were made to sell the new equity shares to foreigners, the capital account of the balance of payments could benefit provided a unitary exchange rate system was in place.

to R50,00 each, and discounts from 5% to 50%.

Pet Centre - Claremont

APP Time 21/3/86

MPs to get 10 percent pay increase

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By ANTHONY JOHNSON,

Political Correspondent

THE government has accepted "in principle" the proposals of the controversial Schlebusch Committee which last month called for parliamentarians to be given massive salary increases of up to 108 percent.

But in view of the economic situation political office-bearers will only get a 10 percent hike — the same as the rest of the civil service

The increase is effective from April 1.

And President P W Botha, whose basic salary would have jumped by 55 percent from R84 000 to R130 000 in terms of the committee's recommendations, has said he will not accept any raise of his salary or allowances

'Bombshell'

Public outrage and disgust greeted the proposed increases when they were announced and the issue became a political bombshell in view of the government's steadfast refusal to grant civil servants increases of more than 10 percent.

A statement issued by the Bureau for Information last night said the government had studied the report and consulted with all parties in Parliament.

It said: "Although the government has accepted in principle the recommendations of the committee, the government does not see its way clear at this stage to

implement the recommendations of the committee in full.

"Against the background of the shortcomings and the backlog in the present remuneration structure that were pertinently pointed out by the committee, the government has decided to grant political office-bearers a raise of 10 percent in their present salaries and taxable allowances with effect from 1 April 1986."

'Later'

The statement said "further implementation" of the recommendations of the committee would be considered "at a later stage when the economic situation justifies it"

The recommendations accepted by the government "in principle" yesterday include a 108 percent jump in salary for ministers from R59 000 to R121 000.

Salaries of MPs and members of the President's Council would increase by 84,4 percent from R27 000 to R49 000, and their allowances would be boosted R16 000 to R19 000.

The committee also advised that MPs be granted an additional R10 000 a year for secretarial and cash expenses in their constituencies, with any additional expenses in this area being tax-deductible

Members of the President's Council and nominated MPs would not be eligible for this secretarial allowance

State of the art sales pitch

ted him

MPs get 10 per cent
pay increase

21/3/86 Political Staff

CAPE TOWN — The Government has accepted the principle of huge pay rises for MPs and Ministers but is to grant an increase of only 10 percent "at this stage"

The 10 percent is in line with what most public servants will be getting from April 1

Full implementation will be reconsidered "when the economic situation justifies it"

A committee which inquired into the salaries and service conditions of parliamentarians recently recommended Ministers should be paid R121 500 plus an allowance of R22 560

The report said "ordinary" MPs should get R49 800 plus an allowance of R19 000 and, for those who represent constituencies, R10 000 for expenses.

The State President, Mr P W Botha, says he will not accept any raise. The committee had recommended that he receive R159 688 tax free, equivalent to a taxable sum close to R250 000.

MPs' giant rises 'on ice'

By ANTHONY JOHNSON
Political Correspondent

ALTHOUGH the government has accepted "in principle" the substantial improvements in pay and service conditions for parliamentarians recommended by the Schlebusch Committee, these are all being kept on ice for the moment.

Parliamentarians are to receive 10 percent increases in pay and allowances from April 1. The Schlebusch report recommended an immediate salary rise of 108 percent for ministers and 84.4 percent for MPs.

With the latest increase, parliamentarians will from April 1 receive

State President R109 000 (R84 000 salary plus R25 000 allowance). By law the salary and allowance of the State President are tax-free. President P W Botha has indicated that he will not take the 10 percent increase other political office-bearers will receive from April 1.

Ministers in the cabinet and in Ministers' Councils of the three parliamentary chambers R84 920 (R64 020 salary plus R20 900 taxable allowance).

The Speaker of Parlia-

ment and the Chairman of the President's Council R81 800 (R64 200 salary plus R17 600 taxable allowance).

Chief Whip of Parliament R79 310 (R61 710 salary plus R17 600 taxable allowance).

Deputy ministers R71 390 (R50 490 salary plus R20 900 taxable allowance).

Leaders of the Opposition and chairmen of President's Council committees R68 090 (R50 490 salary plus R17 600 taxable allowance).

Chief whips of majority parties, President's Council whips, chairmen and deputy chairmen of committees, chief whips of official opposition parties and chairmen of standing committees. R57 970 (R40 370 salary plus R17 600 taxable allowance).

Whips R51 040 (R33 440 salary plus R17 600 taxable allowance).

Members of Parliament and of the President's Council R47 300 (R29 700 salary plus R17 600 taxable allowance).

The 10 percent increase announced for MPs does not apply to the car allowance of about R5 000 a year to which they are entitled.

THE DEPUTY MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

(1) No

(a) Application for the determination of the amount payable for a right of leasehold on land has to be submitted to the Minister for his approval. Development Boards have been requested to submit outstanding applications in this regard. Most of the applications have been received and are in the process of submission for approval.

- (b) Verkeerdevelei Nyistroom
- Amsterdam Makwassie
- Zaerust Soekmekaar
- Swarttruggens Duwelskloof
- Vanstadensrus Roedtan
- Leuodoringstad Naboomspruit
- Ottosdal Louis Trichardt
- Hartbeesfontein Mfuleni
- Messina

(2) 28 February 1986.

HANSARD 25/3/86 Q&A 683/684
*10 Mrs H SUZMAN asked the Minister of Justice

(a) How many persons are at present serving life sentences for offences against the security of the State and (b) in respect of what date is this information furnished?

THE MINISTER OF JUSTICE

(a) and (b) Twenty two (22) on 12 March 1986.

HANSARD 25/3/86 Q&A 683
*11 Mr A B WIDMAN asked the Minister of Public Works

(1) Whether any member of his Department has received any representations regarding the opening of a deeds office in Port Elizabeth, if so, (a) from whom and (b) when,

(2) whether a deeds office is to be opened in Port Elizabeth; if so, (a) when, (b) where and (c) how many posts will be created as a result;

(3) whether any staff will be transferred to this office, if so, (a) how many, (b) in respect of which posts and (c) (i) from where and (ii) when will they be transferred in each case,

(4) whether the opening of this office will affect any existing deeds offices; if so, (a) which offices and (b) in what manner will these offices be affected in each case?

THE DEPUTY MINISTER OF DEVELOPMENT AND OF LAND AFFAIRS (for the Minister of Public Works):

(1) Yes

(a) The Port Elizabeth Chamber of Commerce wrote to the Chief Registrar of Deeds

(b) The representations were made on 11 November 1985.

(2) No

(3) and (4) Fall away

The representations of the Chamber of Commerce together with representations from various other bodies were forwarded to me through the South Eastern Cape Attorneys Association. A deputation of the Attorneys Association together with the hon member for Port Elizabeth-North had an interview with me on 13 November 1986 when the establishment of a deeds office in Port Elizabeth was discussed. As I have indicated, it is not the intention to establish a deeds office in Port Elizabeth.

Mr A B WIDMAN: Mr Speaker, arising out of the hon the Deputy Minister's reply, is this a final decision? Does the hon the Deputy Minister not consider it feasible and indeed necessary for a deeds registry to be established in Port Elizabeth at some time in the future?

THE DEPUTY MINISTER:

Mr Speaker, the opening of a deeds office in any place requires a thorough investigation. As I indicated at a previous occasion in this House, if the opening of a deeds office is envisaged, firstly consultations will take place with law societies throughout the country and secondly the extent of the work in its totality will be looked at.

In respect of the registration of Black deeds with the coming into operation of the 99-year leasehold system, there is under these circumstances not yet enough reason for the opening of a deeds office.

HANSARD 25/3/86 Q&A 685
*12. Mr H H SCHWARZ asked the Minister for Administration and Economic Advisory Services:

(a) What is the total number of public relations officers who are employed in the Public Service, (b) what is the total cost of employing them and (c) in respect of what date is this information furnished?

THE MINISTER FOR ADMINISTRATION AND ECONOMIC ADVISORY SERVICES:

(a) 45.

(b) R1 907 530,00 with regard to the service vice benefits package

(c) 17 March 1986

HANSARD 25/3/86 Q&A 685
*13. Mr H H SCHWARZ asked the Minister of Trade and Industry:

What was the total amount paid out in respect of decentralisation or deconcentration benefits from 1 February 1985 to 31 January 1986?

THE MINISTER OF TRADE AND INDUSTRY:

R386 million

*14. Mr D J N MALCOLMSON asked the Minister of Transport Affairs: Q&A 686

(1) Whether, prior to the departure of a Cape Town to Wellington train from Cape Town Station at or about 18h10 on 6 March 1986, any coaches for all races were changed to coaches for Whites only by any officials attached to the South African Transport Services, if so, (a) why, (b) how long before the time of departure and (c) on whose instructions;

(2) whether there were any non-White commuters in the coaches for all races prior to the changing of the signs; if so, how many,

(3) whether these non-White commuters were required to vacate the coaches in question, if so, with what result;

(4) whether it is the policy of the South African Transport Services to alter coach classifications (a) shortly before the time of departure and (b) when commuters are already seated, if so, why;

(5) whether any action has been taken as a result of this incident, if not, why not; if so, what action;

(6) whether he will make a statement on the matter?

THE MINISTER OF TRANSPORT AFFAIRS:

(1) Yes, in the case of one coach.

(a) The turning of boards on coaches before departure of a train is standard procedure and forms part of the normal duties of train personnel.

(b) Approximately ten minutes before departure.

(c) In accordance with standing instructions.

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Own Affairs disputed

GOVERNMENT should realise the concept of Own Affairs was not only a political, social and economic issue, but one of practicality and logic, Harry Schwarz (PFP Yeoville) said in the Assembly yesterday.

"We need to do away with this completely irrational concept," Schwarz said when the Second Reading debate on the House's Own Affairs budget for 1986/87 resumed.

He moved an amendment opposing Budget approval on the grounds, firstly, that "the form of constitutional struc-

ture within which funds will be appropriated is neither practical, financially efficient nor politically acceptable."

Secondly, the money to be appropriated by the Bill "is not available from the State Revenue Fund in terms of ... the Constitution nor from the House of Assembly's other own sources of revenue".

Minister of the Budget F W de Klerk had said when he introduced the Budget on Monday that an amount of R4 836,720m was needed for the 1986/87 financial year, but this figure had in fact been cut back by 2%.

'Ban sales of preferential shares to Ministers'

By Joe Openshaw

The acceptance of preferential shares by Cabinet Ministers, Deputy Ministers, political office bearers and public servants should be outlawed by a code of conduct, Mr Harry Schwarz, the PFP spokesman on finance said today

Mr Schwarz called on President P W Botha to investigate the manner in which the shares were offered and accepted and to seriously consider a code of conduct

He was commenting on disclosures that seven senior Cabinet Ministers and two Deputy Ministers bought a total of 32 700 preferential shares offered to them in the recent public issue by the Sanlam controlled Metropolitan Life

They paid R103 050 for the shares, it was reported in yesterday's *Sunday Star*

Although their names appear on the company's share register, the fact that Cabinet Ministers bought the shares was not publicly known

The Ministers, all of whom bought 5 000 preferential shares, were the Minister of Constitutional Development, Mr Chris Heunis, the Minister of Home Affairs and National Education, Mr F W de Klerk, the Minister of Industries and Commerce, Dr Dawie de Villiers, the Minister of Manpower, Mr P T C du Plessis, and the Minister of Transport Services, Mr Hendrik Schoeman

● To Page 3

The Star Monday March 31 1986

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● From Page 1

Mr Kent Durr, the Deputy Minister of Industries and Commerce, and Mr P J Badenhorst, Deputy Minister of Constitutional Development, bought 3 000 each

Mr P J Clase, the Minister of National Education in the House of Assembly, bought 1 500

Dr Willie van Niekèrk, the Minister of National Health, bought 200

Mr Schwarz said the PFP was opposed to Metropolitan Life's offer of the shares to members of the Cabinet as well as the acceptance by the Ministers of the offer

Metpol's managing director, Mr Willem Pretorius, said the company satisfied itself it would not be faced with any "moral problem" before it decided whether preferential offers would be made

Commenting on the fact that there was a register of holdings for British MPs, Mr Schwarz said "The whole question should be looked at by the President and a clear-cut code of conduct drawn up

"Members of the Cabinet

'Ban sales of preferential shares to Ministers'

should have to compete with the general public in the acquisition of shares," he said

Mr Schwarz said the Registrar for Financial Institution should, in terms of legislation pertaining to such institutions, investigate the circumstances in which preferential shares are allocated

The State President, Mr P W Botha, has said Ministers and Deputy Ministers private financial dealings were of no concern to him, provided they did not involve a conflict of interest

It was not known how many Ministers were invited to apply for shares, but at least two declined — the Minister of Finance, Mr Barend du Plessis, and the Deputy Minister of Defence, Mr Adriaan Vlok

Ministers' share row: Botha 'not concerned'

Cape Times 31/3/86 250

Own Correspondent

JOHANNESBURG — The State President has said it was of no concern to him if cabinet ministers accepted preferential share allocations as long as it did not involve a conflict of interests with their political responsibilities.

President P W Botha was responding to the row brewing over the acceptance of a total of 32 700 preferential shares by seven senior cabinet ministers and two deputy ministers from Metropolitan Life Insurance Company (Metpol).

He told a Johannesburg newspaper, the Sunday Star, that if a conflict arose it was the duty of individual ministers to bring it to the State President's attention.

But he did not respond to an appeal by the Progressive Federal Party finance spokesman, Mr Harry Schwarz, to initiate a code of conduct governing ministers' shareholdings, the newspaper said.

Business transaction

Mr Schwarz condemned the ministers for accepting the offer as the PFP did not accept that it was normal practice to offer shares to opinion formers, and called on the Registrar of Financial Institutions to investigate the question of preferential shares and the method of their allocation.

But the ministers involved said they had viewed it as a normal business transaction, the newspaper report said.

The Minister of Home Affairs and National Education, F W De Klerk, said he had been assured by the company's MD that the application forms

had been offered to a wide cross-section of the community.

He said as he was not involved with the activities of Metpol through his portfolios, he regarded the purchase as a normal business transaction.

Mr Hendrik Schoeman, Minister of Transport Services, said there was nothing sinister about his decision to purchase the shares and the invitation to him to do so was done in open correspondence.

He said he believed he was as entitled to the shares as any other member of the public.

Mr Piet Clase, Minister of Education and Culture in the House of Assembly, said Metpol's offer had reached him in the post and there was no indication this was by virtue of his position as a minister.

He said it had not crossed his mind that he was accepting the offer in his official capacity.

No conflict of interest

The Deputy Minister of Industries and Commerce, Mr Kent Durr, said he had obtained authority from two senior ministers, Dr Dawie de Villiers, the Minister of Industries and Commerce who also bought shares, and the Minister of Finance, Mr Barend du Plessis.

He said the purchase represented no conflict of interest as he did not administer the insurance industry.

The other ministers involved are the Minister of Manpower, Mr P T C du Plessis, the Minister of Constitutional Development, Mr Chris Heunis, Mr P J Badenhorst, the Deputy Minister of Constitutional Development, and Dr Willie van Niekerk, the Minister of National Health.

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BUD DAY 1/4/86
Public service
pay takes big
Budget bite

GERALD REILLY

ALMOST a third of total government revenue in the 1986/87 financial year — R33,5bn — will be paid to almost 800 000 public servants, according to a PFP analysis

The issue of the huge public service and cost of maintaining it will be raised by Opposition speakers during the Budget debate, which starts when Parliament resumes next Monday

Calculations based on Central Statistical Services' figures show nearly 400 000 State department workers, 260 000 in the provincial administrations, 30 000 in the statutory bodies and 118 000 in the national states were paid about R9,3bn in the 1985/86 financial year.

In his Budget speech, Finance Minister Barend du Plessis announced the 10% increases for public servants would cost the taxpayer an additional R1bn

Progressive Federal Party spokesman on the public service, Reuben Sive, said security and economy was being increasingly threatened by the crippling burden of paying the public service

Sive estimated that almost a third of State department workers — aside from the many thousands in local and provincial governments — were administering and policing apartheid

Yet Du Plessis had claimed in his Budget speech that the numbers engaged in "regulatory and administrative" functions were not unduly high

Sive said in spite of the State President's undertaking three years ago to work towards a leaner and more efficient public service, bureaucracy had spread and become more costly

625047
~~SAFETY~~
Pension plan
under fire 250

CHRIS CAIRNCROSS

THE practice of the public service sector of offering and encouraging pension "buy-outs" has been roundly condemned

Take these two examples

In the first case, an individual joined the public service in 1955 at a salary of R1 500. He progressed to director-general status, reached 65-years-old and retired in 1965 at a top-notch salary of R66 250. Pension fund rules allow him to buy back 19 years, and his position using this option is as follows:

- Basic normal entitlement: a tax-free gratuity of R133 509; a life-time pension of R36 122 a year.
- After exercising the buy-back option: a tax-free gratuity of R218 065; a life-time pension of R59 000 a year.
- Improved benefits: The individual pays in R24 227, which is totally tax deductible. The after-tax cost is therefore about R12 000. His gratuity is immediately improved by R84 556 and his pension by R22 878 a year.
- Cost to the taxpayer: the extra pension would add R286 000 to liabilities. Add a further R60 000, being the additional gratuity, less the individual's contribution.

In the second example, an individual joins the fund at 40 at a salary of R2 000. He retires at 60 on R20 000 a year and exercises the buy-out option.

- Basic normal entitlement: a tax-free gratuity of R26 880; a life-time pension of R7 273 a year
- After exercising his option: a tax-free gratuity of R59 136. A life-time pension of R16 000 a year
- Improved benefit: he pays in R29 673, which is totally tax-deductible. The after-tax cost is about R27 000, and his gratuity is immediately improved by R32 256 and his pension by R8 727 a year.
- Cost to the taxpayer: the extra pension would add R122 500 to liabilities

Action-packed, but not a great deal of reform

2/4/86 3 PM 250

Parliament broke up for the Easter recess last week, traditionally a kind of half-term mark in the annual session.

The first part, up to the recess was action-packed, but not much happened on the reform front.

This was supposed to be the year of implementing last year's promises, or at least that was what many Nationalists said in January.

And sure enough the session got off to a powerful start with a slick speech by President Botha.

"We have outgrown the old outdated colonial system of paternalism as well as the outdated concept of apartheid," he said.

Then he went on to set out a seven-point credo of his Government's commitment to certain fundamental human rights, and he announced the establishment of a National Statutory Council on which black leaders could sit with Government representatives to discuss matters of mutual concern, including legislation.

Ministers privately said that the council could even be regarded as a kind of extension to the Cabinet, because black leaders and Ministers would jointly take decisions at the highest level.

The Government was apparently hoping that at least Chief Mangosuthu Buthelezi would be persuaded to take up the offer.

But he was not so easily taken, and after first appearing to lean towards the idea moved away after the President repudiated Mr Pik Botha.

Then transcripts were published of a conversation between President Botha and the former PFP leader, Dr Van Zyl Slabbert, which referred to the Chief as the "only bull in the kraal".

By the time the recess started, the National Statutory Council appeared to be stillborn, with even senior Government officials admitting privately that it was unlikely to ever see the light of day.

Meanwhile, the Government had embarked on a lavish propaganda blitz at home and abroad, spending hundreds of thousands of rands in an effort to sell what it termed the "reality" of South Africa.

By David Braun, The Star's Political Correspondent, reporting from Cape Town

Among other things, the President promised that the pass system would be scrapped by July 1, a common identity document would be issued to everybody, and, in the near future, existing influx control measures would be abolished in favour of a system of urbanisation that applied to all South Africans.

"Our policy is one of encouraging development. Not controlling movement," the advertisement blitz trumpeted in just about every newspaper in the land.

At the end of the first week of the session two dramatic developments eclipsed both the President's speech and his advertisement.

Resignation

President Botha repudiated Mr Pik Botha for his admission that under certain circumstances he would be prepared to serve under a black president and Dr Slabbert announced his resignation from parliamentary politics because of his disillusionment with the Government's sincerity and ability to really change.

However, both the Foreign Minister and the Progressive Federal Party bounced back and within weeks everything was back to normal (well at least as normal as they can be in times such as these).

Mr Colin Eglon and his young lions took over the leadership of the PFP and now the party is working possibly harder to extend its support base and gain credibility both inside and outside Parliament.

Regional politics continued to bubble away. The Lesotho Government was toppled after South Africa's border blockade, Botswana booted out the ANC and Mozambique and South Africa got together for their first talks since last year's "technical violations" of the Nkomati Accord.

Internal unrest showed little sign of abating and Alexandra (outside Johannesburg) and Kabokweni (outside White River) were added to the list of tragedies in which many people died in violent confrontation with the police.

Krugersdorp was the scene of an ugly white backlash, with sinister manifestations of organised far-right militancy and mysterious incidents of unknown whites attacking blacks.

The President lifted the seven-month state of emergency on March 4. The Government was dealing with legitimate grievances with a view to their elimination, he said.

Much of the first part of the session was taken up with the various budgets. Rail and air tariffs and fares went up between 10 and 15 percent, postal services by up to 20 percent.

One thing that did not go up by as much as many MPs would have liked was the remuneration of political office-bearers.

A report released by the Schlebusch Committee which investigated parliamentarians pay sparked such public outrage that only one party (the NRP) dared support its recommendations for an immediate 50 to 100 percent raise.

However the Government decided, that for the time being, MPs should get the same 10 percent that the public service had been granted.

The Minister of Finance, Mr Barend du Plessis, presented a Budget which he said would stimulate economic growth while also uplifting sections of the population most in need.

Critics said it failed to provide an urgent solution to an emergency situation. It was not doing enough to put people back in work.

The Government tried to call

Angola's bluff by proposing to implement the United Nations independence plan for Namibia from August 1, provided that a satisfactory agreement on the withdrawal of Cuban troops from the region could be reached by then.

As the first part of the session drew to a close it had become obvious even to many in the Government that only the release of Nelson Mandela and the unbanning of the ANC would be able to get the negotiations show on the road.

The Government has been very keen for some time to release Mr Mandela but it is worried that this might spark massive violence countrywide.

President Botha tried to open a second door in this regard when he opened Parliament, and for the first time offered to release Mr Mandela on humanitarian grounds on condition that certain Russian dissidents and a South African captive in Angola were also freed.

Negotiations

The unobtrusive forays into South Africa by the Commonwealth's Eminent Persons Group apparently centred on an agreement to release Mandela and unban the ANC in return for the ANC agreeing to renounce violence and call for an end to the unrest.

These very delicate negotiations continue.

When the MPs come back from their Easter break they face a daunting legislative programme.

Still to be handled before the end of the session are the promised laws on black citizenship, the removal of restrictions on Indians in the Free State, the scrapping of the pass system and the introduction of a uniform identity document for all race groups, and the new constitutional arrangements for second-tier government to replace the provincial councils.

Besides all this the Government will have to find fresh initiatives to get the negotiation process going.

It must have something concrete to present to the extraordinary federal congress of the National Party in August.

some critical applications it's very

reporting from Cape Town

State Pension
comes out best

BEING SHOWN

PENSION payments to public servants can be increased by back-dated salary rises which become effective even after the date of their official retirement.

This is one of the anomalies in the State pension schemes which the taxpayer is called upon to make good every fiscal year. It has been alleged that a R1.2bn reinforcement of the fund will be necessary this year.

Inquiries into the State pension fund schemes revealed many sharp distinctions between the pension fund rules in the private sector compared with those which appear to be the practice in the public sector.

If a public sector employee retires before a back-dated salary increase is announced his pension is adjusted upwards to the higher level.

The reason for this is that pensions of public servants are based on the salary they get on their last day of service.

Private sector pensions are based on the average salary earned over the last three years of service. A pay increase just before retirement would have a minimal effect on a pension pay-out because it would be averaged over the salary of the last three years.

An independent firm of consulting actuaries started a valuation of the State funds last year, the first in eight years. Private sector pension funds, however, are required by the Pension Fund Act to be actuarially valued at least every three years.

from the Cont

State pensioner comes out best

BEULAH BROWN

PENSION payments to public servants can be increased by back-dated salary rises which become effective even after the date of their official retirement.

This is one of the anomalies in the State pension schemes which the taxpayer is called upon to make good every fiscal year. It has been alleged that a R1.2bn reinforcement of the fund will be necessary this year.

Inquiries into the State pension fund schemes revealed many sharp distinctions between the pension fund rules in the private sector compared with those which appear to be the practice in the public sector.

If a public sector employee retires before a back-dated salary increase is announced his pension is adjusted upwards to the higher level.

The reason for this is that pensions of public servants are based on the salary they get on their last day of service.

Private sector pensions are based on the average salary earned over the last three years of service. A pay increase just before retirement would have a minimal effect on a pension pay-out because it would be averaged over the salary of the last three years.

An independent firm of consulting actuaries started a valuation of the State funds last year, the first in eight years. Private sector pension funds, however, are required by the Pension Fund Act to be actuarially valued at least every three years.

HANDBOOK 8/4/86
 475 Mr P G SOAL asked the Minister of Constitutional Development and Planning

Whether his Department or any Government Department previously responsible for Black affairs has assisted any Black persons to move since the moratorium on removals was declared by the Department of Co-operation and Development in 1985 up to the latest specified date for which information is available, if so, (a) how many persons have been so assisted, (b) where were they moved to and (c) what was the reason for their moving in each case?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

Yes

(a) ±60 000 to date

(b) The TBVC Countries, the self-governing national states, SADT towns/farms and from Crossroads to Khayelitsha

(c) Only 84 were repatriated in terms of section 14 of the Blacks (Urban Areas) Consolidation Act, 1945 (Act 25/1945). The rest moved voluntarily with a view to improving their living conditions. Of them were refugees from mostly Ciskei and the Department of Co-Operation and Development/Development Aid provided help with their settlement. That Department also helped a great number of Blacks to move from one national state to another or to move within a certain national state from one place to another or to SADT farms earmarked for inclusion in the relevant national state.

481 Dr W J SNYMAN asked the Minister for Administration and Economic Advisory Services:†

Whether his Department has any status-

which specified community councillors were arms provided and (ii) why in each case,

(2) whether he will make a statement on the matter?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

(1) No. The decision regarding the provision of arms to community councillors was taken by the former Minister of Co-operation and Development, Dr P G J Koorhof and this decision was confirmed at a later date by his successor Dr G van N Viljoen

(a) (i) Self-defence

(ii) On an ongoing basis since 1984

(iii) To the former Department of Co-operation and Development

(b) 9mm Parabellum pistols and in a few cases, 25, 32 and 38 pistols or revolvers

(c) (i) Of the 1 227 community councillors representing 194 community councils, 245 community councillors from 55 community councils were issued with arms

(ii) For self-defence

(2) No

HANDBOOK 8/4/86
 570 Mr S S VAN DER MERWE asked the Minister of Constitutional Development and Planning:

(a) How many Black (i) males and (ii) females were (aa) deported and (bb) repatriated from the Republic in 1985 and (b)(i) in terms of what legislation and (ii) to which states were they so (aa) deported and (bb) repatriated?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING.

(a) (i) (aa) Males deported None.
 (bb) Males repatriated. 23 979

(ii) (aa) Females deported None.
 (bb) Females repatriated 1 778

(b) Legislation

(i) Act 59 of 1972
 Act 25 of 1945

(ii) (aa) None

(bb) Bophuthatswana, Botswana,

Ciskei, Kangwane, KwaZulu, Lebowa, Lesotho, Malawi, Mozambique, OwaOwa, Swaziland, Transkei, Venda, Zambia, Zimbabwe

HANDBOOK 8/4/86
 574 Mr S S VAN DER MERWE asked the Minister for Administration and Economic Advisory Services

(a) How many (i) Whites, (ii) Coloureds, (iii) Indians and (iv) Blacks who were (aa) administrative, (bb) clerical, (cc) professional, (dd) technical and (ee) general A staff, and (b) what total number of persons in each race group, were there in the Public Service as at the latest specified date for which figures are available?

THE MINISTER FOR ADMINISTRATION AND ECONOMIC ADVISORY SERVICES

(a) Section 7(4)(a) of the Public Service

act, 1984 (Act 111 of 1984) which commenced on 1 January 1985, determines that the administrative, clerical, professional, technical and general A divisions of the Public Service from the date of commencement are deemed to be included in the A division Information in regard to persons employed in the A division 30 September 1985 is as follows

(i)	(ii)	(iii)	(iv)
46 049	1 740	1 824	479

(b) At 30 September 1985 the total number of persons in the Public Service in each population group were as follows.

Whites	140 199
Coloureds	35 653
Indians	6 104
Blacks	94 842

Children adopted

582 Mr A B WIDMAN asked the Minister for Constitutional Development and Planning:

How many Black children were placed in adoption in terms of the Children's Act in 1985?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

249 (two hundred and forty nine)

Reference books/influx control
HANSMAN 8/4/86 Q. 206
596 Mr P G SOAL asked the Minister of Constitutional Development and Planning:

How many Black (a) males and (b) females were arrested in 1985 for offences relating to reference books and influx control in each of the townships falling under the control of the East Rand Development Board?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

Kempton Park	Male	374	Female	159	Male	808	Female	316
Alberton	Male	51	Female	4	Male	858	Female	172
Germiston	Male	41	Female	55	Male	99	Female	50
Boksburg	Male	511	Female	130	Male	4 008	Female	445
Springs	Male	180	Female	168	Male	363	Female	223
Brakpan	Male	48	Female	1	Male	243	Female	10
Delmas	Male	69	Female	2	Male	35	Female	10
Benoni	Male	782	Female	87	Male	860	Female	10
Heidelberg	Male	39	Female	11	Male	26	Female	96
Bronkhorstspuit	Male	22	Female	32	Male	41	Female	6
Cullinan	Male	62	Female	21	Male	82	Female	26
Nigel	Male	22	Female	3	Male	35	Female	34

TOTAL	2 201	673	7 458	1 389
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600. Mr P G SOAL asked the Minister of Constitutional Development and Planning:

(1) How many persons were moved from

(2) how many of these persons (a) mov.

the (a) Johannesburg municipal area and (b) Greater Soweto area in 1985 to (i) national states and (ii) independent Black states,

HANSMAN 8/4/86 Q. 271

ed voluntarily and (b) were moved (i) by decree, (ii) by court order and (iii) in terms of other specified legal provisions?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

(i) (a)	None
(b)	36
(i) (ii)	29
(ii) (i)	7

(2) (a) 36

(b)(i), (ii) and (iii) Fall away

607. Mr H H SCHWARZ asked the Minister for Administration and Economic Advisory Services:

(1) What was the total number of White South African citizens resident in the Republic as at 31 December 1985,

(2) (a) how many persons resident in the Republic as at that date had not taken out South African citizenship and (b)(i) what were their countries of origin and (ii) how many of them came from each such country?

The MINISTER FOR ADMINISTRATION AND ECONOMIC ADVISORY SERVICES:

(1)	4 462 930
(2) (a)	476 000

(b)	(i)	(ii)
Zimbabwe	59 400	
Other Africa (excluding Zimbabwe)	19 997	
German Federal Republic	24 579	
Greece	9 165	
Italy	17 914	
Netherlands	20 413	

Estimates based on available information
Only countries from which more than 3 000 persons originate are shown separately

Portugal	49 159
United Kingdom	225 381
Other Europe	28 329
United States of America	5 416
Other America	3 749
Australia	4 311
Other Oceania	1 462
Asia	5 526
Stateless and unknown	1 199

615 Mr H H SCHWARZ asked the Minister for Administration and Economic Advisory Services:

(a) How many posts were there in the Public Service as at the latest specified date for which figures are available and (b) how many such posts were vacant as at that date?

The MINISTER FOR ADMINISTRATION AND ECONOMIC ADVISORY SERVICES:

(a) Information as at 31 December 1985:

230 268 (A and B divisions plus Non-classified plus Education plus Prisons Service)

(b) During 1985 savings measures on personnel expenditure were announced and in consequence thereof 47,7% of all vacant posts in the Public Service were abolished As a result of this, valid figures concerning vacancies in posts in the Public Service are not available It is estimated that at present about 7% of the posts in the Public Service are vacant.

Children's homes

634. Mr A B WIDMAN asked the Minister:

HANSMAN 8/4/86 Q. 298

act, 1984 (Act 111 of 1984) which commenced on 1 January 1985, determines that the administrative, clerical, professional, technical and general A divisions of the Public Service from the date of commencement are deemed to be included in the A division. Information in regard to persons employed in the A division as at 30 September 1985 is as follows

(i)	(ii)	(iii)	(iv)
46 049	1 740	1 824	479

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Whites	140 199
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Children adopted

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The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

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Reference books/influx control
HANSMAN 8/4/86
607 Mr P G SOAL asked the Minister of Constitutional Development and Planning

249 (two hundred and forty nine)

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

How many Black children were placed in adoption in terms of the Children's Act in 1985?

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Delmas		69		2		35		10
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Nigel		22		3		35		34

TOTAL

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(2) how many of these persons (a) mov-

the (a) Johannesburg municipal area and (b) Greater Soweto area in 1985 to (i) national states and (ii) independent Black states,

HANSMAN 8/4/86
Q & A 971

ed voluntarily and (b) were moved (i) by decree, (ii) by court order and (iii) in terms of other specified legal provisions?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

(1) (a) None

(b) 36

(1) 29

(ii) 7

(2) (a) 36

(b) (i), (ii) and (iii) Fall away

607 Mr H H SCHWARZ asked the Minister for Administration and Economic Advisory Services

(1) What was the total number of White South African citizens resident in the Republic as at 31 December 1985,

(2) (a) how many persons resident in the Republic as at that date had not taken out South African citizenship and (b) (i) what were their countries of origin and (ii) how many of them came from each such country?

The MINISTER FOR ADMINISTRATION AND ECONOMIC ADVISORY SERVICES.

(1) 4 462 930

(2) (a) 476 000

Zimbabwe	(i)	(ii)
Other Africa (excluding Zimbabwe)	59 400	19 997
German Federal Republic	24 579	9 165
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Children's homes

634. Mr A B WIDMAN asked the Minister

HANSMAN 8/4/86
Q & A 974

'Alarming' growth in public sector

ARGUS 9/4/86
250

By David Braun
Political Staff

THE public sector has grown by 20 percent in the past decade, employing around 875 000 people last year

According to statistics revealed in Parliament yesterday, the number of public servants has jumped every five years, from 649 000 in 1970 to 724 000 in 1975 and 798 000 in 1980

The chief Opposition spokesman on finance, Mr Harry Schwarz, described this growth rate as alarming

According to figures issued earlier in the session, by June last year 38,6 percent of all gainfully employed whites were working for the State.

The corresponding figures for coloureds was 27 percent, for Indians 18,6 percent and blacks 23,5 percent

By the end of last year the public sector employed 375 000 blacks, 343 000 whites, 126 000 coloured and 28 000 Indians

Of these 380 000 people worked for the central Government, 258 000 for provincial administrations and the rest for local authorities.

Bureaucracy

Although they comprised less than a fifth of the population, whites held 40 percent of all public-sector jobs and just over half of all central Government jobs

The number of whites employed by the central Government grew by more than 40 percent (double the overall average) in the past decade, from 106 000 in 1975 to 150 666 in 1985

Mr Harry Schwarz, the chief Opposition spokesman on finance, said the increase in the number of public-sector jobs was alarming when compared to the growth, or lack of growth, in other sectors.

"I am not against the growth of jobs in education and training services. But there has been also growth in the bureaucracy," he said.

ratio is applicable in the classroom situation

- (1) Schools for the Hearing Impaired (Deaf and Hard of Hearing)
- (i) Pre-primary sections 8 pupils per teacher,
- (ii) Primary sections 10 pupils per teacher,
- (iii) Secondary sections 10 pupils per teacher
- (2) Schools for the Visually Impaired (Blind and Partially Sighted)
- (i) Pre-primary sections 9 pupils per teacher,
- (ii) Primary sections 10 pupils per teacher,
- (iii) Secondary sections 10 pupils per teacher
- (3) Schools for the Neurally Handicapped (Cerebral palsy, epileptic, physically handicapped, specific learning disabled)
- (i) Pre-primary sections 10 pupils per teacher,
- (ii) Primary sections 10 pupils per teacher,
- (iii) Secondary sections 10 pupils per teacher
- (4) Schools for pupils with Early Childhood Autism
All sections 3 pupils per teacher
- (5) Child Care and Reform Schools
Information is not available as pupil numbers change daily. Pupils are referred by the Courts and discharges occur regularly
- (i) Practical and/or Secondary courses—
- (a) Academic 17 to 30 pupils per teacher,
- (b) Trade, home economics and other vocational fields 25 pupils per teacher
- (ii) Practical and/or Special courses—
- (a) Academic, 25 pupils per teacher,
- (b) Trade, home economics and other vocational fields, 25 pupils per teacher
- (6) Training Centres for Mentally Retarded Children
10 pupils per teacher

Provincial education authorities
Mr R M BURROWS asked the Minister of Education and Culture

Q. 1064

- (1) Whether his Department is concerned with the co-ordination of financial requests from the provincial education authorities, if not, why not, if so, (a) what is the formula currently applied for, and (b) what factors are taken into consideration in the calculation of, the financing of provincial education,
- (2) whether provincial education authorities are permitted to apply the principle of *virement* to their expenditure on education, if not, why not?

THE MINISTER OF EDUCATION AND CULTURE

- (1) Yes, the Department of Education and Culture is concerned with this matter from 1 April 1986,
- (a) the Department has not yet applied a formula as it was not a function of this Department in the past,

(b) the estimates for 1986/87 were still drafted by the provincial education authorities,

THE MINISTER OF EDUCATION AND CULTURE.

- (1) Yes
- (a) It is a state-aided youth movement,
- (b) no officer is exclusively involved in it, but a number pay priority attention to it,
- (c) cultural officers and an assistant director,
- (d) 13 cultural officers and 1 assistant director
- 61 Mr S S VAN DER MERWE asked the Minister of Education and Culture +
- (1) Whether his Department has any connection with the Land Service movement, if so, (a) what is the nature of the connection, (b) how many officials in his Department are charged with the affairs of this movement, (c) what posts do these officials occupy and (d) how many officials are there in each post.
- (2) whether the connection with this movement underwent a change recently, if so, what change, if not,
- (3) whether any change in the connection is envisaged; if so, (a) what change and (b) when,
- (4) whether the staff structure charged with the affairs of this movement underwent changes recently, if so, what changes, if not,
- (5) whether any changes in this staff structure are envisaged, if so, what changes,
- (6) whether his Department spent any funds on the Land Service movement in the 1985-86 financial year, if so, (a) what amount and (b) for what purpose,
- (7) whether his Department envisaged spending funds on the Land Service movement in the 1986-87 financial year, if so, what amount?
- (1) Yes
- (a) R205 685
- (b) Subsidising camps and courses
- (7) Yes R216 000

TUESDAY, 15 APRIL 1986

†Indicates translated version.

For oral reply
General Affairs
State President.

Shares in newly listed companies

*1 Mr K M ANDREW asked the State President.

- (1) Whether any guidelines (a) have been and/or (b) are to be laid down in respect of (i) Cabinet Ministers and (ii) senior Government officials accepting preferential allocations of shares in newly listed companies; if not, why not, if so, (aa) what are these guidelines, (bb) when were and/or will they be laid down and (cc) how are they enforced,
- (2) whether there have been any contraventions of these guidelines over the past year, if so, (a) what was the nature of these contraventions and (b) who were involved,
- (3) whether he will make a statement on the matter?

THE MINISTER OF TRANSPORT AFFAIRS (for the State President)

- (1) (a) and (b)

(i) No. There is however a general guideline that has been in force for a number of years, namely that when a Minister or Deputy Minister who owns shares in a public company that does business directly connected to the official duties of the Minister or Deputy Minister, he should declare his interest.

In addition, Ministers and Deputy Ministers report to me on their assets and liabilities before they are sworn in and report annually thereafter if there is a change in their assets and liabilities.

(ii) No, but there is no reason why a public servant should not participate in the normal economic processes of the country, unless such participation affects his judgement in regard to his line function

- (2) Falls away
(3) No

HOA

ventures, as are hon members of all, parties in this House, particularly if they are shareholders. Why should they not be offered preferential shares? Any such transaction is an open transaction. There is nothing whatsoever wrong with it

Mr H H SCHWARZ. Mr Chairman,

THE CHAIRMAN OF THE HOUSE: Order! Before the hon member for Yeoville proceeds with his supplementary question I should like to point out that it has always been held that a question should not be formulated in such a way as to elicit an expression of opinion or to try to find a solution to an abstract legal question or a hypothetical proposition. That means that questions beginning with phrases such as "is he satisfied" or "does he not think" have been held in the past to be questions that are not normally to be allowed. For the edification of the hon member, however, I wanted to clarify the earlier ruling.

Mr H H SCHWARZ. Mr Chairman, further arising out of the hon the Minister's reply, may I ask him whether he is aware of the fact that the insurance company concerned said that this was a preferential allocation because the people concerned were opinion-makers? Is the hon the Minister aware of that?

I should also like to ask the hon the Minister in what respect these people who are called opinion-makers would be of benefit to the insurance company concerned [Interjections]

THE MINISTER: Mr Chairman, I am not aware of that. I bought shares myself. However, I was telephoned by my office at Delmas and told of these shares. I did not read the brochure but when I realised that Sanlam was connected with these transactions, I knew that the shares would be good ones to buy. I am a shareholder of Sanlam.

Mr H H SCHWARZ [Inaudible]

THE MINISTER: Well, the shares may well have been offered to opinion-makers, but [Interjections]

THE CHAIRMAN OF THE HOUSE: Order!

HOA

Mr A B WIDMAN. Further arising out of the hon the Minister's reply, are we to understand that it is perfectly in order for a member of the Cabinet, in accordance with the code of conduct laid down by the State President, to accept a preferential issue of shares when a share is quoted for the first time?

Mr H H SCHWARZ. As a Cabinet Minister.

THE MINISTER: As I said, Sir, it might be called a preferential share and it might well be possible to make 50c on each share. However, it may also be possible to lose 50c on each share [Interjections]

Mr H H SCHWARZ. You just said you knew it was a good share.

THE MINISTER: Yes, I do believe Sanlam is a good share.

Mr A B WIDMAN. I am sorry to insist, Mr Chairman, but may I please have an answer to my question? The question was very clear. I want to know whether that is permissible in terms of the code of conduct laid down by the State President. It is not a question of making or losing money.

THE CHAIRMAN OF THE HOUSE: Order! I want to point out to the hon member that a reply to a supplementary question is in the discretion of a Minister. When a question is tabled, the situation is different.

Mr H H SCHWARZ. Mr Chairman, further arising out of the hon the Minister's reply, may I ask him whether he applied as an ordinary member of the public in competition with ordinary members of the public for shares in this venture?

THE MINISTER: Mr Chairman, I know that if I were in the opposition benches I would ask the same question [Interjections]. When a person says "Hello" to me.

Mr A B WIDMAN. Hello! [Interjections]

THE MINISTER: . . . must I ask him whether he is greeting me as a farmer or a Minister? [Interjections] It is as simple as that

Mr H H SCHWARZ: Mr Chairman, further arising out of the hon the Minister's reply, is he aware of the fact that in terms of the law one may only apply for shares in terms of a prospectus and that a prospectus specifically distinguishes between preferential allocations and applications which the public can make? Did he apply in competition with the public or does he say he never read the prospectus when he signed the application form?

The MINISTER Mr Chairman, the hon member is making a big mistake. When my office phones me to say I can buy a share in Sanlam or Volkskas or any of those sound companies I do not read the prospectus but tell my office to phone my stockbroker and buy shares. I do not have the time to read every prospectus [Interjections]

Ministers

Questions standing over from Tuesday, 8 April 1986

Handwritten: A copy of Allandale 10-1R
 *3 Mr J C B. SCHOEMAN asked the Minister of Constitutional Development and Planning +

- (1) Whether he or his Department intends to declare the Allandale 10-1R area in Midrand a Coloured residential area, if so, why.
 - (2) whether this region has already been (a) deproclaimed as a White residential area and (b) proclaimed as a Coloured residential area, if so, (1) when in each case and (ii) on what date is the area to be opened for Coloured occupation.
 - (3) whether any services have been provided in the area, if so, (a) what services and (b) when.
 - (4) whether he will make a statement on the matter?
- +The DEPUTY MINISTER OF DEVELOPMENT
- (1) Yes, on a portion of the farm Allandale 10-1R because of the urgent

need to establish an own residential area for the Coloured community at present resident in Alexandra, but also for other Coloured workers in the central northern-urban areas of the Central-Witwatersrand

- (2) (a) No, it is not a proclaimed White residential area and it is not a proclaimed White Group area
 - (b) Yes
 - (1) 14 April 1986
 - (ii) This is a matter to be dealt with by the Department of Local Government, Housing and Agriculture of the Administration House of Representatives
- (3) No
 - (a) and (b) fall away
- (4) Yes After investigation over a long period into a suitable residential area for the Coloureds living in Alexandra and which can at the same time accommodate the workers of the region immediately north of Johannesburg, portions of the farms Waterval and Allandale in the vicinity of Midrand were advertised on 25 October 1985 in terms of the Group Areas Act, 1966 (Act 36 of 1966), for investigation by the Group Areas Board as possible areas

With due regard to the reaction of all concerned and after consideration of a report by the Group Areas Board, I have decided that a part of the advertised area of the farm Allandale 10-1R, situated east of road 1511 (K56) to Chloorkop and which extends from approximately 300 metres from road K111 in the north to road K60 in the south, be utilised for this purpose. The necessary proclamation has already appeared in the *Government Gazette* of 14 April 1986. The development and utilisation of the area for Coloureds will now be handled further by the Department of Local Gov-

ernment, Housing and Agriculture of the Administration. House of Representatives.

Because of the relatively limited capacity of the area which was with regard to the local circumstances unavoidable, consideration had to be given simultaneously to the possibilities of a future extension. It was therefore decided that apart from the already advertised areas referred to above and of which a part of the farm Allandale has been approved for proclamation, a further area be advertised. This area comprises a portion of the farm Moorfontein which adjoins Allandale to the South. An official notice in terms of the Act has already appeared in newspapers in circulation in the district.

Handwritten: Three Anchor Bay: flat

*7 Mr A B WIDMAN asked the Minister of Public Works

- (1) Whether his Department or any other Government Department purchased a flat and garage at Twin Towers, Three Anchor Bay, in 1986, if so, (a) on what date, (b) for what purpose, (c) at what total cost to the State and (d) who will reside in this flat;
 - (2) whether, since the date of purchase, any additional expense has been incurred by the State in regard to this flat, if so, (a) what is the amount involved and (b) on what specified items was it spent.
 - (3) whether he will make a statement on the matter?
- The MINISTER OF PUBLIC WORKS
- (1) Yes, the Department of Public Works and Land Affairs
 - (a) 24 December 1985
 - (b) Official Accommodation
 - (c) R281 147
 - (d) The Chairman Commission for Administration

(2) Yes

- (a) R17 900.
- (b) On the modernisation of the bathrooms, the installation of a built-in cupboard, the installation of aluminium louvres at the windows and the painting out of the flat

Mr A B WIDMAN Mr Chairman, arising out of the hon the Minister's reply, does he consider the amount mentioned as a fair and reasonable market price?

The MINISTER. Mr Chairman, these prices are not determined by the Minister but by very experienced valuers from the private sector. According to their valuation, this price is better than reasonable, it is very cheap [Interjections]

Mr H H SCHWARZ: Mr Chairman, further arising out of the hon the Minister's reply, would he care to tell us whether this property was purchased from the Land Bank, if not, whether he is aware that the Land Bank actually owned two flats there, that objections were raised to its owning these flats and that one of them, I believe, subsequently sold?

The MINISTER Mr Chairman, this property was not purchased from the Land Bank. I am not quite sure what relevance the rest of the question has in regard to whether or not the Land Bank did have flats here. They have nothing to do with me [Interjections.]

Mr D J N MALCOMESS: Mr Chairman, further arising out of the hon the Minister's reply, would he please inform us as to who the chairman of the Commission for Administration is and whether he is a former NP politician? [Interjections.] Secondly, can he tell us whether the person concerned has to pay any rental for the occupation of this flat and, if so, what rental? Thirdly, is this flat staffed at State expense to any extent? [Interjections.]

The MINISTER Mr Chairman, I am absolutely amazed at the lack of knowledge of

Q 1131 Prisons: deaths
 HANSWIND 15/4/86
 703 Mrs H SUZMAN asked the Minister of Justice

- (1) How many sentenced prisoners died of natural causes in 1985,
- (2) how many of these deaths were due to pneumonia?

The MINISTER OF JUSTICE

(1) and (2) Extensive statistics on deaths in South African Prisons during 1985, were furnished on 10 February 1986 in reply to question No 74. The figures which were furnished on this occasion are applicable to both sentenced and unsentenced prisoners. Of the one hundred and sixty (160) sentenced prisoners who died from natural causes during 1985, twelve (12) died of pneumonia.

Occupational differentiation

Q 1131
 735 Mr R M BURROWS asked the Minister
 HANSWIND 15/4/86

Occupational class	Post Classes
(a)(i) Customs and Excise Officer	Customs and Excise Officer
Customs and Excise Clerk	Senior Customs and Excise Officer
Revenue Clerk	Customs and Excise Clerk
	Assistant-Revenue Clerk
	Revenue Clerk
	Senior Revenue Clerk
	Chief Revenue Clerk

Whether any groups of persons in the Public Service benefited from the process of occupational differentiation in the 1985-86 financial year, if so, (a) what (i) groups of persons and (ii) posts, (b) how many persons were there in each such post and (c) what was the percentage increase in respect of each of these posts?

The MINISTER FOR ADMINISTRATION AND ECONOMIC ADVISORY SERVICES

All personnel, educators excluded. The reply to the question is presented in the form of a schedule for the sake of convenience. Under each occupational class (referred to as "groups of persons" in the question) the relevant post classes (referred to as "posts" in the question) which benefited from occupational differentiation during the 1985-86 financial year, are shown. Opposite each post class the number of personnel and the percentage salary increase are shown.

Number of personnel	% Salary increase
504	4,2
122	9,3
98	14,0
827	19,6
2 196	3,5
422	3,8
55	16,4

Occupational class Post Classes Number of personnel % Salary increase

(a)(i)	(ii)	(b)	(c)
Taxation Officer	Taxation Officer	928	3,2
Master. Supreme Court	Senior Taxation Officer	530	7,4
Work Study Officer	Estate Controller	28	12,5
Engineer	Senior Estate Controller	24	12,2
Land Surveyor	Work Study Assistant	31	4,2
Quantity Surveyor	Deputy Chief Engineer	341	7,1
Avionician	Deputy Chief Land Surveyor	19	7,1
	Deputy Chief Architect	39	10,1
	Deputy Chief Quantity Surveyor	21	10,1
	Pupil Avionician	35	24,9
	Control Avionician	75	7,7
	Helicopter Pilot	8	12,0
	Aviation Inspector	1	13,3
	Senior Aviation Inspector	6	25,3
	Head-Flight Services	4	26,8
	Air Traffic Communicator (White)	1	7,7
	(Coloured/Indian)	58	13,8
	Senior Air Traffic Communicator (Black)	0	17,5
	Chief Air Traffic Communicator	0	30,1
	Cadet Air Traffic Controller	1	13,0
	Air Traffic Controller	20	34,3
	Control Air Traffic Controller	105	32,5
	Senior Airworthiness Inspector	7	4,1
	Inspector of accidents	8	12,7
	Senior Airworthiness Inspector	4	13,9
	Senior Inspector of accidents	2	12,7
	Aircraft Maintenance Engineer	1	13,9
	Inspector Mining Machinery	3	12,7
	Inspector Mines	1	13,9
	Mine Surveyor	1	12,7
	Inspector Occupational Safety (Machinery)	0	13,9
	Pupil Inspector Occupational Safety (Machinery)	22	13,9
	Inspector Occupational Safety (Machinery)	49	12,7
	Senior Inspector Occupational Safety (Machinery)	23	13,9
	Pupil Inspector Occupational Safety (Machinery)	22	9,0
	Inspector Occupational Safety (Whites, Coloureds, Indians)	24	5,9
	Senior Inspector Occupational Safety (Whites, Coloureds, Indians)	0	9,7
	Inspector Occupational Safety (Blacks)	1	39,1
	Senior Inspector Occupational Safety (Blacks)	2	43,1
	Inspector Occupational Safety (Whites, Coloureds, Indians)	10	1,8
	Senior Inspector Occupational Safety (Blacks)	0	11,2
	Inspector Occupational Safety (Whites, Coloureds, Indians)	13	11,2
	Senior Inspector Occupational Safety (Blacks)	0	20,3

Occupational class	Post Classes	Number of personnel	% Salary increase
(a)(i)	(ii)	(b)	(c)
Trade Metrologist	Chief Inspector Occupational Safety (all population groups)	12	2,2
	Control Inspector Occupational Safety (Whites, Coloureds, Indians)	3	7,7
	Pupil Trade Metrologist (Whites, Coloureds, Indians)	47	6,4
Nursing Staff	(Blacks) (Male)	5	7,5
	(Blacks) (Female)	0	13,5
	Trade Metrologist (all population groups)	9	6,9
	Nursing Assistant (Whites)	4 805	9,6
	(Coloureds/Indians)	4 277	10,1
	(Blacks)	12 139	13,6
	Snr Nursing Assistant (Whites)	888	6,9
	(Coloureds/Indians)	149	7,6
	(Blacks)	1 064	9,6
	Staff Nurse (Whites)	1 614	5,6
(Coloureds/Indians)	1 807	5,6	
(Blacks)	6 467	6,8	
Senior Staff Nurse (Whites)	320	4,3	
(Coloureds/Indians)	130	4,3	
(Blacks)	257	5,1	
Professional Nurse (Whites)	5 189	7,5	
(Coloureds/Indians)	2 529	7,5	
(Blacks)	11 245	8,2	
Senior Professional Nurse (Whites)	3 349	5,6	
(Coloureds/Indians)	667	5,6	
(Blacks)	2 003	6,0	
Student Occupational Therapist (Whites)	0*	—	
(Coloureds/Indians)	0*	—	
(Blacks)	29	29,1	
Occupational Therapist (Whites)	342	6,4	
(Coloureds/Indians)	18	6,4	
(Blacks)	22	6,9	
Student Physiotherapist (Whites)	0*	—	
(Coloureds/Indians)	0*	—	
(Blacks)	46	29,1	
Physiotherapist (Whites)	429	6,4	
(Coloureds/Indians)	36	6,4	
(Blacks)	46	6,9	
Speech Therapist and Audiologist (Whites)	0*	—	
(Coloureds/Indians)	0*	—	
(Blacks)	0	—	
Speech Therapist and Audiologist (Whites)	148	6,4	
(Coloureds/Indians)	11	6,4	
(Blacks)	1	6,9	
Student Radiographer (Whites)	395	18,7	
(Coloureds/Indians)	127	20,6	

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Occupational class	Post Classes	Number of personnel	% Salary increase
(a)(i)	(ii)	(b)	(c)
Oral Hygienist	(Blacks) Radiographer (Whites)	144	29,1
	(Coloureds/Indians)	649	6,4
	(Blacks)	190	6,4
	Student Oral Hygienist (Whites)	213	6,9
	(Coloureds/Indians)	0*	—
Dental Therapist	(Blacks)	0*	—
	Oral Hygienist (Whites)	1	29,1
	(Coloureds/Indians)	34	6,4
	(Blacks)	22	6,4
Supplementary Diagnostic Radiographer	Student Dental Therapist (Blacks)	8	6,9
	Dental Therapist (Whites)	13	29,1
	(Coloureds/Indians)	0	—
Therapy-assistant	(Blacks)	1	6,4
	Supplementary Diagnostic Radiographer (Whites)	25	6,9
Pharmacists	(Coloureds/Indians)	2	7,0
	(Blacks)	45	7,2
	Senior Supplementary Diagnostic Radiographer (Whites)	7	8,9
	(Coloureds/Indians)	0	—
	(Blacks)	0	—
	Therapy-assistant (Whites)	3	5,2
	(Coloureds/Indians)	0	7,0
	(Blacks)	0	7,0
	Therapy-attendant (Blacks)	14	8,9
		15	12,6
* No persons in service. These students are all studying with the aid of bursaries or at their own cost.			
Pharmacists	Pharmacist's Assistant (White)	1	—
	(Coloured/Indian)	1	—
	(Black) (Female)	—	29,1
	(Black) (Male)	—	22,3
	Pharmacist (Intern) (White)	23	19,7
	(Coloured/Indian)	44	25,5
	(Black) (Female)	—	63,4
	(Black) (Male)	1	54,7
	Pharmacist (All population groups)	360	19,5
	Senior Pharmacist (all population groups)	180	20,0
Roads Superintendent	Principal Pharmacist (all population groups)	60	15,9
	Chief Pharmacist (all population groups)	27	12,0
	Assistant Roads Superintendent	1	31,24
	Road Superintendent	119	55,14
	Chief Roads Superintendent	27	29,35
	Control Roads Superintendent	6	22,18
Farm Foreman	Farm Foreman (Whites)	147	43

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Occupational class	Post Classes	Number of personnel	% Salary increase
(a)(i)	(ii)	(b)	(c)
Inspector's Atd. Mines Barber	(Coloureds/Indians) Farm Assistant (Whites) (Coloureds/Indians) Inspector's Atd Mines Translated to post class Artisan (C-group)	3 21 1 10	17,2 25,1 35,5 26,8
Immigration Officer	Immigration Officer Senior Immigration Officer Principal Immigration Officer Chief Immigration Officer Manager Immigration Services	40 99 22 10 2	25,9 30,7 33,7 43,1 33,0
Customs Officer	Senior Customs Officer Principal Customs Officer Chief Customs Officer Provincial Customs Officer	1 369 60 12 4	9,8 30,7 18,4 33,5 13,6
Provincial Inspector	Provincial Inspector (Whites) (Coloureds/Indians) (Blacks) Principal Provincial Inspector Chief Provincial Inspector Deputy Chief Provincial Inspection Services	5 416 3 66 1 78 72	16,2 4,2 25,0 30,4 34,3
Boiler Operator	Boiler Operator (Whites) (Coloureds/Indians) (Blacks) Pharmacist Assistant (Whites) (Coloureds/Indians) (Blacks) Senior Pharmacist Assistant (Coloureds/Indians) (Blacks) Hydrological Assistant Senior Hydrological Assistant Chief Hydrological Assistant Museum Assistant (Whites) (Coloureds/Indians) (Blacks) Dental Assistant (Whites) (Coloureds/Indians) (Blacks) Senior Dental Assistant (Whites) (Coloureds/Indians) (Blacks) Chief Dental Assistant (Whites) Quantity Surveyor's Assistant EEG-Assistant (Whites) (Blacks) ECG-Assistant (Whites) (Blacks) Laboratory Assistant (Whites)	1 3 20 10 4 1 1 1 1 2 1 1 2 7	18,5 18,5 18,4 18,4 10,4 5,5 9,4 6,1 24,9 30,3 34,3 18,5 18,5 18,5 18,4 18,4 18,4 19,7 18,4 19,7 18,4
Technical Assistant			

Occupational class	Post Classes	Number of personnel	% Salary increase
(a)(i)	(ii)	(b)	(c)
Typist	(Blacks) Health Supervisor Mortuary Assistant (Whites) (Coloureds/Indians) (Blacks) Weed Inspector Product Examiner Pupil Meat Examiner Meat Examiner (Whites) (Coloureds/Indians) (Blacks) Draughtsman Assistant (Whites) Health Field Officer Vaccine Preparation Assistant Orthotic/Prothetic Assistant (Whites) (Coloureds/Indians) (Blacks) Oceanographical Research Assistant Veterinary Research Assistant Orthopaedic Shoemaker (Whites) (Coloureds/Indians) (Blacks)	2 5 2 13 4 16 17 2 4 28 61 69 37 80 8 15 45 35 2 6 3 3	19,7 18,4 18,4 22,8 19,7 18,4 18,4 17,5 25,9 31,0 34,6 18,4 18,4 54,9 54,9 60,5 73,2 54,9 54,9 4,2 4,2 8,3

Typist	Typist Chief Typist Data Typist Chief Data Capturing Personal Secretary (DG) Personal Secretary Judge's Secretary Ministerial Typist Dictaphone Typist State Administration Assistant Copy Composer Chief Copy Composer Data Controller	3461 95 825 22 8 279 100 28 25 3 16 1 2	An allowance of R840 per annum is payable to all post classes. The percentage improvement varies from 1 pending on the salary notches applicable to individuals.
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Educators
 In the case of educators no occupational differentiated improvements had been effected, but an attempt had been made to eliminate disparities in salary scales as far as possible. The extent of the adjustments are reflected in the following schedule:

Qualification category	Post level	Number of persons	Coloured		Indian		Black	
			% Salary improvement	Number of persons	% Salary improvement	Number of persons	% Salary improvement	Number of persons
a3	1	—	—	—	—	13 334	11,6	
	2	—	—	—	—	250	42,9	
	3	—	—	—	—	40	54,5	
	4	—	—	—	—	2	51,6	
	5	—	—	—	—	3	44,5	
a2m	1	—	—	—	—	3 031	8,9	
	2	—	—	—	—	8 076	10,3	
a2	1	—	—	—	—	392	24,4	
	2	—	—	—	—	209	22,6	
a1	3	—	—	—	—	94	20,2	
	4	—	—	—	—	58	18,6	
A	1	7 527	9,2	351	9,2	32 743	10,8	
	2	49	7,7	3	7,7	2 101	28,8	
	3	37	6,9	—	6,9	1 001	25,6	
	4	—	6,7	—	6,7	490	22,9	
	5	—	6,4	—	6,4	313	21,0	
B	1	5 199	7,7	114	7,7	15 845	8,4	
	2	—	—	—	—	1 298	33,4	
	3	—	—	—	—	838	30,9	
	4	—	—	—	—	647	37,9	
	5	—	—	—	—	608	34,8	

Handwritten: 15/4/86

Handwritten: Emigrants/Immigrants

748. Mr P G SOAL asked the Minister for Administration and Economic Advisory Services:

How many (a) doctors, (b) dentists, (c) lawyers, (d) architects, (e) social workers, (f) quantity surveyors, (g) scientists and (h) other specified professionally qualified persons (i) emigrated from and (ii) immigrated to South Africa in 1985?

The MINISTER FOR ADMINISTRATION AND ECONOMIC ADVISORY SERVICES:

	(i)	(ii)
(a)	58	129
(b)	12	14
(c)	17	1
(d)	30	59
(e)	8	10
(f)	15	36
(g)	69	103
(h)	1 450	1 921

Note: (d) includes architects and town planners.

(h) includes all professional, technical and related workers not shown against (a) to (g) comprises

	(i)	(ii)
Engineers and related technicians	658	925
Aircraft and ship's officers	6	20
Medical, dental, veterinary and related workers (excluding doctors and dentists)	172	297
Statisticians, mathematicians, system analysts and related technicians	81	102
Economists	147	136
Jurists (excluding lawyers)	—	13
Teachers	145	188
Workers in religion	50	59
Authors, journalists and related writers	46	36
Sculptors, painters, photographers and related creative artists	1	2
Artists, creative (glass and ceramics)	80	76
Composers and performing artists	31	30
Athletes, sportsmen and related workers	8	7
Other	25	30

Human Sciences Research Council

757 Mr P G SOAL asked the Minister of National Education

Whether the Government has given any research directives to the Human Sciences Research Council since 1 January 1985, if so, (a)(i) how many and (ii) what is the nature of each of these directives and (b) in respect of what date is this information furnished?

The MINISTER OF NATIONAL EDUCATION

- Yes
- | | | | | | |
|-----|--------|--------|--|----|--|
| (a) | (i) 20 | (ii) 1 | Relations at the contact levels between the Department of Co-operation and Development and Black people. | 7. | The attitudes adopted by men and women in the Public Service regarding the utilisation of women in public service careers. |
| | | 2 | Factors facilitating or impeding the implementation of research findings. | 8. | Organisational efficiency in Government departments |
| | | 3. | The standing, the position and the role of Afrikaans in the general curriculum of schools under the Department of Education and Training | 9. | The connection between the problems Black workers experience in their daily lives and Black worker protest action in the PWV area. |
| | | 10 | Water-borne diseases—cholera. | | |

The DEPUTY MINISTER OF INFORMATION:

- (1) The Bureau for Information was responsible for the compilation and distribution of the mentioned booklet. It need be mentioned that the booklet does not contain a reprint of the advertisement as referred to in the question
- (a) "A New Beginning"
- (b) 14 pages
- (c) Bureau for Information
- (d) Perskor, Johannesburg, on behalf of the Government Printer, Pretoria
- (e) 45 700 English and 18 500 Afrikaans copies
- (f) Copies were made available to the Bureau's regional offices for selective distribution as well as the Department of Foreign Affairs for distribution abroad
- (g) The booklet was compiled and distributed as part of the Bureau's task to make important policy statements of the Government public
- (h) Total printing cost of the booklet was R16 828,62. Cost of distribution is difficult to determine as railway cost incurred to transport copies to regional offices is not available as yet and since regional offices are still distributing copies

- (1) Who were the members of the Management Board of Escom as at the latest specified date for which information is available.
- (2) whether persons appointed to this Management Board are required to have any special qualifications in regard to the supply of electricity; if not, why not; if so, what special qualifications does each of the present members of the said board possess?

The MINISTER OF MINERAL AND ENERGY AFFAIRS

- (1) The Escom Management Board as appointed on 24 June 1985 by the Electricity Council is as follows

— I C McRae, Pr Eng, BSc (Eng) (Rand) Senior General Manager and Chairman of the Management Board

— J L Rothman, Pr Eng, BSc (Eng) (US) Assistant Senior General Manager and General Manager Distribution

— L C Harper, B Com Hons (SA) MBA (Alabama) General Manager Finance

— F J W Barnard, Pr Eng, BSc (Eng) (US) MBL (SA) General Manager Resources Services

— P J T Oosthuizen, BA LLB (UOVS) General Manager Strategic Services

— E H Ralph, Pr Eng, BSc (Eng) (Natal) General Manager Engineering

— R A Forbes, Pr Eng, BSc (Eng) (Rand), MBL (SA) General Manager Power Marketing

— J S Els, Pr Eng, BSc (Eng) (US), BSc Hons (SA) GDI (Rand) General Manager Operations

— H Edeling, Pr Eng, BSc (Eng)

(Rand) General Manager: Generation

- (2) Members of the Management Board are persons who are conversant with the Escom's activities and have over the years proved that they possess the necessary management abilities and leadership qualities. The academic qualifications of the present members of the Management Board are stated above

Supplementary reply to Question 18 on Tuesday, 11 February 1986, put by Mr P G Soal (col 50)

How many voters were registered in (a) each constituency, (b) each province and (c) the Republic as at 31 December 1985?

- (a), (b) and (c) See annexures A, B and C

ANNEXURE A

HOUSE OF ASSEMBLY

PROVINCE OF THE CAPE OF GOOD HOPE

Constituency	Number of Voters
Albany	15 995
Algoa	18 441
Alwal	10 797
Beaufort-West	9 721
Bellville	15 262
Caledon	13 001
Cape Town Gardens	16 553
Ceres	10 366
Claremont	16 867
Constantia	19 121
Craddock	10 538
De Aar	10 266
De Kullen	19 217
Durbanville	20 475
East London City	16 814
East London North	16 967
False Bay	16 787
George	17 838
Gordonia	10 918
Graaff-Reinet	9 830
Green Point	13 689
Groote Schuur	15 824
Helderberg	19 628
Humansdorp	15 353
Kimberley-North	14 732
Kimberley-South	15 626

Whether, with reference to the reply of the Minister of Co-operation, Development and Education to Question No 166 on 4 March 1985, he or any member of his Department has consulted with the residents of Motlata concerning (a) a date for their removal and (b) the possibility of adding 800 hectares to the compensatory land; if not, (i) why not and (ii) when will they be consulted, if so, (aa) when, (bb) what was the outcome of the consultations and (cc) when are they to be moved?

The MINISTER OF EDUCATION AND DEVELOPMENT AID

(a) No

(b) Yes.

(i) and (ii) Fall away

(aa) 17 September 1985 and 14 March 1986.

(bb) Negotiations with the tribe regarding compensatory land is in progress. Land in the Setlagoh area has been offered and the tribe has been invited to inspect it. The reply of the tribe is still awaited

(cc) A date will be determined depending on the result of

Mr P G Soal asked the Minister of Mineral and Energy Affairs

Mr P G Soal asked the Minister of Education and Development Aid.

Q col 1169

Motlata: resettlement

16/4/86

Mr P G Soal asked the Minister of Home Affairs.

Q col 1170

16/4/86

250

Constituency	Number of Voters	Constituency	Number of Voters
King William's Town	16 181	Umlhanga	16 643
Kuruman	10 502	Umlhlatuzana	19 451
Maitland	19 046	Umlazi	19 560
Malmesbury	17 455	Vryheid	15 315
Mossel Bay	13 328	Prov Total	348 881
Namakwaland	10 293		
Newton Park	17 503		
Oudtshoorn	12 857		
Paarl	15 884		
Parow	16 945		
Piketberg	14 807		
Pinelands	16 379		
Port Elizabeth-North	16 023		
Port Elizabeth-Central	15 458		
Preska	9 485		
Queenstown	12 323		
Sea Point	16 993		
Simonstown	19 087		
Sundays River	12 941		
Stellenbosch	14 703		
Swellendam	11 833		
Tygervallei	17 635		
Uitenhage	15 842		
Vasco	16 288		
Vryburg	11 208		
Walmer	16 843		
Watvis Bay	4 495		
Wellington	18 121		
Worcester	14 597		
Wynberg	16 732		
Prov Total	833 049		

NATAL

Constituency	Number of Voters
Amanzimtoti	17 881
Berea	16 714
Durban North	18 614
Durban Point	17 120
Durban Central	17 045
Greytown	19 459
Klip River	15 016
Mool River	15 951
Newcastle	18 169
Pietermaritzburg North	18 157
Pietermaritzburg South	18 694
Pinetown	19 380
Port Natal	19 624
South Coast	14 720
Umbilo	17 129
Umfolozzi	14 239

ORANGE FREE STATE

Constituency	Number of Voters
Bethlehem	16 697
Bloemfontein East	19 939
Bloemfontein North	18 028
Bloemfontein West	17 003
Fauresmith	9 953
Heilbron	13 574
Kroonstad	15 835
Ladybrand	13 609
Parys	17 213
Sasolburg	21 659
Smithfield	13 317
Virginia	19 247
Welkom	21 734
Winburg	14 815
Prov Total	232 623

TRANSVAAL

Constituency	Number of Voters
Alberton	20 926
Barberton	16 811
Benoni	20 023
Bethal	26 440
Bezuidenhout	21 197
Boksburg	21 272
Brakpan	19 560
Brentwood	22 447
Brits	16 273
Caryletonville	20 151
Delmas	21 368
Edenvale	20 785
Ermelo	20 815
Florida	17 518
Geduld	19 242
Germiston	21 259
Germiston-District	20 910
Gezama	21 338
Helderkruijn	19 509
Hercules	24 753
Hillbrow	22 093
	18 952

Constituency	Number of Voters	Constituency	Number of Voters
Houghton	20 354	Wanderboom	22 951
Innesdal	19 281	Yeoville	20 175
Jeppe	22 698	Prov Total	1 564 006
Johannesburg-North	19 033		
Johannesburg-West	20 039		
Kempton Park	21 241		
Klerksdorp	22 053		
Koedoespoort	20 892		
Krugersdorp	22 357		
Langlaagte	20 098		
Lichtenburg	16 738		
Losberg	19 637		
Lydenburg	15 612		
Marasburg	20 181		
Meyerton	23 761		
Middelburg	22 188		
Modderfontein	24 985		
Nelspruit	19 386		
Nigel	20 317		
North Rand	27 057		
Overvaal	22 190		
Parktown	18 212		
Pietersburg	19 017		
Potchefstroom	18 894		
Potgietersrus	19 376		
Pretoria-Central	18 252		
Pretoria-East	27 216		
Pretoria-West	24 634		
Primrose	20 333		
Randburg	20 449		
Randfontein	21 594		
Russik	19 504		
Rooedeplaat	22 437		
Roodepoot	19 745		
Rosettenville	20 376		
Rustenburg	22 177		
Sandton	23 053		
Schweizer-Reneke	15 230		
Soutpansberg	16 941		
Springs	20 348		
Sterfontein	18 641		
Sunnyside	19 306		
Turfontein	18 517		
Vanderbijlpark	22 774		
Ventersdorp	21 759		
Vereeniging	15 704		
Verwoerdburg	20 348		
Waterberg	23 133		
Waterkloof	16 868		
Westdene	19 632		
Witbank	19 916		
	22 754		

ANNEXURE B

HOUSE OF DELEGATES

PROVINCE OF THE CAPE OF GOOD HOPE

Constituency	Number of Voters
Malabar	6 386
North Western Cape	5 158
Rylands	7 746
Prov Total	19 290

NATAL

Constituency	Number of Voters
Allandale	15 170
Arena Park	15 430
Bayview	14 343
Brickfield	17 071
Camperdown	14 363
Cavendish	19 117
Chatsworth-Central	16 527
Clare Estate	16 188
Durban-Bay	11 556
Glenview	16 613
Havenstide	14 295
Isipingo	15 027
Marranhill	11 070
Merrbank	18 166
Montford	16 021
Moorcross	16 469
Natal Midlands	16 476
Newholme	20 769
North Coast	16 418
Northern Natal	17 060
Phoenix	39 555
Red Hill	15 747
Reservoir Hills	14 648
Springfield	17 250
Stanger	16 654
Southern Natal	14 293

1175

WEDNESDAY, 16 APRIL 1986

1176

Constituency	Number of Voters	Constituency	Number of Voters
Tongaat	14 586	Grassy Park	26 027
Umzinto	15 267	Griqualand West	17 119
Verulam	19 102	Haarlem	19 164
Prov Total	485 251	Hanover Park	23 254
TRANSVAAL			
Actonville	9 852	Hantam	15 731
Central Rand	15 310	Hawston	21 732
Eastern Transvaal	8 872	Heideveld	21 622
Laudium	12 002	Kalahari	20 945
Lenasia-Central	8 048	Karee	16 780
Lenasia-East	8 092	Kasselsvlei	25 113
Lenasia-West	9 510	Liesbeek	13 205
North Western Transvaal	13 237	Macassar	27 936
Prov Total	84 923	Mamré	27 196
Rep Total	589 464	Manenberg	20 229
ANNEXURE C			
HOUSE OF REPRESENTATIVES			
PROVINCE OF THE CAPE OF GOOD HOPE			
Constituency	Number of Voters	Constituency	Number of Voters
Addo	19 222	Mid Karoo	21 174
Belhar	28 073	Mitchells Plain	17 760
Berg River	24 382	Northern Cape	14 770
Bethelsdorp	27 355	Nuweveld	18 950
Bishop Lavis	23 741	Otey	26 190
Bokkeveld	18 749	Outeniqua	30 942
Bonteheuwel	20 344	Pniel	24 973
Border	22 756	Ravensmead	17 874
Bristown	17 897	Rawsonville	27 678
Daljosaphat	7 105	Retreat	22 364
Diamant	28 950	Rietvel	17 522
Diaz	23 788	Riversdal	18 534
Dysseldorp	25 380	Robertson	17 604
Elises River	26 119	Schauderville	23 167
Essellen Park	22 172	Silvertown	18 208
Fish River	17 419	Springbok	12 745
Gelvandale	31 055	Stenkopf	16 397
Genadendal	12 273	Strandfontein	18 756
		Southern Cape	12 419
		Suurbrak	19 833
		Swartkops	29 686
		Swartland	26 770
		Table Mountain	12 523
		Upington	24 385
		Vredendal	15 076
		Wuppertal	15 724
		Prov Total	1 252 320
NATAL			
		Durban Suburbs	8 778
		Greenwood Park	12 157
		Natal Mid-East	10 763

1177

THURSDAY, 17 APRIL 1986

1178

Constituency	Number of Voters
Natal Interior	9 831
Wentworth	17 622
Prov Total	59 151
ORANGE FREE STATE	
Heidal	4 846
Eastern Free State	5 207
Opkoms	5 183
Southern Free State	6 740
Western Free State	6 625
Prov Total	28 601

TRANSVAAL

Alfa Park	10 277
Bosmont	10 073
Eersterus	19 576
Eldorado Park	23 494
Klipspruit West	18 196
Newclare	15 297
Northern Transvaal	3 450
Reigerpark	15 657
Rust Ter Vaal	12 112
Toekomsrus	13 572
Prov Total	141 704
Rep Total	1 481 776

Own Affairs

Witwatersrand: housing units

50. Mr P G SOAL asked the Minister of Local Government, Housing and Works:

(1) How many housing units for White occupation were built in the Witwatersrand area in 1985 and (b) what is the number to be built for members of this population group in this area in 1986;

(2) whether there is a shortage of housing in the Witwatersrand area; if so, (a) what was the estimated shortage of housing for White families in this area at the end of 1985 and (b) when

is it expected that this shortage will be eliminated?

The MINISTER OF LOCAL GOVERNMENT, HOUSING AND WORKS.

(1) (a) 248 houses and welfare housing for 2 012 persons

The information indicated below reflects the total number of units in respect of projects at present under construction or which will be constructed in 1986

(b) The hon member is referred to my reply to question 49

(2) (a) It cannot be determined at this stage whether there is a shortage in the housing stock. The Department is, however, busy with an extensive programme of action, including the design of a new computer programme, for the extension of the housing data bank which has to be planned in conjunction with other interested parties in view of a housing need-survey. The housing data bank was only transferred to this Department with effect from 1 October 1985. I made an announcement on 25 March 1986 in the House of Assembly in this regard

(b) Any identified shortages will be addressed immediately subject to the availability of funds

THURSDAY, 17 APRIL 1986

†Indicates translated version

For written reply.

General Affairs.

Combating unemployment
 Mr I F STOFBERG asked the Minister of Manpower†

1138
 17/4/86

HOA

17

16/7/86 STAR

Public sector 250 has grown 20 pc in past decade

By David Braun,
Political Correspondent

CAPE TOWN — South Africa's public sector continues to inflate alarmingly. Close on 875 000 people were employed in the public sector last year — 20 percent more than 10 years ago

Statistics released in Parliament this week show the number of public servants has risen in large leaps every five years, from 649 000 in 1970 to 724 000 in 1975 and 798 000 in 1980.

CENTRAL GOVERNMENT

Figures provided earlier in the session show that by June 1985, 38,6 percent of all gainfully employed whites were directly or indirectly working for the State. The corresponding figure for coloured people was 27 percent, for Indians 18,6 percent and blacks 23,5 percent

By last year the public sector was employing 375 000 blacks, 343 000 whites, 126 000 coloured people and 28 000 Indians

Of these people, 380 000 worked for the central Government, 258 000 for the

provincial administrations and 236 000 for local authorities

Though they comprise less than a fifth of the population, whites continued to hold around 40 percent of all public sector jobs and just more than half of all central Government jobs

The number of whites employed by the central Government grew by more than 40 percent (double the overall average) in the past decade, from 106 000 in 1975 to 150 666 in 1985

The statistics were supplied to the House of Assembly by the Minister of Administration and Economic Advisory Services, Mr Eli Louw, in reply to questions from Mr Louis Stofberg (HNP Sasolburg)

Mr Harry Schwarz, Opposition chief spokesman on finance, said the growth in public sector jobs was alarming when compared with the lack of growth in other sectors

"As the country is not producing more to keep up with the growing population, it means that real living standards are dropping all the time," Mr Schwarz said

The Minister for Gold Reef City

PARLIAMENT

Schoeman backs pref share offers



● SCHOEMAN

Inequalities to be phased out: Schoeman

THERE was no reason why Cabinet ministers should not buy shares, as long as it did not affect their official duties, the Leader of the House of Assembly said yesterday.

Replying to a question, Hendrik Schoeman said no official guidelines had been laid down for the acceptance of preferential shares by cabinet ministers and senior government officials

There was, however, a code of conduct by which cabinet ministers were obliged to declare their interests where they came into conflict with official duties.

Ministers had to report their assets to the state president when they were sworn in and had to give updated reports every year.

There was no reason why a public servant should not participate in the normal economic process, as long as it did not affect judgment in carrying out official duties.

When asked by members of the Progressive Federal Party if this meant cabinet ministers were entitled to accept preferential share allocations, he said buying such shares could sometimes result in a loss

In a statement later, Ken Andrew (PFP),

said State President P W Botha should set far more stringent guidelines for the acceptance of preferential share allocations by cabinet ministers and senior officials.

Government should be seen to be above-board and beyond suspicion.

Botha's refusal to stop acceptance of preferential share allocations by senior officials was to be deplored.

"It is clear to anyone that cabinet ministers and senior officials are given preferential allocations because of their positions

It is unacceptable that they are put in a position of being able to make quick profits on deals such as this," Andrew said. — Sapa.

R281 000 spent on flat

A FLAT worth R281 147 has been bought in Cape Town for official accommodation for the chairman of the Commission for Administration, says Minister of Communications and Public Works Dr Lapa Munnik.

Replying to a question by Alf Widman (PFP Hillbrow) in the House of Assembly yesterday, he said a further R17 900 had been spent on modernising the flat at Twin Towers, Three Anchor Bay. — Sapa.

INEQUALITIES between SA Transport Services and private road hauliers would be phased out as part of the implementation of the National Transport Policy Study's recommendations, said Transport Minister Hendrik Schoeman yesterday.

Replying to the debate on his budget vote, he said the recommendations of the R7m study had been received, and a White Paper would be tabled and discussed during the current session of Parliament.

Recommendations acceptable to government would be implemented over a three-year period beginning in 1988, with the first legislation being discussed next year

Among the reforms envisaged were the phasing out of the permit system for private road hauliers and the cheaper diesel price paid by Sats road transportation vehicles

Schoeman added that his "heart would bleed" for black commuters if subsidies on bus and train journeys were abolished. He said it was a matter of prestige that so many people could travel cheaply on public transport "with so little government aid".

Referring to points raised by PFP speakers about the distance travelled by black commuters, the minister said not everyone could stay "in Houghton or in the metro-poles" — Sapa.

Handwritten notes: 144/86, 250, Bus Day, 144/86, 269

Cape Times 16/4/86

Govt buys 'excessively luxurious' City flat

2.50

By BARRY STREEK

HOUSE OF ASSEMBLY — The government has bought a R280 000 flat in Sea Point in the very building condemned three years ago by a Parliamentary Select Committee as "excessively luxurious"

And it has spent a further R17 900 modernizing the flat for the chairman of the Commission for Administration, Dr Johan de Beer.

The purchase of the flat was sharply criticized yesterday by the Progressive Federal Party

"This is a typical example of government maladministration — a complete waste of money, particularly in these times," the PFP spokesman for Public Works, Mr Alf Widman, said

The Minister of Public Works, Dr Lapa Munnik, said the government had paid R281 147 for the flat at Twin Towers in Three Anchor Bay on December 24 last year as "official accommodation" for the chairman of the Commission for Administration

Replying to a question by Mr Widman, he said a further R17 900 had been spent on "the modernization of the bathrooms, the installation of a built-in cupboard, the installation of aluminium louvres at the windows and the painting of the flat"

He said the price of the flat had not been determined by the minister but "by a very experienced valuator. According to the valuator, it is not merely a good price, it is a very cheap price."

Dr Munnik said the flat had not been purchased from the Land Bank

He told Mr John Malcomess (PFP, Port Elizabeth Central) he would have to table questions about what rent Dr De Beer paid for the flat and whether it was staffed

In 1983 the Select Committee on Public Accounts recommended that the Land Bank sell two flats in Twin Towers because "they are excessively luxurious and expensive"

The Land Bank paid R511 801 for the two flats and after the publication of the Select Committee report it sold one of them

'Extraordinarily high'

The Land Bank flats were described at the time as having wrap-around balconies, sea views, two bathrooms, spacious reception rooms, well-fitted facilities, maids quarters, lock-up garages and 24-hour security.

Yesterday Mr Widman said the purchase price was "extraordinarily high", especially in depressed times

"I have reservations about the minister's statement that it is fair market value. In any event, the price of the flat is too lavish"

Mr Widman said that although the Land Bank had sold one of its flats in Twin Towers, it had not yet sold the other flat in spite of the Select Committee's comments

"Why could the minister not come to an arrangement with the Land Bank?" he asked

'No official guidelines' on shares for ministers

Following the brouhaha over the preferential issue of the Eifgro and Metpol shares prior to their JSE listings it is curious that in Parliament yesterday it was admitted that no official guidelines have been laid down for the acceptance by cabinet ministers of such special favours

There was no reason why cabinet ministers should not buy shares on the stock market as long as it did not affect their official responsibilities, the Leader of the House, Mr Hendrik Schoeman, said on behalf of the State President yesterday

Replying to a question by Mr Ken Andrew (PFP Gardens), he said no official guidelines had been laid down for the acceptance of preferential shares to cabinet ministers and senior government officials

There was however, a code of conduct, by which cabinet ministers were obliged to declare their interests where they came into conflict with their official duties. Ministers also had to report their assets to the State President when they were sworn in and had to give updated reports every year

Mr Schoeman said there was no reason why a public servant should not participate in "the normal economic process" as long as it did not affect his judgement in carrying out his official duties

When asked by members of the PFP if this meant cabinet ministers were entitled to accept preferential share allocations, he said the buying of preferential shares could sometimes result in a loss — Sapa.



R132,3m gravy train

Ch. 70's - 1/1/86
250
Political Staff

HOUSE OF ASSEMBLY.
— Free and subsidized travel on South African trains and aircraft cost an astonishing R132,3 million during the 1984/5 financial year.

This costly gravy train was disclosed yesterday by the Auditor-General, Dr J H. de Loor, in his report into the South African Transport Services, which was tabled in Parliament yesterday.

Dr De Loor said the estimated value of free travel facilities or concessionary travel facilities by air and privileged train tickets amounted to R132,303 million.

Although Dr Loor did not say so, the free and concessionary travel facilities are mainly available to SATS employees and MPs.

He also said that as a result of an administrative oversight, 995 000 plastic holders for members cards to the value of R180 532 were ordered "too many".

Boost wages plea as civil servants lose job security

By Sue Leeman, Pretoria Bureau

Amendments to public service legislation last year have reduced the job security of public servants by simplifying dismissal procedures and making them applicable to all, according to Deputy Director-General of Public Works and Land Affairs, Mr Piet Colyn.

However, he suggested public service pay packages could ultimately be made more competitive to compensate for the loss of job security.

24-HOURS NOTICE

Mr Colyn told a meeting of the Northern Transvaal branch of the South African Institute for Public Administration in Pretoria yesterday the extra job security traditionally enjoyed by personnel in certain branches, including the administrative, artisan, technical and clerical sectors, no longer existed.

The dismissal procedure was now simpler and temporary "employees" (as opposed to fulltime "officials") could be given 24-hour notice.

Mr Colyn said the new regulations would probably act as a stimulus to demands for competitive pay packages.

Mr Colyn said he hoped reduced job security would also lead to improved performance by public servants.

Govt favours five firms

FIVE companies have been named by the government-appointed Standing Committee for Electronics (SCE) as "preferred suppliers" of computer terminals to the public sector.

SCE chairman Carel van der Merwe listed them as Andromeda, Comtec, Dakor, Siemens and Tecnetics.

The SCE was set up in 1984 to help government agencies use the power of the State to encourage development of the local electronics industry.

A key factor in this encouragement is price preference of up to 35% for local design and content. A sliding scale of preferences applies, with companies being awarded 25% for 100% local content and 10% for 100% local design.

After publication of a specification for multi-function terminals, companies were invited to submit proposals. Twelve

250
18/4/86
BUDJAY
MATTHEW WHITE
Technology Editor

did so and these were narrowed down to the five which then submitted production models for evaluation.

One estimate put the public sector demand for terminals at R50m over the next five years.

The computer terminal project is the SCE's first and the committee — all public sector officials — is now expected to produce specifications for other equipment required by the public sector.

According to a survey conducted by Pretoria-based Business & Marketing Intelligence, the public sector spent R1,3bn on electronics in 1984, about 30% of the total SA market.

Growth in the industry is expected to average 14% over the next five years.

PARLIAMENT

State departments are issued with guidelines on expenditure

STATE departments have been issued with expenditure guidelines by the State President's National Priorities Committee

Officials have been asked to use the guidelines when drafting the 1987/88 Budget
This was disclosed in the annual report of the Central Economic Advisory Service (CEAS), tabled in Par-

CHRIS CAIRNCROSS

liament this week
The guidelines, to be further reviewed, resulted from investigations of public sector functions in agriculture, training, prisons, transport and the search for oil
The report said the use of the guidelines at the beginning of each

Budget cycle should contribute to the integration of policy and expenditure decisions

To address the problem of determining priorities, the CEAS has established an inter-departmental committee to produce a manual setting out guidelines for cost-benefit analysis

The CEAS has also begun to take a closer look at privatisation and has concluded that it would have to involve more than merely selling certain State assets.

It recommended
 Financing public services through user charges,
 Contracting out public service

work
 Selling State enterprises or transferring State functions to the private sector.
 Relaxing statutory monopolies or licensing requirements which have prevented private enterprise from competing in markets supplied exclusively by the State

250

Public Service appointments 'based on merit, not colour'



Mr Eli Louw ... 'being served by same race more efficient'

Political Staff
PARLIAMENT — Same-race service is more efficient than different-race service

This was the argument of Minister of Administration and Economic Advisory Affairs Mr Eli Louw in his reply to the debate on his Budget Vote in the House of Delegates yesterday

Mr Louw had said earlier that public servants were employed on a completely non-racial basis "My department's (employment) policy is based on merit and efficiency only"

Responding to criticism from Mr Pat Poovalingam (Solidarity, Reservoir Hills) that whites held all the

250 STAR
23/4/86
"top dog" jobs in the public service, Mr Louw admitted that it was an fact that 30 years ago whites might have been favoured But now there was "no discrimination".

He conceded that appointments were made by a panel of whites This did not mean appointments were not made on merit

It was a fact, he argued, that efficiency was better served when public servants served members of the race group to which they belonged

Earlier in the debate the chairman of the Ministers' Council, Mr Amichand Rajbansi, called for a boost in public servants' salaries, claiming they were underpaid

25/4/88. (250)
BUS DAY

Govt to sell forests to private sector

CHRIS CAIRNCROSS

GOVERNMENT is almost ready to sell the State's large commercial forestry interests, including sawmills, to the private sector.

This was confirmed yesterday by officials of the Department of Environmental Affairs, which has jurisdiction over these forests

More than 1,63m ha of forest land could come under the hammer. Of this, 1,36m ha are demarcated as forest land in terms of the Forest Act.

The prospect of these properties being offered to the private sector has been welcomed by representatives of the SA Forest Owners' Association.

But chairman Bruce McKenzie was cautious as to how successful such a sale would be.

The profitability of the State's commercial forestry activities remained an

imponderable at this stage.

This factor was particularly significant because the timber and sawmilling industry had come across hard times and the planting programme was disappointing.

There was also uncertainty as to whether the country's biggest forest owners — basically Anglo American and Gencor — would be allowed to tender for any of the forest land coming up for sale.

This sector is already concentrated, and government has already expressed its concern that the sale of its properties could lead to an over-concentration

The principle of selling the State's

● To Page 2



NR 628 25/4/86

Freeze on 250 jobs shrinks civil service

Parliamentary Staff and Sapa

THE freeze on 50 percent of civil service posts since last April has shrunk the huge service by more than 14 000 people

This has been disclosed by Mr. Eli Louw, Minister of Administration and Economic Advisory Services in the office of the State President



Mr Eli Louw

Replying to his budget vote in the House of Representatives, he said this 1,1 percent cutback, including a half-hour extra working day without extra pay, had improved productivity

There was no room for "dead wood" in the civil service. Between January 1 and March 31 this year 102 people had been cut from the service.

Mr Louw said salary differences between coloured and white civil servants had been eliminated in all but 77 of 471 job types

South Africa had until recently employed mainly white civil servants

Since the mid-70s a process of equalising salaries and job opportunities had begun

The Government would eliminate remaining disparities as soon as funds permitted

Mr Abie Williams (LP Mamre) said the civil service would be seen as an instrument of oppression until the House of Representatives was represented on the commission of administration which controlled the service

Mr Louw said there was nothing to prevent "any person of colour" becoming a member of the commission

MONDAY, 28 APRIL 1986

†Indicates translated version.

For written reply

General Affairs

HANSARD 28/4/86
619 Mr H H SCHWARZ asked the Minister of Finance

28 APR 1986

What is the total amount of tax lost or expected to be lost as a result of tax concessions granted to decentralised or deconcentrated industries in respect of the year ended 31 March 1985?

The MINISTER OF FINANCE:

Because many taxpayers (especially companies) have not yet put in their 1985 returns, it is not possible to give a final figure, but on the basis of assessments already raised, the income tax concessions granted to decentralised or deconcentrated industries in respect of the year ending 31 March 1985 will amount to approximately R67 million

Seaweed

733. Mr D J N MALCOMESS asked the Minister of Environment Affairs and Tourism:

(a) When were licences for the collection of seaweed first issued; (b) how many applications were received at the time, (c)(i) to whom were they issued, and (ii) for what quantity of seaweed, in each case, and (d)(i) who are the current holders of such licences and (ii) for what quantity of seaweed in each case?

The MINISTER OF ENVIRONMENT AFFAIRS AND TOURISM.

(a) Prior to 1973.

(b), (c)(i) and (c)(ii) The required information is not readily available.

HOA

(c) (i) Taurus Products (Transkei) (Pty) Ltd; Taurus Chemicals (Cape Kelp) (Pty) Ltd; Kelp Products (Pty) Ltd; Western Kelp (Pty) Ltd; Eckloweed Industries (Pty) Ltd.

(d) (ii) Seaweed concessions are not limited to specified quantities.

Housing subsidies
734. Mr R M BURROWS asked the Minister of Finance:

What total amount was allocated to each specified State Department from 1 April 1986 for the payment of staff housing subsidies on a (a) compulsory and (b) voluntary basis?

The MINISTER OF FINANCE.

In accordance with the system of budgeting by objectives the Estimate is divided and compiled according to programmes. All expenditure items must therefore be appropriated to a programme in order to reflect the magnitude thereof.

Due to technical problems and restrictions, certain centralised provisions on the old item-basis, could however not initially be appropriated to programmes immediately. Examples hereof is the employer's contribution to pension and medical aid funds and the payment of subsidies on staff housing loans. It was however the intention to provide for these items under personnel expenditure in future whereby these services will be allocated to all the programmes of all departments.

From the 1985/86 financial year the technical problems surrounding the appropriation of housing subsidies were overcome and the appropriation of the subsidy was incorporated by Treasury under the heading personnel expenditure of all departmental programmes.

Because housing subsidy is a second level item, it is no longer specified as such in the Estimate of Expenditure since 1986/87 but forms a component of personnel expenditure at each programme. Each department will therefore, on request, be able to indicate what amount was included

in his budget for this subitem of its expenditure. For reasons given in reply to your questions number 843 of 24 April 1985 and 912 of 9 May 1985, it will not be possible to distinguish between subsidies on a voluntary and compulsory basis.

It is also the intention to incorporate similar centralised provisions to departmental programmes in future, for example employer's contribution to pension and medical and funds.

28/4/86 **Genl 1443**
South African citizens
HANSARD **29/4/86**
 791. Mr K MANNING asked the Minister for Administration and Economic Advisory Services:

- (1) (a) How many (i) adults and (ii) children who are not South African citizens are at present permanently resident in South Africa and (b) in respect of what date is this information furnished;
- (2) (a) what are the countries of which such (i) adults and (ii) children are citizens and (b) how many of these (i) adults and (ii) children are citizens of each of these countries?

The MINISTER FOR ADMINISTRATION AND ECONOMIC ADVISORY SERVICES

- (1) (a) 12 396 952
- (b) 5 March 1985
- (2) (a) (b)
- Bophuthatswana 598 868
- Botswana 36 183
- Ciskei 335 814
- Lesotho 157 037
- Malawi 30 985
- Mocambique 62 780
- Self-governing national states* 9 834 281
- Swaziland 49 712
- Transkei 733 357
- Venda 94 712
- Zimbabwe 40 807
- Other in Africa 34 588
- England and Wales 95 274
- German Federal Republic 25 109

to will be made available to the hon member for his perusal.

- (2) (a) and (b) The matter is being dealt with in the replies to the representations.

TUESDAY, 29 APRIL 1986

Indicates translated version.

For oral reply.

General Affairs:

Question standing over from Tuesday, 22 April 1986:

28/4/86 **Ciskei: tax exemptions**
HANSARD **29/4/86**

28. Mr A SAVAGE asked the Minister of Foreign Affairs:

- (1) Whether, with reference to the reply of the Minister of Finance to Question No 1 on 25 March 1986, he or any member of the Government has received any requests or representations from the Ciskei Government for a financial contribution in respect of the loss of revenue that Ciskei will sustain as a result of the tax exemptions granted, if so, (a) when, (b) on the basis of what formula was the South African Government to make a financial contribution in respect of this loss of revenue and (c) what was his response thereto;
- (2) whether any other independent Black states are free to grant companies or individuals similar tax exemptions unilaterally; if not, what restrictions prevent them from doing so?

The MINISTER OF FOREIGN AFFAIRS:

- (1) No (a), (b) and (c) Fall away.
- (2) As independent states the SATBVC-

states have tax sovereignty, but if a decision of any of the SATBVC states affects the multilaterally agreed industrial decentralisation programme, then it ought to be cleared not only on a bilateral basis but also on a multilateral basis with all the interested parties (see paragraph 12 in the Revised Manual on the Implementation of the Regional Development Incentives).

New Questions:

28/4/86 **SABC**
HANSARD **29/4/86**

1. Mr L F STORBERG asked the Minister of Foreign Affairs:

- (1) Whether he is involved in determining the policy of the South African Broadcasting Corporation in regard to the covering of speeches and opinions of members of the Opposition parties in the House of Assembly; if so, to what extent;
- (2) whether he recently gave any instructions to the South African Broadcasting Corporation in this connection; if so, what was the nature of the instructions;
- (3) whether he will make a statement on the matter?

The MINISTER OF FOREIGN AFFAIRS:

- (1) No, the policy of the SABC in respect of any of its functions is determined by the Board of the SABC and implemented by the Management of the SABC subject to the applicable statutory provisions.
- (2) No
- (3) Although I am not involved in the determination of the policy of the SABC, I do, nevertheless, transmit representations by Members of Parliament as well as members of the public to the SABC for consideration

The chosen five

250

FIN MAIL
25/4/86

Any hopes that the supply of computer terminals to State buyers would be confined to a coterie of two or three companies have been dashed.

After threatening to cut the shortlist of five potential suppliers to two or three (*Business* August 30), the Standing Committee for Electronics (SCE) has decided to leave the pruning process to market forces. Now the "preferred suppliers" — Barlow's Andromeda, Comtec, Datakor, Siemens and Tecnetics — will slug it out for government computer terminal contracts in a market estimated to be worth, at best, R12m a year.

The SCE was set up in mid-1984 under the auspices of the Industrial Development Corporation (IDC) to help government agencies to use State buying power to promote SA's electronics industry.

Its first project has been to select a number of local manufacturers to compete on government contracts for multi-function terminals capable of talking to various makes and types of computers. A total of 12 companies submitted proposals after terminal specifications were published.

According to the IDC's Gerard Morse: "All five on the shortlist performed satisfactorily against our specifications and it would have been unfair to have singled some out for exclusion."

The adjudication process was further complicated by the need to evaluate each company's software competence and general installation and support capabilities. "We have decided to let market forces sort out which companies are most suited for terminal contracts."

Critics say, however, the move could result in reduced margins and higher prices all round. Volumes are crucial in local manufacture and competition is bound to be tough. Some companies on the shortlist had hoped that local volumes would support export production, but there's little chance of

this unless one or two suppliers heavily outstrip the competition.

Cynics also suggest that the SCE skirted the issue because the politics of excluding some suppliers may have been too sensitive.

Companies that don't make the grade may still be excluded when the SCE gets around to revising the specifications about 2½ years from now. The SCE's approved supplier system operates on a three-year cycle.

Currently, Sats has tenders out for what is believed to be a R10m series of contracts for 900 IBM-compatible terminals, 700 printers and a few hundred controllers. A spokesman declines to elaborate beyond saying tenders have been received and a decision is due by the end of May. Sats will not name tenderers, but it's widely believed all five terminal suppliers are involved.

The State's encouragement for local companies also includes price preferences of up to 35% for local design and content. A sliding scale of preferences applies, with companies awarded a 25% price advantage for 100% local content and a 10% advantage for total local design.

A key element in any company's success in the field will be its ability to work in the IBM environment. In the private sector, IBM and compatibles hold about 60% of the market. If the picture is similar in public circles, then the capability to interface with IBM (or other IBM plug compatibles) is critical.

Good news for the local computer manufacturing industry is that the SCE is now turning its attention to low-end PCs. Now that the data terminal working group has finished its work it will look at rationalising State PC purchases.

PC price war

In line with overseas trends, low-cost PCs from the East retailing in the R2 500-R5 000 range are making inroads into the

established computer companies' market share in SA.

The extent of the penetration of Far Eastern PCs is almost impossible to quantify. However, a number of major US and European manufacturers are now developing low-cost PCs, without all the features of larger machines, designed to compete head-on with cheap imports. So far, the majors have tended to neglect the cheaper end of the PC market, leaving a distinct gap. But now the rush for an early lead is on with a vengeance.

For the moment, Olivetti has pre-empted the competition with its M19, a cut down version of the M24. The unit is priced below R4 000 to attract high-volume business including the corporate workstation, the small business entry-level user and educational establishments.

New entrants

But Sperry is due to introduce a similar product by the end of next month, and IBM is reported to be eyeing the arena. Says Sperry micro-product manager Jack Freedman: "The Taiwanese have made hay while the price of imported PCs on the local market has risen dramatically because of exchange rates. But we will dramatically reduce the price of our entry-level PCs to combat them."

IBM is not commenting locally, but throughout the world it has cut PC prices. This is also likely to happen here.

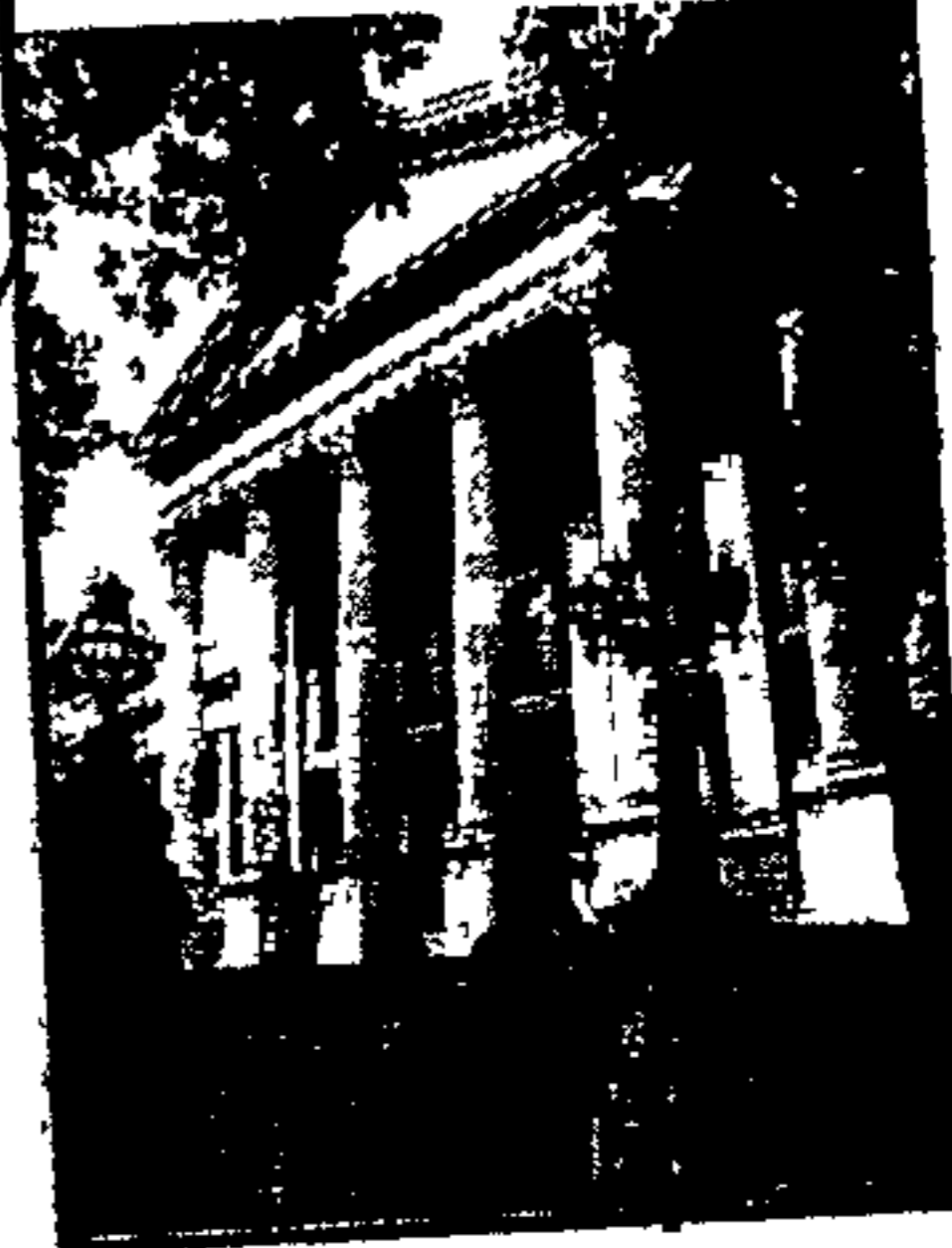
Olivetti MD Virgilio Zaina says part of the reason for bringing in the M19 is to compete with Taiwanese products. However, he does not see them as a major threat. "While they are cheap, my feeling is that local buyers will change their minds when they try to buy spare parts."

The market for PCs as workstations, either on networks or attached directly to host systems, is growing rapidly. In Europe it more than trebled last year.

Civil service freeze ousts 14 000 people

Political Staff

PARLIAMENT '86



PARLIAMENT — The freeze on 50 percent of civil service posts since April last year has shrunk the "massive" service by more than 14 000 people

This was disclosed by Mr Eli Louw, Minister of Administration and Economic Advisory Services in the Office of the State President replying to his budget vote in the House of Representatives

He said this 1,1 percent cutback, including a half-hour extra on the working day without extra pay, had improved productivity.

There was no room for "dead wood" in the civil service. Between January 1 and March 31 this year, 102 people had been cut from the service

Salary differences between coloureds and whites had been phased out in all but two of the 21 salary levels in the civil service, Mr Louw said

OPPRESSION

He said these included 77 out of a total of 271 occupational classes

South Africa had until not long ago employed mainly white civil servants

Since the mid-70s a process of equalising salaries and job opportunities had begun

The Government would eliminate remaining disparities as soon as funds permitted

Mr Abie Williams (LP Mamre) said the civil service would be seen as an instrument of oppression until the House of Representatives was represented on the Commission of Administration which controlled the service.

250 ~~250~~ ~~250~~ BUS DAY 29/4/86

THE public sector's claim on the country's limited skilled labour force should be restricted, according to the 1985 report of the Central Economic Advisory Service.

This could be done only through privatisation, deregulation and functional rationalisation of public sector responsibilities, it adds

The report stresses that public sector pay is the largest component of government expenditure and excessive increases in it should, therefore, be guarded against.

Appeal over skilled labour

GERALD REILLY

The report says the committee of the previous economic advisory council made good progress with the formulation of a national economic strategy on consultation

The call for a national strategy, the report says, stems from the clear need on the part of businessmen in particular, but also from other decision-makers, for greater clarity on the development of the economy and on the nature of government involvement in the economy.

The formulation and maintenance of a strategy was a continuous task

On privatisation, the report says, it was apparent from investigations this would have to involve more than merely selling off State assets

PARLIAMENT

Buss 2/17/86

250

Ideology cripples education, says PFP

GOVERNMENT had no right to claim it was doing everything possible for black education as long as the demands of racial ideology were placed before the needs of black pupils, Ken Andrew (PFP Gardens) said yesterday.

Speaking during the debate on the Education and Development Aid budget vote, he said separate education would be unequal and black education would remain inferior as long as there was no freedom of choice. "The government should remove its

apartheid blinkers and stop wasting valuable time and money that South Africa can ill afford."

Andrew questioned the unequal allocation of money for white and black education, and the government's statements that a single education department would be an administrative "monstrosity".

He also asked why Education Minister Gerrit Viljoen had not used a surplus of white teachers to help meet the shortage in

black schools, or filled vacancies in white colleges of education with black students.

"Does that show a commitment to equal education, or a commitment to a racial ideology?" he asked.

To achieve parity in education funding in the 1985/86 financial year, black education should have received about five times more money or whites 80% less, he added. An extra R318m should have been made available for black education. — Sapa.



● ANDREW
Buss 2/17/86

FINAL

GOVERNMENT FINANCES

Souring taproot

The taproot of government finances is turning sour — on account of both the revenue and expenditure. The issues of overtaxation and continued unfulfilled undertakings to trim and control State spending are probably the most telling.

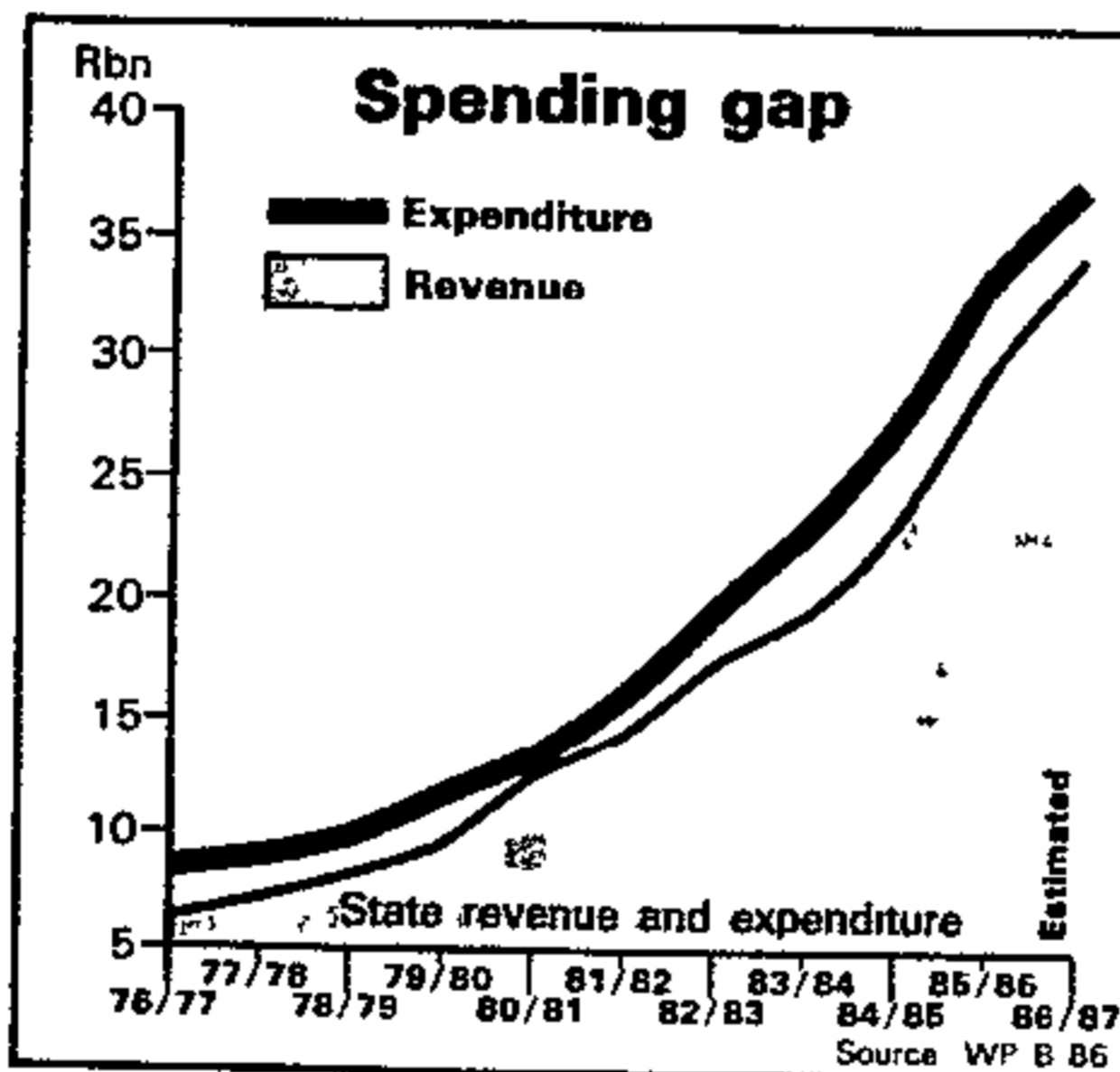
The increase in expenditure, from R8 billion in 1976-1977 to an estimated R37 billion 10 years later is self-destructive. For it means that government is spreading and limiting the productive endeavour that makes it possible for the private sector to pay higher taxes.

According to a PFP analysis, almost a third of total revenue this fiscal year will be paid to almost 800 000 public servants. PFP spokesman on the public service Reuben Sive estimates that a third of these officials are involved in administering and policing apartheid.

With Sive's figure of one third necessarily an estimate, P W Botha's recent depoliticisation measures would appear to have landed some officials without work. They still, however, have jobs. Measures to remove a public servant from office are long-winded, time-consuming and costly.

Further sourness in the taproot is Pretoria's consistency in spending more than it estimates. While there may appear to be little wrong in this (especially when revenues also exceed estimates), financing deficits pushes up interest rates unnecessarily and misallocates resources. So the economy becomes increasingly less efficient and the public's belief in government's ability to reverse the trend gets progressively less.

An analysis from Louis Geldenhuys, economic consultant for stockbroker George



18%), welfare and pensions (3,5% to 5,7%), and debt costs (4,9% to 14,2%). The last item will cost R5,3 billion this fiscal year, rating behind education at the top of the menu — almost on par with defence, and this spending is on an intangible item, not projects which encourage entrepreneurship, growth and employment.

The prospect that government spending estimates will gain credibility in the year ahead is shaky.

Huysamer, shows continual spending overshoots from the base year, 1979-1980. The

highest increase in (actual) spending was recorded in 1984-1985 as 21,9%, second on the scorecard was a year later, at 21,6%.

Yet another assault on the taproot is the continuing low level of public-sector capital spending as a percentage of total expenditure. This comprised R11 billion in 1984-1985, or 20%, and is estimated at R14 billion or 19% this fiscal year. We are consuming too much and investing too little. That means we're eating our seed corn.

As a proportion of GDP, expenditure has risen from 24% to 26,7% in the past decade.

There are yet more worries in the nature of government spending. In the past decade, the most important changes in distribution of total spending are education (up from 13% to

Group Areas Removal
Unemployment in the North
Wilted Schart and
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McAllister.
Mgwali: Waiting for
I am Clifford Abrahams,
Future Roots (Development
Accompanied by Paper
Graham Hayman and P
Responses to Poverty in
Ithenseng: Lindy Wilson.
Health Care in KwaZulu:

LOCAL PROD

Don Pinnock.
turning the work
Berman, Paddy
Lawson, Chris
McLennan, Gideon
einberg.

Ad Hoc Video

ape Wine Farms:

an and Patrick

am Hayman.

u vs Tradition:

Private industry task force to be named within days

Watchdog group will check Govt spending

250
STAR 16/5/88

PORT ELIZABETH — Private industry "watchdogs" to monitor Government spending will be appointed within the next few days

This was announced by the Minister of Finance, Mr Barend du Plessis, in Port Elizabeth yesterday

He told the congress of the Institute of Cost and Management Accountants at the University of Port Elizabeth that the Government had for some time been monitoring productivity in the public service and could claim to have made "not insignificant" progress on this front

He drew attention to the steps he had outlined in his Budget speech to enable the current expenditure of Government departments to be critically evaluated by a special task force

consisting of leaders of the private sector

"The names of the group will be announced within days and I place a lot of faith in their ability to identify where savings can be made," the Minister said

Dealing with the general economic situation, Mr du Plessis said data received by the Government in recent weeks indicated that South Africa's economic upswing had so far been far weaker than had been hoped for at the time of the Budget in March

But since the Budget there had been some welcome developments such as the continued fall in the oil price without an accompanying fall in the gold price, the firmer trend of the rand and better prospects for agriculture

"But domestically the imminent recovery has as yet not been particularly visible

"I am certainly anxious that we should not do so crass a thing as to talk ourselves out of an incipient recovery

"But it would be equally ill-advised for any of us to assume that the March measures were so perfectly tailored to our situation as to require no subsequent adjustments"

However, in assessing South Africa's present economic situation, account had to be taken of the fact that the stimulatory measures introduced in the Budget had not yet had their effect on the economy

These included the increase in public service salaries, the reduction in personal income taxes and the additional expen-

diture on unemployment, training and the upgrading of living conditions

"The business world should still benefit from these measures and their stimulatory effects will still filter through the system and provide an additional modest stimulation"

The Government was watching the situation closely and was prepared to consider further stimulatory measures should this be judged necessary, Mr du Plessis said

Turning to the theme of the congress — productivity — he said managements had a key role to play in promoting this

In any sound economic system a close relationship should exist between increases in personnel remuneration and the rate of growth in productivity

Joint sittings possible

STAT 10/5/86 By David Braun, Political Correspondent 250

PARLIAMENT — In what may be a significant first step towards a single-chamber Parliament the Government has conceded that the three Houses may be allowed to hold joint debates

Constitutional Minister Mr Chris Heunis said in the House of Representatives last night there was no difference in principle between joint committee sittings and Parliament itself

A joint sitting of the Committee on Standing Rules and Orders had decided on Tuesday to refer the matter to a sub-committee for revision of the standing rules and orders

President P W Botha said three weeks ago that there was a way in which Parliament's activities could be improved

Members of the House of Delegates and the House of Representatives have complained since the inception of the tricameral system that no debate is allowed at joint sittings

There has also been a feeling that the most important ministerial announcements tend to be made in the House of Assembly, devaluing the importance of the "junior chambers".

1791

TUESDAY, 20 MAY 1986

ment and (b) in respect of what date is this information furnished?

THE MINISTER OF HEALTH SERVICES AND WELFARE (for the Minister of Education and Culture)

(a) (i) and (ii) Such detailed statistics are normally not kept and are dependent on a variety of factors, for instance the choice of subjects by pupils for a particular year and the school timetable which is drawn up accordingly. While it can be argued that in a Latin class of 15 pupils the same number of vacancies exist, this would be a misrepresentation. Statistics regarding the exact number of pupils that can be accommodated in each class in each school are not kept and are therefore not readily available. The same applies to smaller primary schools where standards are grouped together. The planning is done according to local needs and vacancies which exist elsewhere do not influence the provision in local needs,

(b) falls away

For written reply

General Affairs

Q 205/86
803 Mr R R HULLER asked the Minister of Mineral and Energy Affairs

In respect of the latest specified date for which figures are available, (a) what was the landed cost in South Africa of crude oil in United States dollars per barrel, (b) what, in respect of 93-octane petrol, was this cost expressed in cents per litre at the pump and (c) what elements comprised the marketing margin in the latest petrol price composition?

THE MINISTER OF MINERAL AND ENERGY AFFAIRS

(a) USA \$ 14.01 per barrel for April 1986

HoA

1792

(b) The landed cost as reflected in the price on 14 April 1986 was 41,50 c/l

(c) The petrol price contain a wholesale margin and a retail margin which in both cases are aimed at receiving normal operational costs as well as a reasonable return on funds employed

Q 205/86
813 Mr M A TARR asked the State President

(1) (a) What was the authorised staff establishment of his Office in the various grades of employment as at the latest specified date for which figures are available, (b) how many (i) Whites, (ii) Blacks, (iii) Coloureds and (iv) Indians were employed in each grade as at that date and (c) what is the policy of his Office regarding the promotion of Blacks, Coloureds and Indians to higher grades,

(2) whether staff of different race groups belong to the same staff association, if not, why not?

THE STATE PRESIDENT

(See reply to Question No 839 in col 1802)

Q 205/86
814 Mr M A TARR asked the Deputy Minister of Information

(1) (a) What was the authorised staff establishment of the Bureau for Information in the various grades of employment as at the latest specified date for which figures are available, (b) how many (i) Whites, (ii) Blacks, (iii) Coloureds and (iv) Indians were employed in each grade as at that date and (c) what is the policy of the Bureau regarding the promotion of Blacks, Coloureds and Indians to higher grades,

1793

TUESDAY, 20 MAY 1986

(2) whether staff of different race groups belong to the same staff association, if not, why not?

THE DEPUTY MINISTER OF INFORMATION

(See reply to Question No 839 in col 1802)

Q 205/86
817 Mr M A TARR asked the Minister of Transport Affairs

(1) (a) What was the authorised staff establishment of the Department of Transport in the various grades of employment as at the latest specified date for which figures are available, (b) how many (i) Whites, (ii) Blacks, (iii) Coloureds and (iv) Indians were employed in each grade as at that date and (c) what is the policy of this Department regarding the promotion of Blacks, Coloureds and Indians to higher grades,

(2) whether staff of different race groups belong to the same staff association, if not, why not?

THE MINISTER OF TRANSPORT AFFAIRS

(See reply to Question No 839 in col 1802)

Q 205/86
818 Mr M A TARR asked the Minister of Constitutional Development and Planning

(1) (a) What was the authorised staff establishment of his Department in the various grades of employment as at the latest specified date for which figures are available, (b) how many (i) Whites, (ii) Blacks, (iii) Coloureds and (iv) Indians were employed in each grade as at that date and (c) what is the policy of his Department regarding the promotion of Blacks, Coloureds and Indians to higher grades,

1794

(2) whether staff of different race groups belong to the same staff association, if not, why not?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

(See reply to Question No 839 in col 1802)

Q 205/86
819 Mr M A TARR asked the Minister of Foreign Affairs

(1) (a) What was the authorised staff establishment of his Department in the various grades of employment as at the latest specified date for which figures are available, (b) how many (i) Whites, (ii) Blacks, (iii) Coloureds and (iv) Indians were employed in each grade as at that date and (c) what is the policy of his Department regarding the promotion of Blacks, Coloureds and Indians to higher grades,

(2) whether staff of different race groups belong to the same staff association, if not, why not?

THE MINISTER OF FOREIGN AFFAIRS

(See reply to Question No 839 in col 1802)

Q 205/86
820. Mr M A TARR asked the Minister of National Education:

(1) (a) What was the authorised staff establishment of his Department in the various grades of employment as at the latest specified date for which figures are available, (b) how many (i) Whites, (ii) Blacks, (iii) Coloureds and (iv) Indians were employed in each grade as at that date and (c) what is the policy of his Department regarding the promotion of Blacks, Coloureds and Indians to higher grades,

HoA

WHEN South Africa went to the polls in 1983 to vote for the new tricameral parliament, the Cape Town constituency of Tafelberg distinguished itself by recording the lowest turnout in the entire country, a percentage poll of 1,5 percent

Today, in spite of that overwhelming rejection of the new government, the people of Walmer estate, Woodstock and Salt River find they are about to become the neighbours of a number of prominent ministers in the House of Representatives

A prestigious housing estate for senior members of parliament, including Minister of Education and Culture Carter Ebrahim and David Curry, the Minister of Housing, is to be built on land adjacent to District Six, an area that was for generations the home of many coloured families until the government declared it a white group area and forced the residents to leave

The irony is not lost on the community Out (Organisations Against Traitors), an umbrella body representing a range of community organisations in the area, describes the planned housing scheme as

By MOIRA LEVY, WESLEY M. Cape Town

"audacious" In a significant show of unity, political groupings that have always been staunch ideological rivals have joined forces in Out

The organisation was initiated by the Woodstock, Salt River, Walmer Estate Civic Association (Wosawa)

But representatives of the Call of Islam, the United Democratic Front, and a range of school, cultural, youth and civic bodies have also joined in to fight the building scheme.

The intention is to "claim the area and declare that it now belongs to the community", the representative said

Earlier this month, in a bid to do just that, residents held a placard demonstration along the main road, disrupting Saturday morning traffic, before the police ordered them to disperse

The representative explained, "We wanted to take over the land and develop it into a park with a volleyball court, sandpits, swings for the schoolchildren and a pathway running right through it which we planned to call the Mandela Walk."

In two earlier incidents, students of

the secondary schools in the area and the teachers training college marched onto the property, ordered the workers to leave and allegedly sabotaged the tractors being used to clear the grounds by pouring sand into the petrol tanks. The company that owned the equipment has since pulled out of the contract

Violence flared when police baton-charged the 400-strong crowd

Since then two armed security men have been employed to guard the area and a barbed wire fence has been erected

The community is particularly angry about the threatened closure of two schools in the area to make way for the government houses

An adjacent vacant lot, nicknamed The Greens and used by the community as a playing field, will also be incorporated into the new residential estate as part of its gardens and recreation facilities

There are residents in the community who have been on the waiting list for housing for 20 years, the representative said

Out is demanding that instead of building expensive homes for government ministers, affordable housing be provided for people on the waiting list

Whites occupy all plum posts in Public Service

26/5/86 S. TARR (PFP) 250

By Bruce Cameron,
Political Staff

CAPE TOWN — White South Africans not only have most of the jobs in the Public Service, but also the plum positions

This is clear from questions asked in Parliament, mainly by Mr Mike Tarr (PFP, Pietermaritzburg South).

But Minister for Administration and Economic Advisory Services Mr Eh Louw said the official employment policy in the Public Service was one of "no discrimination against any candidate or officer of any population group".

"The principles of merit and efficiency are always applied when posts are filled"

Mr Tarr responded bluntly "I don't believe it"

It is only in portfolios such as Education and Training that blacks fill most of the posts and are pushing into the top bracket

Those departments which do not specialise in black affairs

are dominated with whites, not only at the top levels but also in the middle strata, with blacks mainly being brought in to do menial and unskilled tasks

And the discrimination goes further, with the overwhelming number of top and key jobs being held by Afrikaners

The tricameral system of Parliament has not as yet improved the position of the coloured people, and particularly the Indians

The ratio is nowhere near the 421 on which the tricameral system is based

'DANGEROUS'

For example, in the Department of Environmental Affairs, which has an Indian Deputy Minister, there are four Indians to 3 383 whites

In the President's Office there is not one Indian, coloured or black in one of the advisory or senior positions

The Commission for Administration, which is responsible for

the Public Service, is itself heavily tilted in favour of whites

Not one person of colour holds a decision-making or executive making job on the commission

Mr Tarr feels the commission should launch an "affirmative" programme to include and train blacks, coloured people and Indians

He said the present position was dangerous.

First, blacks would be angered by the lack of jobs being made available for them in the Public Service, which would also raise doubts about the Government's intentions to get rid of racial discrimination

The other problem was that when blacks had a major say in Government they would insist on bringing in blacks on a large scale. This would result in many under-trained or untrained people being put into jobs, which would cause chaos in the Public Service

Mitchell's 27/5/84
'Whites at 250
advantage in
public service'

Labour Reporter

RACIAL discrimination is still rife in the public service, according to Mr Malcolm Domingo, chairman of the Public Servants' League.

Mr Domingo was speaking at a regional meeting of the league in Mitchell's Plain at the weekend

The public service was at one time looked on as providing employment for whites and there were still sections where the new dispensation had not been fully accepted, he said

"TEMPORARY"

A survey of the Cape Provincial Administration hospital services had shown 87 job categories still set aside for whites only. Some categories are reserved for whites, Indians, and coloured people and the lower categories for black people.

Mr Domingo said it was disturbing that many coloured workers, even after many years' service, were still employed as "temporary" workers

Wages were another cause of dissatisfaction

(b)	(c)	(d)
R		
West Rand Area Development Board	648,82	Government Printer
Western Cape Area Development Board	690,85	Government Printer
Western Transvaal Area Development Board	676,96	Hooftadpers Ltd (trading as Aurora Printers)
Northern Transvaal Area Development Board	552,60	Government Printer
Northern Cape Area Development Board	762,83	Hooftadpers Ltd (trading as Aurora Printers)
Orange Vaal Area Development Board	789,15	Hooftadpers Ltd (trading as Aurora Printers)
Owagwa Government	4 029,13	Government Printer
Lebowa Government	10 533,15	CTP Book Printers (Pty) Ltd
KwaZulu Government	2 804,35	Government Printer
KaNgwane Government	3 446,31	Government Printer
Gazankulu Government	3 755,84	Government Printer
KwaNdebele Government	8 355,53	CTP Book Printers (Pty) Ltd

FRIDAY, 30 MAY 1986

†Indicates translated version

For written reply.

General Affairs
Q 2075 30/5/86
 Ruacana hydro-electric scheme
 HANSBERG

842 Mr L F STOFBERG asked the Minister of Mineral and Energy Affairs

- (1) (a)(i) What amounts have been invested in or spent on the Ruacana hydro-electric scheme by the State, State institutions and other local institutions with the permission of the State and (ii) in respect of what specified period is this information furnished, (b) what percentage of the total investment in the said scheme do these amounts represent, (c)(i) in what manner are these amounts being repaid and (ii) what amount has been repaid.

THE MINISTER OF MINERAL AND ENERGY AFFAIRS

- (2) (a) how much electricity has been supplied by this scheme in each year since it was put into operation and (b) what was the planned supply in respect of each such year,
- (3) at what price was this electricity supplied in each of these years?
- (1) (a) (i) R251 million.
 (ii) 1964 to 1978
- (b) 54,1%
- (c) (i) No final agreement has as yet been reached regarding the manner in which the amount will be repaid, negotiations between the parties concerned are, however, being proceeded with
 (ii) Falls away

(2) (a)	Thousand kWh	(1)	No. At this stage it is not possible to say when the consultations will be completed, as the agricultural sector is a very large and diversified one and quite a number of bodies have to be conferred with
1980/1981	454 116	(a)	Consultations are still continuing and are to be broadened further
1981/1982	547 124	(b)	Up to now only representatives of organised agriculture have been consulted.
1982/1983	865 000	(2) No	
1983/1984	1 259 891	(a)	Consultations have not yet been completed
1984/1985	1 463 831	(b)	The release of the report will be considered in the light of the progress which is made with talks with organised agriculture in particular
1985/1986 (9 months)	743 413	(3) Yes	

(b) The planned supply is estimated at 1 000 million kWh

(3) Average price of electricity prices at an average load factor of 70 per cent
 Apr 1978 to Feb 1980—3,82 c/kWh
 March 1980 to March 1981—4,32 c/kWh
 Apr 1981 to March 1983—4,87 c/kWh
 Apr 1983 to Aug 1983—5,14 c/kWh
 Sept 1984 to Jun 1986—4,73 c/kWh
 Jul 1986—5,39 c/kWh

Q 2077
Farm/domestic workers
 1043 Mr P H P GASTROW asked the Minister of Manpower

- (1) Whether, with reference to his reply to Question No 19 on 11 February 1986, consultations concerning the report of the National Manpower Commission on the working conditions of farm and domestic workers have been completed, if not, when is it anticipated that they will be completed, if so, (a) when and (b) what organisations and persons were consulted in this regard,
- (2) whether the report has been released, if so, when, if not, (a) why not and (b) when will it be released,
- (3) whether any action is to be taken in connection with the findings of the Commission on this matter; if not, why not, if so (a) what action and (b) when?

1069. Mr W V RAW asked the Minister of Transport Affairs:

- (1) (a) How many aircraft of each type were purchased by the South African Airways in each of the latest specified five years for which figures are available and (b) at what price in each case,
- (2) (a)(i) how many aircraft of each type were sold in each of the above-mentioned years and (ii) at what price in each case and (b) what was the (i)

Aircraft

THE MINISTER OF MANPOWER

Behind barbed wire

As resistance grows to the construction of seven houses for coloured Cabinet ministers in Walmer Estate, Cape Town, government disclosed this week that the cost of the residences is estimated at R365 714 each.

The houses are being built on a hillside below De Waal Drive in a coloured group area about 3 km from the city centre.

Local residents have, however, strongly protested against having what they describe as "sell-outs" in their midst.

Earlier this year, an earthmover excavating at the site was sabotaged after sand was put in its fuel tank. Work is now going ahead behind a double roll of razor-sharp barbed wire.

Walmer Estate falls within the Tafelberg constituency, where the lowest percentage poll in the country was recorded in the 1984 coloured election.

Residents are not only politically opposed to the coloured ministers living in their suburb, but also fear the houses could become terror targets and so threaten the safety of the neighbourhood.

The Minister of Communications and Public Works, Lapa Munnik, told the Progressive Federal Party's Roger Burrows this week the estimated cost of the seven houses, including services and security, was R2 560 000.

At the moment, the coloured ministers are living in a block of heavily guarded State-owned flats in Rondebosch. ■

CML Timw 31/5/86 (250)

11 State activities could be privatised

HOUSE OF ASSEMBLY.

— The Minister of Administration and Economic Advisory Services, Mr Eli Louw, yesterday announced that the Cabinet had decided in principle that 11 activities at present being undertaken by the State could be privatised.

Speaking in committee on his vote, Mr Louw listed the following

- The building and maintenance of roads

- The provision and maintenance of motor transport (excluding the SADF and the SA Police)

- Provision and running of toll-gates

- Production and sale of tobacco seed

- Regulation of meat standards

- Regulation of cotton standards

- Regulation of butter and cheese standards

- Grading of meat carcasses.

- Rendering of specific engineering advisory services

- Evaluation of tractors and agricultural equipment.

- Laboratory experiments affecting agricultural materials and products

Government, as well as own and general-affairs departments and the provincial administrations would be closely involved with the move

"The commission has .. encountered constructive and co-operative attitudes", and "is continually investigating further privatisation", Mr Louw said

- The government had approved the abolition of salary disparities between population groups at colleges and schools, including nurses and paramedical personnel, Mr Louw announced.

Mr Louw said the new dispensation would be implemented during the present financial year once investigations had been completed

"I have previously indicated that it was government policy to try and keep the salaries of government officials moderately (matig) competitive with the private sector. To achieve this a system of occupational differentiation is being followed"

16/6/80
BUS DAY

Parliament faces a marathon task

250

PARLIAMENT enters the last few days of this session with the marathon — and almost impossible — task of having to deal with a long list of important Bills that have to be translated into legislation by the end of the month.

The level of unfinished business has caused the acting Leader of the House of Assembly, Constitutional Development and Planning Minister Chris Heunis, to rule that Parliament will sit until 10.30pm every day this week.

Instead of ending the session on Friday, as originally scheduled, Parliament is to sit all day on Saturday, and looks set to sit through Monday and Tuesday nights, finally rising on June 25.

About 20 Bills have to be dealt with between now and then. Many are controversial, so their passage through the different stages is not likely to be smooth.

Top of the list are the controversial Public Safety and Internal Security Amendment Bills — providing for detention without trial for 180 days and the declaration of unrest areas.

It now seems certain, with resistance to them continuing in the

CHRIS CAIRNCROSS

Coloured and Indian chambers, they will be referred to the President's Council for a final decision.

Other related legislation which has to be passed this session are the Bills giving effect to the scrapping of influx control and the pass laws, and the restoring of citizenship rights to blacks.

The old provincial council system is being scrapped at the end of this month, and at least four Bills, on the Order Paper, will have to be passed this week to give effect to the new structures which replace it.

Those still before the Standing Committee on Constitutional Affairs are the Provincial Government Bill, providing for an executive authority at provincial level, the Joint Executive Authority for KwaZulu and Natal Bill, and the Regional Services Councils Amendment Bill.

The third reading debate on the Budget is also high on the list. Finance Minister Barend du Plessis will then spell out what measures he has chosen to provide limited stimulation to the economy.

BUSINESS DAY, Friday, June 20 1986

3 out of 5 Afrikaners work for govt

State employment of whites growing

250

MORE whites are employed by large government organisations than private concerns — and those numbers are increasing steadily, a market survey has shown.

Market Research Africa's (MRA) employment index shows two out of every five white adults in full or part-time employment work for government, one in two is working for the private sector and one in 10 is self-employed.

The findings are based on representative samples of 1 000 white urban adults covering the adult population.

MRA said yesterday 21% of white urban adults were in full or part-time work for large government organisations compared with 18% for large private concerns.

In July 1985 the figure stood at 18%, in

November 1985 at 20% and by March this year had risen to 21%, with another 2% working for small government organisations.

More Afrikaners are working for government — three in five — compared with one in five English speakers.

MRA MD and chairman Clive Corder said "SA cannot afford to have such a large proportion of its working resources employed by government.

"The private sector is declining, and is less able to finance growing government expenditure. Unless there is a rapid cut back in government expenditure and a corresponding reduction in corporate taxation, the free enterprise section of the economy will continue to decline. There is also a grave risk the economy will suffer serious damage" — Sapa

Fiscor closes down this month

CHRIS CAIRNCROSS

THE Fisheries Development Corporation (Fiscor) will shut down at the end of this month. Environmental Affairs and Tourism Minister John Wiley confirmed in Parliament this week.

Replying to a question from Progressive Federal Party leader Colin Eglu, Wiley said the research functions of Fiscor were being transferred to the Sea Fisheries Research Institute of the Department of Environmental Affairs.

Its finance functions were to be taken

over by the Small Business Development Corporation, and its responsibilities for fishing harbour construction and maintenance would go to the Chief Directorate Marine Development of the Department of Environmental Affairs. Cash reserves were to be transferred to the SBDC, while Fiscor's Cape Town premises on the foreshore would be taken over by the State.

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11 June 1986

Govt is big white boss

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There are now more whites employed by large government organisations than by large private companies, and the number of whites employed by government is growing

Market Research Africa's employment index has found

● 21 percent of white urban adults now work full or part-time for large government organisations, compared with 18 percent for large private concerns. And the number is increasing

● In July 1985 the figure stood at 18 percent, in November 1985 at 20 percent and by March this year had risen to 21 percent with a further two percent working for small government organisations

● Two out of every five white adults in full or part-time employment are now working for the government, one in two is working for the private sector and one in 10 is self-employed

MORE AFRIKANERS

More Afrikaners are working for the government — three in five — compared with one in five English speakers, the index found.

"South Africa cannot afford to have such a large proportion of its working resources employed by government," head of the research organisation, Mr Clive Corder, said

He said the private sector was declining, and was less and less able to finance growing Government spending. Unless there was a rapid cut-back in government spending and a corresponding reduction in corporate taxation, free enterprise would continue to decline.

ALF SANDTON TVI

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this police station at present, if so,
(a) how many in the (i) uniform and
(ii) detective branch and (b) in re-
spect of what date is this information
furnished.

(4) (a) which suburbs are served by this
police station and (b) how many
police vans were in use there as at the
latest specified date for which figures
are available,

(5) whether residents of the Booysens
area recently established an organisa-
tion to provide their own protection,
if so,

(6) whether he will make a statement on
the matter?

**THE MINISTER OF LAW AND OR-
DER**

(1) Yes

(a) At this stage it is not known
when the renovation of the exist-
ing police station will com-
mence

(b) Initially prefabricated offices will
be erected. A substitutive police
complex for which tenders will
be obtained during April 1989,
and which comprises of a Dis-
trict Headquarters, police sta-
tion single quarters, detective
offices, club facilities and secur-
ity cells is however in prospect

(2) No it is not the policy to make
known information of this nature

(a) and (b) Fall away

(3) Yes

(a) (i) and (ii) It is not the policy to
make known this information
with regard to individual police
stations

(b) 14 April 1986

(4) (a) Acroton Baragwanath, Belle-

vista, Booysens, Booysens Re-
serve, Chrisville, City Deep,
Crown Gardens, Crown Mines,
Eastcliff, Electron, Eliadone,
Evans Park, Forest Hill, Gill-
view, Glensesk, Haddon, Kennil-
worth, Larochele, Lakeview,
Lindebergpark, Lummeyer,
Mark (City Deep), Moffat View,
Oakdene, Ophurton, Ormonde,
Pioneerpark, Regency, Regent's
Park, Reuven, Rewlatch, Ridge-
way, Risana, Robertsham,
Rosacres, Rosettenville, South-
dale, South Hills, Springfield,
Stafford, Steeleedale, Turfclub,
The Hill, Trojan, Townsview,
Towerby, Turfontein, Tulisa-
park, Ungray, Wes-Turfontein,
Wemmerpan, Show grounds,
Winchester Hills

(b) Besides 27 other vehicles 3 pa-
trol vans were used

(5) The establishment of such an organisa-
tion has not come to the notice of
the South African Police

(6) No

Ullundi: provision of houses

1027 Mr R M BURROWS asked the
Minister of Public Works

Whether his Department is involved in
the provision of houses for officials of the
Department of Development Aid second-
ed to work in Ullundi, if so, (a) to what ex-
tent, (b) where are these houses located,
(c) how many (i) have been constructed
and/or (ii) are to be constructed and (d)
what is the cost of each house?

THE MINISTER OF PUBLIC WORKS

Yes

(a) for all the officials of the Department
of Development Aid who have been
seconded to assist the Kwa-Zulu gov-
ernment in Ullundi,

(b) Melmoth,

(c) (i) 127 dwellings;
(ii) 28 dwellings,
(d) the dwellings were erected under sep-

arate contracts. It is therefore not
possible to calculate the individual
cost per dwelling. The average cost
per dwelling according to the contract
price is, as follows

Number of dwellings	Date of contract	Average cost per unit
11 houses	16 August 1973	R24 654,81
37 houses	8 November 1973	R20 493,91
48 maisonettes	20 December 1973	R18 166,60
20 flats	24 October 1974	R19 730,05
10 houses	5 January 1978	R34 730,90

One house was already in use for official
purposes before the seconding of officials.
The house was presumably erected about 30
years ago and particulars regarding erection
costs are not available.

A further 18 houses will be erected in the
near future and tenders which were received
are at present being considered

Amounts paid to independent Black States

1109 Mr L F STOFBERG asked the Min-
ister of Trade and Industry †

With reference to his reply to Question
No 1029 on 14 May 1986, (a) what status-
tics does his Department use as a basis in
determining and checking the amounts in-
paid over to independent Black states in
Africa in terms of Customs Union agree-
ments and (b) from what agencies and/or
Government Departments are these statu-
tics obtained?

**THE MINISTER OF TRADE AND IN-
DUSTRY**

(a) The statistics as laid down in article
14 of the Customs Union Agreement
of 1969 which was published in Gov-
ernment Notice No R 3914 of 12 De-
cember 1969.

(b) The Directorate Customs and Excise
in the South African Department of
Finance and the Government Depart-
ments concerned with Customs

Union matters in the respective Black
states.

1127 Mr L F STOFBERG asked the Min-
ister of Finance: †

(1) Whether the amount appropriated by
the State in respect of the 1984-85
financial year for salaries and wages
of public servants was approximately
11% more than that in respect of the
1983-84 financial year, if so, (a) what
is the exact percentage increase and
(b) to what factors is this increase at-
tributable.

(2) whether he will make a statement on
the matter?

THE MINISTER OF FINANCE

(1) (a) No; the percentage increase was
however, 21,3%

(b) (i) The full-year expenditure
or continuation effect of the
implementation of occupa-
tion differentiation during
the 1983/84 financial year
and the granting of a 12%
allowance to all personnel
with effect from 1 January
1984

(ii) The further implementation
of occupation differentia-

FINMAIL

July 1986

250
GOVERNMENT FINANCES

An edgy start

Government finances are well outside Budget estimates, and interpretation of accounts under the new constitution is an exercise of futility. Control of unrest is a cost that will never be known, but can be guessed as appreciable.

April and May, the first two months of the fiscal year, show spectacular increases in spending by some departments — of over 100%. Defence spending for May increased 117% year-on-year to R800m (75% year-on-year for the first two months). House of Assembly Administration in April-May rocketed 133% to R1 billion. Other large increases were recorded by the Commission for Administration (192% to R108m) and National Health and Population Development (83% to R385m).

Overall, spending increased 29,7% for April-May and 35,4% for May alone compared to a year ago. These figures are more than double the 13,9% budgeted increase. Even without one extraordinary and unidentifiable item, the increase for April-May would have been of the order of 20,7%.

Implementation of the new constitution explains many increases. Education spend-

ing for whites is transferred to House of Assembly Administration, partly explaining the 12% decrease in Constitutional Development and Planning.

Analysis of April's revenue account is distorted by a number of factors. The year-on-year increase in GST revenue of 20,8% is high, as the actual rate for April 1985 was 11% against the current 12%. But the overall revenue increase of some 19% is ahead of Budget and almost matches the adjusted spending increase of 20,7%.

Finance Minister Barend du Plessis' economic package effectively pushes spending for the year to around R38 billion, implying a deficit of R7 billion on budgeted revenues.

It is likely too that Pretoria's new multi-sprocketed drive to collect cash from taxpayers will show appreciable results. ■

Arabs 3/7/86

NATIONAL

250

Whites still top earners in public service

The Argus Correspondent

PRETORIA. — Whites still dominate the top structures of the one million-strong public service and their salaries will eat up nearly half of the State's wage bill of more than R10 300-million this year

This is in spite of the fact that whites make up just more than one third of all public servants

Figures from Central Statistical Services show that white public servants earn well above what their coloured, Indian and black counterparts take home every month

According to figures for the first quarter of 1986, 1 052 252 people are now employed in central government departments, the self-governing homelands, the provincial administrations, local authorities and various statutory bodies.

In the first three months of this year they earned a total of R2 597-million

Provincial

According to the figures, 391 077 people are now working in central government.

However, the average black salary was R513 as compared with R1 253 for whites Indians took home an average of R1 144 and coloureds R754

Another 127 890 people now work in the self-governing homelands, where the average salary for blacks is R523 a month

Provincial administrations employ a total of 262 189 people, paying whites an average of R1 296 and blacks R387. Indians get R1 014 and coloureds R508.

At local authority level there are 240 100 employees — 140 000 of them blacks The average here for whites is R1 808 and for blacks R372

Then there are another 30 996 employed by various statutory bodies, such as the CSIR, the performing arts councils and state libraries Whites employed here average R1 981 a month and blacks get R304

Public service employment figures have grown steadily over the past few years — in spite of promises by President P W Botha to tighten up on administration

Government spokesmen have said more staff are needed under the tricameral constitutional system They said many people have been taken on in vital departments, such as those dealing with black education

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Govt spending in early months up 24% on last year

M/M.
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167-86

Mercury Correspondent
JOHANNESBURG—Government expenditure of just over R10 billion for the first three months of the current fiscal year is running at 24,4% above last year's figure

In his Budget speech, Finance Minister Barend du Plessis said his estimated expenditure for the year of R37,447 billion would be 13,6% higher than the revised figure of R32,977 billion for fiscal 1985/86

The Treasury's outlays vary from month to month and are usually higher in the first few months of the fiscal year. But the 24,4% increase, calculated by comparing the first quarter of this year with the first quarter of last year, is a grim warning that expenditure is likely to overshoot budget considerably

Compared with last year, Defence spending is up 32,4% at R1,585 billion. Police outlay is 28,4% higher at R361,5 million and Pris-

ons spending up 24,1% at R130 million

Spending by Transport is 89% higher at R186 million and Trade and Industry is up 37,2% at R302 million

Spending on National Education has increased by 23% to R33,1 million and Education and Training is 37,3% higher at R283 million

Inflow

The largest percentage increase is in the spending of the Commission for Administration, which was 197% higher than last year at R112,8 million

Revenue, too, is well ahead of last year's inflow

During the months April to June the Treasury collected R6,885 billion, which was 21% more than it had garnered in the first quarter of 1985. Inland Revenue brought in R6,318 billion while Customs and Excise contributed R566,6 million

The fiscal year is still too

young for any realistic assessment to be made of the outcome of the revenue estimates

The deficit before borrowing was R3,191 billion, compared with the budgeted deficit of R3,944 billion for the full year. But as revenue accrues very sluggishly to the Treasury during the first few months of a fiscal year, the borrowing is usually heavy

The financing of that deficit, however, suggests that Mr du Plessis is going to raid the private sector for a lot more than the R893 million in new bonds which he provided for in his Budget

The Public Investment Corporation which is down to provide R3,25 billion this year has already taken up bonds to the value of R1,25 billion

Foreign loans and credits amounting to R13,6 million were repaid and R1,1 million was raised

Raise housing subsidy limits — civil servants

250
17/7/85
STAR

Own Correspondent

CAPE TOWN — Public servants want their R50 000 housing subsidy ceiling raised or scrapped

The call was made in an editorial in *Die Staatsamptenaar*, official journal of the Public Servants' Association

It also suggested it was time for the association's own housing loan scheme and that transferred officials should be subsidised if they could not sell or rent houses because of the weak property market

Commenting on publicity about the volume of housing loans to public servants the editorial said there was misunderstanding. Reports had not put the subject of loans and subsidies in proper perspective.

The subsidy was limited to R50 000 and the average loan to public servants was R27 562. Government officials last year took loans averaging R48 527 while the price of a standard house was between R75 000 and R80 000. Only 10 percent of public servants participated in the subsidy scheme.

Research showed only 3 453 houses were bought under the scheme by 83 000 eligible government employees. No loans were made by the State.

They were granted by financial institutions and the State guaranteed a fifth of the loan. The official's service, pension, salary and leave credits served as guarantee for the rest.

Because the State did not provide matching investments, public servants were last in line for loans.

The editorial said these facts disproved the contention that State housing subsidies inflated house prices in certain areas.

"The time has come for the R50 000 limit on housing subsidies to be eliminated, or at least raised," it said.

Officials who could afford it should not be denied more.

Merc. 18/07/86

250

Right-wing strength test

By Stuart Flitton
Political Reporter

THE forthcoming Klip River by-election will be a major test of the strength of the Right-wing threat to the National Party.

The Conservative Party and Herstigte Nasionale Party are fielding 48-year-old Mr Chris Wolmarans, who will stand on an HNP ticket.

Mr Wolmarans is chairman of Action White Natal, an umbrella Right-wing group with the long term aim of uniting the Right

A staunch HNP member, Mr Wolmarans has initiated co-operation with the CP and other groups, including English-speaking organisations in Durban

During the by-election campaign the NP is likely to highlight the differences which have kept the CP and HNP apart until now

The ability of the two parties to stay together during the campaign will be a major indicator of their potential united strength

The NP candidate is Mr Thys Wessels

Mr Wessels, 53, was Klip River MPC and leader of the opposition in the re-

cently disbanded Natal Provincial Council

He has been active in the NP for the past 30 years and was unanimously nominated as the party's candidate at the Klip River constituency council meeting

An indication of the importance of the by-election to the NP is that the meeting was attended by its parliamentary chief whip, Mr Nico Pretorius, as well as its Natal leader, Mr Stoffel Botha, and Natal vice-chairman, Mr Jurie Mentz

The Progressive Federal Party is considering putting up a candidate if a voter survey this week reveals that a split in votes between the NP and HNP/CP could help give the PFP an upset victory

NP's doubts on alliance

Political Reporter

THE alliance between the Conservative Party and the Herstigte Nasionale Party in the forthcoming Klip River by-election was based on convenience and not conviction, National Party Natal secretary Renier Schoeman said yesterday

Mr Schoeman said he wondered how long the alliance would last.

'It is another example of the strange bedfellows which politics produces,' he said

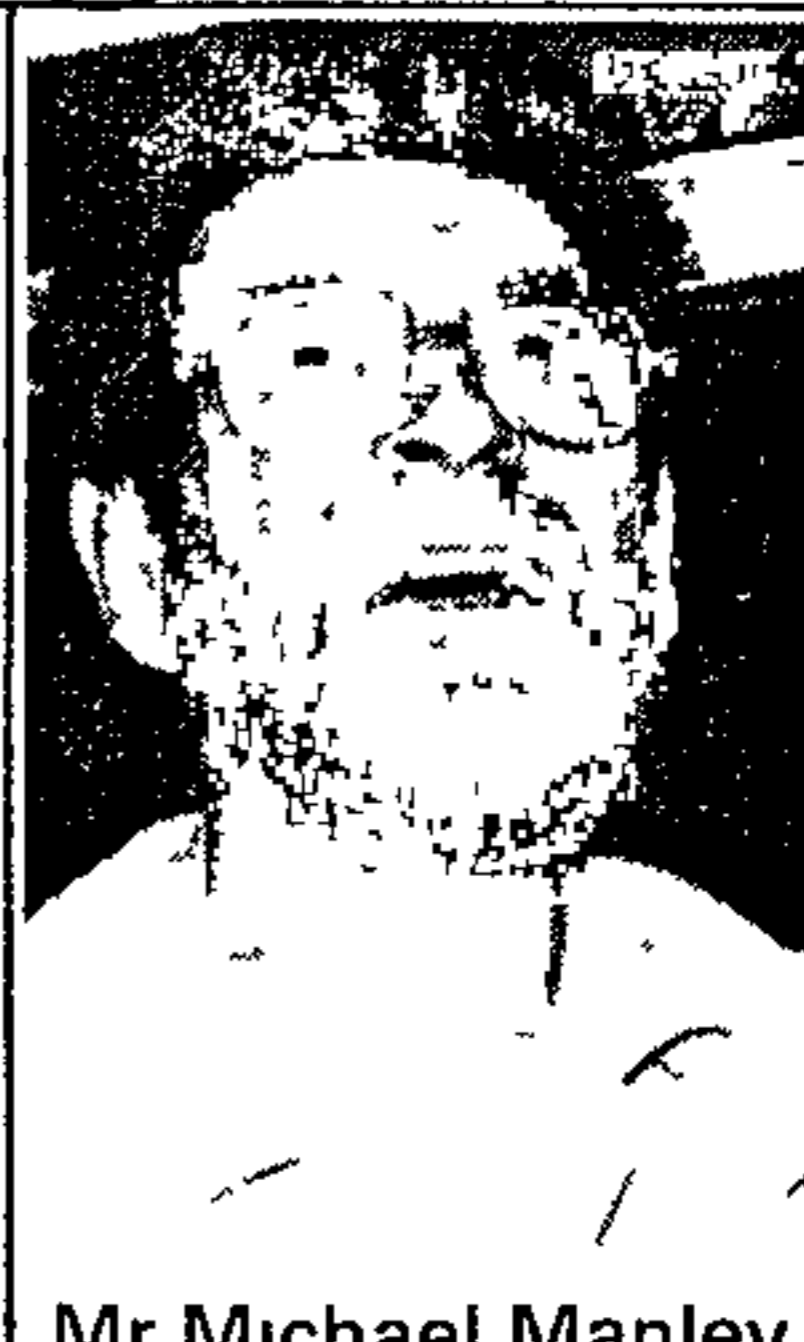
Mr Chris Wolmarans, HNP candidate in the by-

election, said the NP was selling the whites down the river and the Right-wing opposition was uniting against the NP

The first signs were at Sasolburg (where the HNP's Louis Stofberg with CP backing won a by-election) and you will see it again at Klip River,' Mr Wolmarans said

Missing

CAPE TOWN—A driver disappeared after his lorry went out of control in Du Toit's Kloof Pass and crashed down the mountainside yesterday — (Sapa)



Mr Michael Manley

Mystery surrounds death of manager

Pietermaritzburg Bureau

A GREYTOWN farm manager who was found shot dead at his home on Prospect farm this week had been saving up to bring his American fiancée out to this country for their wedding

Mr Michael Geoffrey Anthony Manley, 59, was employed as manager of DIV Farms

Mr Manley, who had relatives in the US and had recently spent time there, was engaged to an American woman and both had been saving for their wedding when he was killed

Greytown residents expressed surprise that anyone should want to kill the British-born farmer who they described as extremely friendly and outgoing

No motive has been established for the killing

Mr Manley was shot in the chest at his desk while working late on Tuesday night, police said

His body was discovered slumped over the desk the following morning by farm worker Paulus Mhlakwana

Police said the fatal bullet penetrated the prefab wall of Mr Manley's home,

where he stayed alone, and struck him in the chest

The bullet passed through the wall directly beneath a window, and police believe the shot was intended to go through the window but went slightly astray

Yesterday a large police contingent was combing the area for the killers

The Divisional Criminal Investigations Officer for Natal Inland, Col Christo Marx, said yesterday afternoon the police had not made any arrests

Details of the type of firearm used in the killing were not yet available

Mr Manley, who had been married previously, did not have children

Mr Manley had started with DIV Farms less than three months ago

His employer, Mr Bill Daly, described him as 'a helluva nice guy'

'Obviously we didn't know him that well but we did see quite a lot of him and he was a very friendly person'

He said he did not know anyone who could have had a grudge against the shot man

'That is really the mystery of it,' he added

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Cabinet costing a small fortune in court

Capl Trials 18/7/86

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By SHAUNA WESTCOTT
Supreme Court Reporter

Cabinet, with the Minister of Law and Order in a leading role, is costing the public a small fortune in bills impossible to give exact figures, partly because members of the legal profession are reluctant to give details and because press reports of court bills are often incomplete.

Given an idea of fees charged by advocates and clerks, and the number of civil suits citing ministers' names, it is possible to arrive at an estimate of the bill facing taxpayers

So far in 1986, members of the Cabinet have been cited in at least 20 civil actions where courts have ruled against the government or may yet do so. On Wednesday, although the Durban Supreme Court rejected a trade union's application for an order declaring the state of emergency invalid, the government was ordered to pay half the union's costs.

To be able to do some sums the following facts are relevant

- In complicated cases, where a senior and junior counsel are briefed, their fees may be as high as R10 000 for the first day in court, because preparation is involved, and R5 000 for each subsequent day

- When only one advocate is briefed, the fee will drop by about 50 percent, depending on the seniority of the advocate and the complexity of the case
- The preparation of documents in complicated cases — drawing up affidavits, for instance — may cost as much as R20 000. The cost is higher if the job is done by advocates
- Over and above this are fees charged by instructing attorneys calculated on an hourly basis at a maximum of R72,60 an hour. However, this maximum applies only to the amount recoverable from the losing side. An attorney may also charge an "attorney and client fee" in addition

- The State Attorney's Office, which invariably instructs counsel in actions citing government functions, draws up bills in the same way as private attorneys although staffed by salaried employees. Assuming that trials ran for only one day where is not known that they ran longer, and assuming that only one counsel was briefed when it is not known that a silk was also briefed, this can safely be said — as in the Mawu application, have so far cost taxpayer over R275 000 in 1986. When responsibility for costs in pending cases is determined, that figure could easily double to well over half-a-million rands

Sowetan
22/07/86 X

Public's legal bills mount

THE Cabinet, with the Minister of Law and Order in a starring role, is costing the public a fortune in legal bills.

It is impossible to give exact figures, partly because members of the legal profession are reluctant to provide details and because Press reports of court actions are often incomplete.

So far in 1986, members of the Cabinet have been cited in at least 20 civil actions where courts have ruled against the Government or may yet do so.

Although the Natal Supreme Court rejected a Metal and Allied Workers' Union application for an order declaring the state of emergency invalid, the respondents were ordered to pay half the costs.

Fees

In complicated cases, where both a senior and junior counsel are briefed, their fees may be as high as R10 000 for the first day in court, because preparation is involved, and R5 000 for each subsequent day.

When only one advocate is briefed, the fee will be about half, depending on the seniority of the advocate and the complexity of the case.

The preparation of documents in complicated cases — drawing up affidavits, for instance — may cost as much as R20 000. The cost is higher if the job is done by advocates.

Over and above these are fees charged by instructing attorneys calculated on an hourly basis at a maximum of R72,60 an hour.

Suits

However, this maximum applies only to the amount recoverable

from the losing side. An attorney may also charge an "attorney and client fee" as well.

The State Attorney's office, which invariably instructs counsel in actions citing Government functionaries, draws up bills in the same way as private attorneys although it is staffed by salaried employees.

Assuming that trials ran for only one day where it is not known that they ran longer, and assuming that only one counsel was briefed when it is not known that an advocate was also briefed, civil suits the Government has lost, or partially lost have so far cost the taxpayer more than R275 000 in 1985.

When responsibility for costs in pending cases is determined, that figure could easily double — Sapa

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Privatisation gets guideline

PRIOR to privatisation of its holdings, the State would have to embark on a major valuation exercise involving all public sector assets

With this in mind, a paper on privatisation has been prepared as a guideline for government, highlighting the need to identify and value all public sector assets prior to their disposal. Richard Ellis SA, one of the country's foremost valuers, and Syncom, have written the document.

The paper is one of a series of privatisation position papers (PPPs) on various aspects of privatisation and deregulation being prepared by Syncom, the private sector organisation which develops action programmes and policy alternatives for all areas of business and related environments.

Richard Ellis director Norman Griffiths, author of the paper, notes that valuating State assets can be an extremely complex exercise but an independent assessment of asset value should be a regulatory requirement for each transfer into the private sector.

Assets fall into a number of categories, with fixed property forming a major part. His paper gives an indication of the magnitude of the task ahead.

Owned property, for example, could involve major industrial complexes (Isacor); specialised purpose-designed service installations (airports and railway stations), specialised provincial operations such as nature reserves, pleasure resorts, libraries, museums and State theatres, specialised municipal

service buildings (fire stations), and substantial tracts of land.

Most of these property assets will exist without the controls of existing municipal and provincial town planning schemes but, under the Rating of the State Properties Act of 1984, will be subject to municipal rating taxation. This act has not yet come into operation.

High alternative use value may exist in cases such as a power station in the centre of an urban area or due to, say, mining operations, there may be very low or no alternative use.

While the title to the land prior to privatisation rests with the State, provincial and municipal bodies, land sub-divisions, consolidations, title restrictions and all other legal issues will have to be established prior to sale to the private sector and are capable of affecting value.

A critical aspect of the valuation exercise, says Griffiths, will be identification of town planning controls to be imposed once the property passes into private hands.

Commenting on leasehold property, Griffiths says where land is leased for long periods (50 years and more) to the private sector, it is debatable whether the state can justify holding such land unless rents are at market levels, subject to regular market rent reviews, and then only if strategic control is required.

Most servitudes have a restricting or negative value effect on the land owners. Certain statutory bodies may benefit from servitudes

covering thousands of kilometres as in the case of Escom and SA Transport Services (Sats), and such servitudes must feature as a capital asset in any property register.

Operational property. Certain properties are fully or partially utilised in the provision of the service offered by the public body. Specialised operational properties may be subjected to a different method of value assessment to non-specialised properties — the Johannesburg Hospital, for example, would need careful value appraisal in the light of high original and current replacement costs, underutilisation, unacceptable design aspects and alternative utilisation methods.

Non-operational property. As the largest combined landowner in the country the State, para-state, provincial and municipal authorities have acquired or inherited large areas of land, much of which is not specifically utilised for its prime or original function. The task of establishing the status of this property is in itself a major exercise — Sats, for example, is currently doing this with a view to disposal and rationalisation.

In the case of a stock exchange flotation of a State enterprise, it would be essential to identify all such assets and not rely merely upon a revenue and earnings projection to determine gross value.

In conclusion, he notes that privatisation is an accepted political route worldwide and numerous examples are capable of analysis for application to this country.

SA civil service lashed by Rive

*ONE Post
25/1/86
250*

By **BOB KERNOHAN**
BUREAUCRACY had played a major role in "contributing to the development of the ideal seedbed for revolution", according to former top civil servant Dr Louis Rive.

The former Postmaster General told the annual meeting of the SA Permanent Building Society that positive elements pioneered by the State President deserved the support of loyal South Africans, so that the "forces of destruction should not be allowed to triumph over our ability and desire jointly to build a future full of promise for generations to come"

But he added "It is unfortunately the case that bureaucratic institutions which have operated for decades have long since lost credibility with the blacks and are, to a major degree, the source of frustration, anger and antagonism — contributing to the development of the ideal seedbed for revolution

"The only effective counter for that is bold, dynamic, positive action. There is no future in the negative"

Until recently a leading figure in drawing up "masterplans" for various regions in the country — including the Eastern Cape — Dr Rive said the greatest single

asset of the country was the "slumbering potential of the black man".

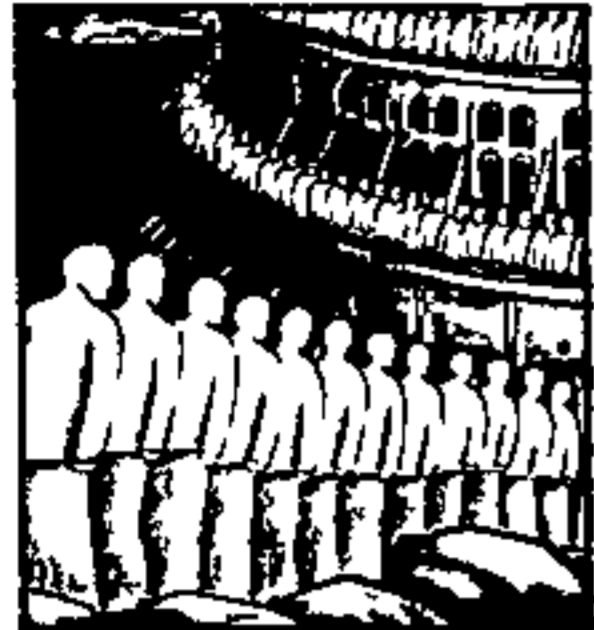
This potential had not only been denied through the years, but also "frustrated to the greatest extent

"Set this potential free, so that he can uplift himself and we will be amazed at what we can jointly achieve," he said, adding that the latest steps by the Government had paved the way for this

Urging "proper planning, deregulation and devolution of power", Dr Rive said there was no limit to what could be achieved with SA's resources

The march of folly

FIN MAIL 250 25/7/86



Perhaps the perennial attacks by the media and others on the ever-growing civil service have had some effect. Between June 1984 and December 1985 the total number of people employed at various levels of government (excluding Sats and the Post Office) actually fell for the first time in living memory (admittedly only marginally — by 420, to 1 035 440).

But despite State President P W Botha's promises when he came to power of a "rationalisation" of the public service, hopes for a significant decline in public-sector employment are as far away as ever. Government remains the employer of more than 20% of the non-agricultural workforce. In some areas this is unavoidable. SA is a country with a growing population, and certain social services have to be provided. The problem, though, is that despite widespread talk of deregulation, devolution and privatisation, SA continues on its course of more government rather than less.



PFP's Olivier

While we have seen various political reforms — some highly significant — designed to remove apartheid's harsher manifestations, we have not seen much reduction in the level of regulation of our highly regulated society. As Progressive Federal Party constitutional affairs

spokesman Nic Olivier points out, SA's new political structures (including the executive State President, President's Council, new provincial system, and regional services councils — RSCs) have concentrated, or will concentrate, more and more power in the hands of central government and its nominees. Says Olivier: "This means a tremendous increase in the number of functionaries answerable to central government rather than to voters. It may be a process of decentralisation, but it is not devolution of power."

It has been said before, and deserves to be repeated, that politics and ideology are major reasons for SA's oversized and inefficient civil service. Apart from its faults as a political policy, government's obsession with apartheid, separate development, "own affairs" — call it what you will — creates duplication upon duplication of bureaucratic functions. So at local level, instead of a single municipality for one town

P W Botha's promises of pruning the civil service have come to little. Instead, with the springing up of new systems of control, the bureaucracy has remained static for a brief period, while those axed from the development boards are to be placed elsewhere with other paper-pushing tasks.

or city, we have up to four separate local authorities, each soon to be represented on a RSC. The ideology also creates inefficiency with, for example, half-empty white schools, hospitals and transport services operating in tandem with overcrowded black institutions.

The Commission for Administration (CFA) claims that the tricameral parliamentary system required the creation of only 135 new posts in the civil service. However, some of these were for highly paid personnel — directors general, deputy directors general, and other senior officials.

As we shall see, even where it would seem that SA could have dispensed with a significant portion of its army of regulators (as with the welcome abolition of influx control) this has not happened. Granted, recent statistics show that some efforts have been made. The growth of the civil service has at least been stalled, for now. Spokesmen for the CFA, secretary Wessels Meyer and Deputy Director General Ian Robson, explain that this has been achieved through the implementation of various measures in the past year.

The CFA has abolished 50% of existing vacancies in the civil service, and the creation of new posts has been frozen unless authorised by the relevant minister personally. The CFA has also launched what it calls an extremely successful campaign "to promote productivity consciousness in key personnel." And, as announced by the grandly titled Minister for Administration and Economic Advisory Services in the

Office of the State President, Eli Louw, in his budget vote this year, various activities have been earmarked for privatisation.

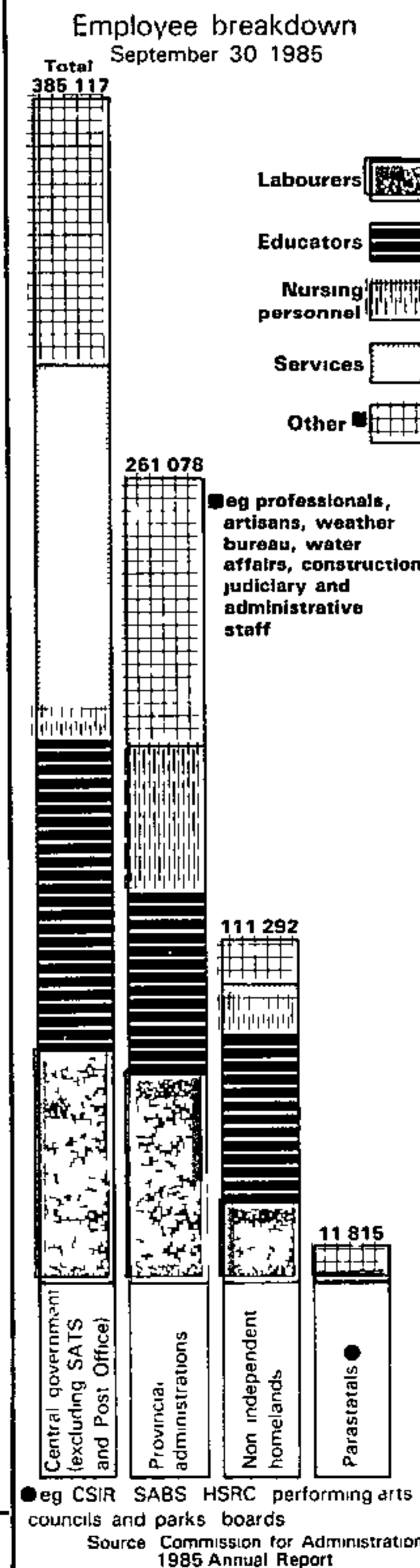
But a freeze on growth of the civil service is not enough. Significant cuts are necessary. When one considers that, according to the latest Central Statistical Services' *Bulletin of Statistics*, the workforce in the manufacturing sector dropped by 5% in the 18 months to December 1985, it becomes clear that the State's efforts, given the shrinkage in other major parts of the economy, are far from adequate.

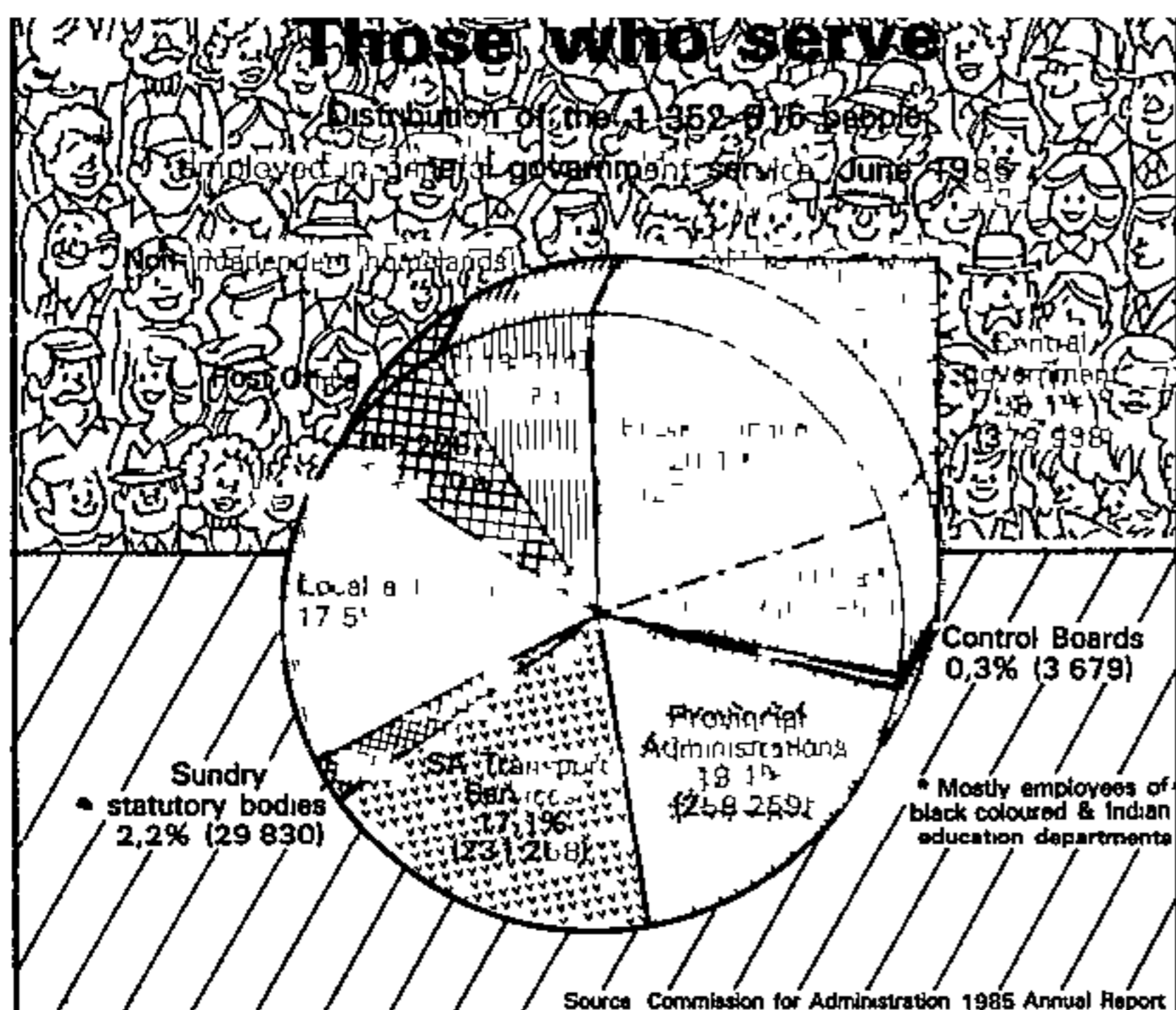
It would require major research to ascertain precisely where growth is occurring and where cutbacks are taking place to any significant extent. Apart from anything else, changing government structures masterminded by Constitutional Development and Planning Minister Chris Heunis (*FM* July 18) have resulted in numerous transfers of employees from one department, or level of government, to another. Indeed, the chart accompanying this article is already, in some respects, out of date.

It seems that significant cuts have occurred in only one area — Sats. Here, through natural attrition, the workforce has fallen by well over 20 000, or more than 10%, in the past three years. One sector where there has been much-needed growth is black education. The *FM* has repeatedly called for improvements in that area, and the diversion of public resources to it is to be welcomed. With falling living standards and growing black militancy, it would not be wise to call for a reduction in the quality and quantity of, for example, health and educational services.

Nevertheless, it must be asked, why must black education be so tightly controlled and conducted directly by government? Back in the Fifties, the church and mission school system was outlawed, in terms of Hendrik Verwoerd's philosophy that blacks should not be educated so as to give them inflated perceptions of their station in life. The reinstatement of such a parallel education system would relieve the State of at least

Who does what





part of the burden. Given the chaotic state of black education, to devolve parts of this function would not be a bad idea politically either.

The CFA spokesmen, in discussion with the *FM*, expressed considerable resentment at the impression, which they say is created by the media, that the civil service consists of 1m unproductive and parasitic bureaucrats. Says Robson: "There is a large concentration of educators, medical personnel, members of the security services, and other able and dedicated professionals (see table), all providing vital services. The so-called 'pen-pushers' represent only a small percentage of the total."

Overall, he says, 70% of the public sector is involved in "development" activities. The security services (SADF, SAP and the Prisons Service) account for another 20%, while only 10% are involved in "regulatory" functions.

Of course significant parts of the public service actually provide valuable services. But the impression remains that "rational-



CFA's Robson

isation" of the public sector still means no more than a game of musical chairs with no loser. People are shifted from one department to another, but, when Heunis's music comes to a temporary halt, there is still a place for everyone.

And it is fallacious to assume that all those in "development" departments are actively involved in development.

Many control and regulate to a degree which would be inconceivable if the same services were provided by private enterprise — as has been shown by improved efficiency and lower costs in, for instance, former British parastatals that have been privatised by Margaret Thatcher.

The fate of employees of the now-abolished development boards is an astounding illustration of this. Influx control was scrapped earlier this year, to the pleasure of everyone except members of the far Right, so were the development boards — along with peri-urban boards, divisional councils and a few other bodies.

What has happened to the thousands of development board employees whose job it was to admin-

ister this massive and grotesque system of social engineering? They were not made redundant. They have, in fact, been transferred to the authority of the new Provincial Executives, pending a CFA investigation into their future.

Such is their reward for kicking people around for years.

According to Constitutional Development and Planning (CDP) department spokesman Len Dekker, some are processing new identity documents for blacks, while others — using the unique skills

acquired in their previous positions — are assisting the repatriation of "aliens" to neighbouring states.

Olivier doubts that their workload now is comparable with the tasks they carried out before influx control was abolished. So do we.

But there is more to the story. According to Olivier, a member of the Parliamentary Standing Committee for CDP, many former development board employees actually asked to be made redundant. Their requests were refused. Why? Because their conditions of employment entitle them to an extra five years' pension benefits if they are laid off. Potentially huge lump-sum payments and subsequent monthly pension income make it cheaper to keep them than to retrench them.

One reason for this is that pension benefits are paid from current income, so are a direct impost on the Exchequer. State pensions are not funded on an actuarial basis.

In the private sector, good pension benefits are one factor in making employment conditions sufficiently attractive to retain valuable staff. But to make them so attractive that it is better to leave — at the expense of the taxpayer — is inexplicable. This is, of course, merely the tip of the iceberg as far as civil service perks are concerned.

There is a reluctance to declare redundant those whose services are no longer needed. This is perhaps partly out of fear of losing votes to the Right — and the collective voting power of civil servants and their families is not inconsiderable. And a bureaucracy can unerringly find *something* for people to do.

Operating without the economic constraints a private person or institution faces — with an almost bottomless pit of taxpayers' funds to hand — there is little incentive for government to tighten its belt.

But it must. SA can no longer afford a vast army of privileged government employees. The deadwood must go. Public sector redundancies need to go hand in hand with deregulation, if that ever gains serious momentum. ■

SOUTHERN SUN

The clouds of recession

Rumours of a partial close-down of the Johannesburg Sun — flagship of the Southern Sun group — have been circulating in the hotel industry. There was talk of the 20-floored Tower Block and top 10 floors of the main hotel having been mothballed. As it turns out, only the Tower Block reception area has been closed, but the 800-roomed hotel remains fully operational and, although still far from profitable, is running at budgeted occupancy.

Speculation surrounds Southern Sun

Southern Sun built its luxury hotels with the lucrative overseas market in mind. But the political climate has effectively killed foreign tourism for the moment, and internal travel is limited.

The group has been severely shaken by recession, and nothing, it seems, is quite so fascinating as the traumas of mega-corporations.

Recently we feasted on the misfortunes of Triomf. But if most of us have trouble visualising a redundant fertiliser plant, who would not be disturbed by the image of Southern Sun's R110m monolith standing empty in central Johannesburg, a symbol of our failed economy?

Although conditions are not quite that bad, Southern Sun has just emerged from its most dreadful trading year. It had to contend with a sharp fall in occupancy, while at the same time having to absorb

Huge pay rise for politicians condemned

THE timing of huge salary increases for politicians has been condemned as "insensitive" by candidates in the Pinelands and Claremont by-elections.

Mr Jan van Eck, Progressive Federal Party candidate in Claremont, said the increases came at a time when the man in the street was battling to make ends meet.

He said paying members more would not make the tricameral Parliament work.

Mr Tony Leisegang, New Republic Party candidate in Claremont, said salaries should be frozen until inflation dropped below 10 percent.

"This is my personal view. My party's stand is that there should be moderate increases to compensate politicians adequately and to attract the right sort of person."

Mr Jasper Walsh, PFP Pinelands candidate, said the increases were "extremely insensitive" when South Africans were "reeling under the impact of inflation".

Mr Norman Barrett, NRP candidate in Pinelands, said the MPs' new salaries were not excessive.

"I think MPs and businessmen should voluntarily stay on their present salaries because they are earning a living wage. Wage-earners should do the same."

UP IN ARMS

Mr Jimmy Zurich, chairman of the Artisan Staff Association, warned that his members would be up in arms over the increases and said blue-collar workers had been given a raw deal by the Government.

The president of the Trade Union Council of South Africa, Mr R H Botha, said that MPs and the President's Council should be fired rather than be given increases of such magnitude.

Mr Malcolm Domingo, of the Coloured Public Servants' League, said he hoped steps would be taken to improve the salaries of many of his members.

Mr Colin Cameron, president of the Public Servants' Associ-

ation, said the timing of the increases was awkward, but office-bearers should be reimbursed according to their responsibilities and skills.

In February the Schlebusch report caused an outcry by suggesting an immediate increase of 84 percent for MPs.

With the economic situation in mind, the recommended R10 000 annual secretarial allowance "will not at this stage be implemented," the Bureau for Information statement said on the President's behalf.

Government and opposition MPs have indicated that they are in favour of the pay rises for politicians announced by President P W Botha.

They justify the increases on the grounds that MPs are working harder, that they are faced with big expenses, and that good pay would attract the best people to Parliament.

IN FAVOUR

In an SABC-TV programme on the issue last night, MPs of various political parties spoke in favour of higher pay.

The new pay packages for all levels, including allowances, are:

- Ministers get R114 930, a 35 percent increase since April

- The Speaker, and chairman of the President's Council get R113 280, a 38 percent increase.

- Deputy-Ministers get R85 182, and increase of 19 percent.

- The Leader of the official opposition gets R81 000, an increase of 19 percent.

- Chairmen of standing committees get R65 154, an increase of 12 percent.

- MPs and members of the President's Council get R58 050, an increase of 22 percent.

The entire package is taxable.

The President, whose untaxed salary is determined by law, said in April he would not take an increase this year. — Staff Reporter, Political Staff, The Argus Correspondent and Sapa.

11718 BUSINESS DAY (250)

Big rises for ministers and MPs

PRESIDENT P W Botha yesterday announced pay rises of 35% for ministers and 22% for MPs.

Business Day Reporters

They follow the report of a committee, under former Vice-State President Alwyn Schiebusch, appointed in March to investigate remuneration and structures of conditions of service of political

office-bearers. Remuneration packages, which include salary and allowances, will increase from R84 920 to R114 930 for min-

● To Page 2 →

Big rises

250

isters; R81 800 to R113 280 for the Speaker and chairman of the President's Council, R71 390 to R85 182 for deputy-ministers; R68 090 to R81 000 for the

← ● From Page 1
Leader of the Opposition, and R47 300 to R58 050 for MPs

The entire salary-and-allowance package is taxable

The salary of the State President is not affected

Speaker backs MPs' pay rise

Political Staff

THE Speaker of Parliament, Mr Johan Greeff, yesterday supported the increased salaries for MPs announced by the State President, Mr P W Botha, saying the new system put greater demands on MPs

"The new parliamentary dispensation calls for a system of well-considered legislation in terms of which all bills on general affairs are referred to Standing Committees on which all Members of Parliament serve," he said in Cape Town

The committees met throughout the year — not only while Parliament was in session — which meant MPs had to be prepared throughout the year for meetings in Cape Town or Pretoria

'Obligated'

There were 17 Standing Committees on ministerial portfolios for general affairs which dealt with all legislation and related matters. Another committee, on provincial government, had to be appointed

In addition, MPs served on 13 other com-

mittees which dealt with matters such as the accounts of government departments

"MPs are obliged to serve on quite a number of committees, especially MPs of smaller parties and of Houses with fewer members," Mr Greeff said

"During the past few years, an average of 120 bills a year were introduced in Parliament which gives an indication of the workload of some Standing Committees in particular"

Mr Greeff said this year 240 committee meetings had been held up to the end of June and the Standing Committee on Home Affairs, for example, held 45 meetings to deal with nine bills

"A member is not expected merely to attend a meeting. It goes without saying that he has to make a thorough study of the matter under consideration and in fact has to specialize. This requires research, liaison with parliamentary study groups, interested parties and government departments, studying representations, in some cases hundreds of them, and, liaising with the private sector"

Fined

Attendance of committee meetings was compulsory and members were fined R50 a day for not being there. MPs' constituency programmes during the parliamentary recess were subordinate to their committee obligations

"The new dispensation and system of consensus makes heavy demands on the work input of members and entails greater specialization on the part of MPs," said Mr Greeff

MPs' pay hike triggers off wave of anger

Dispatch Correspondent

DURBAN — The massive pay increases granted to members of Parliament triggered off a wave of angry reaction from a cross-section of trade union movements yesterday.

The Natal Regional Council of the Railways Artisans' Staff Association, which represents more than 5 000 railway employees in Natal, are to meet here on Sunday to consider a formal protest to the MPs' pay rise.

The chairman of the council, Mr Chris Schutte, said yesterday it was shocking that while the government had stated it had no funds to grant increases for railway employees, it had the money to grant MPs "substantially high" pay rises.

He said railway employees were not expected to "leave this lying low". A strong nationwide protest was expected, he added.

The president of the Trade Union Council of South Africa (Tucsa), Mr Robbie Botha, slammed the MPs' pay rise, and called for the MPs and members of the President's Council to be fired rather than be given "increases of this magnitude".

Speaking from Tucsa headquarters in Johan-

nesburg, Mr Botha said: "In view of the economy and the increases achieved this year by workers, the 20 to 30 per cent increase to an already highly paid group of people with seemingly retrenchment-proof jobs, where no evidence of productivity was required, was an insult to the workers of South Africa."

"The MPs and the President's Council should be fired rather than be given increases of such magnitude since it is patently obvious that they are unable to perform effectively — hence the disastrous situation, both politically and economically, in which our country finds itself today."

Sapa reports, meanwhile, that the Associated Chambers of Commerce (Assocom) believed the adjustment of the salaries of MPs was "unavoidable," the president, Mr Rocky Ridgway, said yesterday.

"Assocom welcomes the fact that the tax status of parliamentary income has been regularised, and this must be taken into account in any objective evaluation of the net value to parliamentarians of the latest increase in their remuneration," Mr Ridgway said.

250

Angry trade union reaction to MPs' pay rise

Labour Reporter

THE pay increases granted to members of Parliament triggered off a wave of angry reaction from a cross-section of trade union movements yesterday

The Natal Regional Council of the Railways Artisans' Staff Association, which represents more than 5 000 Railways employees in Natal, is to meet in Durban on Sunday to consider a formal protest on the MPs' pay rise

Mr Chris Schutte, chairman of the Natal Regional Council of the ASA, told the Mercury yesterday that it was shocking that while the Government had stated that it had no funds to grant increases for railway employees, it had the money to grant MPs 'substantially high' pay rises

Mr Robbie Botha, president of the usually conservative Trade Union Council of South Africa, Tucsas, slammed the MPs' pay rise, and called for the MPs and members of the President's Council to be fired rather than be given 'increases of this magnitude'

However, Assocom president Mr Rocky Ridgway said in a statement that the adjustment in the remuneration of parliamentarians was 'unavoidable in the circumstances'

Mr Christie Kuun, president of the Afrikaanse Handelsinstituut (AHI) said 'While the economic situation is not what we would like it to be, I think there is some justification for the increased salary package for politicians'

See Editorial Opinion

N/M 1/8/86

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11/8/76 BUDGET 250

R170 000 director-generals?

PRETORIA insiders believe the annual pay settlement for a director-general is to be pegged at around R105 000 from the current salary of R72 000, with perks of a further R65 000 bringing the total package to about R170 000.

Earlier this week, Administration and Economic Advisory Services Minister Eli Louw specifically mentioned directors-general when he said certain State employees would receive priority pay rises this year.

It is also believed government is edging towards an across-the-board salary hike for State employees in its move to end wage-apartheid.

HAMISH McINDOE

While ending pay discrepancies between races working for the State, it is believed about 385 000 employees of *bona fide* civil service departments will gain from a parity-plus wage hike.

It won't, however, exclude Sats and Post and Telecommunications employees as well as the 261 000 provincial administration officials who join the payroll of central government departments today.

The reports were dismissed by presi-

● To Page 2 →

Big civil service pay hike mooted

11/8/76 BUDGET 250

dent of the all-white Public Servants Association Colin Cameron

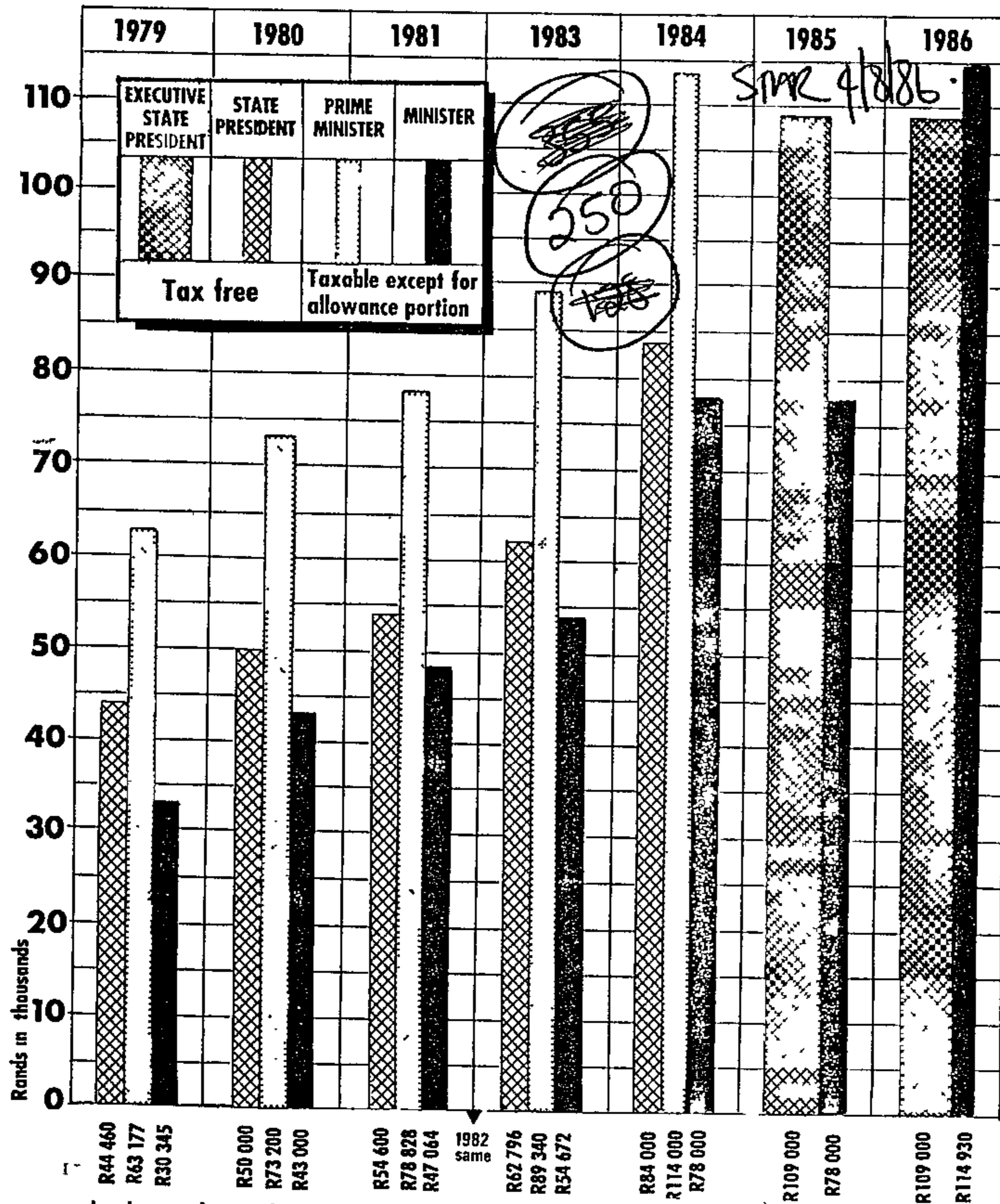
"There is no question of a general increase in remuneration after the rise in

← From Page 1

April — and government has not given us the slightest indication there will be one," he said yesterday.

The earnings of our rulers

GOVERNMENT SALARIES OVER THE LAST 8 YEARS



This graph shows how the salaries of the State President and Cabinet Ministers have increased over the past eight years. In 1979, when Mr Botha was already the executive head of state, but his title was still Prime Minister, he earned R63 177, of which the taxman took a portion. Now, with the title of State President, he receives a tax-free salary of R109 000. During the same period, the remuneration of Cabinet Ministers soared from R30 345 to R114 930, which is taxable except for an allowance portion



Artisans slam proposed pay hike for MPs

Increases inconsiderate, says E Cape ASA man

Dispatch Reporter-

EAST LONDON — The planned salary increases for cabinet ministers, members of the House of Assembly and senior civil servants were "noted with disgust" by the Cape Eastern regional council of the Artisan Staff Association (ASA)

"The Cape Eastern region of the ASA has noted with disgust and dismay the increases in salary of these people

"The salary increases are most inopportune and inconsiderate in view of the fact that the very people who have to battle to make ends meet constitute a large part of the electorate who voted the government into power," the secretary of the ASA here, Mr A S Helfrich, said in a statement yesterday

"It has become virtually impossible to find justification to inquiring members for these untimely increases. In the light hereof, it is felt that the minister now be approached regarding the outstanding 15 per cent and a further salary increase which will still be well below the general price rise since the last hand-out in April this

year," the statement added

Mr Helfrich explained that South African Transport Services (Sats) employees had called for a 25 per cent increase in salary but had been granted only a 10 per cent increase in April

"It must be borne in mind that the State President himself stated that no member of the cabinet or the House of Assembly would receive an increase in excess of 10 per cent

"This new salary hike constitutes an increase of between 20 per cent and 30 per cent to the cabinet ministers, members of Parliament and directors-general," the statement said

"This trade union supports the principle that only the best persons be elected for these positions, but it must be remembered that these persons, of their own free will, elected to become members of Parliament

"The artisan staff in the Cape Eastern region therefore appeals to the government to increase the salaries of the Sats workers accordingly," the statement added

State wage-earners keep city stable

BUSINESS 19/11/77
250
GERALD REILLY

PRETORIA's huge population of government workers and the millions they earn is the major reason for the city's relative economic stability

Although official estimates of the actual numbers are unavailable, it is reliably calculated that about 30% of the city's population consists of State Department (including SA Defence Force, Police and Prisons) personnel, provincial workers, workers in the parastatals and their families. Spending power is estimated at about the same level.

Pretoria Chamber of Commerce GM Alec de Beer says government departments occupy 70% of total office space in the city's CBD

One important advantage of Pretoria's large bureaucratic population is the official spending by the departments themselves on items such as stationery, cleaning materials and many other necessities

The subsidised house loans available to government and provincial workers has kept demand for homes and flats in the city at a higher level than in many other major centres

The spending power of the thousands of public servants is a major factor in boosting retail trade in the city generally, but particularly in the central business district.

Plumbing, electrical and other repairs in State-owned buildings also contributes to the level of economic activity

De Beer says two factors contributing greatly to commercial stability are that public servants are seldom fired, even in bad times, and they are earners of stable and regularly-adjusted salaries.

"This is an important reason that Pretoria, and particularly the CBD, has not been as hard hit by the prolonged recession as other major centres"

Decentralisation, he says, has severely affected the tempo and volume of spending in Johannesburg's CBD and, although decentralisation has taken place and continues in Pretoria, businesses in the city's CBD have not been significantly affected.

the combination

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CMG Times
20/8/86

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30/8/86

'Not enough work for MPs'

By **EBRAHIM MOOSA**
Political Reporter

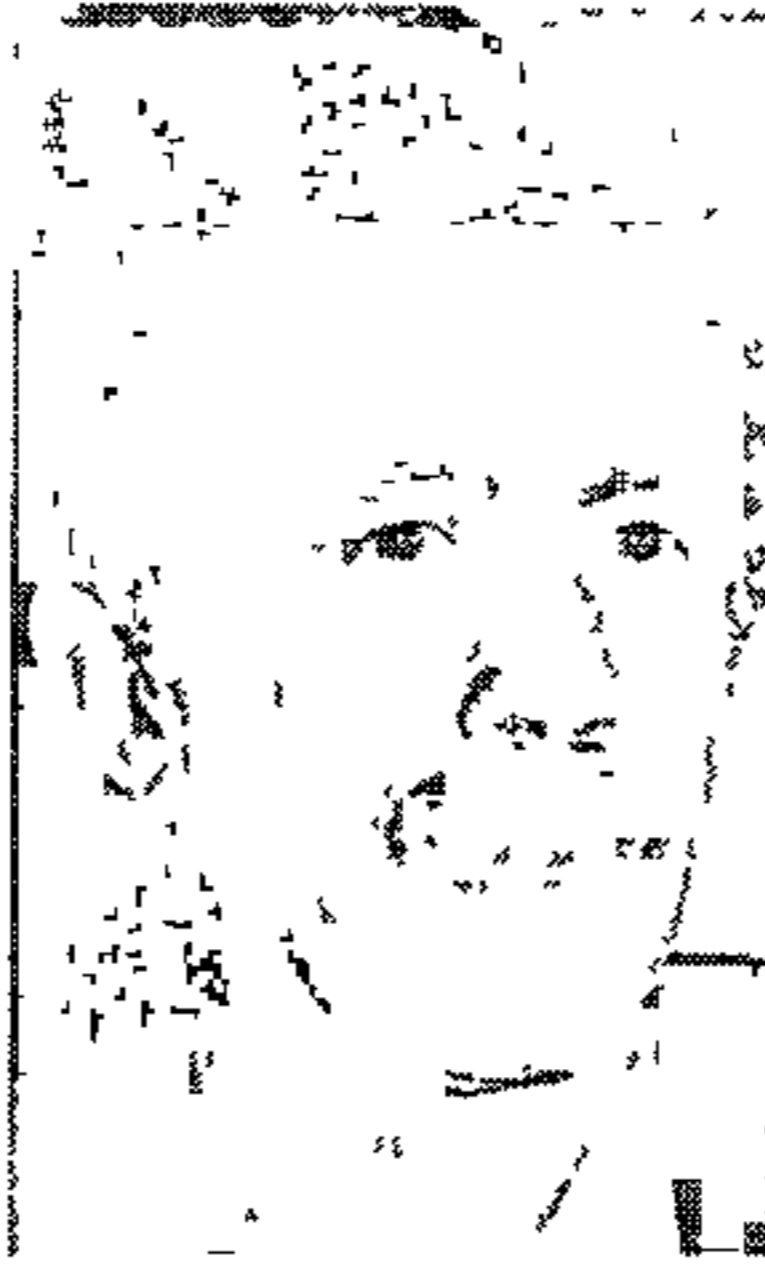
THE coloured and Indian Houses of Parliament will adjourn for another week today — less than three days after Parliament resumed for the second session this year — because there is not enough parliamentary work for MPs

The House of Delegates adjourned yesterday till Tuesday, September 2, although it will briefly meet tomorrow. The House of Representatives will adjourn today till Monday, September 1

The Leader of the House of Representatives, Mr Ismail Richards, said the adjournment was caused by the "weakness in the system" and that there was "not sufficient Parliamentary work" for MPs in his House

'Ahead'

The House of Representatives was ahead of the House of Assembly in terms of dealing with legislation. "This only supports our argument for one sitting of all



Mr Richards

Houses of Parliament," Mr Richards said

He said failing to adjourn now would mean that the House of Representatives would end their session much earlier than the House of Assembly

The Leader of the House of Delegates, Mr Manilall Naranjee, yesterday said one of the reasons why the House had to adjourn was that Indian MPs had dispensed with the scheduled legislation.

He stated that the adjournment should not be seen as a "holiday" but that all MPs should still attend standing committee meetings

Mr Naranjee said that compared to the other Houses there were fewer Indian MPs who still had to serve on 30 standing committees. MPs were therefore overburdened with responsibilities of serving on up to five standing committees at a time.

Solidarity chief whip Mr Yunus Moolla said the "defects in the system" were responsible for the adjournment.

'Agreed'

His party agreed with the adjournment since it was a reasonable option instead of debating one bill for a few minutes a day and then adjourning until the next day

"This reaffirms our earlier call for joint debating sessions and one House of Parliament," Mr Moolla said

On July 30 the State President, Mr P W Botha, announced pay rises of 35 percent for ministers and 22 percent for MPs.

GOVERNMENT spending is expected to exceed budget by about 3% this fiscal year, an official source says.

The increase would put spending for the year at close to R39bn, from a budgeted figure of R37,6bn. But the latest estimate excludes special one-time expenditures on defence and housing, so the final budget could approach R41bn

Spending for the first four months of the fiscal year ending July 31 totalled R13,4bn, up 21,2% from the same period in 1985. The total was R900m higher than the level to be expected had government kept to its promise of a 13,9% increase in spending from 1985 levels

The official, who asked not to be named, said he expected revenues to come close to government's budget forecast of R33,6bn. Collections of personal income tax and corporate tax have been

Govt spending 3% over budget

Economics Reporter

lower than expected for the year to date, because of slower than expected economic growth. But higher tax collections from gold mines later this year — based on gold prices higher than forecast — are expected to compensate for the shortfall in other areas

If the new estimates prove accurate, government could be left with a budget deficit before financing of at least R4,9bn — R1bn higher than forecast. This would create a need for new financing, which probably will remain readily accessible through new stock issues or draws on the

● To Page 2

Govt spending 3% over budget

stabilisation fund — equivalent to "printing" new money. Normally, this would be inflationary, but in the current depressed economy, government has room to increase money supply without pushing up interest rates.

The source said government was "not happy" with the spending excesses in some departments. He said, however,

that an overall increase in spending of 3% over budget would not be seen as excessive

If it is to hold expenditures for the year within 3% of budget, government will have to keep spending at, or close to, budgeted levels for the rest of the year

Massive, legalised abuse of State pension funds is costing South African taxpayers millions of rand and is the result of weak Government management, the retired chairman of Sanlam, Dr Andreas Wassenaar, has charged.

However, the president of the Public Servants' Association, Dr Colin Cameron, has described Dr Wassenaar's most claim as "one-sided and misleading".

Addressing the Executives Association in Johannesburg yesterday, Dr Wassenaar blamed the problem on "politicians who have no financial and economic background and knowledge, who have been, and still are being, appointed to the ministries of finance and industries".

This is the second time in a month that Dr Wassenaar has attacked the Minister of Finance, Mr Barend du Plessis, and the Minister of Trade and Industry, Dr Dawie de Villiers. He recently questioned their ability and competence to handle their portfolios.

He said bureaucrats were making the financial decisions and that ministerial approval was "little more than rubber stamping".

He claimed that taxpayers were being forced to foot the bill for "very, very generous" State pensions.

● Public servants are paid a pension of about 1,8 percent of their annual salary, for each year of service worked. This is based on the salary they were earning on retirement.

But workers are able to boost their pension payments by "buying" extra years of service. A man who started work with the Government at the age of 45, for example, can pay in his contribution from the age of 16 onwards, and so be entitled to a heftier pension payout.

● In addition to pension payments, public servants get additional, non-taxable gratuities. This is in contrast to private sector pensioners who are taxed on gratuities which exceed R30 000.

"A civil servant retiring at the age of 65 with say 49 years of service on a final salary of R50 000 would therefore receive a gratuity of about R164 000 in addition to his pension," said Dr Wassenaar.

● Female civil servants are also entitled to a marriage benefit, or "present" if they resign to marry and have worked in the service for at least five years.

Private sector

Referring to the Government privatisation scheme, Dr Wassenaar said "If the Government should transfer to the private sector any of the nationalised industries, the buyer would be well advised to insist on an actuarial valuation of the pension liabilities taken over by him.

The first independent valuation of State pension funds in 17 years is expected to be released soon. Some actuaries believe Government pension funds are heavily underfunded and that taxpayers will be asked to make up the difference.

Dr Cameron said he did not believe Dr Wassenaar's criticisms had any merit.

"His views are one-sided, incomplete and misleading. He cites one or two individual cases without giving the whole picture.

"For example, he talks about civil servants 'buying back' extra years of service, but does not say what this actually costs the individual."

State pension funds 'abused'

Top businessman lashes bureaucracy.

SPK

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218/80

R228 000²⁵⁰ *Care tasks 26/8/86* 'handshake'

DURBAN — Chairman of the Ministers' Council in the House of Delegates, Mr Amichand Rajbansi, will receive a 'golden handshake' of twice his annual salary — R228 000 — and a tax-free monthly pension of more than R6 000 when he quits politics, according to high-placed sources in the House.

Mr Rajbansi will also retain his South African Airways golden pass which allows him free flights within South Africa for the rest of his life.

A senior member of the House yesterday confirmed the pension benefits, but added that all Cabinet ministers received similar benefits on retirement.

He said Mr Rajbansi would be paid out double his present annual salary of R114 000 because he would have served two terms of office — as chairman of the executive committee of the now-defunct South African Indian Council and as a Cabinet minister.

The chairman of the opposition Solidarity Party, Mr Ismail Omar, also confirmed that Mr Rajbansi would be paid two-thirds of his present monthly salary for life.

Mr Rajbansi was tight-lipped yesterday about his announcement to his



Mr Rajbansi

party's caucus that he may quit politics.

Mr Rajbansi said the statements made by the "highly-placed sources" were "not correct", but declined to elaborate.

He said the 'poison letter' row or family pressures had nothing to do with his announcement.

But in political circles Mr Rajbansi's move was strongly speculated to be a tactic to draw sympathy from NPP loyalists and Nationalist political quarters, while serving to allay increasing family pressure on him to opt out. — Own Correspondent and Political Reporter

Thankful *Care tasks 26/8/86* for his tankful

Staff Reporter

A MOTORIST was given a nasty scare — and a "free" tank of petrol — when he found himself in the middle of an armed robbery at a Kraaifontein service station yesterday.

The motorist, a bearded man driving a white Renault, pulled into the petrol station while four robbers — one pointing a firearm — were holding up two pump attendants about 6 10am.

The gang ordered one of the attendants to fill up the man's car, the owner of Kraaifontein Motors, Mr J Barnard, said yesterday.

Quickly

Then, not allowing the attendant to demand payment for the petrol, they told the motorist to drive away. He did — quickly.

Mr Barnard said the robbers had then locked the two attendants in their cubicle before entering the building.

Inside, they threatened Mr Jan Verkerk, 31, and forced him to hand them the keys to the safe.

Taking the weekend's takings of R10 000, they made their getaway in a Peugeot.

Police said the car had been reported stolen in Sea Point in July.

TV
 tonie

TV schedule supplied by the SAPP

- 00: Hoekie vir Eensames Sofa
- 05: Fabels van Lafontaine Die Muis wat té Veel Geëet Het
- 10: Die Klein Brakkie Die Posduif
- 15: Wieë Walle
- 20: Pieriewieriepark
- 25: Langs die Pikkewyne Die Speurders
- 30: Nuus
- 35: Kompas
- 40: Dumêlang. Noord-Sotho-kursus
- 45: Potpourri
- 50: Spioen Die Rekenaar-kalant
- 55: News and Weather
- 00: Dallas Hello . Good-bye . Hello Mandy
- 05: Yul Brynner star-night's feature "Future World" TV4 at 9 33
- 00: tries to ruin JR's relationship with Sue E... moves by the cartel; Ben Stivers's presence off strange memories for some of the...
- 05: Network
- 10: Fifty Years of Broadcasting Documentary to commemorate the SABC's 50th anniversary, with emphasis on the history of radio in South Africa, featuring interviews with well-loved radio...
- 00: Late News
- 05: Take a Stand. Jane experiences an emotional



Yul Brynner star-night's feature "Future World" TV4 at 9 33

NEWS

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CAOL Times 29/8/86

Assistant ministers?

Political Staff

NATIONALIST sources in the City yesterday indicated the government was considering a new type of "assistant minister" who will be appointed to serve under the three Ministers' Councils

So far there is no indication of how many there will be but it is understood they will act on a level similar to the old provincial MECs

Thinking behind the new appointees is that they will assist the Ministers' Councils at provincial level — but not as part of the new provincial system — in administering such portfolios as education on a regional basis

Larger provinces could have more assistant ministers than the smaller ones

Legislation is being prepared, but is not expected to come before Parliament this sitting

It is possible that some of the new "assistant ministers" will be appointed from the ranks of sitting MPs, which would mean by-elections in their present constituencies

Before the legislation can be introduced the Constitution will have to be changed to provide for the new positions

A SPECIAL SUNDAY TIMES INVESTIGATION

By LESTER VENTER, Political Correspondent

THE great State jobs steamroller is rolling on — with more posts for bureaucrats, at a higher cost to the taxpayer, now looming

● Thousands of new jobs are likely to be created soon as the Government starts implementing its third-tier constitutional proposals,

● A new level of functionary is soon to be created — Assistant Ministers who will serve in the "own affairs" departments to help deal with portfolios transferred from the disbanded provincial councils.

● Costs of improvements in service conditions rocketed in the last year as the Government pushed ahead its "occupational differentiation" scheme

The new jobs for the proposed third-tier stratum of bureaucrats will add to the one-million strong roll of public sector employees whose salaries and benefits already swallow a third of the national budget

The looming hike in public servant numbers has caused deep concern among opposition parties and public administration academics who argue that the country can no longer afford the free-spending ways of a bureaucracy which now makes

up 22 percent of the economically active population in South Africa — and 29 percent if the homelands are included

Statistics reveal, meanwhile, that improvements in conditions of service for public servants have jumped fourfold in a year, while the merging of the central and provincial services only trebled the staff strength

And even during the "wage freeze" last year, the total tab for public service pay went up by R811-million — most of this comprising notched and incremental increases and specific occupational adjustments

Government sources conceded this week that, initially, there could well be duplication of services in the third tier of government. This level of government will consist of racially autonomous local authorities, grouped into regional services councils

Although they do not have figures of the personnel required to run this vast new bureaucratic stratum, experts warn that the staff and the cost will be massive

SEE ALSO BUSINESS TIMES

"They're wasting our money. We don't need the system. They're prejudicing our futures," warned Professor Michael Savage, a University of Cape Town academic and an expert on the cost of state administration

While the growth of the number of people employed in the public sector appeared to level off last year (Government spokesmen have in fact claimed a one percent reduction in numbers), more and more cash is being voted for their functions and benefits

Professor Savage this week estimated that 27 percent of economically active people outside agriculture are employed by the Government. This excludes Posts and Telecommunications, SA Transport Services and State corporations like Iscor

And while the total cost of the country's State machine is difficult to ascertain because of many variables, individual figures tell the story of extraordinary demands on taxpayers

A significant proportion of the R4,47-billion increase in the national budget for 1986-87 over last year's expenditure is being taken up to keep public servants in jobs and benefits

□ To Page 2

African leaders promise to back sanctions

● From Page 1

Commonwealth countries earlier this month.

The statement also expressed "disappointment and dismay at the unco-operative attitude of the British Government", which remains firmly opposed to sanctions

The Zimbabwean Prime Minister, Mr Robert Mugabe, indicated recently he plans to implement the Commonwealth sanctions against SA, including cutting off air links by the end of the year, but most other SADCC countries have been reluctant to commit themselves to concrete moves.

All SADCC members, except Angola and Mozambique, belong to the 49-nation Commonwealth.

The Zambian President, Dr Kenneth Kaunda, declined to answer directly reporters' questions about cutting off air links.

"All I can say is that SADCC countries are part and parcel of a very worldwide programme on sanctions," he said.

A summit report on economic progress over the past year and plans for the next few years said that \$5,36 billion (about R13,5 billion) was needed mainly to develop the transport, communications and industrial sectors but only \$1,84 billion (about R4,6 billion) had been secured.

● In Mbabane, Swaziland Prime Minister Prince Bhekimpi yesterday sounded a warning to a group of visiting West German MPs that mandatory economic sanctions against SA would have a crippling effect both on the economies of Swaziland and other states bordering SA. — Sapa-Reuter

'R20m for farcical session'

By ANTHONY JOHNSON

Political Correspondent

THE PFP last night slated the abortive three-week second session of Parliament as a disgraceful example of "monumental government incompetence" that had wasted over R20-million in taxpayers' money.

This followed the government's decision to defuse the week-long parliamentary crisis by backing down to white Opposition parties, apologising for misleading the House and finally agreeing to a debate on Soweto before Parliament adjourns on Friday.

The Leader of the House, Mr Hendrik Schoeman, ended the partial boycott of Parliament by apologising to party whips for misinforming Parliament.

He also withdrew his motion calling off today's sitting and reinstating in its place a debate on Soweto called for by Mrs Helen Suzman.

Two-and-a-half hours

have been set aside for the debate

Yesterday's dramatic developments amount to a victory for Opposition parties, who banded together to protest at government attempts to turn the current session into an unnecessary and expensive "farce".

Last night the PFP's spokesman on economic advisory services, Major Reuben Sive, said the second three-week session of Parliament was "an absolute disgrace" and a "complete waste of taxpayers' money".

Major Sive estimated it had cost at least an additional R1-million a day to keep Parliament running during the "completely wasted" three-week session once all the expenses of reconvening MPs, civil servants, catering services and journalists in Cape Town was taken into account.

The leader of the PFP, Mr Colin Eglin, said in an interview last night that the government

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backdown was a clear signal that the PFP and other parties were not prepared to "sit back with arms folded in the face of monumental government incompetence, bungling and the wastage of taxpayers' money".

Mr Eglin said the "wheels had come off" the government's entire constitutional development programme, including its attempts to reach an accommodation with blacks and its bid to establish racially separate local authorities.

The PFP leader said Mr Chris Heunis's grand plan to entrench apartheid through "own affairs" legislation had "come unstuck" and this was one of the major reasons why Parliament had had no meaningful legislation to deal with during the extended session.

There was definitely a case for a second of session of Parliament each year, but there was no point to this when the government confined business to "trivial matters" and prevented Opposition parties from debating important issues.

● Mr Eglin yesterday gave notice that he would move today that the House of Assembly annul the proclamations declaring and regulating the state of emergency.

He would propose the annulment of the proclamations and regulations issued in the Government Gazette on June 12 — the first day of the emergency, and on a number of subsequent dates — in terms of Section 3 (6) of the Public Safety Act.

Public servants hold fears over privatisation

10/9/86
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Public servants are experiencing fear and uncertainty over the Government's policy of privatisation, the bi-annual congress of the Public Servants' Association of South Africa heard yesterday

If a public servant went to work for the private sector, he faced many difficulties and often frightening changes, in the opinion of Mr Laurie Korsten, executive chairman and chief executive of Volkskas Merchant Bank

"The public servant will be forced to face competition once again," he said "He has to prove himself all over again. His achievements of the past have disappeared and he must rebuild them from the beginning."

Mr Korsten added that when privatisation took over many areas of the job market, the public servant would find himself unemployed unless he was prepared to work for the private sector

Warning on monopolies

"Medical, pension and leave benefits in the public sector are unequalled. How will the public servant be compensated for this loss?"

Mr Korsten said an employee could lose his job far easier and quicker in the private sector than if he was a public servant

He said monopolies could exist where one private company provided a service or product and could dictate the selling price

"In the private sector, potential and performance rather than age and years of service determine an employee's status. The private sector can offer a greater number of job opportunities, and if not happy with one company, an employee can move to another."

Company cars at management level were fairly common in the private sector, while in the public service they were reserved for the most senior levels of employment

"Union membership, intensive training, higher salaries, job satisfaction and profit sharing are just a few of the advantages of working for the private sector," said Mr Korsten

'No losers' is PSA concern

Pretoria Bureau

The Public Servants' Association of South Africa supported the principle of privatisation, but asked the Government to ensure that those who remained in the civil service were paid market-related salaries, according to a statement from the association's congress

At the end of its three-day bi-annual congress in Durban, the PSA said the Government should strive to ensure there were no "losers" after privatisation, and that the status, salary and position of the workers was not harmed

The PSA also expressed "displeasure" at criticism from certain members of the private sector concerning the benefits which public ser-

ants received
"It is absurd to allege that there are some State officials who receive higher housing subsidies than salaries," the statement said

It added that pension benefits and others which public servants received were all part of their remuneration packages and should not be viewed separately

The PSA also concluded that

- The restriction of R50 000 on the housing subsidy scheme for public servants should be increased or at least adjusted

- Long-service recognition in the civil service compared badly with its competitors and the Government must give its attention to this fact

- It was not happy with legislation that service benefits to public servants be curtailed by the Government without consulting the relevant officials concerned

PENSIONS

The PSA said salaries in occupational groups within the public service, which in the 36 months prior to April 1, 1987 had not been adjusted, must be adapted accordingly.

The PSA re-affirmed its policy of regularly adjusting monthly pensions. It said all civil servants should be given the choice when reaching the age of 60, to go on pension

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Give us more — civil service

By LESTER VENTER
Political Correspondent

AS indignation mounted this week over cushy benefits for "fat cat" civil servants, public sector employees held out a collective hand for more

The Public Servants Association (PSA) resolved at its congress in Durban this week to press for pay hikes for management level and other specific groups of public servants

And the Government revealed it was investigating a PSA call for the pensionable age to be lowered to an optional 60 — instead of the compulsory 65 — for all public servants appointed after June 24 1955

This could immediately make an unknown, but very large, number of civil servants eligible for the enormous tax-free cash gratuities the top men take out of the public pension funds on retirement.

Strain

The strain on the already seriously under-funded state pension coffers would have to be taken by taxpayers, who have already seen their contributions shoot up by a staggering 150 percent in six years to stand at the current financial year's R1,2-billion

Top public sector earners with long service walk out of their jobs with, apart from pensions nearly equal to salary, cash gratuities of more than R100 000. Some even exceed R200 000.

This week's developments fueled escalating anger in the private sector, giving rise to allegations that the Government is buying loyalty among the roughly one million public sector employees with taxpayers' money

Already public servants' salaries and benefits swallow up about one third of the national budget

The PSA's call for "occupational differentiation" salary increases is aimed at keeping certain key job groups on par with the private sector, according to PSA president Dr. Colin Cameron

Can State afford all those jobs?

By FRANS ESTERHUYSE,
Political Staff

IS THE cost of financing South Africa's growing State bureaucracy becoming too big for the country's economy?

Fears that this may well be the case are being expressed after reports that public servants are to press for further pay increases.

Opposition manpower spokesman Mr Peter Gastrow, PFP MP for Durban Central, said the continuing growth of the State bureaucracy was a serious drain on the country's economy.

"This is because the State provides benefits for its employees which are out of proportion with their economic productivity," he said.

The Government was doing everything in its power to keep public servants in its sphere of influence, he said.

Opposition warnings in Parliament about the dangers of allowing a State bureaucracy to become too large and too expensive have been rejected repeatedly by Government spokesmen.

It has been estimated South African public servants' salaries already swallow up about a third of the national budget.

According to official figures, whites still dominate the top structures of the million-strong public service, and their salaries will take up nearly half of the State's R10 300-m wage bill this year.

Government spokesmen defended this on the grounds that more staff was needed under the tricameral constitutional system.

They also argued that many of the additional State employees had been taken on to man vitally-important departments such as black education and health services.

Opposition critics agreed the development of education and health services was necessary.

Nonetheless, they said, this did not do away with the growing bureaucracy in other areas of government.

Figures from the Central Statistical Services, published earlier this year, showed that more than a million people were employed in central government departments, the self-governing homelands, provincial administrations, local authorities and various statutory bodies.

Statistics issued during this year's session of Parliament showed the public sector had grown by 20 percent in the past decade.

By June last year, 38,6 percent of all gainfully-employed whites were working for the State.

The corresponding figures for coloured people was 27 percent, for Indians 18,6 percent and for blacks 23,5 percent.

Nurses pay rise is welcomed

PRETORIA. — The South African Nursing Association has welcomed the announcement of general salary adjustments for nurses from September 1.

The association said the adjustments were "good" in the light of the current economic climate and the many demands being made by health professions.

"Parity in salaries and conditions of service is now a reality. After years of investigation, general salary adjustments for nursing personnel are now effective," the association said.

A spokesman for the association, Mrs Susan du Preez, said the salaries

would be individually adjusted. The only nursing staff not affected would be the directors of nursing services, of which there were only a few in the country.

Mrs du Preez said there were about 90 000 nurses in the country.

Apart from the salary increases, there have also been recruitment allowances granted in certain fields — intensive care units, psychiatric hospitals and night duty — in an attempt to recruit personnel into areas where acute staff shortages are being experienced.

Overtime rates have also been increased.

MBER 27, 1986

Poll: ~~73~~
27/9/86
250
more
whites
employed

JOHANNESBURG —
The number of white urban adults in full-time employment is increasing and now exceeds the figure for last year, according to Market Research Africa

In July, 1986, 52,4 per cent of white adults were working full-time, compared with 47,8 per cent in July, 1985. This employment trend is on an upward course with increases registered in November, 1985 (49,8 per cent) and March, 1986 (50,2 per cent)

The government is virtually entirely responsible for the increase in the number of whites in employment. In July, 1986, 22 per cent of urban white adults were working for large government, and 2,2 per cent for small government organisations. In July 1985 the figures were 18,2 per cent and 1,3 per cent respectively. The increase in government employees matches the increase in total employment

— Sapa

Working whites on increase

27/9/86 N/M Mercury Reporter (259)

THE number of white urban adults who are in full-time employment is increasing and is considerably higher than the figure for the same time last year, according to Market Research Africa

The organisation reports that 52,4% of white adults were working full-time in July, 1986, compared with 47,8% in July, 1985

It says the Government is almost entirely responsible for the increase in the number of whites in employment

In July, 1986, 22% of urban white adults were working for large Government organisations. In July last year the figure was 18,2%

First aim of govt five-year plan

Public sector spending to go under lash

11/10/86

BUDGET

40

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THE first objective of President P W Botha's five-year plan is to get runaway government spending under control, starting next year.

Officials describe the plan, drawn up by the Central Economic Advisory Service headed by Jan Dreyer, as a fundamental change in the way government handles its finances and as a drive to get the public sector in harmony with the economy. It will provide a yardstick with which to measure government efficiency.

"The five-year plan will introduce order into government spending during the next five years by balancing expenditure with revenue — it is not an economic plan for the economy as a whole. However, if we send government spending in a certain direction, it must have some impact on the economy," says acting Director-General of Finance Peter Wronseley.

A source close to the formulation of the plan says: "The absence of a long-term expenditure plan has made it difficult to contain public expenditure. It became possible for departments to get a foothold in the Budget, which then soared in subsequent years."

GERALD PROSALENDIS
Economics Editor

Under the plan, officials expect government spending to come extremely close to Budget.

"If, in a particular year, a department overspends, it will have to cut back in subsequent years to keep within its five-year spending plan," says Wronseley.

Any planned or unavoidable spending falling outside the five-year projections might well have to be financed by unconventional means, such as the selling off of assets.

The plan will also address the small pool of savings available after the termination of foreign capital. "Because of this, government has to be prudent with how it uses savings, and mindful of the pressure it places on the domestic capital market," says a source.

The five-year plan is based on the view that government spending should not be too far out of kilter with general economic growth. It will therefore be linked to economic growth projections and macro-economic recommendations recently made by a sub-committee of the Economic Advisory Council (EAC), chaired by Sasol's Joe Stegmann.

Public servants start pay fight

8/10/86

250



● SCHOEMAN

THE public sector's battle for salary increases to match inflation has started in earnest.

The Federation of Sats Trade Unions met Transport Minister Hendrik Schoeman in Pretoria yesterday to demand an immediate 15% salary adjustment — the balance of the demand for 25% increases rejected by Schoeman last October.

The Posts and Telegraphs Association has asked for a meeting with Posts and Telecommunications Minister L A P A Munnik on the extent of increases. And the Public Servants' Association will have discussions with the Commission for Administration later this month.

After this a meeting with Administration and Economic Advisory Services Minister, Eli Louw is likely.

Across-the-board increases are certain from the start of the new financial

GERALD REILLY

year in April, but Pretoria sources doubt they will exceed 10%.

Even a 10% pay hike would mean increased Sats tariffs — in spite of the fact that Sats is expected to show a modest surplus at the close of the financial year — as well as higher Post Office charges.

The Posts and Telegraphs Association has already submitted a demand to Munnik for "increases in line with the inflation rate".

PFP spokesman on the public sector Reuben Sive estimates that the pay bill for central government workers, including police, prisons and SADF personnel, will soar above R6bn for the current financial year.

The Post Office will pay out more than R1,1bn this financial year to its 95 000 workers, and Sats about R2,8bn to 230 000 staff members.

Jo'burg loses R3-m a year as Govt fails to pay its city rates

9/10/86

STAR

250

2/86

By Shirley Woodgate, Municipal Reporter
Johannesburg is losing R3 million a year because the Government is not paying its rates, said the city's management committee chairman, Mr Francois Oberholzer

This is the amount that would have been added to the assessment rates income of R153 million this year, had the Government paid its share on State-owned properties in the city

BIGGER INCREASE

It would have meant increasing rates by only 10,9 percent instead of the 12,9 percent increase that was levied, said acting city treasurer Mr Lucas Opperman

"We have made repeated representations to the Government through the Transvaal Municipal Association (TMA) and the United Municipal Executive to remedy the position," said Mr Oberholzer

But the real financial crunch would be felt when the Regional Services Councils (RSCs) were established, said Mr Oberholzer

"Local authorities will then have to foot the bill for the two new taxes — the payroll and the turnover taxes — as well as the higher service charges. At the same time they will lose the income from certain departments that will be taken over by the RSCs," he said

He was commenting on an appeal to the Government by Dr J P Naude in his presidential address to the TMA, to fulfil the expectations raised by the Rating of State Properties Act in 1984

In terms of the Act (which has been gazetted but still awaits the date when it will be implemented) the State is expected to pay local authorities 90 percent of rates levied on railway and post office properties and 80 percent on all other properties it occupied, said Mr Opperman

This placed a moral obligation on the Government to pay

"The Government is also not honouring its obligation to pay the 40 percent subsidy on fire services which has dwindled to only 20 percent," said Mr Oberholzer

LATEST government-spending figures show that its salary and wage bill has increased by 27%, despite President P W Botha's promise to cut the civil service bureaucracy.

Between April and June this year, government paid out R1,356bn in salaries and wages, a 27% increase on the April-June quarter the year before.

Central Statistical Services figures show earnings of central government workers rose sharply in the first quarter of the financial year.

And it was not only because of the 10% increase granted to all public-sector workers from April.

Another factor in the jump in the salary and wage bill was the 4,65% increase in central government staff to

Govt workers' earnings soar

BUDGET 20/10/86

250

GERALD REILLY

almost 400 000, compared with the figure at the end of June last year.

Workers' average earnings rose by 21,5% to R1 138 a month

In the current year's Budget, personnel expenditure for the year was estimated at R4,613bn, up by 22% on the previous year

A breakdown shows the 152 650 white workers earned R782,2m, a 27,7% rise

State spending well over budget

250
BUDAY 20/10/86

GOVERNMENT spending continues unabated, with August levels of over-spending surging towards the 10% mark.

Total expenditure for August was R2,7bn, an increase of 9,8%, compared with August 1985.

For the first five months of this financial year (including August), total spending was R15,8bn, representing an increase of 18,3% over the same period last year.

Economists expect total spending to be about 5% more than the projected budget.

Figures released by the SA-German Chamber of Commerce & Industry show the inflation rate was 18,7% on an annual comparison.

August food prices increased by 22%, against the same period last year.

Gold output is expected to rise to 712 tons in 1990. Analysts say current production levels are at the 660-ton level, giving an annual growth rate of 1%.

Other gold-producing countries show growth figures of: US (17%), Australia (21%), Chile (12%) and Canada (9%)

Gold output in August was 53 845kg, compared with July when 54 505kg were produced.

MICK COLLINS

Gold and foreign exchange reserves at the end of August were R4,555bn and represented the highest since January this year.

Foreign currency had a share of R1,059bn.

SA recorded a favourable trade balance up to August, amounting to R8,249bn. This resulted from exports of R26,6bn and imports of R18,4bn.

From January to April, imports rose by 23% to R8,9bn.

Exports recorded for the same period came to R12,5bn, an increase of 14,8%, compared with the same period last year.

Projected mineral sales for this year amount to R29bn, which would represent an increase of 13,4% over those of 1985.

Exports are expected to account for 86,8% (R25,1bn) of total sales.

The value of hire-purchase lease agreements was R15,2bn in the quarter to end-June 1986 — R1bn less than the amount spent in the same period last year.

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State overspending puts brakes on SA's growth

SOUTH Africa's economic policymakers are slipping into an ever-deepening dilemma.

Although there appears little hope of a breakthrough on the political level — which would do wonders for confidence — Church Square's boffins realise they must do everything in their power to sustain the fledgling recovery

Already economists are warning that if the sanctions net widens, it could seriously erode foreign-currency earnings and impede efforts to stimulate the economy

The problem, says economist Leon Steenkamp of stockbrokers Senekal, Mouton and Kitshoff, is that by turning a blind eye to the Government's spending excesses in the short term, SA is squandering future economic growth

Consumer

"Unbridled consumption by the Government is eroding the country's underlying savings situation SA has become a net consumer rather than producer of goods

"We badly need supply side stimulation, which means meaningful cor-

By David Southey

porate tax cuts But there is virtually no chance of this happening while State spending continues at this pace"

Mr Steenkamp, along with many of his colleagues, is adamant that demand stimulation by way of burgeoning Government spending will not sustain economic growth in the medium to longer term

"It is absolute folly to think you can spend your way of recession without correcting fundamental political and economic wrongs It is also unrealistic for the Government to blame the private sector for not performing under the circumstances Businessmen are rational human beings who make investment decisions based on expected returns"

Mr Steenkamp has some bearish prognostications on the short-term business environment He expects

● Vulnerability in the gold price in the next two months based on seasonal trends before an improvement in December

● The dollar could be in for some strengthening on more bullish American economic growth prospects

pects

● This should reintroduce capital inflows to the US which will in turn bolster Wall Street's prices and reduce gold's relative attraction

● A lower gold price and continued high inflation rate in SA will probably result in a firmer long-term interest-rate trend taking hold over the next couple of months

However, he is more bullish about the prospect for easier long-term rates early next year Combined with what he foresees as a "technical" decline in inflation early next year plus the strong likelihood of a bank-rate cut before then, long rates should soften ahead of the 1987 March Budget

Bearish

But short-term rates should continue to remain low under the impact of slack credit demand, low economic growth and high unemployment

Mr Steenkamp thinks the benchmark bankers' acceptance rate, for instance, could fall to about 8% early next year

Also bearish for gold in the longer-term is the forecast of continued softness in world oil prices through the northern hemisphere winter

Old Mutual's Adre Smit says investor worries over inflation are the primary factor militating against significant easing of long-term rates On the other hand, slack credit demand is holding down short-term rates, which in turn should help to anchor long rates for the next three to six months

Nervous

He says "Investors are nervous of long-dated stocks and seem to prefer to structure their portfolios towards the shorter end They are willing to accept lower yields for the time being because they see the risk as being too high at the longer end"

Economists are not confident on the inflation front Food shortages, notably of beef, lamb, mutton and chicken, loom This means the food index in the consumer-price index is set to soar in the next few months

Thus, although another 1% or more cut seems probable in prime overdraft rates and other short-money market rates in the near term, long rates look like holding their current level for at least another two months

Wood and Wood Products, Industrial Furniture

National Union of Forestry and Allied Workers
National Union of Furniture and Allied Workers of S.A.
Paper, Wood and Allied Workers Union

Paper and Paper Products, Printing and Publishing

Amalgamated Engineering Union of S.A.
Media Workers Association of S.A.
Paper, Wood and Allied Workers Union
S.A. Allied Workers Union (Printing and Allied Workers Union)
S.A. Boilermakers, Iron and Steelworkers, Shipbuilders and Welders Society
S.A. Electrical Workers Association
S.A. Society of Journalists
S.A. Typographical Union
Writing Materials and Allied Workers Union

Chemical and Chemical Products, Coal, Rubber and Plastic Products

Black Allied Workers Union: Black Allied Chemical Workers Union
Black Allied Rubber and Tyre Workers Union

SUN NIES

Stals outlines State attack on spenders

26/10/80 (190) 250

EXCESSIVE Government spending and the State's growing share of the economic cake were again the focus of attack by many delegates at this week's Assocom conference in Johannesburg.

While indicating support in principle for motions condemning the Government's spending excesses, Director-General of Finance Chris Stals pointed out the need for a "flexible approach" to the issue.

He said that in spite of the Government's exceeding budgeted spending in the first few months of the fiscal year, many businessmen and the press had harangued the Treasury and Reserve Bank over delays in introducing stimulatory packages.

Education

Dr Stals said his chief concern was over unplanned or "unintended" expenditure overruns.

He said it was sometimes difficult to distinguish between so-called capital and current expenditure. For instance, spending on education and training,

By David Southey

although "current", could also be considered of a capital nature because it constituted an investment in human capital. South Africa needed to spend large amounts in this field.

Dr Stals drew attention to numerous committees and task forces set up to monitor current and capital expenditure of Government departments.

● The Crafford Task Force was monitoring current spending of various Government departments and would soon submit a report to Dr Stals. Its objective was to study and report on a third of Government departments every year, thus covering each department every three years.

● The Capital Projects Priority Committee, which assesses all capital spending on projects costing R20-million or more. It has not been particularly effective in the past, but is being restructured to give it more teeth. It will be in the State President's office.

● The above committee will be combined with the Capital Issues Committee and will approve projects on a cost-benefit basis.

● The Committee for Administration, which projects manpower needs and employment prospects.

● The Department of Finance is engaged in a three-year rationalisation programme, which includes restructuring the department and integrating such offices as Inland Revenue, Customs and Excise, the SA Mint and others. It is also working on a new strategic Budget procedure whereby Government departments will be told what expenditure is affordable and then be asked to fall in line.

Concern

The Auditor-General, Dr Joop de Loo, would conduct value-for-money auditing to determine ex post whether spending by Government departments could be justified.

Dr Stals said that if these committees were successful in reducing Government spending and its overall share of the economy the private sector would be responsible for taking up the slack.

Because of low confidence, however, he expressed concern over whether it would in fact be able to fill the gap left by the State.

(250) NIM 5/11/86

Four ministers decide to quit

PRETORIA—In a major Cabinet reshuffle yesterday President Botha announced the retirement from their posts of a number of ministers and new appointments to important portfolios

The Minister of Law and Order, Mr Louis le Grange, will, from December 1 become the Government candidate for the post of Speaker of Parliament. He is to be replaced by the present deputy minister, Mr Adriaan Vlok

The Deputy Minister of Information, Mr Louis Nel, is to be replaced by Dr Stoffel van der Merwe, MP for Helderkrum

Mr Botha said Mr Nel had been offered a number of posts but that he was still deciding

Devolution

Mr Botha said a number of his Cabinet colleagues had informed him they wished to retire from the Cabinet and that it had become necessary to make adjustments

The ministers are Mr Hendrik Schoeman (Transport), Dr L A P A Munnik (Communications and Public Works), Mr Sarel Hayward (Agriculture and Water Supply) and Dr G de V Morrison (Own Affairs Health Services and Welfare)

Mr le Grange had indicated he would welcome a change

Mr Botha said he had decided to reduce the number of general affairs Cabinet posts and rationalise the ministries as far as possible

The Minister of Manpower, Mr P T C du Plessis, retains his post, and will also

Quitting



Mr Louis Nel

take responsibility for Public Works, which, 'as a result of the devolution of power', had transferred much of its activities to other State institutions

Mr Kobie Coetsee retains the Justice portfolio

The Minister of Agricultural Economics and Water Affairs, Mr Greyling Wentzel, has been appointed Minister of Agriculture for both general affairs as well as own affairs in the House

of Assembly

His present deputy minister, Mr Gert Kotze, is to be joined by Dr A I van Niekerk, MP for Prieska

There were no changes to the composition of the Ministers' Councils of the House of Representatives and the House of Delegates

Mr Botha said the former Vice President, Mr Alwyn Schlebush was appointed from December 1 as Minister in the Office of the State President concerned with the Commission for Administration and for the South African Broadcasting Corporation

Ceremonial

Mr Schlebush would also assist the State President with ceremonial duties

The Minister of Foreign Affairs, Mr Pik Botha, would retain his post but would have two deputies due to the heavy responsibilities involving the TBVC states, southern Africa and in the broader international sphere

The present Deputy Minister, Mr Ron Miller, would be joined by Mr Kobus Meiring, MP for Paarl

Mr Barend du Plessis retained the Finance Ministry, and Economic Advisory Services are to be added to his existing department of Finance, Treasury, Internal Revenue and Customs

and Excise

The present Deputy Minister, Mr Kent Durr, will be joined by Dr Org Marais, MP for Waterkloof

The present Minister of Mineral and Energy Affairs, Mr Danie Steyn, is to head a new ministry of Economic Affairs and Technology

This ministry will in-

Quitting



Mr Louis le Grange

clude Trade and Industry, Mineral and Energy Affairs, and will also implement the policy of deregulation and privatisation where necessary

Tourism

Because of the heavy work load this would give one minister, Mr Botha said he was appointing two deputies. They are Mr Danie Hough, former Administrator-General of South West

Africa and current chairman of the Tourism Board, and Mr George Bartlett, MP for Amanzimtoti

Mr John Wiley, Minister of Environment Affairs, will also take responsibility for the Department of Water Affairs

The Deputy Minister for Environment Affairs, Mr S V Naker, will be joined by Mr J A van Wyk, MP for Gordonia, as deputy minister concerned with Water Affairs

The Cabinet members without portfolios, Mr Allan Hendrickse and Mr Amichand Rajbansi, remain unchanged

Mr Stoffel Botha, Minister of Home Affairs, is to become Minister of Home Affairs and Communications which will include the Department of Posts and Telecommunications

Portfolio

Responsibility for the Government Printer will also be transferred to him

Mr Eli Louw, presently Minister of Economic Advisory Services, is to take over the Transport portfolio and Mr Mvburgh Streicher, MP for De Kuilen has been appointed deputy minister

Dr Willie van Niekerk retains his portfolio of National Health and Population Development but will also take over the own affairs Health portfolio in the House of Assembly

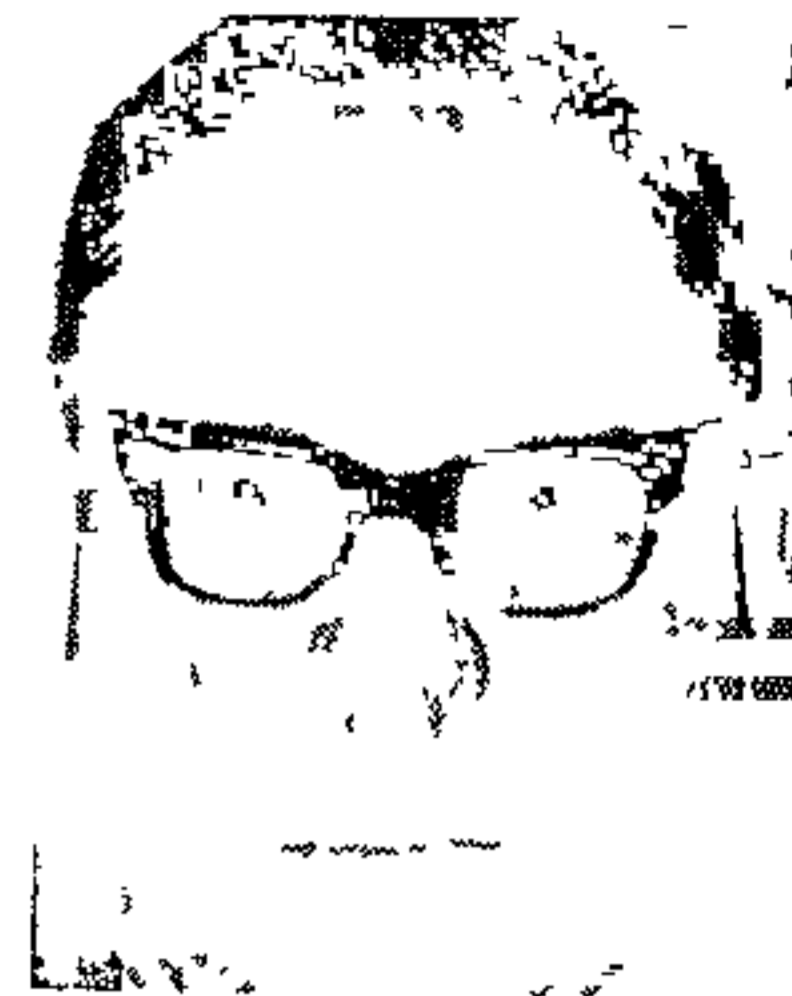
The Deputy Minister of Population Development, Mr Luwellyn Landers, is to be joined by Dr M H Veldsman, MP for Rustenburg, as Deputy Minister of Health Services

Mr Vlok, as the new Minister of Law and Order, will be joined by Mr Roelf Meyer, MP for Johannesburg West, as deputy minister, who will also succeed Mr Vlok in his Security Management post

Transferred

Mr Botha said that because a new Ministry of Economic Affairs was being established, Dr Dawie de Villiers, presently Minister of Trade and Industry, had agreed to take over the post of Budget and Welfare in the House of Assembly Ministers' Council

Mr Botha said the Speaker of Parliament, Mr Johan Greeff, had agreed to be the Government's candi-



Mr Alwyn Schlebush

date for chairman of the President's Council

He said that as far as the Department of Transport was concerned there were also a few functions which could be devolved to other State institutions and that the Commission for Administration was engaged in an investigation of this

Mr Botha said the Ministry of Constitutional Planning and Development under Mr Chris Heunis, and its departments, had transferred a great number of its tasks to the provincial administrations



Dr Riet Koornhof

Deputy ministers for this department would be Mr Ben Wilkens and Mr Piet Badenhorst, presently Deputy Minister in Mr Heunis' office

Mr Botha paid special tribute to Mr le Grange who had undertaken a 'great task' in recent years and also had to 'overcome a serious health problem'

Mr Botha said the Chairman of the President's Council, Dr Piet Koornhof had agreed to accept an important foreign post which would be announced later (Sapa)

PW's Cabinet surprise pack

NM 5/11/86 (250)

CAPE TOWN—In a surprise Cabinet reshuffle yesterday President Botha increased the number of deputy ministers from 10 to 20 while reducing the actual Cabinet by three to 18 including himself

Opposition leader, Mr Colin Egin immediately slammed the move saying all it did was 'increase the length of the Nationalist gravy train'

After the increase in the number of deputies, the biggest surprise was the recall of former Deputy State President Mr Alwyn Schlebusch

He will be Minister in the State President's Office responsible for the Commission of Administration and the SABC Mr Schlebusch will also assist Mr Botha in ceremonial duties

The only other new fully fledged Cabinet minister is Mr Adriaan Vlok who takes over the controversial Law and Order portfolio from Mr Louis le Grange who will be the National Party's candidate for Speaker

Confidence

Mr Egin said last night if the old Cabinet could not inspire confidence, the new one would not either

'Doubling the number of deputies is totally unjustified and it will not increase efficiency in administration — only the length of the gravy train,' he said

'The Cabinet reflects the stand still mentality Mr Botha seems to have adopted and will not get us out of the log jam the country is in'

Mr Egin thought that about half of the National Party's MPs were now in positions where they earned extra salaries

He believed Mr Botha was using the shuffle to consolidate his party

Some of the departures from the Cabinet have been predicted for some time

Retiring are Mr Hendrik Schoeman, Transport, Dr L A P Munnik, Posts and Telecommunications, Mr Sarel Hayward, Agriculture and Water Supply,

Ormande Pollok Political Correspondent

Own Affairs, and Dr de Villiers Morrison Health Services and Welfare, Own Affairs

Out of the central Cabinet are Mr le Grange and Dr Dawie de Villiers who becomes Minister of the Budget Own Affairs

Mr Johann Greeff, Speaker, has agreed to take over as chairman of the President's Council in the place of Dr Piet Koornhof who is getting a diplomatic posting

Mr Botha did not say where as negotiations were still under way

The future of Mr Louis Nel, former Deputy Minister for Information has not been settled

Mr Botha said he had been offered some other posts and Mr Nel was still considering the situation

Two former United Party members, veteran politician Mr Myburgh Stretcher and M George Bartlett, MP for Amanzimtoti have been promoted to deputy minister

By-elections

It is not clear yet whether Mr Botha is planning an early general election or whether he will first hold a 'mini election' to test the political waters

It is possible for the former ministers to stay on as ordinary MPs after the shuffle becomes effective on December 1 but 'assistant ministers' are to be appointed next to assist the new provincial executives

This would mean that several constituencies would be without representation in Parliament and there would have to be a series of by elections

● See also Page 2

New pool to open soon



Workers were still putting the finishing touches to the new Kings Park Olympic pool.

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fre
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CHICAGO firemen after a 30-minute search 'was pink of being authorities

The 3 kg in hospital Anthony in all, can be the good'

Mr Savino, and after Connie committed her foetus'

Mrs Horan to the hospital thought it child, said

The St F convince her after placing and letting

Mrs Horan unnoticed Police then who said a yard tower a Horan jumped

Fire Dept later Luetly found they saw a ruptured

The baby from her Savino said two or three could be

R165

Cr

THREE

PW at helm of *we look still 8/86* *250* 'new look' Govt

THE Cabinet changes and appointments announced by President P W Botha yesterday has left the Government as follows:

STATE PRESIDENT: Mr P W Botha

CABINET MINISTERS

National Education Mr F W de Klerk

Constitutional Development and Planning: Mr Chris Heunis

Foreign Affairs: Mr Pik Botha

Education and Development Aid: Dr Gerrit Viljoen

Defence: General Magnus Malan

Manpower and Public Works: Mr Pietie du Plessis

Justice: Mr Kobie Coetsee

Agricultural Economics and Water Affairs: Mr Greyling Wentzel

Economic Affairs and Technology: Mr Danie Steyn

Finance and Economic Advisory Services: Mr Barend du Plessis

Environment Affairs and Water Affairs: Mr John Wiley

Chairman of the Ministers' Council of the House of Representatives: Rev Allan Hendrickse

Chairman of the Ministers' Council of the House of Delegates: Mr Amichand Rajbansi

Home Affairs and Communications: Mr Stoffel Botha

Transport Affairs: Mr Eli Louw

National Health and Population Development: Dr Wilhe van Niekerk

Minister for the Commission of Administration and the SABC in the Office of the State President: Mr Alwyn Schlebusch

Law and Order: Mr Adriaan Vlok

DEPUTY MINISTERS

Constitutional Development and Planning: Mr Piet Badenhorst

Agricultural Economics: Mr Gert Kotze

Development and of Land Affairs: Mr Ben Wilkens

Education and Training: Mr Sam de Beer

Finance and of Trade and Industry: Mr Kent Durr

Foreign Affairs: Mr Ron Miller

Population Development: Mr Luwellyn Landers

Environment Affairs: Mr S V Naicker

Information in the Office of the State President: Dr Stoffel van der Merwe

Development Aid: Mr Hendrik Tempel

Defence: Mr Wynand Breytenbach

Agricultural Economics: Dr Andre van Niekerk

Foreign Affairs: Mr Kobus Meiring

Economic Affairs and Technology: Mr George Bartlett

Law and Order: Mr Roelf Meyer

Water Affairs: Mr Jacob van Wyk

Transport Affairs: Mr Myburgh Streicher

Finance: Dr Georg Marais

Health Services: Dr Michael Veldsman

Economic Affairs and Technology: Mr Danie Hough

MINISTERS' COUNCILS

House of Assembly

Chairman of the Council: Mr F W de Klerk

The Budget and Welfare: Dr Dawie de Vilhiers

Agriculture and Water Supply: Mr Greyling Wentzel

Local Government, Housing and Works: Mr A A Venter

Health Services: Dr Willie van Niekerk

Education and Culture: Mr Piet Clase

6/11/86 (circled) N/14 (250)

Deputies 'could cost R10 m for a start'

ORMANDE POLLOK
Political Correspondent

CAPE TOWN—South Africa's 10 new deputy ministers could cost R1 000 000 each to establish in office, says Mr Ruben Sive, the chief Opposition spokesman on the public service

He said yesterday 'Mr F W Botha's creation of 10

new deputies, making a total of 20, is bureaucracy gone bloody mad'

Earlier, Opposition leader Colin Eglin described the Cabinet reshuffle as doing nothing 'but increasing the length of the Nationalist gravy train'

Mr Sive said that including the Ministers' Council of the House of Assembly there were now 38 Nationalist ministers or deputies, which meant less than one

in every four Nationalist MPs

With all the other posts, such as Speaker, chairmen of committees and whips, about half of the Nationalist MPs were in positions where they received salaries over and above those of ordinary MPs

'This means there is about a seven-to-four chance of a Nationalist earning more than other ordinary MPs,' said Mr Sive

It was extremely difficult to calculate exactly what the new deputy ministers would cost the taxpayer, but he believed it would be in the region of R1 000 000 each to establish them

'They are all entitled to official residences both in Cape Town and Pretoria and they will all have to be bought and furnished — and they only get of the best — which means something in the order of R5 000 000,' he said

Increase

'Apart from this they will have to have newly assigned offices, new furnishings and equipment as well as staff and cars'

As deputy ministers, their salaries would increase substantially and their pension, benefits and gratuities, even after only one day, as deputy ministers, would go up significantly

'It looks to me that Mr Botha's 10 new deputies will cost us in the region of about R10 million,' said Mr Sive

Cabinet costs R7m more

By ANTHONY JOHNSON
Political Correspondent

TAXPAYERS will have to pay "at least" an extra R7-million a year to fund President P W Botha's decision to double the number of deputy ministers to 20

A PFP spokesman on the public service, Major Reuben Sive, said yesterday that this figure was a "conservative estimate" of the additional cost of salaries, perks and additional staffing for the 10 new deputy ministers

"This is bureaucracy gone mad — the gravy train is running out of control," he said

Deputy ministers would receive a combined salary and allowance of R85 182 — compared with R58 050 for an ordinary MP

Each was also entitled to a "plush new Mercedes and chauffeur", first-class instead of economy-class travel, free furnished homes in Pretoria and Cape Town, a special office and a private secretary

More than a third of the NP's 127

MPs in Parliament were now either ministers or deputy ministers

In a reference to the meteoric rise of Mr Ron Miller and Mr George Bartlett since crossing the floor from the New Republic Party, he said the best way to get a first-class ticket on the gravy train was to defect to the NP

Retiring cabinet ministers would receive a R200 000-plus gratuity and up to R114 930 a year in pensions

PFP leader Mr Colin Eglin said the "inordinate cost of having another 10 deputy ministers is totally unjustifiable"

The latest appointments also strengthen the executive at the expense of the legislature and put the opposition at an even greater disadvantage in debates

The leader of the Conservative Party, Dr Andries Treurnicht, said the latest appointments represented a "multiplication instead of the promised rationalization or streamlining of the executive"

New ministers under pressure

6/11/86 BUSDM

Civil servants want pay hikes

250

CABINET Ministers given public sector portfolios in this week's Cabinet reshuffle will come under immediate pressure from government staff associations for decisions on claims for salary increases from April next year.

Association sources say the new Ministers will have to be urgently briefed on background to the claims before they can usefully discuss them at Cabinet level.

The Ministers are Minister of State in the President's Office Alwyn Schlebusch, who is responsible for the Commission for Administration, Home Affairs Minister Stoffel Botha, who has been given the additional responsibility of Posts and Telecommunications, and Eli Louw, who replaces Hendrik Schoeman as Transport Minister

The Public Servants' Association

GERALD REILLY

management committee has its last meeting of the year on November 29, at which it is expected to decide to press for an early interview with Schlebusch

Last night the central executive of Posts and Telegraphs Association met in Johannesburg and was expected to decide on urgent representations for a meeting with Botha.

The association has already submitted a claim to the Postmaster General for pay rises to match increases in living costs

And although the federal council of South African Transport Services trade unions had their claim for an immediate interim increase rejected by Schoeman last month, the Minister agreed to further discussions before final decisions were made.

AIRLINE MOVEMENTS

Thursday Air Schedule

2345

0140

SA398

0735

1007

Govt pay rises 'outstrip' CPI

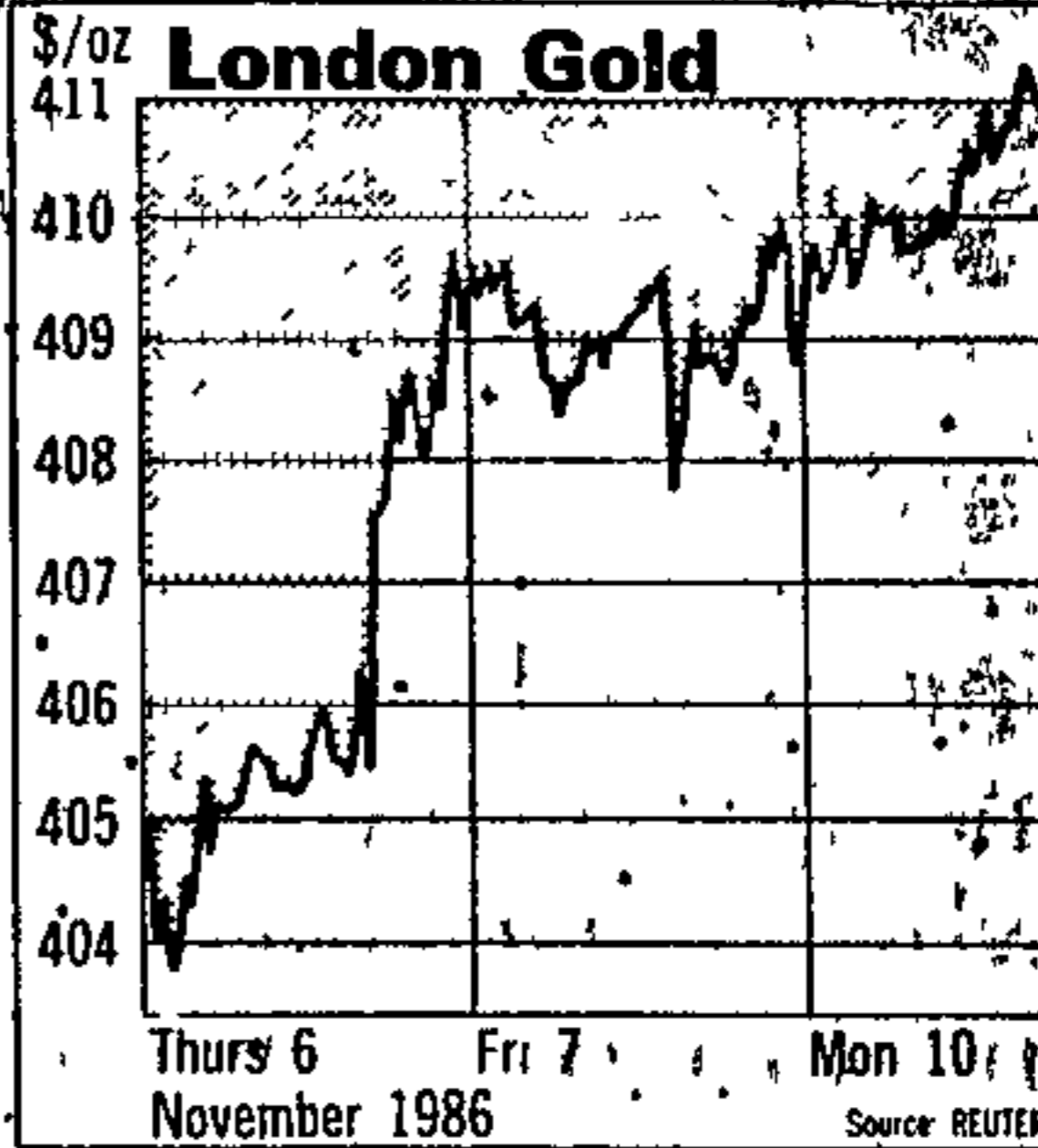
Economics Reporter

PUBLIC servants have enjoyed pay increases higher than the inflation rate over the past 10 years, an Assocom survey indicates

The survey, taken among all races, says the average monthly earnings of central government employees increased to R1 138 in 1986 from R265 in 1976. This gives an average annual earnings increase of 15.4% compared with an average rise of 13.7% in the consumer price index (CPI) over the same period.

Over the last five years the differential is even greater, with earnings increasing 18% a year against a rise of 14.5% a year in the CPI.

The number of people employed by central government has increased to 397 227 this year from 295 462 in 1976



Although international markets displayed relative calmness, gold made further advances yesterday

It closed at \$410.75 in London after a morning fixing of \$408.25 yesterday. The New York market pushed the price up to \$411.9 in early trading after an opening of \$410.5.

State spending meeting budget levels

IN SPITE of expectations that government expenditure would rise sharply during October, official figures indicate that budget levels are being scrupulously maintained.

Total exchequer outlays for last month amounted to R3,1bn, compared with R3,3bn in September. Government spending does not accrue evenly each

HAROLD FRIDJHON

month, but averaging over seven months the Budget's R38,9bn for the year, actual outlays are running at a marginally lower rate than the average

Compared with last year when R2,7bn was spent in October, this year's expenditure is 14,8% higher

Revenue at R18,5bn for the seven

months is not increasing at the same rate and appears to be lagging behind the estimates. But this is no cause for concern because income from tax soars in December from GST collections, and in February when Receivers of Revenue usually produce an impressive harvest

With expenditure at R22,5bn and revenue of R18,5bn, the deficit before borrowing is R4,1bn

Govt expansionary policy set to continue

'87 fiscal deficit may hit R7-bn, says UBS

By Frank Jeans

The 1987-88 fiscal deficit could widen to R7 billion, says the United Building Society in its latest *Economic Monitor*.

This would be due to a continuation of the Government's "expansionistic approach" along with expected rises in military spending and social infrastructure commitments.

The Government wage bill, the UBS says, rose by 27 percent during the April-June period of this year and a 5 percent increase in staff in the sector pushed the complement to 400 000.

The United estimates that the black unemployment figure now stands at 2 million, or 30 percent of the black labour force of the country and compares with 81 000 whites, coloured people and Asians out of work.

"While this situation is fuelling the present socio-political prob-

lems," says the UBS, "the employment situation is aggravated by the alarming brain drain as reflected by the emigration of 1 422 professional and technical workers during the first seven months of this year, compared to an outflow of 1 659 for the whole of 1985."

The United foresees average wage rises to be below the predicted inflation rate during 1987, thus leading to a further decline in personal savings.

"Although the current negative real interest rate policy of the monetary authorities has done little to restore an acceptable level of economic activity, they are expected to continue with this policy stance until at least the middle of next year," says the UBS.

"The uncertainty about the possible impact of sanctions, speculation of a 1987 general election and the weak demand for credit are all in support of the continuation of

an expansionary monetary policy."

The United believes credit demand will improve later this year but it will probably be mid-1987 before there is an increase in real credit demand.

It also sees the possibility of a further 0.5 percent point drop in the Bank Rate before the end of the year.

Inflation prospects, too, remain far from rosy and despite the absence of demand-pull inflation — credit demand is still well below the growth target set for money supply — cost push factors seem to be stronger than ever.

"This sustained high inflation rate, expected to be some 17 percent next year, creates a poor environment for economic recovery owing to the lack of business confidence, its adverse effect on investment and the distortion in production factor allocation."

Financial
Mail
21/11/86

250

Deficit fattens up

Latest figures confirm that the fiscal year's budget deficit will run to substantially more than the target R3,9 billion. Spending for the first seven months, to end-October, increased 18,5%; revenues only 14,3%.

But spending has slowed from a 20% rise in the first half of 1986-1987 (against a budgeted 13,9%), and revenues have increased from the first six months' 12% (budgeted 13,3%).

The deficit rose from R3,7 billion at the end of the first six months (just R236m less than budgeted for the full year) to R4,1 billion. Substantial seasonal influences saw October revenues increase 36% on a year ago.

A Senbank analysis of the past six years shows that first-half revenue has averaged 46,1% of the total, and 48,3% for expenditure. Extrapolating this for 1986-1987, total revenue could be R34,3 billion, and expenditure R40,5 billion. This gives a R6,2 billion deficit, R2,25 billion above budget.

George Huysamer's economist Louis Geldenhuys projects a deficit of at least R5,7 billion, Old Mutual's Rob Lee figures at least R6 billion (*FM* November 14). However, as Senbank notes, whatever the final deficit, R700m can be sourced to the stimulatory package announced in June.

"The intention was that this would be financed by transfer to the exchequer of certain revenue, and proceeds from the sale of certain assets, from the Central Energy Fund and IDC. Additional new funds for financing the extra deficit may therefore total approximately R1,5 billion."

So the final deficit may end up anywhere between (say) R5 billion and R6,5 billion. Already Finance CE (Policy) Gerhard Croeser is talking of a deficit of 4% of GDP, against 2,75% on the budgeted R3,9 billion. This would give a R5,7 billion deficit, about the mid-point of other estimates.

How will this influence capital markets? Trends this year confirm that old vices have become habits. Spending for the fiscal year will again exceed budget by a substantial margin, revenues will be close to budget, the deficit before borrowing may exceed budget by a material margin.

Senbank notes that additional funds to finance the deficit have already been largely obtained. There are also considerable surplus funds in the exchequer. Coupled with high liquidity in financial markets, says Senbank "These trends may give rise to further declines in, especially, short-term interest rates." ■

SPAK 250

Constitution committee to meet again

24/4/86

Political Staff

CAPE TOWN — The constitutional affairs committee of the President's Council will meet tomorrow following the announcement last week that its report on the Group Areas Act and related laws is to be shelved until next year.

The report has been referred back to the committee for further investigation of the implications of some of its recommendations.

It has been widely speculated that the move to delay the tabling and publication of the report had been ordered by the Government because of highly controversial implications of proposals for a "local option" plan for establishing racially mixed residential areas.

COMMITMENT TO APARTHEID

The plan, if implemented, could go against a Government commitment to apartheid in residential areas and state schools.

The chairman of the committee, Dr Dries Oosthuizen, confirmed today it would meet tomorrow.

He said it was a "normal" meeting and the discussion was likely to be about priorities in the committee's work.

Dr Oosthuizen declined to comment on speculation about the shelving of his committee's report.

R1,5bn Govt pay rise?

250


There is strong speculation that government is planning increases for public sector workers which could add R1,5bn to the salary bills of government, the provinces, the Post Office and Sats.

There are nearly a million such workers and salary hikes of between 12% and 15% are expected for them.

Economists point out, however, that if the gold price remains at the current low level — or goes even lower — shrink-

GERALD REILLY

State income from mining taxation could be trimmed back to 10%.

This is one reason why the decision on the size of the rises is only expected to be taken shortly before Budget day in mid-March.

Based on Central Statistical Services figures, estimates are

that nearly 400 000 central government workers earn about R4,5bn; 96 000 Post Office workers R1,2bn, 260 000 provincial workers R2,8bn; and 220 000 Sats workers about R3bn.

Senior Government workers believe the expected general election in the first half of next year — and the need for Government to prevent a crum-

bling of its main political base, public-sector workers — stands in their favour.

There are 160 000 whites in central government; 120 000 in provincial departments; 69 000 in the Post Office; and 105 000 in Sats.

With their families, they form a massive block of voters which, according to PFP public service spokesman Reuben Sive, government would antagonise with lower-than-expected increases.

President's Council faces walk-out over Group Areas

Political Staff

CAPE TOWN — The President's Council faces the threat of a walk-out by Opposition members today over the controversial shelving of the council's report on the Group Areas Act and related laws.

The row was expected to come to head at a meeting of the council's steering committee this morning. The Progressive Federal Party has given notice it will demand an open debate by the full council on the shelving of the report.

The steering committee was to meet under the chairmanship of Dr Piet Koornhof, outgoing chairman of the council.

It was the steering committee which referred the long-awaited Group Areas report back to the constitutional committee which had conducted a two-year investigation.

The PFP leader in the President's Council, Mr Robin Carlisle, said his party had petitioned the steering committee to allow an immediate discussion of the matter by a plenary session of the council.

"Subject to the steering committee's reaction, PFP members of the council will consider their attitude to working within the President's Council and their continued membership," said Mr Carlisle.

He said he believed Dr Koornhof would welcome such a discussion.

"The whole Group Areas investigation and the report have been clouded in controversy," he said.

"Two major changes have been made to the draft report since it was finalised by the council's constitutional committee.

"A debate by the full council will give the chairman an opportunity to resolve the matter."

Mr Bill Sutton, leader of the New Republic Party and a member of the constitutional committee, will also attend today's meetings.

He said he is committed to consulting his party's parliamentary caucus before he comes to a decision. He has been critical of the way the report has been referred back to the council.

No. 2511

28 November 1986

APPOINTMENT OF MINISTERS AND DEPUTY MINISTERS

It is hereby notified that the State President has

(A) Under the powers vested in him by sections 24(1) and 26(1) of the Republic of South Africa Constitution Act, 1983 (Act 110 of 1983), appointed the following persons as Cabinet Ministers with effect from 1 December 1986, to administer State Departments for general affairs or to perform other tasks as circumstances may determine

- The Honourable A L SCHLEIBUSCH DMS—Minister in the Office of the State President entrusted with Administration and Broadcasting Services
- Mr J C HEUNIS DMS, MP—Minister of Constitutional Development and Planning
- Mr P T C DU PLESSIS MP—Minister of Transport and Public Works
- Mr J J G WENTZEL MP—Minister of Agriculture
- Mr D W STEYN, MP—Minister of Economic Affairs and Technology
- Mr B J DU PLESSIS MP—Minister of Finance
- Mr J W E WILEY MP—Minister of Environment Affairs and of Water Affairs
- Mr J C G BOTHA MP—Minister of Home Affairs and of Communications
- Mr E V D M LOUV MP—Minister of Transport Affairs
- Mr A J VLOK, MP—Minister of Law and Order

(B) Under the powers vested in him by section 24(1) of the Republic of South Africa Constitution Act, 1983 (Act 110 of 1983), appointed the following persons with effect from 1 December 1986, as Ministers in the Ministers' Council of the House of Assembly

- Dr D J DE VILLIERS MP—Minister of the Budget and Welfare in the Ministers' Council of the House of Assembly
- Mr J J G WENTZEL MP—Minister of Agriculture and Water Supply in the Ministers' Council of the House of Assembly
- Dr W A VAN NIEKERK, MP—Minister of Health Services in the Ministers' Council of the House of Assembly

(C) Under the powers vested in him by section 27(1) of the Republic of South Africa Constitution Act, 1983 (Act 110 of 1983), appointed the following persons with effect from 1 December 1986, as Deputy Ministers for general affairs

- Mr G J KORZÉ, MP—Deputy Minister of Agriculture
- Mr B H WILKENS, MP—Deputy Minister of Constitutional Development and Planning
- Mr K D S DURR MP—Deputy Minister of Finance
- Mr D J HOUGH—Deputy Minister of Economic Affairs and Technology
- Mr D M STREICHER, MP—Deputy Minister of Transport Affairs
- Mr H J TEMPEL, MP—Deputy Minister of Development Aid
- Mr R P MEYER, MP—Deputy Minister of Law and Order

No. 2511

28 November 1986

AANSTELLING VAN MINISTERS EN ADJUNK-MINISTERS

Herby word bekendgemaak dat die Staatspresident

(A) Kragtens die bevoegdheid hom verleen by artikel 24 (1) en 26 (1) van die Grondwet van die Republiek van Suid-Afrika, 1983 (Wet 110 van 1983), die volgende persone met ingang van 1 Desember 1986 as Kabinetsministers aangestel het om Staatsdepartemente vir algemene sake te administreer of om, na gelang van die geval, ander werksaamhede te verrig

- Sy Edele A L SCHLEIBUSCH, DVD—Minister in die Kantoor van die Staatspresident belas met Administrasie en Uitvaardiging
- Mr J C HEUNIS DVD, LP—Minister van Staatkundige Ontwikkeling en Beplanning
- Mr P T C DU PLESSIS LP—Minister van Maatskappij en Openbare Werke
- Mr J J G WENTZEL LP—Minister van Landbou
- Mr D W STEYN, LP—Minister van Ekonomiese Sake en Tegnologie
- Mr B J DU PLESSIS, LP—Minister van Finansies
- Mr J W E WILEY, LP—Minister van Omgewingsake en van Waterwese
- Mr J C G BOTHA LP—Minister van Binnelandse Sake en van Kommunikasie
- Mr E V D M LOUV LP—Minister van Vervoerwese
- Mr A J VLOK, LP—Minister van Wet en Orde

(B) Kragtens die bevoegdheid hom verleen by artikel 24 (1) van die Grondwet van die Republiek van Suid-Afrika, 1983 (Wet 110 van 1983), die volgende persone met ingang van 1 Desember 1986 as Ministers in die Ministeraad van die Volksraad aangestel het

- Dr D J DE VILLIERS LP—Minister van Begroting en Wetsyn in die Ministeraad van die Volksraad
- Mr J J G WENTZEL, LP—Minister van Landbou en Watervoorsiening in die Ministeraad van die Volksraad
- Dr W A VAN NIEKERK, LP—Minister van Gesondheidsdienste in die Ministeraad van die Volksraad

(C) Kragtens die bevoegdheid hom verleen by artikel 27 (1) van die Grondwet van die Republiek van Suid-Afrika, 1983 (Wet 110 van 1983), die volgende persone met ingang van 1 Desember 1986 as Adjunk-minister vir algemene sake aangestel het

- Mr G J KORZÉ, LP—Adjunk-minister van Landbou
- Mr B H WILKENS, LP—Adjunk-minister van Staatkundige Ontwikkeling en Beplanning
- Mr K D S DURR, LP—Adjunk-minister van Finansies
- Mr D J HOUGH—Adjunk-minister van Ekonomiese Sake en Tegnologie
- Mr D M STREICHER, LP—Adjunk-minister van Vervoerwese
- Mr H J TEMPEL, LP—Adjunk-minister van Ontwikkelingshulp
- Mr R P MEYER, LP—Adjunk-minister van Wet en Orde

No. 2444

28 November 1986

DEPARTMENT OF TRADE AND INDUSTRY

ANNOUNCEMENT OF THE WINNERS REGARDING "THE STATE PRESIDENT'S AWARD FOR EXPORT ACHIEVEMENT—DIE STAATSPRESIDENTSTOEKENNING VIR UITVOERPRESTASIE"

The State President has been pleased, in terms of Rule 3 of his Warrant, as published in *Government Gazette* 9977 dated 18 October 1985, to approve the following winners of the State President's Award for Export Achievement for 1986

- Overall winner
SA Nylon Spinners (Pty) Ltd
- Primary Sector
Winner
SA Manganeese Amcor Ltd
- Runners-up
Ferrometals Ltd
Foskem (Pty) Ltd
Rustenburg Platinum Holdings Ltd
Tselentis Mining (Pty) Ltd
- Agricultural Sector
Winner
Westfalia Estate
- Runner-up
Ngogolo Decorative Greens.
- Service Sector
Winner
The Decaduous Fruit Board
- Runners-up
South African Marine Corporation Ltd
Medie Shipping Co (SA) (Pty) Ltd
Court Helicopters (Pty) Ltd

No. 2444

28 November 1986

DEPARTEMENT VAN HANDEL EN NYWERHEID

AANKONDIGING VAN WENNERS BETREFFENDE "DIE STAATSPRESIDENTSTOEKENNING VIR UITVOERPRESTASIE—THE STATE PRESIDENT'S AWARD FOR EXPORT ACHIEVEMENT"

Di het die Staatspresident behaag om ingevolge Reël 3 van sy bevelskrif soos gepubliseer in *Staatskoerant* 9977 van 18 Oktober 1985 sy goedkeuring te heg aan die volgende wenners van die Staatspresidentstoekeuning vir Uitvoerprestasie vir 1986

- Algehele wenner
SA Nylon Spinners (Edms) Bpk
- Primêre Sektor
Wenner
SA Manganeese Amcor Bpk
- Wenner
Ferrometals Bpk
- Wenner
Foskem (Edms) Bpk
- Wenner
Rustenburg Platinum Holdings Bpk
- Wenner
Tselentis Mining (Edms) Bpk
- Landbou-afdeling
Wenner
Westfalia Estate
- Wenner
Naasweners
Ngogolo Decorative Greens
- Dienstesektor
Wenner
Die Sagevrugteraad
- Wenner
Naasweners
South African Marine Korporasie Bpk
- Wenner
Medie Shipping Maatskappy (SA) (Edms) Bpk
- Wenner
Court Helicopters (Edms) Bpk

Tight budget control call

TIGHT control over government budgets was needed to relieve the private sector of a crippling taxation burden, the Transvaal Chamber of Industries (TCI) said

Comparing SA's "frightening" inflation rate of 20% for 1986 with the 2% of most major Western trading nations, the TCI said it doubted whether producers or consumers were happy with the erratic performance of the various control boards

It said: "Industrialists, who are frequently asked to tighten their belts and accept lower profit margins, look ruefully at the spiralling prices of commodities which fall under the jurisdiction of the control boards.

250
BUSDAY
MICK COLLINS 17/12/86
"There is not much sign of profit trimming there."

Costs, prices, depreciated currency and an apparent lack of direction were combining in a relentless drive to erode the living standards of the man in the street and ultimately undermine SA's economy.

The TCI said "The massive reductions in the rates of inflation overseas have only been achieved by the application of stringent disciplines and we must be prepared to face up to these."

● To Page 2 →

Tight budget control called for

Tight budgetary control would stimulate growth in the supply of goods to the markets, with the resultant benefits of cutting unit costs due to increased production.

The TCI said "The break in the drought pattern will hopefully help to stimulate the agricultural sector and keep food prices down, but this will require careful monitoring Administered prices are always a source of

250
BUSDAY
17/12/86
● From Page 1 ←
concern due to their broad effect on the economy"

Most important of all, was the value of the rand The TCI said: "Tied, as it tends to be, to the gold price, its performance falls to a large degree outside the control of the authorities, but we hope no more problems are experienced in the field of foreign exchange"

PUB SECTOR - GOVT.
- GENERAL
1987

JAN - DECEMBER

In spite of attractive salaries, perks and privileges enjoyed by MPs the process of choosing suitable candidates for Parliament is not an easy task, say the party officials FRANS ESTERHUYSE of the Political Staff reports

A search for talent as election looms

A MAJOR hurdle for the white political parties in coming weeks is the hunt for suitable candidates for the general election

Party officials say this is not an easy task — in spite of the attractive salaries, perks and privileges enjoyed by MPs

The parties do not expect a scramble by members of the public for jobs in Parliament, but rather a painstaking process of negotiation and selection

Not many people are prepared to enter the hurly-burly of an election campaign while facing the risk or even the certainty of losing

Each party has its own procedure for choosing candidates. All aspirant candidates are carefully screened and have to go through a selection process approved by the party

IN most cases sitting MPs will stand again for election in their constituencies. Newcomers are usually faced with the task of trying to capture seats from other parties, often against heavy odds

The Progressive Federal Party, for example, has a system of calling for nominations and screening candidates through candidates' committees, working in consultation with constituencies. If there is more than one nomination, an electoral college, made up of members of the constituency and candidates' committees, makes the final choice

The chairman of the PFP's candidates' committee for the

The rewards...

IT may not be easy to get into Parliament but the rewards are attractive for the average aspirant candidate

MPs were given a big pay increase last year which pushed their annual incomes up to R58 050

In addition, an MP's benefits and perks include

- A pension and a "golden handshake" after serving either in two Parliaments or for 7½ years. Full pension equal to parliamentary salary after 15 years' service,

- A car allowance of the order of R800 a month,

- R140 a month during Parliamentary sessions, usually from February to June, as a contribution towards the salary of a secretary,

- 36 free single flights a year on SAA internal service, and

- Contributory membership of Parmed, a medical aid scheme for MPs, Presidents' Councillors and judges

MPs do not receive housing loans, 13th cheques or annual increments. Their salary package is taxable, but like other taxpayers they can apply for tax deductions.

Western Cape, Mr Charles Grover, said a target date for the selection of candidates was likely to be set at discussions this week. The machinery for selecting candidates would be put into motion soon

"It is not easy to get the right people to stand as candidates," Mr Grover said

The kind of people usually sought included those experienced in politics or public life, specialists in various fields, academics with special

knowledge or skills, and people in the private or public sectors whose experience and abilities could be used. Party officials and professional people often made good candidates

ASPIRANT candidates in the coming election are likely to include former provincial councillors and local government members such as city councillors and divisional councillors

The Cape National Party has announced that it intends to choose most of its candi-

dates before the opening of Parliament on January 30 when President P W Botha is to announce the election date

National Party spokesmen in the other provinces have also indicated that they intend to speed up their nomination procedures to get candidates lined up before the opening of Parliament or by early next month

The hierarchy of the Cape NP is expected to take a decision soon on opposition seats to be contested by the NP

PFP seats expected to be contested by the NP include Cape Town Gardens, Walmer and Sea Point

The rightwing parties — the Conservative Party (CP) and the Herstigte Nasionale Party (HNP) expect to concentrate most of their efforts in the Transvaal and the Free State, but they are also eyeing seats in the Cape and Natal

A PFP spokesman said possible target seats in the Cape Province eyed by his party included Simon's Town, Maitland, Durbanville, Helderberg, Newton Park, East London City, East London North, Queenstown and King William's Town

Target seats in Natal included Durban North, Mooi River, Umbilo, Umhlanga and Amanzimtoti, but the scene might change if an election agreement was reached with the New Republic Party

In the Transvaal the PFP was eyeing Benoni, Randburg, North Rand, Florida and Helderkruijn as possible target seats

Govt pay bill double in 3 years

Mercury Correspondent

JOHANNESBURG—The explosion in the cost of Government and public administration since 1983 is clear from the latest Central Statistical Services figures

The cost of paying 1 130 000 workers in the service of central Government, provincial administrations, local authorities, statutory bodies, governments of national states, universities and technikons nearly doubled from 1983 and 1986

In 1983 the salary and wage bill for 1 045 755 workers was R7,56 billion. For the first nine months of last year that payout soared to R9,45 billion

About 1 045 755 workers were employed in Public Service at the end of 1983, but by the end of the third quarter last year that had increased by 81 937 to 1 127 692

During that time, the number of whites employed increased by 22 102 to 389 957, coloureds by 16 125 to 144 725, Asians by 3 741 to 32 580, and blacks by nearly 40 000 to 560 430

PFP finance spokesman Mr Harry Schwarz said the figures clearly illustrated that the Government's Public Service rationalisation scheme had failed

On the salary bill, he said it must be remembered that inflation had run at 18% for the three years

BUDGET (250)
8/11/87

Public service pay bill leaps by R2bn

THE explosion in the cost of government and public administration since 1983 is clear from the latest Central Statistical Services' figures

The cost of paying 1 130 000 workers in the service of central government, provincial administrations, local authorities, statutory bodies, governments of national states, universities and technicians nearly doubled between 1983 and 1986.

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GERALD REILLY

The substantial increases paid to white workers was also clear. They were paid R4,79bn in 1983, but that rose to R5,64bn for the first nine months of last year. Coloureds' total pay increased from R663m in 1983 to R923m, Asians from R261m to R356m, and blacks from R1,84bn to R2,52bn.

PFPA finance spokesman Harry Schwarz said the figures clearly illustrated government's public service rationalisation scheme had failed. The duplications caused by government's "own" and "general affairs" policies, and the increased staff establishments involved, was part of the whole problem.

The Public Servants' Association has angrily rejected a suggestion by the Afrikaanse Handelsinstituut that salaries of State and mining workers be frozen for three years in an effort to curb inflation.

Ice cream! you scream . . .

SOUTH AFRICANS are becoming a race of music-hating, ice-cream-guzzling, vinegar-swilling hedonists whose chief pleasure is playing with toys.

That's the simplest conclusion to draw from official figures showing six-year production trends of every item manufactured in SA.

Manufacture of musical instruments is down to one-third of what it was in 1980, while toy production has increased by more than 20%.

DAVID FURLONGER

boycotts are to blame, production of writing paper and notebooks — while better than 1980 — is down sharply from 1983 levels.

They can't, however, be accused of tastelessness. Production of vinegar and flavour essences has risen by more than two-thirds in the last six years.

On the basis that 1980 production volumes are equal to 100, production of ice cream

Election 'sweetener' likely

BUDAY 250

Civil servants want R1,5bn pay increases

14/11/87

CHRIS CAIRNCROSS

REPRESENTATIVES of the Public Servants Association (PSA) are to press for blanket pay increases of up to 15% at a meeting in two weeks' time with Alwyn Schlebusch, Minister responsible for the Commission for Administration in the President's office.

If agreed to, the increases will be introduced from April, boosting the civil service wage bill by R1,5bn to R11,5bn — which would account for almost a third of total State expenditure

The PSA will also ask for a substantial rise in the ceiling on the low-interest soft loans to civil servants for property purchases. The present ceiling for this 100% subsidy, estimated to have cost taxpay-



● SCHWARZ



● SCHLEBUSCH

ers at least R200m last year, is R50 000. Government sources indicated yesterday that the pay demands would almost certainly be met — as an obvious "sweetener" to an important section of the electorate before the general election.

Opposition spokesmen said yesterday they had no quarrel with civil servants

● To Page 2 →

PSA pushes for pay hikes

getting pay rises

But, at the same time, they demanded that government should indicate clearly how taxpayers were going to shoulder this extra burden

PFP finance spokesman Harry Schwarz said government should not announce any pay increases prior to the election

He added that the Part Appropriation Bill (mini-Budget) to be tabled in Parliament this session as a stop gap — with the main Budget delayed to August — was not the right place to announce these increases, particularly as the manner of financing them will patently be ignored

Schwarz said government could not blame people for seeing any pay rises as a political ploy — and for treating them as such

He again called on government not to delay tabling the main Budget, adding

there was more than enough time to deal with it before Parliament rose towards the end of March

PFP MP for Edenvale Brian Goodall commented that the burgeoning size of the State's wage bill clearly demonstrated SA was now saddled with a bureaucracy that was far too costly to maintain

The State's expenditure now represented 30% of SA's gross domestic expenditure, amounting to a vast movement of resources from the private to the public sector — to the detriment of the long-term health of the economy

He believed the mini-Budget would be a farce, with government intent on presenting only good news to the electorate, and likely to demonstrate a marked reluctance to deal with any of the structural problems facing the economy

14/11/87

← ● From Page 1 BUDAY 250

50

THE Cabinet will decide on the extent of public sector salary increases early in February, according to Pretoria sources.

Govt decides pay rises next month

BUSINESS 20/1/87

A major factor in the determination will be the 461 000 whites employed in central government and other parts of the public sector who, with their immediate families, constitute a massive, mainly conservative, voter block.

The announcement will be made by Finance Minister Barend du Plessis in his part appropriation mini-Budget speech later in February.

Last week, the Posts and Telegraphs Association met Telecommunications Minister Stoffel Botha to demand increases to match the 20% rise in the CPI.

Transport Minister Eli Louw will soon have to respond to a demand for 15% increases from the Federal Council of Sats Trade Unions.

Next week, the Public Servants Association (PSA) will submit its case for 12%-15% increases to Minister of State in the President's Office Alwyn Schlabusch.

Teachers have also stepped up

GERALD REILLY

pressure for increases. The Federal Council of Teachers Associations will have a meeting with Education and Culture Minister Piet Clase soon days to approve increases in line with the CPI rise.

Teachers last received a rise (26%) in 1984

Meanwhile, Federal Council of Sats Trade Unions chairman Jimmy Zurich said public sector demands were being made against a background of the 30%-plus increases politicians awarded themselves last year.

Sats' staff has been slashed by a huge 66 000 since the start of the staff pruning campaign in 1983. Sats management has been warned by the Artisan Staff Association (ASA) it may have gone too far in its drive to reduce worker numbers. A Sats spokesman said the aim remained a smaller, better-paid staff.

THE Public Servants' Association (PSA) made a last-minute bid yesterday for substantial pay rises and other concessions for government workers.

PSA president Colin Camperon and members of his executive held meetings in Cape Town with Minister in the State President's Office Alwyn Schlabusch and Finance Minister Barend du Plessis

No statement was issued after the meeting

The Cabinet is expected to decide on increases for the whole of the public sector — including SA Transport Services and the Post Office — early next month.

The extent of increases is likely to be announced by Du Plessis in his part-appropriation speech in the Assembly.

The PSA wants pay hikes of at least 12%. Anything less, it is claimed, would leave government workers trailing even further behind the private sector in pay levels.

It also wants the maximum hous-

PSA in bid for pay rises

GERALD REILLY

ing loan qualifying for subsidised interest rates to be raised above R40 000.

Meanwhile, Stellenbosch University Bureau of Economic Research economist G E Moore has warned government against "buying" votes at the cost of more inflation.

Other sources point out there are about 400 000 white voters in the service of central government, the provinces, Sats and the Post Office

With their immediate families they constitute a vital block of more than a million voters — or nearly one-third of the total on the voters' roll.

This is why they are confident of substantial pay hikes being announced before the election.

Argus 28/1/87

Public servants negotiate for 10-18% pay rises

The Argus Correspondent

PRETORIA — A delegation from the Public Servants' Association met members of the Cabinet in Cape Town yesterday to negotiate for a salary increase of between 10 and 18 percent, according to PSA President Dr Colin Cameron

But while the Ministers listened sympathetically, they did not commit themselves to a move which could boost the State's annual wage bill by as much as R1,5-billion to almost R12-billion.

Dr Cameron and his delegation met Mr Alwyn Schilebusch and Finance Minister Mr Barend du Plessis yesterday

Dr Cameron has emphasised that public servants want salary increases which are on a par with those granted in the private sector, which has received between 10 and 18 percent

Inflation had meant that the living standards of the average public servant had dropped markedly in recent months, he said

Good salary increases were also needed to maintain an efficient corps of workers in the public sector

MARKET TRENDS

However, Dr Cameron said, a simple, universal adjustment of salaries would not be ideal. Increases in the private sector had been varied and this pattern must be followed in the public service.

"Each professional group must be evaluated and adjusted according to market trends"

Dr Cameron said the PSA group had been well received in Cape Town. "However, the Ministers did not commit themselves"

The possible raising of the R50 000 ceiling on public service housing subsidies and civil servants' pensions were also on the agenda at yesterday's discussions

Opposition spokesmen have expressed fears that the National Party will grant particularly generous pay increases this year to garner support for the general election

Public servants' wage plea

PRETORIA—South Africa's public servants will hear whether their demand for pay rises has been met by the Government when the Budget is tabled, around March.

The general manager of the Public Servants' Association (PSA), Mr Hans Olivier, said no further discussions would be held after the PSA's meeting with three ministers in Cape Town on Tuesday.

The private sector frowned on the PSA's demand for a 12% to 15% pay rise, and said this would perpetuate inflation.

Stellenbosch University's Bureau for Economic Research said public servants' demands, which would cost the country about R1 billion a year more, must be a very attractive vote-buying option for the Government. — (Sapa)

Estimated 1,5 m state employees wa

PSA and Govt negoti:

By Michael Chester

The pay trends of no fewer than 1 556 000 government employees may be at stake as the Public Servants' Association (PSA) enters negotiations with the Government over wage demands for across-the-board increases of 15 percent for the civil service

The PSA team enters the talks as representatives of a mere 150 000 white workers engaged by central government. But that shows only the tip of an iceberg.

By tradition, any new pay scales that may emerge will automatically be passed on to another 230 000 central government employees drawn from other race groups in central government. Increases normally also filter through to public servants at provincial administration level — with an influence that goes down to municipal level.

The PSA estimates that no fewer than 830 000 government employees will be involved in the direct impact of the general pay adjustments that will be under discussion.

In turn, the final decision will have an indirect influence on pay trends over the entire public sector — whose overall labour force numbers above 1,5 million, when the total is swollen by counting everyone in public service, from nurses in provincial hospitals to postal workers and meter maids to university professors.

Whatever the outcome of the PSA talks, it will generate renewed controversy over the cost and efficiency of the civil service, a sour point with taxpayers, who end the day footing the bill.

That, of course, is aside from inevitable cynical suspicions that any decision on pay increases may be intended as a political sweetener ahead of the approaching general election.

The temptation to buy votes with salary increases, at the expense of rekindling inflation, has already been noted by the Bureau for Economic Research at Stellenbosch University.

(The BER commented "Perhaps indirect stimulation of the economy, via tax relief, will accomplish more by winning the support of not only the public but also the private sector.")

What has jolted the PSA, however, was the advice recently handed to the Government by Mr Lawrence McCrystal, chairman of the Board of Trade, to impose price and income restraints in a new bid to counter inflation — advice that is bound to be on the minds of negotiators at the pay talks.

Civil service reaction to advice from the Afrikaanse Handelsinstituut to clamp a three-year freeze on salaries and wages of State employees, along

JOB DESCRIPTION	ANNUAL RANGE		
	Public Service Grade	Private Sector	Public Service
UNSKILLED — Operatives — Cleaners — Warehouse/Stores Clerk — Machine Operator	19-17	3 600-9 500	1 890-9 600
SEMI-SKILLED — Copy Typist — Typist/Secretary — Clerk/Clerical Supervisor — Bookkeeper — Technical Assistant	18-14	7 700-19 000	5 400-14 130
SKILLED — Programmer — Warehouse Supervisor — Artisan — Draughtsmen — Technician — Chemist — Geologist — Journalist	16-10	15 000-34 000	10 368-30 918
MIDDLE MANAGEMENT — Accountant — Internal Auditor — Systems Analyst — D P Manager — Economist — Admin Manager — Workshop Manager — Engineer	15-13	22 000-55 000	16 983-41 820
SENIOR EXECUTIVE Head of Function Medium size Co Turnover R20-R50 million pa	13-8	45 000-77 000	42 000-55 200
TOP MANAGEMENT General Manager	7-6	50 000-130 000	56 000-62 205
TOP EXECUTIVE DIRECTOR Managing Director Medium size Co Turnover R20-R50 million pa	5-2	130 000	62 205-105 000
	Director General		

How wage levels compare according to approximate job brackets, with private sector estimates compiled by P-E Corporate Services and public sector figures prepared by the PSA

with mining company employees, as an anti-inflationary mechanism, can be best described as horror.

Dr Colin Cameron, president of the PSA, remains convinced he can deliver persuasive arguments that the pay scales of public servants have lagged far behind the wages spiral in the private sector and that increases are crucial.

An independent source of support on that score alone is PE Corporate Services, the Johannesburg consultancy which monitors pay trends in the private sector.

Where agreement comes to a sharp halt, however, is discussion about the justification for the mushroom expansion in the size of the public sector.

"Public servants have a sound platform for arguments that they deserve reasonable increases," says Miss Naomi

Brehm, manager of PE salary surveys. "But it is vital that a simultaneous examination is made of the horrendous growth of the public sector labour force."

Miss Brehm has compiled statistics showing that the average basic salaries of white workers in the private sector increased by 232 percent over the 10-year span from mid-1976 to mid-1986 — but even then lagged behind an inflation spiral that bounded 255 percent higher.

Black workers on average saw their pay packets swell by 357 percent, Asians by 294 percent and coloureds by 259 percent.

Over the identical 10 years, according to the PSA, central government employees had general salary adjustments — applicable to workers of all race groups — that trailed behind with raises that amounted to

only 117,5 percent.

Moreover, Mr CHJ van Rensburg, deputy manager of the PSA, believes the wage gap between the private and public sector threatens to grow even wider on information that 44 percent of employers in the private sector intend to hoist wages by between 10 and 12,5 percent in the current year and that 42 percent of them are braced to thicken pay packets by between 12,5 and 18 percent.

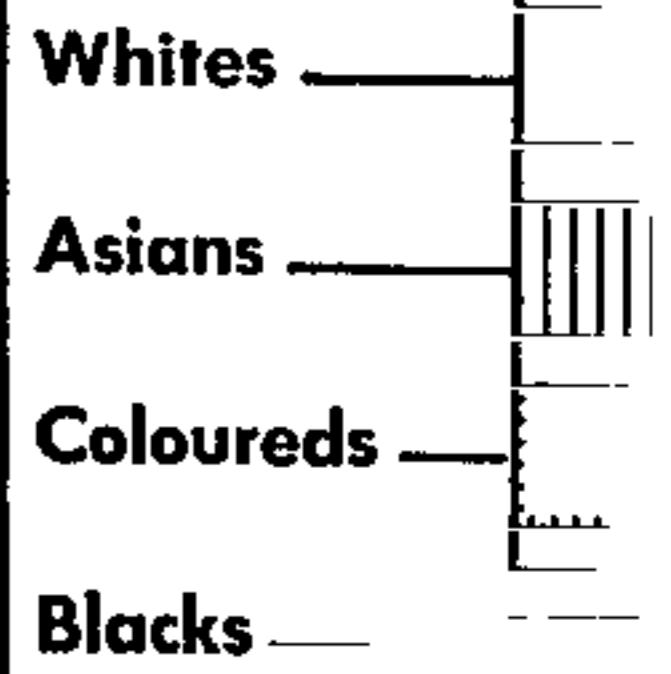
PE Corporate Services has conducted its own salaries survey which agrees, in general terms, with the figures.

"PSA demands for increases of around 15 percent look quite reasonable in view of the rate of inflation," says Miss Brehm. "Even that will fail to match the inevitable rises in the consumer price index."

"There's a lot of mythology about the value of widescale

WAGES V

PRIVATE SEC



PUBLIC SERVI

All Races

INFLATION

CPI

Percentage 0

A bar chart showing how sector over the past 10

PERIOD	BA
'76 to '77	7
'77 to '78	8
'78 to '79	10
'79 to '80	16
'80 to '81	15
'81 to '82	14
'82 to '83	12
'83 to '84	10
'84 to '85	9
'85 to '86	11

The PSA and P-E set out public sectors

perks in the civil service. Several of the perks are better than in the private sector. But unless they are near the top of the tree, civil servants



out on such perks as cars and entertainment expenses and many more that are almost standard in middle senior management in the private sphere.

employees wait for outcome as

negotiate wage rises

250

ECTOR

E

RANGE

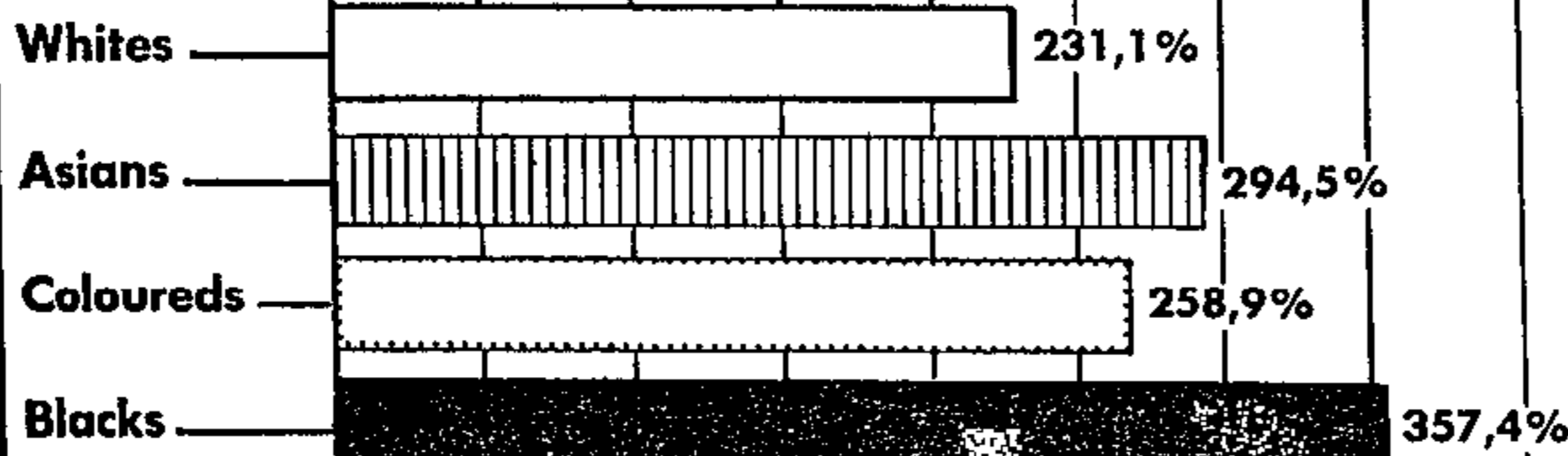
Public Service	1 890-9 600
	5 400-14 130
	10 368-30 918
	16 983-41 820
	42 000-55 200
	56 000-62 205
	62 205-105 000

sector estimates by the PSA.

percent
Mr CHJ van
deputy manager of
believes the wage gap
the private and public
tends to grow even
information that
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between 10 and
in the current year
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12,5 and 18 percent
Corporate Services has
its own salaries sur-
agrees, in general
the figures
demands for increases
15 percent look quite
in view of the rate of
says Miss Brehm
at will fail to match the
rises in the consumer
a lot of mythology
value of widescale

WAGES VERSUS INFLATION

PRIVATE SECTOR



PUBLIC SERVICE



INFLATION



Percentage 0 50 100 150 200 250 300 350 400

A bar chart showing how P-E Corporate Services see the movement of wage increases in the private sector over the past 10 years and how the Public Servants' Association argues that increases for employees in the public sector have fallen behind

BASIC SALARY INCREASES

PERIOD	Whites	Asians	Blacks	Coloureds	Public Service all race groups	CPI
'76 to '77	7,3	17,1	16,7	13,2	10,0	10,6
'77 to '78	8,2	10,5	28,1	13,9	5,0	9,2
'78 to '79	10,9	12,4	13,2	14,5	7,6	13,5
'79 to '80	16,4	17,1	13,8	18,2	10,3	14,6
'80 to '81	15,6	22,1	24,6	14,3	12,0	14,5
'81 to '82	14,6	24,2	20,3	18,0	15,0	14,4
'82 to '83	12,3	12,1	13,6	12,3	—	12,8
'83 to '84	10,0	10,3	11,6	11,5	12,0	12,4
'84 to '85	9,9	10,7	12,3	10,3	—	16,4
'85 to '86	11,0	11,6	11,3	10,4	10,0	16,9

The PSA and P-E set out the year-by-year track record of general pay adjustments in the private and public sectors since 1976 and comparisons with rises in the consumer price index

perks in the civil service True, several of the perks are much better than in the private sector But unless they are near the top of the tree, civil servants miss



out on such perks as company cars and entertainment allowances and many more that are almost standard in middle and senior management in the private sphere

"And the perks tax has flattened out many of the old differentials Moreover, a 13th cheque, which used to be a sore point, is now almost as commonplace in the private sector as in the public sector

"Still, it is difficult to find a true assessment of pay trends inside the civil service because of the camouflage of pay increases that come about by promotions that can be shuffled around

"Also hard to calculate is the value that can be placed on job security in the public sector in all the economic ups and downs Look how the size of the public sector has increased in the last three or four years, while thousands of jobs have had to be axed in the private sector because of the recession

"If the pay demands go

through, the PSA must in turn agree to a sweeping review aimed at cutting the size of the civil service South Africa simply cannot afford its growing army of bureaucrats"

Dr Cameron sounds more dismayed than angered by the storm about the growth of the public service labour force

"We need to rivet attention on the effectiveness of the administration of all our national services," he replies

"All too often, mention of the public sector raises the vision of hordes and hordes of bureaucrats In fact, they are in a distinct small minority There will be much more balance and less emotion if everyone remembers the invaluable roles performed by our technologists, social welfare officials, nurses, teachers

"The whole crux of the issue is that the pay of all of them has lagged behind the wage and salary increases seen in the private sector Quite simply, unless pay levels in the public sector are improved and kept pace, we'll fail to retain the talent we have and attract the new talent that is essential"

"Nor should the general public believe that the jobs of civil servants are inviolate sinecures True, not so very long ago, one had to rob a bank or commit murder to be fired from the civil service — but no more

"Nowadays, there is instant dismissal for poor performance or misconduct

"There is no longer room for dead wood Two years ago, all government departments were ordered to cut down their numbers by slashing the number of advertised vacancies by half — whatever the size of establishments in the past

"There have been efforts to close the wage gap between the private and public sector in recent years Even so, to make allowance for relative job security, the public services follow rules that insist that while the wages in particular occupations are now related to the going rates in the labour market, they are always fixed at 15 percent below the pay for the equivalent job in the private sector

"Nevertheless, we were closing the overall wage gap All we seek to do now in the next round of negotiations is to maintain some sort of equilibrium"

The Association of Chambers of Commerce remains unmoved by the PSA arguments A recent survey that it conducted found that the labour force of central government had soared from 295 462 in 1976 to 397 227 by last year

Moreover, the survey found as it delved deep into actual wages that the average monthly earnings of employees had rocketed from R265 to R1 138, an annual rate of 15,4 percent compared with an average inflation rate of 13,7 percent over the identical 10 years

Assocom is convinced it has found a solution to it all the introduction of "value for money" tests on the work of civil servants and all public sector operations

It believes all government departments should face regular special audits on both their efficiency and effectiveness

Mr Rocky Ridgway, former Assocom president, has worked out that while every R1 in fixed capital stock contributed about 83 c to the economy every year as a national average, in government service the level sank to only 14c

While the economic contribution of the average worker in South Africa as a whole worked out at R6 670 a year, in the public sector the average trailed behind at R5 460

BUSINESS

Govt is paying more public sector wages

Own Correspondents

JOHANNESBURG. — While public servants are demanding hefty salary increases, government's share of SA's total wage bill has risen sharply during the last seven years

Official figures showed government's share of the country's total remuneration, which was 20,8% in 1980, had grown to 25,4% by the end of 1986

It had increased by 190,5% to R12,6 billion last year from R4,3 billion in 1980. The increase in private sector remuneration was 124,1% to R37 billion from R16,54 billion in 1980, Central Statistical Services figures showed. During this period the CPI increased by 144,9%

Government's wage bill includes central government, provincial administrations, local authorities, state bodies, the homelands, universities, and technikons

Part of the higher outlay on government employees results from a larger labour force. Official figures show the number of government employees has increased by 20% since 1980. Public Servants' Association (PSA) president Colin Cameron says the increase in employees is largely due to more black teachers, and a larger police force and army.

He says "If these are removed from the total figure, the growth in government employees was not substantial"

Cameron says any comparison between public and private sector wages and salaries depends on the base year used.

He says "It is true that in 1982 there were significant adjustments in public service wages and salaries that brought them up to a reasonable parity with the private sector. However, during the last 18 months the situation has deteriorated. Our projections show there is a variance between public and private sector remuneration of between 10% and 18%, depending on job category"

Economists have expressed concern over the PSA's demands of a 12%-15% increase in wages for central government employees, which could stimulate consumption spending and result in a rerun of the 1983/1984 mini-boom. The inevitable higher level of imports would erode the current account surplus and could cause difficulties in SA meeting its foreign debt commitments

Also, the emergence of demand-led inflation, which is absent at present, could force the monetary authorities to tighten monetary policy by raising interest rates

Most economists agree the pay-hike would be an inappropriate way to stimulate the economy and point rather to a tax cut, the benefits of which would be felt by all

w/k ARGUS 31/1/88

State wage bill triples in six years

250
2/8

By TOM HOOD
Business Editor

AN exploding bureaucracy has almost tripled the Government's wage bill in six years

It soared by 193 percent from R4 300 million to R12 600 million last year

The private-sector wage bill increased by a more modest

124,1 percent, up from R16 540 million to R37 000 million

The State's share of the country's wage packet climbed from 20,8 percent in 1980 to 25,4 percent at the end of 1986, according to the latest Central Statistical Services report

The number of Government employees jumped by 20 percent since 1980, while the consumer price index advanced by

145 percent. According to analysts these figures indicate that while private sector pay trailed inflation, the increase in total civil service wages outstripped inflation

The State's wage bill includes central government, provincial administrations, local authorities, State bodies, the homelands, universities and technikons

The president of the Public Servants' Association, Mr Colin Cameron, said the increased number of Government employees was the result of an increase in black teachers and a larger police force and army, according to a Sapa report

"It is true that in 1982 there were significant adjustments to public sector wages and salaries that brought them up to a reasonable parity with those in the private sector

Deteriorated

"However, during the past 18 months the situation has deteriorated. Our projections show there is a variance between public and private sector remuneration of between 10 percent and 18 percent, depending on job category," he said

Meanwhile, economists and others have voiced their concern at the PSA's demands for pay increases of between 12 and 15 percent for central government employees

Increases of this magnitude could lead to a mini-boom, they claim

The chief executive of the Associated Chambers of Commerce, Mr Raymond Parsons, said "While we accept that public servants are entitled to seek salary reviews, their claims must be evaluated within existing Government spending priorities. They should not prejudice tax relief for all"

MR6,06 5/2/87

Poor control costing taxpayer dearly

Political Staff

250

POOR financial control, the lack of staff to properly audit the country's books and the ignoring of regulations are costing the taxpayer millions of rands a year

The latest report of the Auditor-General, Dr Joop de Loor, is again a litany of overspending, fruitless and unauthorised expenditure, poor control and management and other problems

The report also discloses that South Africa is heavily in debt — with the national debt being equal to every man, woman and child owing R1 500

The national debt has increased by

R4 132-million to R39 213-million

Mr Harry Schwarz MP, the Progressive Federal Party's spokesman on finance, said today that the problems continued year after year and he called for steps to be taken to rectify the position

The report also shows that the State Pension Fund is operating with an enormous actuarial shortfall of R7 613-million which, Mr Schwarz says, would not be permitted in a private pension fund

In the report the Auditor-General discloses that in 3 096 queries on procedures and transactions of various Government departments and institutions R6,7-million was recovered and

another R1,3-million was disallowed pending recovery

There is an as-yet-unexplained shortfall of R6,7-million in money collected by the administration of the House of Representatives and then paid into the State coffers

Cancellations and variations in contracts by various departments resulted in additional costs of R5,3-million

Mr Schwarz, who is to raise these issues at the standing committee on public accounts, said he would be querying why R91-million budgeted for various departments was withheld by the Treasury. This included R5-million for national education.

W/E ARGUES 7/2/87 250
~~261~~

NEWS

Powers for officials opposed

Political Staff

A GOVERNMENT plan to create a new series of powerful appointed officials who would not be directly accountable to Parliament has been met with fierce opposition from business, the legal fraternity and political groups.

Two of the country's largest employer bodies and the Association of Law Societies yesterday telexed their serious concern and criticisms of the plan to the Parliamentary Committee considering the legislation.

Assocom and the Federated Chamber of Industries have requested permission to make oral representations to the committee.

In terms of the Constitution Amendment Bill introduced on Monday the President will be able to appoint officials to whom Ministers could delegate their powers. It is understood that the purpose of the Bill is to provide for the appointment of "ministerial representatives" for Ministers in each of the three "own affairs" administrations in each of the provinces.

For example, the Minister of Education and Culture in the white own affairs administration would be able to appoint ministerial representatives to act as education chiefs in the provinces.

As ministerial representatives, they would have powerful executive status (it is understood they could have the same status and remuneration packages as Deputy Ministers). The potential for runaway growth in the cost and extent of the country's executive would be enormous.

Public^{Way} servants

10/2/87
angered

250
by pay

hike delay

Business Day Reporter:

PUBLIC servants have been left hanging by Finance Minister Barend du Plessis's mini-budget speech in the House of Assembly

But the mini-budget was welcomed by the National Association of Automobile Manufacturers of SA (Naamsa) and the SA Agricultural Union (SAAU)

Public servants are to be kept in suspense for four months before they hear what their pay hikes are going to be. Du Plessis yesterday refused even to hint at the extent of the increases, which will only be revealed on June 3 when the main Budget is tabled

Federal Council of SATS trade unions chairman Jimmy Zurich said "They must stop playing cat and mouse with us."

Teachers Federal Council (TFC) chairman Dudley Schroeder said the public sector was being made to pay a high price for the postponement of the Budget because of the election

He said that because of the delay there would be serious implications for the payment of service bonuses and for persons planning retirement on pension

The SAAU welcomed the Minister's announcement of an additional R117m primary contribution to a five-year agricultural restructuring plan

Spokesman Derek van der Walt said the union also appreciated a further R120m to assist several agricultural sectors.

Naamsa president Peter Searle said the impending reduction in the tax burden on individual taxpayers, together with the early repayment of the 1983 loan levy, would improve consumer sentiment and could be expected to have a beneficial effect on the public's ability and willingness to spend

Public service pay rises could be backdated to April

Political Staff

PUBLIC servants could have their salary increases backdated to April 1 when they eventually get them, Government sources indicated today.

Senior officials said this was an option which would be taken into account when the salaries decision was finally taken before announcing it in the main Budget in June.

Mr Harry Schwarz, Progressive Federal Party spokesman on finance, meanwhile, is convinced the Government had all along had a secret plan to increase the salaries of public servants from April 1.

"The Government does not want the electorate to know what it is going to do before the election," he said.

"Cosmetic"

The matter of raising public servants' salaries would immediately raise the question of where the additional revenue was coming from, and this was something the Government would rather not say until after the election, Mr Schwarz said.

Yesterday's mini-budget was a cosmetic exercise aimed at

creating a favourable image of the economy.

However, he said, the budget would have only minimal impact on stimulating the economy. It did "nothing, but nothing" for inflation or unemployment.

"The Minister of Finance has tossed a few crumbs to the pigeons, and the pigeons would be extremely foolish if they ate them," he said.

Mr Schwarz was certain that somewhere somebody in the public service had been told of the deal on increases.

"The Minister was trying to pull a fast one in his speech yesterday by effectively telling public servants that if they voted for the Government they would get a nice increase.

"At the same time he is trying to create the impression among the wider public that the Government does not place the public servants before everyone else. There is no doubt that public opinion is very strong on this issue.

"So it would seem that we are going into an election on May 6 knowing that public servants are getting an increase on April 1, but we don't know the extent of that increase," Mr Schwarz said.

IN THE HOUSE

Storm over new 'apparatchiks'

A POLITICAL storm has burst over the head of Constitutional Development and Planning Minister Chris Heunis over a controversial new Bill which will allow President PW Botha to appoint "ministerial representatives".

During the second reading debate in the House of Assembly this week, all Opposition parties spoke up against the Bill vehemently.

PFP spokesman Prof Nic Olivier said the Minister had not made out a case for the new appointments, whose main object appeared to be "to increase opportunities for political patronage".

"We are now going to see a whole group of former Nat MPs and MPCs given highly-paid jobs that used to be efficiently performed by the members of the executive councils in the four provincial councils," he told the *Weekly Mail* in an interview.

In parliament, Olivier said he could not understand why the Bill had been referred to the standing committee on constitutional development after it had been turned down unanimously by a joint parliamentary standing committee. The move was "unprecedented" and fragmented parliamentary accountability, he said.

"The new posts increase the potential for political patronage, making it possible for more and more people to get on the gravy train."

Vause Raw, New Republic Party spokesman, described the concept as "senseless". He saw the Bill as giving life to "a whole group of ministerial ghosts floating around in the shadows". It would be "the golden handshake for those who had lost their jobs", he said.

The CP's Tom Langley saw an even more sinister implication. The Bill allowed for "the appointment of political commissars".

"It is disturbing to see more and more power placed in the hands of a political clique rather than elected representatives," he said.

The Bill allows cabinet ministers and "Own Affairs" ministers in the three houses to delegate their powers to ministerial representatives appointed by the State President.

They will have the rank of deputy ministers and will be paid the same — about R5 000 a year, plus official car and residences.

Heunis, introducing the Bill, went no further in motivating than declaring that "a need had developed for the administration and management of the 'own affairs' of the various communities on a decentralised basis".

To those who complained that his explanation did nothing to clarify the need for the new posts, he rumbled that Opposition protests were a "smokescreen" which was irrelevant to the Bill.

It was not clear during the first day of the debate how many such appointments were envisaged, but Olivier said he understood there would be about 15 initially — six for "Own Affairs" ministers in the House of Assembly, four in the House of Representatives, and three in the House of Delegates.

Len Dekker, chief director of constitutional promotion in Heunis's department, made a revealing remark when he said the work envisaged for the new executives could not be performed by senior civil servants "because people like to talk to political appointees".

• Report by Jern Le Moy, c/o Media Services, Protea House, Adderley Street, Cape Town

Flak for new Bill

By NORMAN WEST SJT

A NEW Bill intended to create yet another layer of public service functionaries has drawn flak — over costs, the way it was handled and its implications for democracy. (250) (SIT) 15/2/87

The Constitution Amendment Bill creates an undisclosed number of "assistant Ministers" nominated by the State President in order to help full Ministers.

Some critics in Parliament claim the Bill was deliberately switched from one standing committee to another because it could not get support.

And organised commerce and industry has expressed deep concern at the costs of the scheme and the implications of having designated functionaries given such enormous executive power.

The Bill was masterminded by Mr Chris Heunis, Minister of Constitutional Development and Planning.

More top politico jobs

A BILL providing for the appointment of ministerial representatives – below the designation of Deputy Minister and outside the parliamentary system – was read a second time this week by Constitutional Development and Planning Minister Chris Heunis.

The Constitutional Amendment Bill makes

15/2/87 c/p/res
provision for a ministerial representative to carry out certain functions or duties of a Minister.

250 325
The appointment of an officer outside of the parliamentary system would not affect the principle of responsibility of the executive to Parliament, said Heunis. – Sapa.

following information was obtained from the Central Statistical Services

Race	Corporal punishment coupled with imprisonment	Corporal punishment not coupled with other sentences
Whites	110	1 566
Coloureds	734	13 875
Indians	5	468
Blacks	1 508	22 389
Total	2 357	38 298

Sabotage

147 Mr D J DALLING asked the Minister of Justice

How many persons charged with offences relating to sabotage were (a) (i) acquitted, (ii) convicted of sabotage and (iii) convicted of lesser offences in 1986 and (b) still awaiting trial at the end of 1986?

The MINISTER OF JUSTICE

The given statistics are in respect of persons charged with the offence of sabotage

- (a) (i) None
- (ii) 10
- (iii) None
- (b) None

Intimidation Act

148 Mr D J DALLING asked the Minister of Justice

Whether any persons were convicted in 1986 of offences under the Intimidation Act, No 72 of 1982, if so, how many persons in each race group?

The MINISTER OF JUSTICE

The information is not readily available. However, the Attorneys-General have furnished the following statistics regarding

cases which have been referred to them in this regard it must, however, be pointed out that not all cases are referred to the Attorneys-General

Area	Blacks	Coloureds	Whites
Pretoria	—	—	—
Johannesburg	—	6 Black persons	—
Cape Town	—	11 Black persons and 2 Coloured persons	—
Kimberley	—	5 Black persons	—
Pietermaritzburg	—	None	—
Grahamstown	—	25 Black persons	—

Corporal punishment

153 Mr D J DALLING asked the Minister of Justice

How many persons of each race group were sentenced to corporal punishment during the period 1 July 1985 to 30 June 1986?

The MINISTER OF JUSTICE

The information is not readily available in the Department. In an effort to be of assistance to the Honourable Member, the following information was obtained from the Central Statistical Services

Race	Corporal punishment coupled with imprisonment	Corporal punishment not coupled with other sentences
Whites	110	1 566
Coloureds	734	13 875
Indians	5	468
Blacks	1 508	22 389
Total	2 357	38 298

Death sentences

243 Mr D J DALLING asked the Minister of Justice

How many death sentences in each race group were commuted in 1986?

The MINISTER OF JUSTICE

Blacks	18
Coloureds	4
Total	22

TUESDAY, 17 FEBRUARY 1987

†Indicates translated version

For oral reply

General Affairs

Deputy ministers

*1 Dr W J SNTYMAN asked the State President †

What is the estimated total amount that the State will have to spend per financial year in respect of the appointment of the 12 new deputy ministers with effect from 1 December 1986?

†The MINISTER IN THE STATE PRESIDENT'S OFFICE ENTRUSTED WITH ADMINISTRATION AND BROADCASTING SERVICES (for the State President)

With the appointment of the twelve Deputy Ministers, only ten new posts were filled. At the same time, I reduced the number of Ministers in the Cabinet by two. In addition, a retiring Minister in the Ministers' Council of the House of Assembly was not replaced. All considered, including the fact that the Deputy Ministers concerned previously received the salaries and allowances due to ordinary members of parliament, the annual additional expenditure in respect of salaries and allowances amounts to R80 970.

Mr D J DALLING Mr Charman, arising from the reply given by the hon the Minister, could he tell us whether that figure includes the cost of two official residences.

motorcars, extra secretaries and offices required by those Deputy Ministers?

The MINISTER (for the State President) Mr Charman, the hon member will have to give notice of that question [Interjections]

Ministers

Questions standing over from Tuesday, 10 February 1987

16/2/87 Detainees

*2 Mrs H SUZMAN asked the Minister of Law and Order

(a) What total number of persons had been detained under the emergency regulations since 12 June 1986 as at the latest specified date for which figures are available and (b) how many of these persons were under the age of 18 years?

†The MINISTER OF LAW AND ORDER

Before answering this specific question, I would like to make the following related introductory and general remarks

Having regard to the maintenance of democratic values and a democratic system of government in the country, the South African Parliament

Mr G B D McINTOSH Mr Charman on a point of order. Would you rule whether the hon the Minister should answer the question or is permitted to make a speech and statement at the same time? [Interjections]

The CHAIRMAN OF THE HOUSE In all fairness to the hon the Minister, he has hardly started his reply

Mr G B D McINTOSH Mr Charman, on a point of order. The hon the Minister prefaced his reply by saying that he was first of all going to make a series of introductory remarks before answering the question. With all due respect, that is not in accordance with the rules of the House [Interjections]

GOVERN-
M E N T
spending
for January
was 17,2%
up on the
average
monthly
budget The
Exchequer
paid out
R 3,81bn
during the month.

Govt spending is accelerating

B/Dey 16/2/87

250

Expenditure for the first 10 months of the fiscal year rose to R32,6bn, in line with predictions that spending would accelerate in the final three months of the fiscal year. Exchequer outlays had tended to lag behind the monthly average.

Expenditure for the year was 0,2% over the amount suggested by computing a 10-month expenditure rate from the year's budget estimate.

Receipts for the period April 1, 1986, to January 31, 1987, were R26,683bn. Estimated revenue for the full fiscal year is R33,627bn, which implies collections for 10 months should be R28,023bn. However, tax collections do not occur regularly throughout the year and they are usually

HELENA PATTEN

at a very high level in February and March

On January 31, 1987, the Exchequer account had a surplus of R992,1m.

The Reserve Bank tapped R310m of stock into the market. The issues were R175m of RSA 13% 2005 and R135m worth of RSA 10% 1991.

This borrowing was a necessary open market operation to mop up excess liquidity in the market and so ensure the authorities had control over interest rates through Bank rate

The largest increase in spending for January was on improvements of conditions of service

The Government's plan to create a new series of high-powered appointed officials has met with fierce opposition from business, industry and the legal fraternity, reports FRANS ESTERHUYSE, Political Staff.

ARGUS

17/2/87 250

Threat to democracy

"Big fleas have little fleas upon their backs to bite 'em, and little fleas have smaller fleas, and so on, ad infinitum."

THIS little jingle was quoted in the House of Assembly to illustrate opposition fears that South Africa's state bureaucracy is growing to unmanageable proportions

MPs of all the main opposition parties are alarmed at the prospect that President P W Botha's proposed new batch of "ministerial representatives" is but the forerunner of a further vast process of bureaucratic expansion

One of the predominant fears is that this could be a never-ending process leading to government by a virtual army of high-powered state officials unaccountable to Parliament or to voters

In terms of the Constitution the State President appears to have powers to make any number of political appointments

One opposition objection is that with the Government's already top-heavy bureaucracy, the cost of further expansion could be a tremendous burden on the country's taxpayers

The Government's move to pave the way for the appointment of "ministerial representatives" caused a storm in the Assembly last week when the Minister of Constitutional Development and Planning moved the second reading of the Constitution Amendment Bill

The Bill provides for the transfer of ministerial powers, functions and duties to such representatives to be appointed by the President

Opposition MPs argued that in spite of the Government's "rationalisation" programme for the State administration, there was a growing plethora of ministers, deputy ministers and other high-powered political officials appointed by President Botha

President Botha already had 50-odd ministers and deputy ministers, whereas former Prime Minister, Mr John Vorster governed the country with 26 ministers and deputy ministers, and General Smuts with 11 ministers and no deputy ministers

Questions to which the opposition parties have tried in vain to get convincing answers from the Government include

• Why does the country need so many ministers and deputy ministers now and what will the new batch of "ministerial representatives" do? Is there enough work for them, or is it a case of "jobs for pals"?



Opposition parties fear that South Africa's state bureaucracy is growing to unmanageable proportions.

Expansion move causes storm in the Assembly

• Where will it end? How many more high-powered state officials are to be appointed in coming years and at what cost to the taxpayer?

Summing up opposition fears, Mr Derrick Watterson (NRP Umbilo) said "It appears that the more people we have in jobs the less work they have. The less work they have the more assistance they require to do the work that does not exist

"This is actually what is happening I believe that as France and the Roman Empire fell because of this kind of nonsense, it will not be long before the National Party empire will fall because of the same nonsense"

Professor Nic Olivier, a nominated MP of the Progressive Federal Party, amongst others, warned that the growing high-powered bureaucracy was a threat to democracy in South Africa

"It is senseless to say that the normal principles of parliamentary accountability and responsibility will not be violated by this," Professor Olivier said

Opposition spokesmen were not prepared to accept Government arguments that Cabinet ministers would be accountable to Parliament and

to voters for the doings of their "ministerial representatives"

Such indirect "accountability" could not work in practice when such representatives might not be in Parliament and would speak only via five or more ministers, it was argued

The proposed appointment of an unknown number of "ministerial representatives" adds a new dimension to the already highly complex power structure of President Botha's system of government

At the top is the executive State President himself, with wide-ranging powers of appointment down the line

He appoints the Cabinet members and of the three ministers' councils handling own affairs — one for each of the three Houses of Parliament. He also appoints deputy ministers and now, in terms of the new Bill, "ministerial representatives"

An important link with the Government and with Parliament is the 60-member President's Council, which has 25 members appointed by the State President and 35 designated by the three Houses of Parliament

Then come the provincial

administrators and their executive committees, also appointed by the State President

Next are the regional services councils (RSCs), whose chairmen are appointed by the provincial administrators

Members of the RSCs will include representatives of every municipality within the defined area of a particular RSC, including black municipalities. And finally come the local authorities as the direct link with the people

The legislative power of the provincial, or second-tier government has been removed

This tier now acts as an agent of the State President and his Cabinet

The overall system is a highly complex network of institutions and specialised functions. The system, according to political analysts, is clearly designed to maintain overall white control by the Nationalist Government

The Government's plan to create a new series of high-powered appointed officials has met with fierce opposition from business, industry and the legal fraternity

Assocom, the Federated Chamber of Industries and the Association of Law Societies submitted their serious concerns and criticisms of the plan to the parliamentary committee which considered the proposed legislation

Requests from these bodies to give oral evidence were turned down, according to opposition speakers in the Assembly, who insisted that they should have been heard

Big fleas have little fleas Upon
their backs to bite 'em, And
little fleas have smaller
fleas And so ad infinitum

This verse was quoted in the House of Assembly last week to illustrate opposition fears that South Africa's State bureaucracy is growing to unmanageable proportions

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One of the predominant fears is that this could be a never-ending process leading to government by a virtual army of high-powered State officials unaccountable to Parliament or to voters

In terms of the Constitution the State President appears to have powers to make any number of such political appointments

One opposition objection is that with the Government's already top-heavy bureaucracy, the cost of further expansion could be a tremendous burden on the country's taxpayers

Assembly storm

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The Bill provides for the transfer of ministerial powers, functions and duties to such representatives, to be appointed by the President

Opposition MPs argued that in spite of the Government's "rationalisation" programme for the State administration, there was a growing plethora of ministers, deputy ministers and other high-powered political officials appointed by President Botha

It was pointed out that the President already had 50-odd ministers and deputy ministers, whereas former Prime Minister Mr John Vorster was able to govern the country with 26 ministers and deputy ministers, and General Smuts had 11 ministers and no deputy ministers

Alarm bells triggered by glut of bureaucrats

Opposition parties fear that President Botha's proposed appointment of "ministerial representatives" could be part of a never-ending process, writes Frans Esterhuysen of The Star's political staff.

Questions to which the opposition parties have tried in vain to get convincing answers from the Government include

● Why does the country need so many ministers and deputy ministers now and what will the new batch of "ministerial representatives" do? Is there really enough work for all of them, or is it a case of "jobs for pals"?

● Where will it end? How many more such officials are to be appointed in coming years and at what cost to the taxpayer?

Mr Derrick Watterson (NRP Umbilo) summed up opposition fears like this "It seems to me that the more people we have in jobs the less work they have to do, and the less work they have to do the more assistance they require to do the work that does not exist"

"This is actually what is happening I believe that as France fell because of this kind of nonsense and the Roman Empire fell because of this kind of nonsense, it will not be long before the National Party empire will fall because of the same nonsense"

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Mr Nic Olivier "beware this threat to democracy"

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At the top of the structure is the executive State President himself, with wide-ranging powers of appointment

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also appoints deputy ministers and now, in terms of the new Bill, "ministerial representatives"

An important link with the Government and with Parliament is the 60-member President's Council, which has 25 members appointed by the State President and 35 designated by the three Houses

Then come the provincial administrators and their executive committees, also appointed by the State President. Next are the regional services councils (RSCs), whose chairmen are appointed by the provincial administrators

Members of the RSCs will include representatives of every municipality within the defined area of a particular RSC, including black municipalities. And finally come the local authorities as the direct link with the people

The legislative power of the provincial, or second-tier, government has been removed. This tier now acts as an agent of the State President and his Cabinet

Fierce opposition

The overall system is a highly complex network of institutions and specialised functions. Political analysts say it is clearly designed to maintain overall white control by the Nationalist Government

The Government's plan to create a new series of high-powered appointed officials has met with fierce opposition from business, industry and the legal fraternity

Assocom, the Federated Chamber of Industries and the Association of Law Societies submitted their serious concerns and criticisms of the plan to the parliamentary committee which considered the proposed legislation

Requests from these bodies to give oral evidence were turned down, according to opposition speakers in the Assembly who insisted they should have been heard

(250) 18/2/87
B/Day 301A
New govt posts 'dangerous'

THE SA economy cannot afford government moves to swell an unproductive area of administration, a University of Cape Town academic says.

Responding to the creation of a further tier of highly paid ministerial posts in an already overweight political bureaucracy, political scientist Robert Schrire says: "The country must now be reaching a point of becoming the most over-governed society in the world.

"A wealthy nation like the US

CHRIS CAIRNCROSS

can probably afford massive inefficiencies in its administration. But it is clear, this country cannot afford a costly bureaucracy on the scale now being created," he says.

Adding his voice to criticism of the Constitutional Amendment Bill — now before Parliament — Schrire says the legislation also threatens further to undermine the role of Parliament.

CAB TMS 19/2/87 (250)

HOUSE OF ASSEMBLY

— The principle of accountability was not in any way affected by the appointment of assistants to carry out ministerial functions, the Minister of Constitutional Development and Planning, Mr Chris Heunis, said yesterday

Replying to second-reading debate on the Constitution Amendment Bill, he said the ministerial assistants

Ministers' assistants 'still accountable'

would still be fully accountable and their actions would be subject to scrutiny

He said he could not understand the objections to the bill by the opposition parties because the power to appoint assistants was al-

ready on the statutes. The new bill merely defined the functions of the people who would be appointed

The purpose of the bill was to bring government nearer to the people and to allow decision-making to be made on a decentralised basis

Referring to the financial implications of the appointments, he asked whether the PFP had considered what the Natal/KwaZulu Indaba would cost to implement.

When the Indaba was in process, the financial implications were not even considered, but the cost of appointing assistants to ministers was made an issue by the Opposition — Sapa

F/M (250) 20/2/87

THE PUBLIC SERVICE

No holding the Hydra

As President Botha told it last year, SA could look forward to less government in its future. But many were sceptical, and as it turns out, the sceptics were right.

The hard fact is that the civil service, as reflected on Pretoria's payroll, is bigger today than at any time in the country's history. At the end of September, according to Commission for Administration stats, 865 385 employees were pulling their pay from central government, the provinces, technikons, universities and the homelands. This was more than 56 708 up on September 1985.

The number of civil servants is of particular interest at the moment with public sector pay increases, expected to be announced in June, set to drain about R1 billion a year from the national kitty.

That civil servants are entitled to increases is not in question. They, after all, face the same inflationary pressures as everyone else. Also, if the research commissioned by the Public Servants Association (PSA) is to be believed, government pay scales have not only been lagging behind the consumer price index (like nearly everyone else's), but running well behind pay rises in the private sector.

The figures emerging from a joint PSA-PE Corporate Services study show that in the 10 years to 1986, public service remuneration rose 118% against a CPI increase of 258%. At the same time, private sector incomes advanced 231% (whites) and 357% (blacks).

But PE's Naomi Brehm admits the figures are skewed by inordinately large increases in some years, mainly in the private sector. She says PE's interim forecast of private sector pay increases this year is 13,8%-14% (based on about 1 000 companies). The implied cost is R7,7 billion.

The PSA's other negotiating point is the fact that during two years over the past decade, government employees had no increases at all (grade notches presumably excepted).

But then statistics can be made to tell different stories. The other side of the coin is that, although average individual increases in government may have lagged behind the private sector, the government wage bill as a whole has been rising as a percentage of the total national wage bill.

Figures taken out for the FM by Central Statistical Services show that in 1985 the public service absorbed 11,9% of the national wage payout of R61 billion. This increased by 23% to 14,7% (of R66 billion) in

That civil servants should get a fair shake when it comes to salary increases is not in question. What is worrying is that the numbers in government should continue to increase despite recession and some deregulation. In short, what has happened to the promise that South Africans could look forward to less government in their lives?

1986 This speaks for itself.

The reason quite clearly is that while numbers employed in the private sector have been falling through the recession, the size of the civil service has been increasing. Why?

With fewer race laws to administer and less demand for government input from the private sector, logic suggests that the size of the civil service should have been shrinking, not expanding.

Again, to get to the basics of the problem, the figures need to be analysed with care. We thus find that the growing size of government has not been at what might be called the "bureaucratic" level, but in homeland job creation and the provision of services.

Numbers in teaching, nursing and the uniformed services have grown (see table) but the complement of bureaucrats (defined under 500 categories generically known as "File 13") has fallen.

Arguing against the employment of more teachers and nurses is rather like opposing motherhood. And, although police no longer have the task of chasing up pass law offend-

ers, for example, current unrest clearly demands more bodies in the security forces.

Teaching, nursing and uniformed services thus account for 15 289 of the newcomers to the civil service at central and provincial government level, while the number of File 13 jobs has fallen by 11 108. With 99 fewer labourers, this creates a net year-on-year increase of 4 082 bodies.

Extending the exercise to universities, technikons and homelands, which also draw on the central government account, the figure rises more sharply.

As the table shows, numbers employed by the independent homelands soared by 51 903 or nearly 47% between September 1985 and September 1986. But further analysis reveals that 36 547 of them were classified as labourers, suggesting deliberate job creation programmes to counter hardship.

It should not be forgotten, however, that Pretoria also contributes directly to the self-governing national states — R425m in 1986-87. Also, the Department of Manpower spent R885m in the 18 months to September 1986 on courses (maximum four weeks) designed to train and retrain people for the job market.

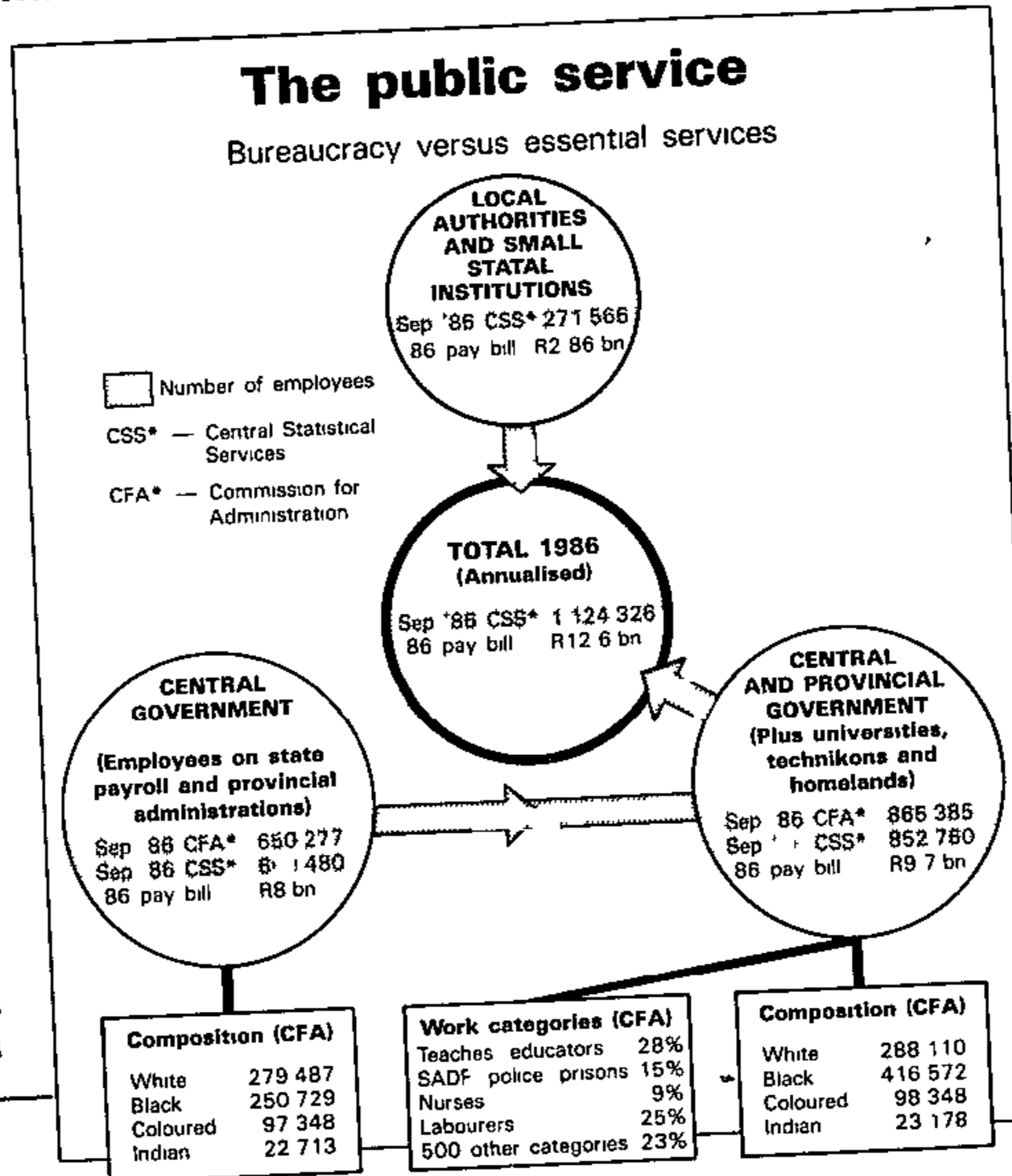
Manpower's Piet van der Merwe says some 393 000 people attended, and most of the money was paid on contract to private-sector bodies. Further allocations for training are expected in the June budget.

The efficacy of such courses is difficult to quantify, but it is interesting to note that the R885m involved comes pretty close to the figure which would be required for civil service salary increases.

So far as perks are concerned, The Commission for Administration's Corrie Rademeyer estimates that only some 1 200 in the public service qualify for "company" cars, for example. The most authoritative costing on perks generally for the sector is around R200m a year, and it's estimated that the civil servants contribute about 22% of personal taxes.

Pretoria's payroll, of course, by no means accounts for all employees in what can loosely be termed government. There are also the public corporations, SA's two biggest industrial undertakings, Sats and Escom, Posts and Telegraphs, local authorities and so on. But as these are generally self-financing and do not draw on the national Exchequer (subsidies and loans excepted) they have not been included in the exercise.

Yet while it is only fair to point out just how and why gov-



Jobs for pals?

(250) FM 20/2/87

Government appears determined to ride out a "jobs for pals" row in parliament and pave the way for the appointment of "ministers' representatives" to help with ministerial functions in the provinces

So far Constitutional Development and Planning Minister Chris Heunis has weathered a fierce opposition attack. The jobs issue was compounded last week by the PFP claim, still not disputed, that chairmen of the upcoming regional services councils (RSCs) could earn up to R96 000 a year.

Heunis's determination to push ahead with the ministers' representatives scheme

— which has been likened to the creation of political commissars — is underlined by the fact that he tried to bring in a slightly different version which was rejected last year. Coloured, Indian and opposition white MPs in the Standing Committee on Constitutional Development and Planning then turned down a proposal that "assistant ministers" be appointed.

This year the proposals resurfaced in the standing committee where it was backed by the majority coloured and Indian parties. The only effective change is that "assistant ministers" will become "ministerial representatives".

It seems clear that intense lobbying since the initial rejection of the plan secured the support of coloured and Indian MPs. It is not yet clear why they changed their minds, but a hint was given by the PFP's Nic Olivier in parliament last week. He had found it "distasteful," he said, to see Indian Minister's Council chairman Amichand Rajbansi suddenly arguing in the standing committee over whether there should be two or three Indian ministers' representatives.

"But one can actually accept that because new channels for political favours are being opened here, it is important whether there are two or three (representatives)," Olivier said.

He added that he understood there would be at least 12 ministerial representatives, six for white "own affairs," four for the

coloureds and two for the Indians.

According to Heunis, the Constitutional Amendment Bill provides for the assignment by ministers of ministerial powers, functions or duties to ministerial representatives.

The representatives will be political appointees and will not sit in parliament. The ministers who assign duties to them will be responsible and accountable for their actions. It is not yet clear what functions they will perform.

Their appointment has been opposed by Assocom, the Federated Chamber of Industries and the Law Society in memoranda to the standing committee. But the three organisations were denied the right by the National Party to give evidence, according to opposition MPs.

Olivier says the PFP rejected the aspect of indirect accountability as well as the as-yet-undisclosed financial implications of the move.

He notes that there are already 18 Cabinet ministers, 20 deputy ministers and 13 ministers for own affairs. It is now proposed that at least 12 ministerial representatives be appointed at undisclosed salaries.

The PFP's Alf Widman said in the debate on the Bill that the appointments would "merely add a few more coaches to the already big gravy train that is making its way across the country today."

Added the NRP's Derrick Watterson "The position as I see it, quite bluntly, is

that this is part of the job creation process for failed politicians. That is the whole crux of it."

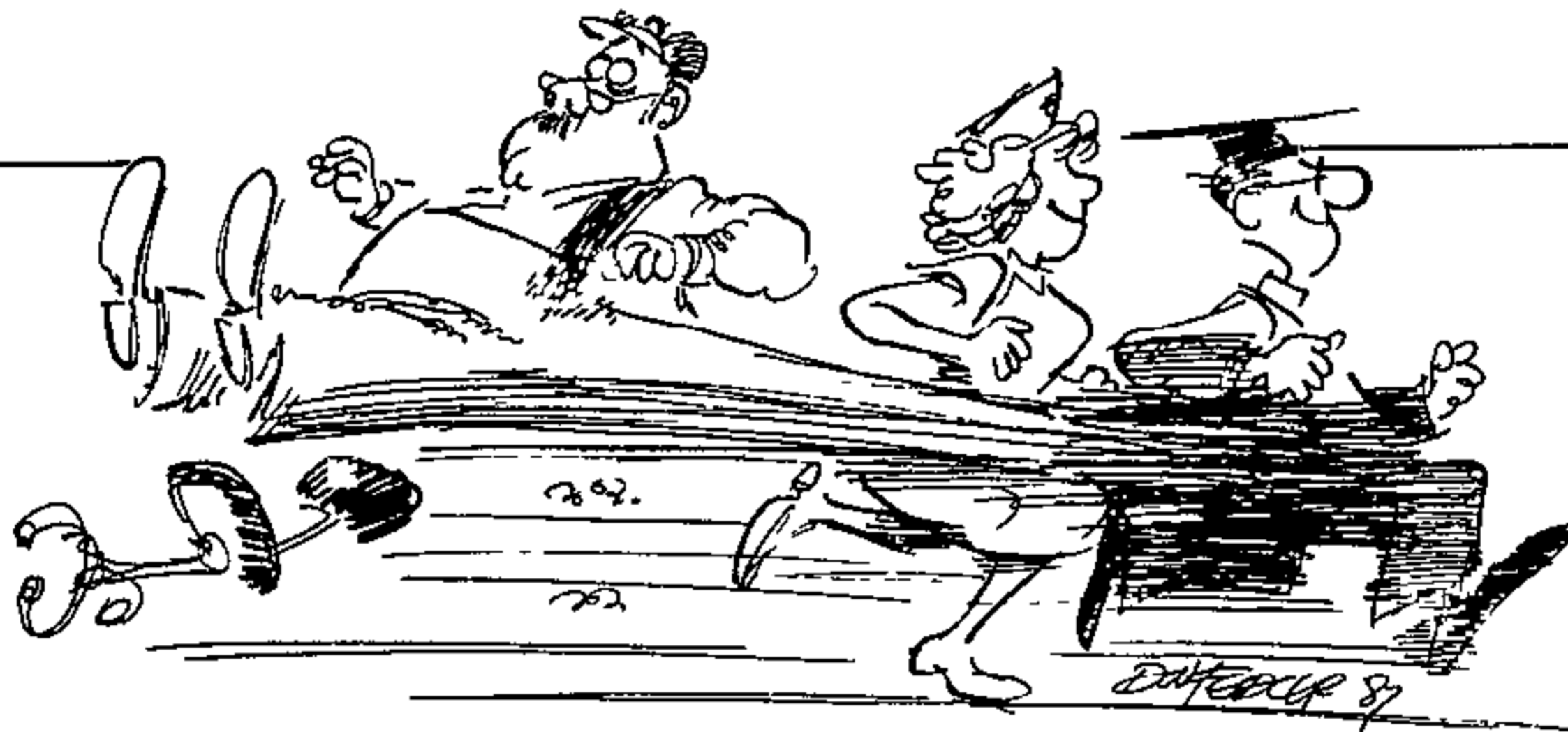
The Conservative Party's Jan Hoon is convinced that the new posts will be filled by former provincial councillors.

Heunis later defended the change of attitude of the majority coloured and Indian parties, saying it was not unethical for a politician to change his mind. The debate was continuing as the FM went to press.

Last week, the PFP's John Malcomess estimated that RSC chairmen — who will also be political appointees — could earn up to R96 000 a year. Their exact remuneration has still to be determined. The first RSCs are due to start operating on July 1.

FM

250 20/2/87



ernment has grown, the fact remains that it is too big and getting bigger. And while the PSA may gripe about average wage growth compared with the private sector over the last decade, it should bear in mind that more recently civil servant salaries and service benefits have been

outstripping those outside government. The total benefit of last year's "10%" increase, for example, was 27% (see *Economy*)

Perhaps most important of all, civil servants generally have not had to face the trauma of retrenchment and unemployment which has had to be faced by thousands of non-government workers

But this could be changing. In terms of little-publicised amendments to the Public Servants' Act in 1985, featherbedding in the civil service could be coming to an end

Instead of having to go through the old long and cumbersome procedures before being able to get rid of anyone, government departments now have the right to fire with one or three months' notice, depending on seniority and service

Indeed, 40 people were retrenched by government last year in terms of the new provisions — and more are expected in 1987

Another little known fact is that two committees are working behind closed doors in Pretoria to tight deadlines. One, headed by Jimmy Vermaak, is seeking areas where central government can be privatised. The other

is examining the necessity for each section and sub-section of the public service

We'll have to wait and see what transpires, but it does suggest that government is aware of the problem and wishes to do something about it. Privatisation, of course, is one of the keys to cutting down numbers in government

One of the specifics being investigated by the other committee is the position of the 30 000-odd bureaucrats who were involved in the administration of influx control

The Commission for Administration's Wessel Meyer says these employees were transferred to the departments of Manpower, Home Affairs, Education and Training and the provincial administrations

Unless there were huge losses through attrition, these departments are now over-staffed. The committee's findings will be awaited with interest

The other part of the civil service pay argument is the economic one. Officially, the PSA is seeking a 12%-15% increase for its 60 000 members. In practice, however, any increases granted will filter down to all em-

ployees and the 12%-15%, taking into account increased benefits and notch advancement, is likely to run to more than 20%

With a R1 billion on the line, the question then is whether we can afford it

In a word, yes. The country is operating on a moderate R5,4 billion

budget deficit, tax receipts are running ahead of expectations, money supply is below target and there have been signs of a general slowdown in government spending in recent months although, based on latest figures, spending is again accelerating

Also, civil service pay hikes will further stimulate consumer spending, helping to take up slack capacity in the manufacturing sector and to create more jobs

Indeed, the entire bill could be met through the simple expedient of transferring to the salaries account the R1,2 billion currently sterilised in the Central Energy Fund. In that case, far from having to increase taxes to meet the bigger wage bill, government could further reduce taxes and maintain the impetus towards recovery

So the debate really is not whether civil servants should receive more pay but whether there are too many of them on the payroll. In some areas, like teaching and nursing, an increase in numbers can be justified. But in most others, the service simply carries too much fat. We wait to see how government intends to remove it

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WHAT'S THE REAL COST OF PUBLIC SERVICE?

FIM 20/7/87

Although the Public Servants Association is asking for a 12%-15% pay increase, some analysts see the effective cost to

government running out closer to 25%. Last year, the real cost of the 10% general salary increase was 27%. The pie

250 865 385 (excluding self-financing local authorities and public corporations) Of 58 000 new appointments, 52 000 were in the homelands, and more than 10 000 bureaucratic jobs were closed — mainly by attrition

chart, based on figures supplied by the Commission for Administration, shows the compounding effect of last year's pay hike after taking into account additional costs. These comprised "notch" increments (4,3%), additional posts (3,82%), restored service bonuses (2,58%), promotions, and adjustments in certain posts to private-sector levels (6,31%)

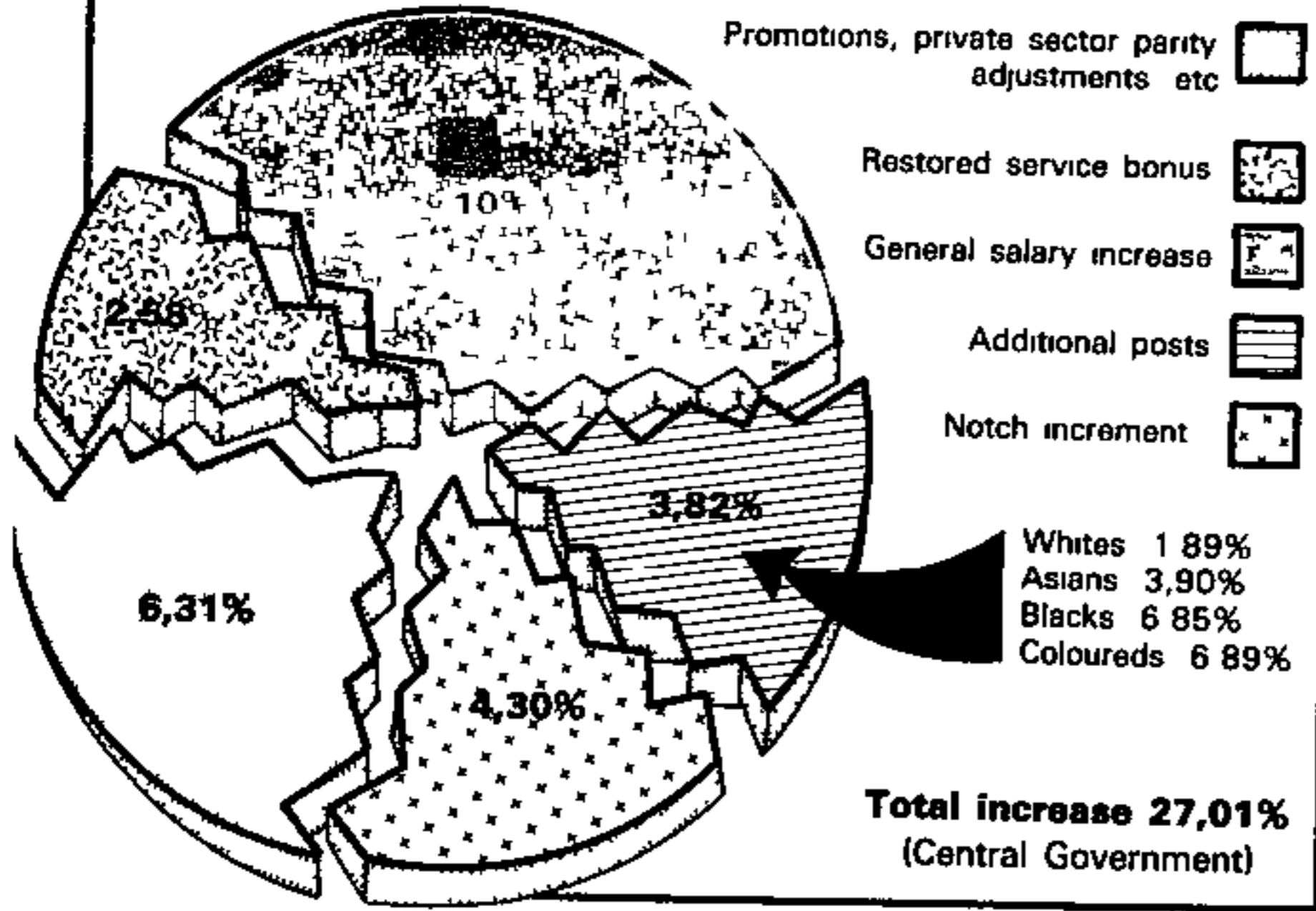
United Building Society chief economist Hans Falkena argues that the public sector cannot be analysed in the same way as the private sector (for example, in measuring productivity) and he expects further public sector posts to be created in the year ahead. On his reckoning the real cost of this year's 12%-15% increase, if granted, will be about 25%

One new possible cost — now causing controversy — is the creation of 22-44 "ministerial representatives"

It's speculated that these new office bearers will be paid R85 000 a year plus official car and residence. See *Leaders*

Breaking it up

How the 1986 increase worked



Overall, the number of public servants increased 7% in 1985-1986 to

20/2/87 FM 250

GOVERNMENT FINANCES

Deficit hits new high

Cumulative government spending for the first 10 months of the fiscal year, to January 31, rose by 20% on a year ago, the sharpest rise in six months. The cumulative deficit at the end of January was R5,4 billion, about R1 billion more than forecast for the year.

This deficit, equal to 4,8% of GNP, is at its highest for the fiscal year, and above target. The main reason for the steep spending increase is that Pretoria drew down one-third of the R1 billion budgeted for improvements in conditions of service.

Official spokesmen say this account is only used when departments exhaust wage and salary allocations. The account was virtually untouched until January, and no doubt the remaining two-thirds will be used in the closing two months of the fiscal year.

Accounts which drew down more than R100m more in January than a year ago were the House of Assembly (R111m) and defence (R148m). Accounts which either exceeded their total estimate for the fiscal year, or are near to it, include parliament, police, prisons, Home Affairs and the Commission for Administration. Otherwise, although spending is above the 13,9% estimated increase, sufficient extra funding has come from government revenues.

Sales tax

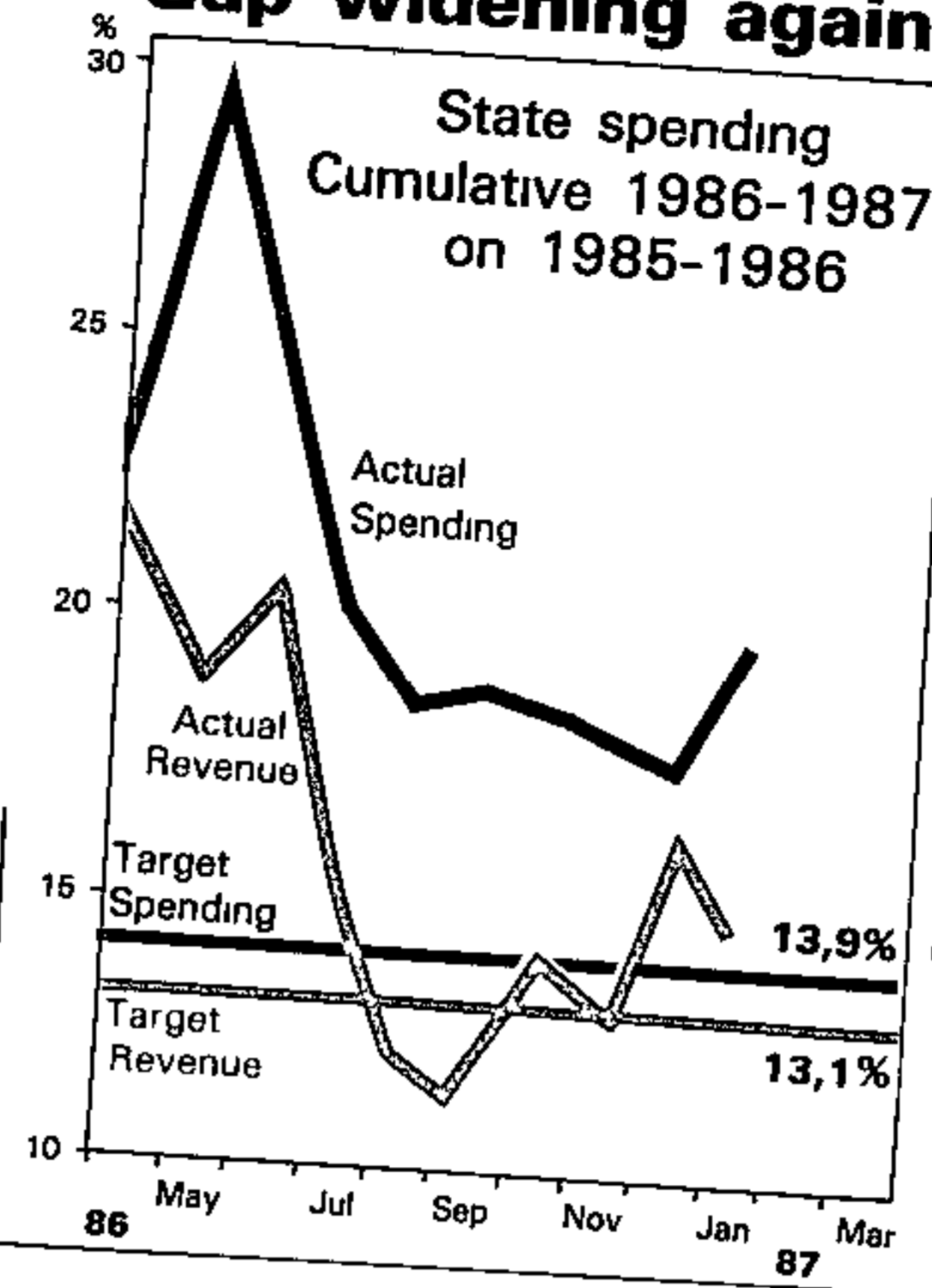
Compared to Inland Revenue's unprecedented 53% increase (FM February 13) in income tax and sales tax in December year-on-year, revenues plunged in January, although the year-on-year increase for the 10 months is above budget at 14,7% (see graph).

Detailed revenue figures show that many smaller revenue accounts exceed the total expected for the year after just nine months. For example, non-resident shareholders' tax was expected to raise R300m for the year, but notched up R319m for the first nine months.

Comparative figures for estate duty are R60m and R117m, trade securities R85m and R101m, levies R51m and R58m, recoveries of loans and advances R51m and R194m, and departmental activities R354m and R757m.

Revenue for the closing two months of the

Gap widening again



fiscal year will be particularly affected by gold mine provisional payments.

The exchequer, loth to over-finance the deficit to absorb liquidity in the capital markets, closed January with R992m cash. The fall of R1 billion from a month before will be more than offset by the transfer of R1,2 billion from the Central Energy Fund next month.

SCHOOLS PUZZLE

OWN: AV, -FCAY, (DU) 21, 511

950



It's all in the head
 WITH-IT beauty, JabulileMnguni (22), of Soweto, works as a top hairstylist in Joburg. She loves music and going out with good people

NO pupil from neighbouring Soweto has yet been given Government approval to enrol at a high school in the Indian township of Lenasia — more than six weeks after the start of the school year.

The delay in processing the applications has aroused widespread controversy in the Indian community.

The Transvaal Indian Congress this week published a full page advertisement in the Lenasia newspaper, *The Indicator*, calling on schools to be opened to all

Advert

The ad was signed by 41 organisations, representing a broad spectrum of political, religious, welfare, labour, youth and sports organisations

The advertisement said that last year, the House of Delegates, which controls Indian schools, had claimed Indian schools were open to all

This year, about 300 African pupils have applied for admission to high schools in Lenasia

• The Government

Still no African kids at Lenasia high schools

has lost an opportunity to demonstrate genuine commitment to the best education for all by refusing Cape Town Teachers' College permission to admit all races, according to the South African Teachers' Union

Mr P J Clase, Minister of Education and Culture in the House of Assembly, this week turned down the college's application to open to all

Chief executive officer of the union Mr C Roos said in a statement the union was saddened by the decision

"This decision makes no sense either educationally or economically and appears to be based purely on an ideology which allows for the exercise of no local option falling outside the rigid concept of separate education", the statement said

It was indefensible on

economic grounds to allow the facilities and expertise available at the college to continue to be "under-utilised", he said

"This demonstrates once again the Union's condemnation of apartheid as detrimental to education. Yet another opportunity to demonstrate a genuine commitment to providing the best education for the people of this country has been missed", Mr Roos said

The constitutional concept of the provision of services on an agency basis by one own affairs department for another had to be used constructively "in cases such as these".

Storm over pull out

A STORM is brewing over a decision by a Uitenhage School to pull out of a junior cricket tournament because of participation by coloured players.

Staff and members of the committee of the Handhaaf Laerskool will not comment publicly on decision, but privately some are furious

An anonymous parent tipped off Port Elizabeth newspapers and said the withdrawal was believed to have been forced by a single dissenter on the school committee

This is the first time that the tournament, part of the National Bakers mini-cricket sponsorship, is to be played in Uitenhage and organiser Mr

Ivan Strýdom said Handhaaf Laerskool's decision to pull out came as a complete shock

He said the school was very keen to take part initially and was on the fixture list

Five white schools and three coloured schools were to take part

National marketing manager for Bakers Mr Barry Fowle said a condition of the sponsorship was that the tournament be non-racial. This had been the case since its inception six years ago

"If any school cannot abide by that rule we are sorry, but it's their decision," he said

2/2/82
 M. M. M. M.

[Handwritten signature]

pared to furnish this information

(c) Emil Patel

(2) Yes

(a) 17 male prisoners

(b) None

(3) Yes, 6 prisoners on account of various crimes inter alia housebreaking with the intent to steal and theft, assault to do grievous bodily harm and drunkenness

(4) Yes

(a) and (b) Because the investigation is not yet completed, and I do not want to anticipate the administration of justice, I am not prepared to furnish this information

(c) A murder docket is being investigated. Two members of the South African Police have been suspended from duty pending the outcome of the investigations

(5) The investigation thus far has not revealed such evidence

Transporting of prisoners

452 Mr J VAN ECK asked the Minister of Law and Order

Whether he will make a statement on the policy of the South African Police regarding the transporting of (a) female and (b) juvenile prisoners together with convicted male prisoners?

The MINISTER OF LAW AND ORDER

(a) and (b) It is the policy of the South African Police not to transport female and juvenile prisoners together with adult male prisoners, whether they are convicted or not. Instances do occur where it

HOA

is necessary to deviate from the policy eg where prisoners are transported over long distances and it is not practical or economical to utilise more than one vehicle to transport the different categories of prisoners. In such cases special provision is made and a member or members of the South African Police are transported with the prisoners to counter irregularities

Old-age homes

454 Mr S S VAN DER MERWE asked the Minister of Constitutional Development and Planning

What was the per capita subsidy paid to old-age homes for Blacks in 1986?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

R30 per capita per month until 30 September 1986. As from 1 October 1986 the subsidy was increased to R60 per capita per month

Pensions

455 Mr B B GOODALL asked the Minister of Constitutional Development and Planning

(1) How many Black persons in the Republic were (a) in receipt of and (b) receiving the maximum amounts payable in respect of (i) old-age pensions, (ii) blind persons' pensions, (iii) war veterans' pensions and (iv) disability grants as at 31 December 1986,

(2) what was the average annual amount paid *per capita* in 1986 to Black persons in respect of (a) each of these three types of pensions and (b) these disability grants,

(3) what will be the maximum (a) amount payable per annum to Black persons and (b) free income allowed per annum to Black persons being paid the maximum pension or grant in respect of (i) old-age pensions, (ii) blind persons' pensions and (iii) disability grants in the 1986-87 financial year?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

(1) (a) (i) 279 097

(ii) 4 533

(iii) 1 484

(iv) 131 659

(b) (i) 181 413

(ii) 2 946

(iii) 1 113

(iv) 92 161

(2) (a) Old age pension R1 047.68

(R87.31 per month)

Pension for the blind R1 040.46

(R84.21 per month)

(b) Disability grant R1 049.84

(R87.49 per month)

The monthly amount payable for the period March 1986 to September 1986 R79.00

With effect from 1 October 1986 the monthly amount was increased to R97.00

Pension for the blind The same as old age pensions

War veterans pensions The same as old age pensions and an additional allowance of R5.00 per month. With effect from 1 October 1986 the additional allowance was increased to R15.00 per month

Disability grants The same as old age pensions

Figures do not include those of the self-governing territories

(3) (a) (i), (ii) and (iii) R1 038

The difference between the figures mentioned in 2 (a) and in 3 (a) (i), (ii) and (iii) is due to arrears pensions paid

HOA

(b) (i), (ii) and (iii) From 1 October 1986 the free income limit is R270 per annum

War veterans' pensions

456 Mr B B GOODALL asked the Minister of Constitutional Development and Planning

How many Black (a) male and (b) female persons over the age of 85 years were in receipt of war veterans pensions as at the latest specified date for which figures are available?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

(a) Male—February 1987—24

(b) Female—February 1987—None

Insurance

457 Mr S S VAN DER MERWE asked the Minister of Law and Order

(1) Whether the South African Police provide any form of insurance against loss of (a) life and/or (b) earning capacity for (i) its members and (ii) the (aa) spouses and (bb) families of such members, if so

(2) (a) what is the nature of this insurance and (b) what percentage of the cost of such insurance is borne by the South African Police?

The MINISTER OF LAW AND ORDER

(1) and (2) No, but adequate provision is made for members and their families, should members die or become disabled in the execution of their duties. These provisions include inter alia payment of pensions in terms of the Government Services Pension Act, 1973 and awards by the Commissioner of Workmen's Compensation in terms of the Workmen's Compensation Act, 1941, should the percentage disability justify an award. Additionally

251 Howard 23/2/87

the South African Police administers the Police Widows and Orphans Fund from which awards to spouses and families of deceased members are made monthly. All serving members contribute to the Fund.

Widows/widowers/families of members

458 Mrs S S VAN DER MERWE asked the Minister of Law and Order

What provision is made in respect of the (a) widows/widowers and (b) families of members of the South African Police who are killed or lose their earning capacity in the course of performing their duties?

The MINISTER OF LAW AND ORDER

(a) and (b) After the death of a member of the South African Police as result of the performance of his duties a gratuity is paid to his dependants as well as a monthly pension to his widow. The Government Service Pensions Act, 1973 regulates the payment of pensions.

No provision is made for a widower, unless he was dependant before or on the date of the death of a member of the South African Police. Depending on the number of dependants only a gratuity will be paid to the widower.

In instances where members of the South African Police are killed or lose their earning capacity during the course of performing their duties, a gratuity and monthly pension are being paid, depending on the percentage disablement. Payment of this benefit takes place in terms of the Workmen's Compensation Act, 1941.

Spouses/children of members

459 Mr S S VAN DER MERWE asked the Minister of Law and Order

Whether the South African Police have made any arrangements in respect of the spouses and children of its members with regard to difficulties which result when such members are required to render much longer hours of duty than is normally the case, if so, what is the nature of these arrangements?

The MINISTER OF LAW AND ORDER

Yes, the Division for Spiritual Ministering and Social Services of the South African Police maintain close contact with spouses and children of members who are absent from their residences for longer periods than their normal hours of duty. Should problems arise at their homes as a result thereof chaplains and social workers are available on a 24 hour basis to give immediate attention and provide the necessary assistance and relief. Members and their wives are encouraged to make use of this service.

Dangerous situations. remuneration

460 Mr S S VAN DER MERWE asked the Minister of Law and Order

Whether any special remuneration is being paid to members of the South African Police in respect of service rendered in situations of danger, if so, (a) what is the (i) nature and (ii) rate of such remuneration and (b) what are the conditions for the payment thereof?

The MINISTER OF LAW AND ORDER

Yes (a) and (b) I refer the honourable member to my reply to Question 462. The compensation allowance is also paid inter alia,

— general service risk as result of potential and real confrontation with danger situations

— continuous contact with undesired elements and criminals

An additional allowance is also paid to members where a high degree of danger is attached to their duties e.g. parachutists, divers and explosive experts. As in the case with the announcing of salaries of members of the South African Police, I am not prepared to furnish the information.

Limit in work hours

461 Mr S S VAN DER MERWE asked the Minister of Law and Order

Whether there is any limit in respect of the number of hours that members of the South African Police may work in one (a) shift, (b) week and (c) month, if so, what is the limit in each case?

The MINISTER OF LAW AND ORDER

(a) A minimum of 8 hours per shift per day

(b) A minimum of 5 days per week

(c) None

Note: There is no fixed maximum limit although members from time to time have to work much longer hours when their duties so require.

Overtime duty. remuneration

462 Mr S S VAN DER MERWE asked the Minister of Law and Order

(1) Whether members of the South African Police receive any remuneration for overtime duty, if so, (a) what is the nature of the remuneration, (b) at what rate is it being paid and (c) what was the total amount spent on such remuneration in respect of the latest specified period of 12 months for which figures are available, if not, why not,

(2) whether the payment of such remuneration is being considered, if not, why not?

The MINISTER OF LAW AND ORDER

(1) No

(a) Members of the South African Police receive a remuneration-

(b) R20.5 million in respect of the first section with a total estimated cost of R57 925 138,00 in respect of all three sections

allowance, inter alia for long and irregular hours of duty that is related to the duties of the South African Police.

(b) to (c) As in the case of the announcing of salaries of members of the South African Police, I am not prepared to furnish the information.

(2) No, because an allowance is already paid for this purpose.

Middelburg by-pass road

464 Mr P G SOAL asked the Minister of Transport Affairs

With reference to his reply to Question No 932 on 1 May 1986, (a) when is it anticipated that the Middelburg by-pass road to Belfast will be completed and (b) what is the estimated cost of this project?

The MINISTER OF TRANSPORT AFFAIRS

(a) The Middelburg by-pass up to Wonderfontein is being constructed in three phases. The first section of single carriageway road of the by-pass was completed and opened to traffic on 8 December 1986. This section starts at the Van Dyksdrif interchange at the end of the existing freeway and extends for approximately 12.5 km to the Rockdale interchange on the road from Hendrina to Middelburg. The next two sections extend from the Rockdale interchange to the farm Elandsfontein and from Elandsfontein to Wonderfontein respectively. These latter two sections are anticipated to be completed by December 1988. The by-pass rejoins the existing road at Wonderfontein.

Hoedspruit/Dullstroom: automatic telephone exchange

465 Mr P G SOAL asked the Minister of Communications

With reference to his reply to Question No 1149 on 25 June 1986, (a) what progress is being made with regard to the installation of an automatic telephone exchange in (i) Hoedspruit and (ii) Dullstroom and (b) when is it anticipated that the installation will be completed in each case?

The MINISTER OF LAW AND ORDER

Before I reply to the question, I want to draw the attention of the hon member to the fact that the South African Police do not employ township constables. Should the hon member refer to special constables, my reply to the question is as follows

- (1) No (a) to (c) Fall away
- (2) No

Insurance for special constables

469 Mr S S VAN DER MERWE asked the Minister of Law and Order

- (1) Whether the South African Police provide any form of insurance against loss of (a) life and/or (b) earning capacity for (i) special township constables and (ii) their (aa) spouses and (bb) families, if so,
- (2) (a) what is the nature of this insurance and (b) what percentage of the cost of such insurance is borne by the South African Police?

The MINISTER OF LAW AND ORDER

Before I reply to the question, I want to draw the attention of the honourable member to the fact that the South African Police do not employ township constables. Should the honourable member refer to special constables, my reply to the question is as follows

- (1) (a) and (b) No
- (2) Falls away

Special constables: widows/widowers/families
470 Mr S S VAN DER MERWE asked the Minister of Law and Order

What provision is made in respect of the (a) widows/widowers and (b) families of special township constables who are killed

or lose their earning capacity in the course of performing their duties?

The MINISTER OF LAW AND ORDER

Before I reply to the question, I want to draw the attention of the honourable member to the fact that the South African Police do not employ township constables. Should the honourable member refer to special constables, my reply to the question is as follows

- (a) and (b) None

Note Although no contractual agreement in this respect exists, all meritorious cases will, on application be referred to the treasury for consideration of an ex gratia payment

Should a special constable be absent from duty as result of an injury sustained while on duty, his case will be dealt with in terms of the South African Police Regulations, and he will suffer no loss of income

Special constables

471 Mr S S VAN DER MERWE asked the Minister of Law and Order

Whether any special remuneration is being paid to special township constables in respect of service rendered in situations of danger, if so, (a) what is the (i) nature and (ii) rate of such remuneration and (b) what are the conditions for the payment thereof?

The MINISTER OF LAW AND ORDER

Before I reply to the question I want to draw the attention of the honourable member to the fact that the South African Police do not employ township constables. Should the honourable member refer to special constables, my reply to the question is as follows

- No (a) and (b) Fall away

Note I wish to point out to the honour-

able member that special constables are daily paid workers and no additional remuneration for duties performed are paid to them

Brown's Farm

472 Mr S S VAN DER MERWE asked the Minister of Law and Order

- (1) Whether a special constable recently shot himself and his wife at Brown's Farm, if so, (a) when, (b) who was the special constable concerned and (c) what weapon was used,
- (2) whether any steps were taken by the South African Police with regard to the children of this constable, if so, what steps,
- (3) whether any benefits accrue to the children of this constable by virtue of their having been in the employ of the South African Police, if so, what benefits?

The MINISTER OF LAW AND ORDER

- (1) Yes

(a) 29 January 1987

(b) Special Constable E N Mbobo

(c) A shotgun

- (2) and (3) No

Note I refer the honourable member to my answer to Question Number 470

Re-employment of detainees

473 Mr S S VAN DER MERWE asked the Minister in the State President's Office entrusted with Administration and Broadcasting Services

- (1) Whether it is the policy of his Department to (a) keep open the jobs of persons and/or (b) re-employ persons, who have been detained in terms of security regulations without

23/2/87
H. M. M. M.

251

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→

23/2/87

sentences for crimes against the security of the State as at the latest specified date for which figures are available?

The MINISTER OF JUSTICE

On 31 January 1987 the figures were as follows

- (a) Whites 15
- (b) Coloureds 8
- (c) Asians 1
- (d) Blacks 285

Awaiting-trial prisoners

150 Mr D J DALLING asked the Minister of Justice

What was the average number of awaiting-trial prisoners in custody on the last day of each month in 1986?

The MINISTER OF JUSTICE

The figures concerning awaiting-trial prisoners who were incarcerated in South African prisons on the last day of each month during 1986, were as follows:

- 31 January 1986 20 686
- 28 February 1986 20 187
- 31 March 1986 19 682
- 30 April 1986 20 293
- 31 May 1986 21 168
- 30 June 1986 19 712
- 31 July 1986 19 760
- 31 August 1986 19 774
- 30 September 1986 19 151
- 31 October 1986 19 193
- 30 November 1986 18 388
- 31 December 1986 20 584

Detainees

151 Mr D J DALLING asked the Minister of Justice

Whether any persons were detained in 1986 in terms of section 185 of the Criminal Procedure Act, No 51 of 1977, if so, (a) how many, (b) for what period was

each of them detained and (c) in respect of what crime in each case?

The MINISTER OF JUSTICE

Yes

(a) 24

(b) and (c)

Number of persons	Period	Crime
1	1 day	Murder
1	5 days	Murder
1	13 days	Murder, Robbery, Violating a dead body
1	20 days	Murder
6	1 month and 19 days	Murder, Robbery, Violating a dead body
1	2 months and 18 days	Murder
2	2 months and 25 days	Murder, Robbery, Violating a dead body
1	3 months and 20 days	Arson
1	4 months and 17 days	Arson
1	5 months and 9 days	Murder
1	6 months and 19 days	Murder
2	8 months and 16 days	Murder
3	10 months and 16 days	Murder

Prisoners, unit cost

152 Mr D J DALLING asked the Minister of Justice

What was the unit cost per prisoner per day in 1986?

The MINISTER OF JUSTICE

As the 1986-87 financial year has not been closed, it is not possible to calculate an exact figure at this stage. At present the estimated cost per prisoner per day is R10,86

Crimes against security of State

154 Mr D J DALLING asked the Minister of Justice

(1) How many (a) males and (b) females serving sentences for offences against the security of the State were released in 1986,

(2) whether any of these persons were released as a result of the State President's offer of freedom to long-term prisoners on condition that they renounce violence, if so, (a) how many and (b) in respect of what date is this information furnished?

The MINISTER OF JUSTICE

(1) (a) 56

(b) 1

(2) (a) Five of the persons who were released, renounced violence. The fact that they renounced violence was an important factor which was considered together with individual circumstances and all other relevant factors which are normally taken into account when the release of prisoners is considered

Crimes against security of State

155 Mr D J DALLING asked the Minister of Justice

How many (a) males and (b) females were serving sentences in 1986 for offences against the security of the State which exceeded (i) ten years, (ii) five years and (iii) two years?

The MINISTER OF JUSTICE

(a) (i) 152

(ii) 90

(iii) 53

(b) (i) 1

(ii) 5

(iii) 2

Internal Security Act

156 Mr D J DALLING asked the Minister of Law and Order

Whether any persons were (a) charged with and (b) convicted of contravening section 46 of the Internal Security Act, No 74 of 1982, in 1986, if so, (i) how many, and (ii) how many of these persons were under the age of 18 years, in each case?

The MINISTER OF LAW AND ORDER,

Yes

(a) (i) 169 persons

(ii) 36 persons

(b) (i) 96 persons

(ii) 17 persons

Internal Security Act

158 Mr P C CRONJÉ asked the Minister of Law and Order

(1) How many cases were referred to the

Board of Review in terms of the Internal Security Act, No 74 of 1982, in 1986

- (2) whether the Board recommended the withdrawal of any notices, if so (a) how many and (b) with what result?

The MINISTER OF LAW AND ORDER

- (1) 63 cases
(2) No (a) and (b) Fall away

Internal Security Act

160 Mr P C CRONJE asked the Minister of Law and Order

- (1) Whether any notices in terms of section 5 (1) (e) of the Internal Security Act, No 74 of 1982, (a) were issued, (b) were withdrawn and (c) expired in 1986, if so, (i) how many in each case and (ii) how many such notices were of effect as at 31 December 1986,
(2) whether any notices which expired were renewed, if so, how many?

The MINISTER OF LAW AND ORDER

- (1) (a) to (c) No
(2) Falls away

Independent states

163 Mr R A F SWART asked the Minister of Education and Development Aid

- (1) What was the size in hectares of each of the four independent Black states as at the latest specified date for which figures are available,
(2) whether any land was added to any of these states in 1986, if so, how many

HQA

Handwritten signature and date: 2/2/87

hectares were added to each such state in that year?

The MINISTER OF EDUCATION AND DEVELOPMENT AID

- | Province | hectares |
|-------------------------|-----------|
| (1) Transkei | 4 287 000 |
| Ciskei | 747 000 |
| Bophuthatswana | 4 187 796 |
| Venda | 707 513 |
| (As at 1 February 1987) | |

- (2) Yes

hectares

Transkei	—
Ciskei	—
Bophuthatswana	23 348
Venda	20 513

H F Verwoerd Building. parking bays

164 Mr D J N MALCOMMESS asked the Minister of Public Works

- (1) How many parking bays in the H F Verwoerd Building are reserved for (a) Ministers, (b) Deputy Ministers, (c) other members of Parliament, (d) public servants and (e) other specified persons,
(2) (a) to which Department is each public servant attached who has a reserved bay and (b) what position does each such person hold in the Department concerned,
(3) what is the position held by the person in charge of allocating reserved parking bays in the above parking garage?

The MINISTER OF PUBLIC WORKS

- (1) (a) 28
(b) 12
(c) 8
(d) 46

- (e) 6 for the British Embassy
1 for the company which maintains the lifts
3 for the Commissioners

SA Transport Services Board
1 for the Chairman
Commission for Co-operation and Development

- (2)

(a)

Finance
Finance
Finance
Finance
Finance
South African Transport Services
South African Transport Services
Transport

(b)

Director-General	Director-General
Chief Executive Director Taxation	Chief Executive Director Policy
Chief Executive Director Revenue	Commissioner Inland Revenue
Commissioner Customs and Excise	General Manager
Director	Director
Director-General	Director-General
Chairman	Chairman
Secretary	Secretary
Member	Member
Director-General	Director-General
Chief State Law Adviser	Chief State Law Adviser
Auditor-General	Auditor-General
Director-General	Director-General
Director-General	Director-General
Director-General	Director-General
Postmaster-General	Postmaster-General
Commissioner of Prisons	Commissioner of Prisons
Director-General	Director-General
Director-General	Director-General
Secretary	Secretary
Director-General	Director-General
Director-General	Director-General
Chief Constitutional Planning Service	Chief Constitutional Planning Service
Director-General	Director-General
Commissioner	Commissioner
Chief Guard Unit	Chief Guard Unit
Chief of the SA Defence Force	Chief of the SA Defence Force
Director-General	Director-General
Director-General	Director-General
Director-General	Director-General
Director-General	Director-General
Regional Representative	Regional Representative
Head of Department Agriculture and Water Supply	Head of Department Agriculture and Water Supply
Chief Director Local Government, Housing and Works	Chief Director Local Government, Housing and Works
Director-General	Director-General
Director-General	Director-General
Chief of Protocol	Chief of Protocol
Director-General	Director-General

- (3) Director-General Public Works and Land Affairs

HQA

130 Mrs H SUZMAN asked the Minister of Law and Order

(a) How many persons were detained in 1986 under section 28(1) of the Internal Security Act 74 of 1982, (b) for how long was each of these persons detained and (c) how many of them were still being detained as at the latest specified date for which information is available?

The MINISTER OF LAW AND ORDER

- (a) 8 persons
 (b) 1 for 154 days,
 1 for 239 days,
 1 for 246 days,
 1 for 248 days,
 1 for 250 days,
 1 for 255 days,
 1 for 256 days,
 1 for 259 days

(c) None

Internal Security Act

131 Mrs H SUZMAN asked the Minister of Justice

(a) How many persons were detained in 1986 under section 31 (1) of the Internal Security Act, No 74 of 1982, (b) for how long was each of these persons detained and (c) how many of them were still being detained as at the latest specified date for which information is available?

The MINISTER OF JUSTICE

- (a) 143
 (b) Persons (Already released) Period
 5 7 days
 8 8 days
 1 13 days
 1 21 days
 1 1 month and 4 days

(b) Persons (Already released) Period
 1 1 month and 6 days
 1 1 month and 8 days
 1 1 month and 10 days
 1 1 month and 11 days
 1 1 month and 12 days
 1 1 month and 14 days
 1 1 month and 20 days
 1 1 month and 25 days
 2 1 month and 27 days
 2 2 months
 1 2 months and 2 days
 2 2 months and 3 days
 1 2 months and 9 days
 1 2 months and 10 days
 1 2 months and 20 days
 1 2 months and 23 days
 1 2 months and 26 days
 1 2 months and 27 days
 2 3 months and 1 day
 4 3 months and 2 days
 10 3 months and 4 days
 1 3 months and 5 days
 4 3 months and 19 days
 1 3 months and 21 days
 1 3 months and 24 days
 16 4 months
 1 4 months and 1 day
 1 4 months and 3 days
 1 4 months and 11 days
 1 4 months and 13 days
 15 6 months

(On 31 January 1987 still detained)

- 1 1 month and 7 days
 5 1 month and 28 days
 2 2 months
 1 2 months and 4 days
 1 2 months and 5 days
 2 2 months and 6 days
 2 2 months and 19 days
 2 3 months and 2 days
 2 3 months and 3 days
 1 3 months and 7 days
 2 3 months and 10 days
 3 4 months and 7 days
 3 4 months and 14 days
 2 5 months and 27 days
 18 6 months and 29 days
 1 10 months and 28 days

(c) 48 on 31 January 1987

Persons Period
 Persons Period
 Persons Period
 Persons Period

Internal Security Act

132 Mrs H SUZMAN asked the Minister of Justice

- (1) How many persons were being detained under section 31 (1) of the Internal Security Act, No 74 of 1982, as at the latest specified date for which information is available,
 (2) whether any such persons had been detained for longer than three months, if so, (a) how many and (b) for what period in each case?

The MINISTER OF JUSTICE

(1) 48 persons on 31 January 1987

(2) Yes

- (a) 34
 (b) 1 person 10 months and 28 days,
 18 persons 6 months and 29 days,
 2 persons 5 months and 27 days,
 3 persons 4 months and 14 days,
 3 persons 4 months and 17 days,
 2 persons 3 months and 10 days,
 1 person 3 months and 7 days,
 2 persons 3 months and 3 days,
 2 persons 3 months and 2 days

Internal Security Act

133 Mrs H SUZMAN asked the Minister of Law and Order

(a) How many persons were detained in 1986 under section 50 of the Internal Security Act, No 74 of 1982, and (b) for what period was each detained before being released?

The MINISTER OF LAW AND ORDER

(a) and (b) I refer the hon member to my reply to written question number 82, paragraph (1) (a) to (c)

Lawsuits against Minister

134 Mr S S VAN DER MERWE asked the Minister of Law and Order

- (1) (a) How many lawsuits were brought against him in his capacity as Minister of Law and Order in 1986 by members of the public and (b) what (1) were the circumstances of the lawsuit and (ii) was the outcome in each case,
 (2) whether he paid out any moneys (a) as a result of successful lawsuits brought against him and (b) in out-of-court settlements, if so, what total amount?

The MINISTER OF LAW AND ORDER

(1) (a) 116 lawsuits, i.e. after summaries were issued and finalized

- (b) (i) Damage to vehicles 44
 Unlawful arrest and detention 20
 Injuries as result of motor accidents 3
 Assaults 33
 Shooting incident (injuries) 11
 Bitten by police 11
 dog 2
 Loss of maintenance 2
 Confiscation of property 1
 Total 116
- (ii) These lawsuits were settled as follows
 72 cases were settled out of court,
 2 cases were decided in favour of the claimants, with cost

Howard
Howard
 25/2/87

8 cases were decided in favour of the State, with cost
1 case succeeded with a counter-claim
27 cases were withdrawn
6 cases were abandoned

(2) (a) Yes R7 500,00

(b) Yes R149 871,24 of which R75 782,14 was paid owing to damage which resulted from motor accidents

Note Instances settled out of Court are mostly those in respect of motor accidents where it is obvious that the members of the Force concerned, are the guilty parties. Such settlements before court proceedings are instituted, are cost-effective.

In other instances notices of contemplated actions were received but due to the fact that summonses were not issued, these instances are not included in paragraph 1 (a)

In other instances summonses were already issued but are not yet finalised. Due to the extent of the work regarding the compilation of all the particulars, I am not prepared to furnish the information

Detainees

136 Mr S S VAN DER MERWE asked the Minister of Law and Order

(1) (a) What total number of persons was being detained in terms of security legislation as at 31 January 1987, (b) what were their names in each case and (c) in terms of what specified statutory provisions was each being detained,

(2) how many of these persons were under the age of (a) 18 and (b) 15 years as at that date?

The MINISTER OF LAW AND ORDER

(a) 196

(b) It is not in the interest of the

Hoa

(1) The land previously held by 24 owners has been allocated to 225 persons, the heirs of the owners

(2) No. A date for negotiations has not been determined

(3) No

Salaries

140 Mr D J N MALCOMESS asked the Minister of Law and Order

Whether he will reconsider his decision regarding questions on police salaries, if not, why not, if so, what were the rates of pay for (a) White, (b) Coloured, (c) Asian and (d) Black members of the South African Police Force of each rank as at the latest specified date for which figures are available?

The MINISTER OF LAW AND ORDER

No, I still hold the view set out in my reply to the honourable member's question no 13 on 7 October 1981 and which I confirmed on question no 279 on 27 February 1986

(a) to (d) fall away

Crossroads

144 Mr K M ANDREW asked the Minister of Constitutional Development and Planning

Whether, with reference to this reply to Question No 15 on 24 June 1986, any progress has been made in the upgrading of the Crossroads area, if not, why not, if so, what aspects of this upgrading (a) had been and (b) remained to be completed as at the latest specified date for which information is available?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

(a) and (b) The project should be completed by the end of April 1987. At this stage the earthwork has been completed

Hoa

and 55% of the internal services have been installed

Children imprisoned with mothers

145 Mr D J DALLING asked the Minister of Justice

How many (a) White, (b) Black, (c) Coloured and (d) Asian (i) male and (ii) female children in each age group were imprisoned with their mothers (aa) in 1986 and (bb) as at the latest specified date for which figures are available?

The MINISTER OF JUSTICE

(aa) 1 January 1986 to 31 December 1986

(a) White 8

(b) Black 1 880

(c) Coloured 388

(d) Asian 4

Total 2 280

(bb) 31 December 1986

(a) White 1

(b) Black 156

(c) Coloured 38

(d) Asian 1

Total 196

In terms of Prisons Regulations No 94, a female prisoner may be permitted, subject to such conditions as are prescribed, to have her baby with her in prison during the period of lactation and for such further period as may be necessary. The necessary clothing, food and medical treatment may be provided by the State for such period as a baby remains in prison.

Standing orders also determine that an infant may remain in prison with the

23/2/87
H. C. ...

(a)

Year	Whites	Coloureds	Asians	Blacks
1980	—	4 005	202	43 245
1981	—	4 271	1 583	75 078
1982	—	17 745	1 170	117 829
1983	4	904	1 693	57 731
1984	16	4 697	1 713	167 948
1985	8	12 395	1 842	198 415
1986	254	11 538	1 390	310 676

(b) (1) Separate figures for each race group over the whole period are not readily available. The figures furnished are in respect of the number of strikes as from 1980 up to 1986

Year	Whites	Coloureds	Asians	Blacks
1980	136			
1981	283			
1982	346			
1983	302			
1984	441			
1985	346			
1986	643			

(ii)

Year	Whites	Coloureds	Asians	Blacks
1980	—	25 378	356	135 221
1981	—	8 352	5 140	195 177
1982	—	62 753	4 233	294 704
1983	8	1 256	2 133	117 792
1984	112	6 504	7 503	358 631
1985	10	42 114	9 266	589 905
1986	1 977	52 406	8 177	1 099 285

(iii) Separate statistics are not kept by the Department of Manpower in respect of the number of employees "in service"

(iv) The estimated loss in wages by employees covered by the Labour Relations Act, 1956, is as follows

Year	Whites	Coloureds	Asians	Blacks
1980	R —	R 283 476	R 1 497	R 1 041 710
1981	—	78 926	54 458	1 935 642
1982	—	1 136 683	55 601	3 322 573
1983	—	17 001	31 596	1 615 118
1984	4 119	109 158	118 642	4 847 851
1985	315	974 455	158 672	6 684 249
1986	55 406	1 355 557	150 203	19 034 409

549 Mr J J B VAN ZYL asked the Minister of Finance +

(1) With reference to Government Gazette No 10579 of 16 January 1987, in respect of what income categories was the amount of (a) R1 926 400 376 for December 1985

(2) (a) what amount of revenue was received for January 1987 and (b) how is it made up?

Answer 23/2/87

The MINISTER OF FINANCE

(1)

	December 1985	December 1986
Tax in Income	R 1 241 795 505	R 1 885 340 027
Sales Tax	525 912 740	789 538 181
Other Taxes		
Non-Resident Shareholder Tax	36 340 909	36 228 575
Non-Residents' Tax on Interest	2 234 559	2 471 699
Undistributed profits	125 472	911 307
Donations Tax	176 708	388 975
Estate Duty	11 466 335	12 811 876
Trade Securities	6 560 728	13 147 386
Stamp Duties and Fees	19 845 287	31 234 388
Transfer Duties	19 728 759	22 685 247
Mining leases and ownership	19 785 596	65 843 373
Interest and dividends	31 568 319	93 452 403
Levies	59 522 046	3 170 707
Recoveries of loans and advances	1 158 532	59 379 832
Departmental activities	22 411 657	34 762 452

Less Payments to selfgoverning national states

TOTAL Inland Revenue

1 998 632 152	3 051 365 428	
31 069 000	35 314 000	
1 967 563 152	3 016 051 428	
Adjustment into administration for own affairs	15 457 909	(303 410)
Adjustment into standing appropriations	(1 456 783)	(140 823)
Adjustment into amounts in transit	(55 163 902)	(78 573 794)
Paid into Exchequer	1 926 400 376	2 937 033 401

(2) (a) R2 505 414 461

(b) Details not yet available at this stage

(3) whether any of the persons so charged had the charges against them withdrawn, if so, how many in each of these age categories in each of the above years?

The MINISTER OF JUSTICE

The honourable member is referred to my answer on written question no 18 of 1987

Prisoners under 18 years

551 Mrs H SUZMAN asked the Minister of Justice

(a) How many persons under the age of

(2) whether any of these persons were convicted on these charges, if so, (a) how many in each age category in each of the above years and (b) how

Answer

Nelspruit	8	(2) (a)	228	(h)	56—	6
Orkney	1	(b)	5		Assembly of God	1
Paulpietersburg	1	(c)	20		Border of the Sublian	3
Pietersburg	2	(d)	22		Faithists	3
Piet Retief	1	(e)	4		Church of Christ	3
Potgietersrus	1	(f)	3		Full Gospel	1
Randfontein	4	(g)	4		Harekrishanah	1
Secunda	3				Jewish Faith	1
Springs	4				Lutheran	3
Stellenbosch	1				NG Sendingkerk	1
Sulfontein	1				No Church	2
Tongaat	1				Plymouth Bretheren	11
Tzaneen	2				Quakers	1
Westonaria	1				Rosebank Union Church	1
	138				Seventh Day Adventist	1
					United Apostolic Faith	1
					United Congregational Church	2
					Vineyard Christian Fellowship	1
					Vineyard Fellowship	2
					Vrye Protestantise Un-tanese Kerk	1
					World Wide Church of God	14
						56

263 Mr G B D McINTOSH asked the Minister of Manpower

- (1) How many national servicemen (a) (i) applied for and (ii) were granted the status of religious objectors and (b) were referred to his Department for placement in alternative forms of service in 1986,

- (2) how many of these persons were (a) Jehovah's Witnesses, (b) Roman Catholics, (c) Anglicans, (d) Methodists, (e) Baptists, (f) Presbyterians, (g) members of the Dutch Reformed Church and (h) members of any other specified religious denominations?

The MINISTER OF MANPOWER

- (1) (a) (1) 340
(ii) 342
(b) 279

MONDAY, 23 FEBRUARY 1987

- specified posts are restricted in terms of (aa) race and/or (bb) sex,
- (2) whether any steps are to be taken to remove discrimination in the Public Service, if not, why not, if so, (a) what steps and (b) when?

The MINISTER IN THE STATE PRESIDENT'S OFFICE ENTRUSTED WITH ADMINISTRATION AND BROADCASTING SERVICES

- (1) (a) Yes Regarding the administrations for own affairs, however, preference is given to members of the population group served by the administration concerned. Members of other population groups are considered only if the expertise required, is not obtainable within the population group concerned. Posts in departments for general affairs are open to members of all population groups. Such departments which perform functions and render services which are directed at specific population groups, are mindful of the need to staff their organisations accordingly.

- (b) Yes The physical nature of certain posts can in exceptional cases dictate a preference for one of the two sexes. An example of this is where preference is given to a male candidate to perform field work when accompanied by male helpers (such as geological surveys). A further example is where posts require a high degree of physical strength.

- (1) Falls away
(ii) (aa) and (bb) As qualified above

- (2) As far as population group and sex are concerned, no discrimination *per se* exists in the Public Service. Rather can be said that a process of selection is applied with regard to the distinctive requirements of posts.

Breweries

267 Mr A SAVAGE asked the Minister of Constitutional Development and Planning

- (1) How many breweries were partially or wholly owned by (a) the Eastern Cape Development Board or the Office for Community Services for the Eastern Cape Area and/or (b) the Ibhayi Town Council as at 1 January of each specified year from 1980 to 1987.
- (2) whether any of these breweries had experienced boycotts of their products, if so,
- (3) whether production was curtailed as a result, if so, by what quantities in each case,
- (4) what was the profit made or loss sustained by each of these breweries at the end of each financial year from 1980 to 1986,
- (5) whether it is intended to sell these breweries to the private sector, if so, how will (a) this sale take place and (b) the selling price be determined,
- (6) whether any of these breweries have already been disposed of, if so, (a) how many and (b) (i) when and (ii) for what amount, in each case?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

- (1) (a) 1
(b) None

- (2) Yes, since February 1986 to date
- (3) Yes

Financial year	Litre
1984-85	2 586 035
1985-86	5 178 361
1986-87 (6 months)	5 053 183

Public service, discrimination

266 Prof N J J OLIVIER asked the Minister in the State President's Office entrusted with Administration and Broadcasting Services

- (1) Whether all posts in all Government Departments are open to persons of (a) all race groups and (b) either sex, if not, (i) why not and (ii) what

350

Handwritten signature and date



GOVERNMENT GAZETTE

OF THE REPUBLIC OF SOUTH AFRICA

REPUBLIEK VAN SUID-AFRIKA

STAATSKOERANT

Registered at the Post Office as a Newspaper

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Vol 260

CAPE TOWN, 27 FEBRUARY 1987

No. 10643

KAAPSTAD, 27 FEBRUARIE 1987

STATE PRESIDENT'S OFFICE

KANTOOR VAN DIE STAATSPRESIDENT

No. 477. *27/2/87 G/G 10643 (250)* 27 February 1987

No 477

27 Februarie 1987

It is hereby notified that the State President has assented to the following Act which is hereby published for general information —

Hierby word bekend gemaak dat die Staatspresident sy goedkeuring geheg het aan die onderstaande Wet wat hierby ter algemene inligting gepubliseer word —

No. 22 of 1987: Additional Appropriation Act (House of Assembly), 1987.

No 22 van 1987. Addisionele Begrotingswet (Volksraad), 1987.



GOVERNMENT GAZETTE

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Vol. 260

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No 14 of 1987. Additional Appropriation Act, 1987.

No 14 van 1987 Addisionele Begrotingswet, 1987

'Kitscop' dies, another

By CHRIS STEYN

A NYANGA man was killed by a "kitskonstabel", a Guguletu special constable was stabbed to death and another was seriously wounded at the weekend.

Police confirmed yesterday that a man who was taken into custody by special constables was shot dead by one of them shortly after being released.

A police spokesman said his death occurred shortly after the "kitskonstabels" went to investigate a complaint in Nyanga East at 7pm on Saturday night.

One of three suspects confronted by the special police produced an open jack-knife while being searched by them, said the spokesman.

Police said the youth was taken into custody and his knife was confiscated after he tried to stab one of the "kitskonstabels".

"On the way to the police station, the special police decided to let the youth go, since he had not really succeeded in stabbing anyone.

"But when he walked away, he was joined by a group of youths who swore at the special police and stoned them," the spokesman said.

A shot was fired after the crowd allegedly ignored a warning to disperse and a young man was fatally wounded.

Body removed

Police confirmed that it was the same youth who had earlier been released from special police custody.

The spokesman said that the crowd tried to drag the man away, but the special police requested them to disperse. His body was then removed by the "kitskonstabels".

In an unrelated incident, an off-duty "kitskonstabel" was stabbed to death and another seriously injured in an incident at a private home in Old Crossroads at 11 45pm on Saturday night.

A police spokesman said that one died after being stabbed with a sharp object, while the injured "kitskonstabel" was taken to hospital.

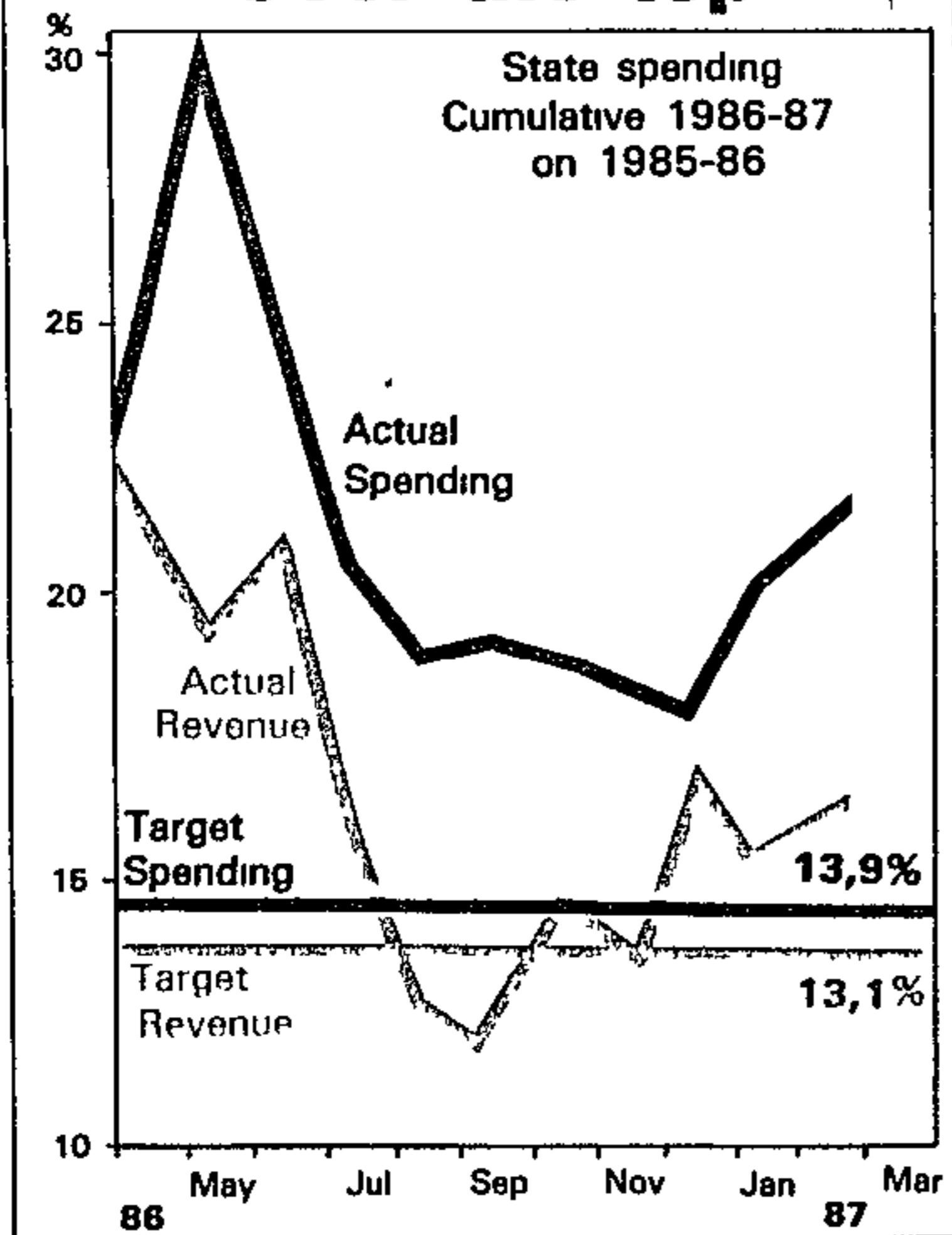
It is understood that the special constables were attacked by a group of youths. But police were unable to confirm this or give further details of the incident.

injured

CAPE TIMES 9/3/87

in attack

Over the top



ation bill that the final deficit should be R5,5 billion. This would allow spending of an extra R1 billion in March. But recent trends and feelings among government officials are that the deficit may close below R5,5 billion.

Racing to the finish

Government spending shot up 36% in February compared to a year ago; but the deficit for the first 11 months of the fiscal year fell to R4,5 billion, from R5,4 billion a month before. Cumulative spending for the first 11 months increased 21% on a year ago, against a 13,9% estimate, while revenue rose 15% against a 13% estimate.

The details show that no exchequer accounts are exceeding their revised estimates for 1986-1987. It is now said in government circles that spending beyond these figures is "unauthorised" But what would be the penalty for such spending?

The main reason for February's leap in spending was another draw down from the R1 billion budgeted for "improvements of conditions of service." This account was left virtually untouched until January. The account is to be exhausted in three equal drawings in the last three months of the fiscal year. Conversely, revenue benefited from a recovery from abnormally low receipts in January.

With the budget deficit set to go to R8 billion or more in the 1987-1988 fiscal year (see *FM* February 27), the figures for February give Pretoria ample scope for manoeuvre.

Finance Minister Barend du Plessis intimated in last month's additional appropri-

20/3/87
 (S)
 (D)

State likely to employ over 1m by year-end

PRETORIA — The numbers employed by public authorities will soar above a million if the steady rise in personnel continues this year

This is clear from latest Central Statistical Services figures, which show that at the end of last year 947 442 people — 380 782 of them white — worked for central government, the provinces, local authorities and diverse statutory bodies

Based on the figures, if workers in these areas get a 12% pay rise — they are pressing for 15% — their total salary and wage bill will rise to more than R14bn this year

This does not include the salaries and wages of the 210 000 Sats workers — who could earn about R3,2bn in the next financial year — and 96 000 Post Office workers who could

GERALD REILLY

earn close to R1,5bn, depending on the extent of public-sector pay hikes

Latest figures show the increasing dependence on black workers. Of the 403 071 people employed by central government, 250 748 were black, of the 273 659 in the provincial administrations, 136 712 were black, of the 242 200 working for local authorities, 178 000 were black, and of the 28 512 in diverse statutory bodies, 14 354 were black

Staff in the four areas is rising by an average of about 4% a year

And, as Opposition spokesmen point out, when the bureaucratic sprawl widens after RSCs come into being, the number of people working for the State will be over a million

Report by Gerald Reilly 216 Vermuelen Street Pretoria

State wage bill up 26%

18/5/87
052
S. M. M.

The Argus Correspondent

JOHANNESBURG. — The State's wage bill for the final quarter of last year topped R3 289-million, an increase of 26 percent on the R2 603-million spent on civil service salaries in the same quarter of 1985, Central Statistical Service figures show.

The number of public servants increased by 4,4 percent during the same period, bringing the total staff of central government, the provinces, local authorities, self-governing homelands and statutory bodies to 1 075 041

The average white salary in central government at the end of last year was R1 605 a month, compared with R893 for coloured, R1 556 for Indians and R670 for blacks

In local authorities, whites were paid an average of R2 178 a month, coloured R734, Indians R1 033 and blacks R488

Often ineffective

The Government has frequently been taken to task, particularly by Opposition spokesmen, for the size of the public service

Spokesmen point out that State President Mr P W Botha has promised in the past to curtail the growth of the public sector

They say the sheer size of the civil service makes it unwieldy and often ineffective, adding that this causes an unnecessary drain on the country's finances

Not even the closure last year of the provincial councils and the removal of certain functions from the provinces has reduced the numbers

New posts created

The CSS figures show that the number of posts in the provincial administrations rose by 5,8 percent since the end of 1985 to reach 273 659 by the end of last year

However, government spokesmen defend the size of the service, saying a number of new posts have had to be created recently in vital areas, including black education

The CSS figures show that 367 028 of all public servants are white, 538 205 are black, 29 759 are Indian and 140 049 are coloured

Apart from those in the provincial administrations, 403 071 work in central government, 127 599 in the self-governing national states, 242 200 in local authorities and 28 512 in the statutory bodies

BUREAUCRACY

250 FM 20/3/87
Dressing up jobs

Cabinet ministers and their subordinates mention deregulation and privatisation regularly. After all, these are components of official economic policy. So why gazette a draft bill which wants to create a register for "services-type uniforms?"

That is what Pretoria did on January 13 (GG 10574). Now that comment on the bill has closed, it will probably go to a Select Committee, and duly be promulgated. SA will then acquire yet another mini-army of bureaucrats.

FINANCIAL MAIL MARCH 20 1987

The main reason for the bill, says an official, is the security situation. Some private sector security companies use uniforms resembling those of the SADF. SA has six categories of services-type uniforms: army, air force, navy, medical, police, and prisons.

Statutes preclude the use of uniforms similar to official garb. The problem is that "similar to" is too vague. Moreover, no tests are laid down if a dispute arises.

Reference is made to the "broad appearance" of uniforms. The Register of Services-Type Uniforms would, it is hoped, put an end to vagueness by calling for a front and side photograph of a private uniform. If it is similar to one already registered, it will be thrown out.

All services-type uniforms will have to be registered. If a person is caught wearing an unauthorised uniform, penalties could be severe. That, it is argued, will discourage uniforms that purport to wield authority and give the right to order people around.

An official argues that one advantage of a register will be a "considerable" saving in the cost of uniforms. Since services-type uniforms will be standardised, tailors and factories will have information including the type of material.

The Bill proposes that the register be regulated by a council of seven (probably part-time) people. It will probably fall into the Department of National Education, which runs the 25-year-old Bureau of Heraldry. ■

State expenditure jump of 22% mooted

B1 100y 24/3/87 250

THE May Budget is expected to show State expenditure jumped by 22% to R40,2bn over the past financial year, says Sanlam in its March *Economic Survey*.

This is well beyond the average inflation rate of 18% for the year, represents a rise of about 3% in real terms and is significantly higher than estimated economic growth in real GDP of 1% for the same period.

The higher level of State spending and the share of the economy swallowed by the public sector (about 27%), has already sparked widespread criticism and is likely to generate even more when Finance Minister Barend du Plessis tables the delayed Budget in May.

The original figure budgeted for was R37,5m. To this is added about R561m covering the part abolition of the 2% rebate, R259m for additional statutory expenses and an extra R1,9bn for the stimulatory package announced last year.

The increased expenditure resulted in government's financial measures being greater than expected.

Economists believe government

CHRIS CAIRNCROSS

should have focused less on looking to increased State spending to get the economy moving again, and given more attention to introducing tax cuts in an attempt to stimulate consumer spending.

Sanlam estimates that State revenue for the year will amount to R34,8bn, an increase of 16% on the previous year.

To help cover additional expenses, R1bn was transferred from the Central Energy Fund to the Exchequer, it says.

The result is that the estimated deficit for the year (excluding loans) is expected to reach about 3% of GDP — more than the 2,7% budgeted for.

Sanlam says the full impact of a substantial portion of State expenditure will only be felt over this current fiscal year.

The higher levels of State expenditure should have a marked effect on economic activity for the rest of the year, it adds.

Report by Chris Cairncross 122 St George's Street
Cape Town

THE Government Garage, which controls a fleet of more than 17 000 vehicles for use by public sector employees at central and provincial government level, could be one of the first state en-

terprises to be offered to the private sector when government's privatisation programme eventually gets off the ground.

Much, however, depends on the results of a feasibility study done into the cost and other ramifications of such a switch recently completed by consultants for the authorities with the responsibility for translating official privatisation policy into an action programme.

The investigation was carried

Government Garage On privatisation list

250 26/3/87 B.1 Day

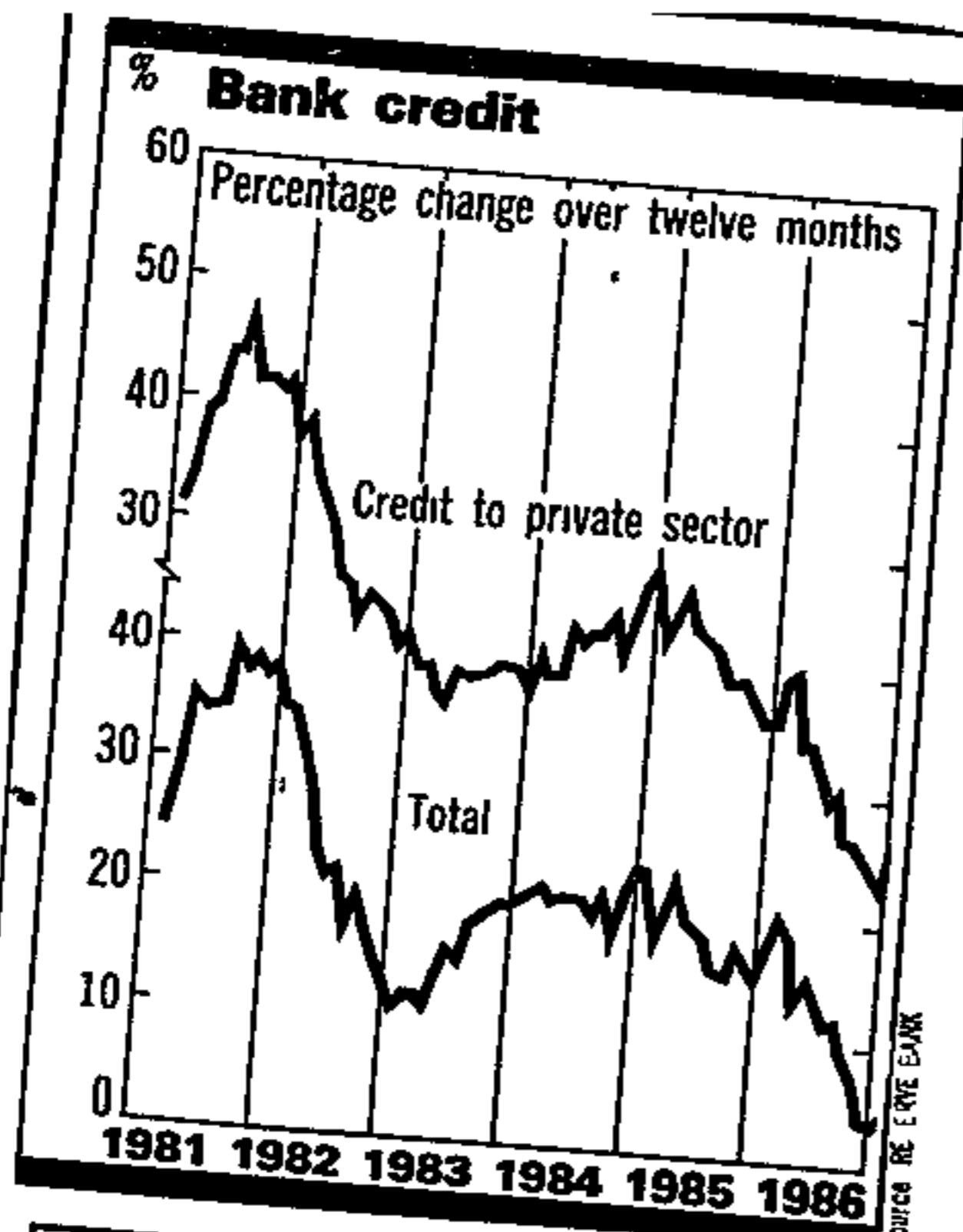
CHRIS CAIRNCROSS

out by Price Waterhouse and, it is understood, a completed report containing several options will be handed to government this week.

The Government Garage was identified early on as a potentially prime target for privatisation on a fleet and vehicle maintenance basis by organised commerce. Firms with experience in this area, which could benefit materially from tak-

ing over these operations, are Avis and Budget.

The reasoning is that it fits in well with the trend in government thinking on privatisation, it is in line with the London County Council's successful privatisation of its vehicle fleet, it is consistent with decisions taken by certain large private sector organisations to transfer the ownership and maintenance of their vehicles into other hands.



GERALD PROSALENDIS
Economics Editor

GOVERNMENT is sitting on an enormous cash surplus, which is creating problems for both monetary and fiscal policy.

Government balances with the Corporation for Public Deposits (CPD), the Public Investment Commissioners (PIC) and Reserve Bank have been rising for two years. The latest Reserve Bank Bul-

● See Page 8

letin shows central government's deposits with the CPD alone stand at R3,991bn — 322% higher than the R946m at end-March 1985.

In the same period, deposits with the CPD by government, Sats, Post and Telecommunications, public corporations and local authorities rose 123% to R5,131bn from R2,3bn.

Part of the money is a result of the debt standstill. When foreign banks refuse to roll over loans, or SA companies switch to local sources of finance, the

Govt on horns of huge cash surplus dilemma

money is paid into the PIC. More than R700m is believed to be held in the PIC from this source, though the balance fluctuates from day to day.

Government surplus funds means that it will have little difficulty in financing the deficit before borrowing. Government, like many SA companies, is now financing itself from cash flow, but this has presented problems, especially for the main Budget to be tabled in Parliament after the election.

The monetary authorities are faced with a dilemma. If the money is put into an ordinary government account it will end the fiscal year with a massive surplus, making it difficult to resist demands for increased spending by government departments.

But if it is allowed to flow into the private sector, the money market would move strongly into surplus, rates would fall sharply and the Reserve Bank would lose control over short-term interest

● To Page 2

Govt on horns of cash dilemma

rates. This, in turn, would force the Reserve Bank to issue paper to mop up excess liquidity and prevent Treasury bill rate and other short-term rates from falling, which would be a costly exercise because government would be obtaining funds, on which it has to pay interest, that it does not need.

Monetary authorities fear lower interest rates because they could set off a programme in the private sector leading to more capital-intensive production at the cost of higher unemployment and an inflationary spiral sometime in the future.

So what to do? Rather than giving the money to state departments or the money market, expect the Budget to hide the money from both.

Added to the surplus of government funds are banks flush with cash because of low demand for credit in a stagnant economy (see graph), and insurers

flooded with funds because they are unable to invest abroad in terms of foreign exchange controls.

Normally a developing economy would have a shortage of funds and savings with which to finance investment, tempting the central bank to print money, which is bad for inflation.

The situation in the in the short-term credit markets, as with many other areas of the economy, is abnormal and could lead to the unusual situation of government hiding revenue instead of hiding expenditure.

Obviously, the authorities are hoping to keep surplus government cash out of the money market until demand for credit picks up. Ultimately, however, they will be unable to buck the trend indefinitely.

Nel acting correctly, says top NP man

DOMINIQUE GILBERT

WHILE senior government officials yesterday remained silent on former Deputy Information Minister Louis Nel's multimillion-rand involvement in buying SA diplomatic land in Japan, his nomination as election candidate in Pretoria Central was confirmed.

Chief information officer for the NP Con Botha said yesterday "His candidacy has not been affected in the slightest. "While he (Nel) was Deputy Minister it could be argued he was part and parcel of acceptances and rejections of government contracts or land deals. He is now a practising advocate, acting as a professional man making an offer to government. There is no reason why he should not do so," Botha said.

A report in the *Sunday Times* said Nel, now acting as an "international business consultant", had made a multimillion-rand bid on behalf of Japanese businessmen to buy SA diplomatic land in Tokyo.

Meanwhile, the Department of Foreign Affairs is investigating the possibilities of selling under-utilised ground around SA's diplomatic land in Tokyo in a bid to pay for new headquarters in Pretoria.

When asked for comment yesterday, Foreign Affairs spokeswoman Marie Botha referred *Business Day* to the department's comments in the *Sunday Times* which said Nel's land deal bid had come as a surprise to Foreign Affairs officials and would not be considered by the department.

"I discussed this matter with the Minister yesterday. He decided he has nothing more to say — it's Louis Nel's baby and he must sort it out," she said.

PFP finance spokesman Brian Goodall voiced doubts over the morality of a former government member being in-

● To Page 2 →

Nel's candidacy 'not affected' by land bid

involved in deals concerning the State and public money, and said the State President should appoint a committee to set standards for public office bearers.

He said questions were raised several years ago when Nel received "consulting fees" while acting as a "coal distributor". The State President's Office had no

comment and the Transvaal NP leader, Minister F W de Klerk, said he was "holding a braaivleis" on his wife's birthday and might provide comment later in the afternoon.

(Report by Dominique Gilbert 11 Diagonal Street, Johannesburg)

● From Page 1

30/3 bid
B/D
250

Land deal millions go begging

31/3/87
250
N/M

ght royal price on their heads



op) and Di (below) are worth R50 000 each because they belong to an
ed species. It's enough to go to one's head, but it's true and the responsi-
oking after the pair weighs heavily on chimpanzee trainer Darryl Werner
ps are star performers in Brian's Circus which opens in Durban to-
Picture by ANTHONY McMILLAN

SOUTH Africa could have made a substantial profit if it had agreed to the diplomatic land deal proposed by former deputy minister Louis Nel on behalf of Japanese interests

The Tokyo property, housing the premises of the South African Consul General, has turned out to be an investment with a golden lining — it cost only R560 000 in 1962 and could be sold now for an estimated R400 million

Last night Mr Ray Swart, chief Opposition spokesman on Foreign Affairs, said he would ask questions in Parliament about the property and proposed deal

"We will scrutinise the matter very closely and, if the estimates are correct, I think we are entitled to ask if this Government has so much money that it can turn down a deal like this?" he said

One official in the Department of Foreign Affairs yesterday confirmed the original buying price which, ironically, unleashed strong criticism of the Government at the time for spending so much money on property abroad.

Investigating

At exchange rates at the time it cost the equivalent of \$1 000 000 while at today's rates the Department could get about \$200 million

The official said Mr Nel's proposals could not be considered as the department was already investigating the possibility of selling part of the property itself

It is understood in diplomatic circles that there is more than one interested buyer and that if the Tokyo mission concludes the deal itself, it will not have to pay agent's fees

The department is said to be considering an approach by another Government department to sell off about 300 m² of the property which it hopes will bring in about R20 million which would be used to consolidate its headquarters and offices at present spread around various buildings in Pretoria

It has been estimated that if the department sold off the whole property it could buy other premises in Tokyo for about R20 million, leaving R380 million to be repatriated

Ormande Pollok
Political
Correspondent

ed to State coffers

When approached yesterday Mr Nel said he had made the offer on behalf of a legal firm in Tokyo and had not received an official reply

He denied he had withdrawn from the House of Assembly elections because of the deal

KwaZulu to death

African Affairs
Correspondent

ULUNDI—A member of the KwaZulu Legislative Assembly was killed and his wife seriously injured when they were ambushed by two gunmen at the weekend

The Chief Minister of KwaZulu, Chief Mangosuthu Buthelezi, told the KwaZulu Legislative Assembly yesterday that Chief Mbongiseni Mazibuko, the KwaZulu Legislative Assembly Member for the Nqutu district had been shot and hacked to death

WER
RIG
YOU
ABC

PSB 'to jump by 55% to R6,8bn'

7/4/87 *B/Day*

ALAN SENDZUL

INDICATIONS are that public sector borrowing (PSB) will increase 55% to R6,8bn in the coming fiscal year

By the end of the 1987 fiscal year, government will have taken a 58% chunk of public sector funding (38,7% in 1986), a preliminary Standard Merchant Bank (SMB) study projects

Government has broadened its accounts to include provincial services under which the defunct development boards fall. The intention is to transfer their functions to the Regional Services Councils (RSCs), possibly in 1988

SMB expects the exchequer to be faced with a deficit before borrowing of R8,5bn (R5,461bn)

This is based on a 22% increase in exchequer spending and a 16,9% rise in revenue because of the Budget delay.

Excluding funds from the Public Investment Commissioners and rollovers of existing loans, government will have to raise R3,935bn in new loans from the capital market during 1987

SMB says even with these accelerating needs there is likely to be a R275m oversupply of prescribed assets in 1987.

New prescribes of R6,8bn will be issued by the public sector and demand from financial institutions is expected to be R6,5bn. This compares with an excess demand of R1,189bn last year

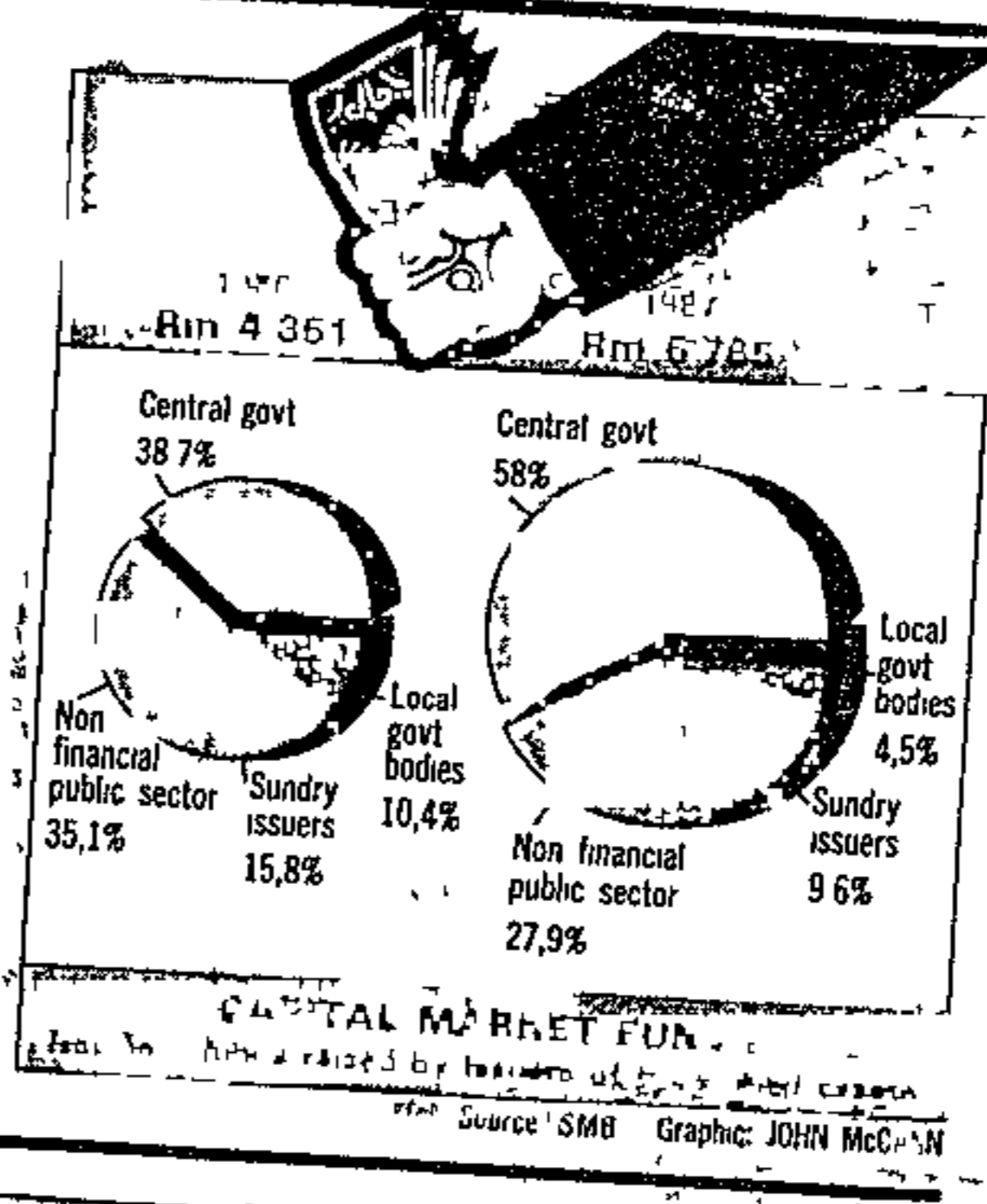
More important is the fact that the Budget has been delayed. This might create a bunching of issues if the big borrowers all decide to come to the market in the second-half of the year, says SMB. The para-statal budget will also be tabled in June and the RSCs and the SA Housing Trust will only come into being

in July.

As a result, SMB sees interest rates initially falling but rising later in the year with the overall level remaining constant.

A Finance Department spokesman described SMB's estimates as a little high. He said that with the economic expansion under way, the exchequer would not be exerting undue pressure on interest rates by raising more money.

As in the past government would raise funds in accordance with fluctuating seasonal liquidity. The first three months of the fiscal year are particularly heavy for exchequer funding, he said



Announcement expected in the budget

R6-bn payout for civil service

250
8/14/87
CAPL TITIKS

Own Correspondent

PRETORIA. — About one-sixth of the budget will go to pay more than 400 000 central-government workers.

The budget will be presented to Parliament on June 3 by Minister of Finance Mr Barend du Plessis.

Calculations based on the latest Central Statistical Services figures show that the total pay-out in the 1986/87 financial year amounted to about R5,3 billion

When the expected salary rises of 12% are added, the total could exceed R6 billion

However, the total public-sector wage and salary bill for the 1987/88 financial year — including SATS, post office and provincial workers, taking into account the likely 12% pay rise — will exceed R14 billion

The 96 000 post office workers will earn more than R1,3 billion, the 210 000 SATS workers nearly R3 billion and the 265 000 provincial workers about R3,4 billion

President P W Botha has assured public-sector workers they will hear about their increases at the "earliest possible time" This is likely to be in the June 3 budget

The fact that the extent of the increases and the date of implementation are likely to be made known only after the May 6 elections indicates, according to senior government workers, that the increases may be effective only from July 1

Peanuts and monkeys

The Public Servants' Association (PSA) yesterday strongly rejected calls from the private sector for salary restraints in the public sector

An editorial in the Public Servant slates the Afrikaanse Handelsinstituut (AHI) for suggesting to Mr Du Plessis that as salary increases in the service would be inflationary they should be kept below 10%

Assocom is criticized for advising Mr Du Plessis not to announce increases in his mini-budget on February 9 The PSA says a well-paid public service is necessary if public administration is to be efficient and competent

"Let's face it — if you pay peanuts, you get monkeys" It is stressed the PSA did not call for increases to match the inflation rate, but for pay rises of between 12 and 15%

However, the association warns there would have to be a rethink on the percentage if there were to be a delay beyond April 1 in paying the

increases Reserve Bank Governor Dr Gerhard de Kock also advised government to set an example to the rest of the economy by granting only moderate rises to its workers

The PSA says that if the AHI and Assocom want salary increases to lag behind the inflation rate, they should advise their members accordingly What was grossly unfair was vast salary increases in the private sector funded by price rises

ECONOMIC AFFAIRS

Steyn has the meat

The policies at the new Ministry of Economic Affairs and Technology (MEA & T) are just as important as fiscal and monetary policy. That is the unofficial claim from Minister Danie Steyn's powerful department. Apart from anything else, it administers more than 40 vital statutes.

Since its official inception on December 1, Steyn has been re-organising the two former departments that now fall under the MEA & T. The line-up of new officials is complete. From the previous structures, only the Decentralisation Board has been shed — to Constitutional Development and Planning.

The main question facing businessmen, whom Cabinet ministers have often urged to get out and create jobs, is whether the MEA & T will have any teeth. Certainly, it has the necessary gums.

MEA & T controls the Competition Board (CB) and Board of Trade and Industry, virtually everything to do with minerals and technology, and the things needed to set up a business. The MEA & T is the institution that will take the most flak when privatisation is not seen to be happening as fast as promised.

On its inception, the MEA & T severed links with the Finance Department. Official spokesmen do not see that as significant. They claim to have plenty on their hands —

and more on the way.

Observers see an understanding of Steyn as important to the ministry's development. He is implicitly apolitical, with a background in engineering and economics, he could be described as a technocrat. He happily works a 12-hour day, but hopes that two deputies (see diagram) will relieve his workload.

Why the MEA & T?

What justification is there for the MEA & T?

Officials reply that it watches industry. It is investigating the motor industry, for example. The outcome will be eagerly awaited in many quarters.

The ministry's foreign offices attempt to attract investment to SA. It has views on many macro-issues, inflation is the first mentioned. It tries to foster trade and industry in many ways, by, for example, issuing handbooks on how to set up a business.

One of its most important arms will be the CB. It was given some teeth two years ago and under Stef Naude has made major inroads into private-sector cartels.

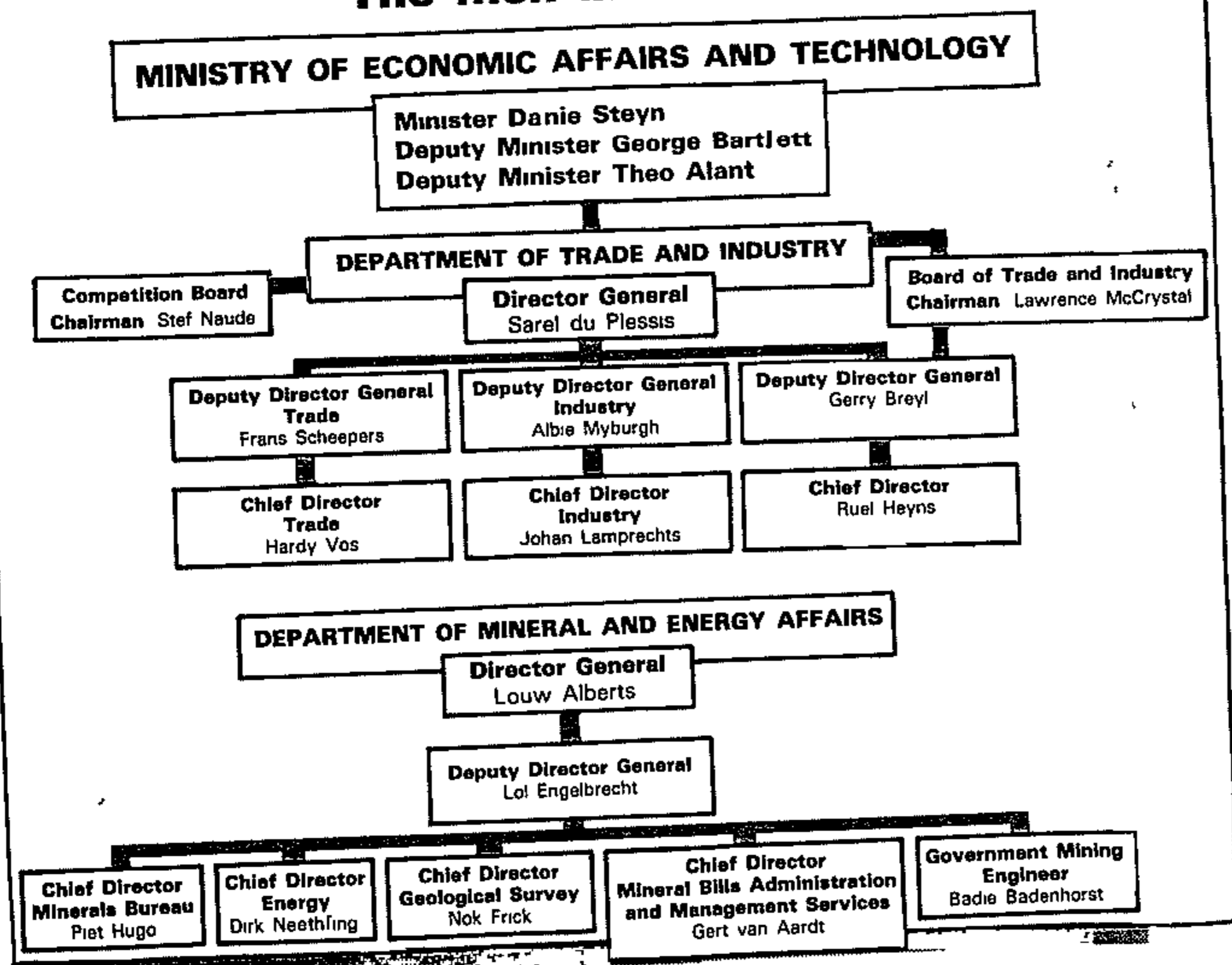
A perception of what is going on at the MEA & T, and what it will do in its new format, is vital to businessmen and policy-makers in the private sector. What it does not have in the way of monetary and fiscal whack it makes up for in other ways.

The MEA & T administrators laws regarding the Central Energy Fund, nuclear energy, petrol, inflammable liquids and oil,

consumer protection, liquor, mineral technology, the CSIR, inventions, industrial development, Iscor, the Sishen-Saldanha railway, diamonds and other precious stones, tourism, estate agents and the alienation of land, share blocks, time-sharing schemes, deep-level mining, development of strategic mineral resources, patents, trade marks, emblems, performers, aspects of physical planning, coal, building regulations and standards, safety containers, trade practices, credit agreements, price control, protection of enterprise, trade and industry, national supplies procurement, Foskor; imports and exports, export credit and reinsurance for foreign investors, companies, business names, and close corporations.

It must be hoped that when this long recipe of economic advancement is stir-fried, a complete meal can be served up. The MEA & T has just as vital a role as the Finance Ministry and Reserve Bank.

The men in the Ministry



GOVERNMENT FINANCES

250 PM 10/4/87

Where does the money go?

Government finances are puzzling the Exchequer is running a surplus of R1,7 billion, and other low-profile government institutions have billions of rands in cash. Latest figures show that the Public Investment Commissioners (PIC) hold R18 billion, and the Corporation for Public Deposits (CPD) R5,7 billion. What's going to happen to all this cash, and how will it affect fiscal 1988?

PIC — in essence — is a trust fund for pension contributions from employees in central government, SA Transport Services (Sats), and Post & Telecommunications (P & T). It invests predominantly in long-term gilt and semi-gilt paper.

PIC holds around 45% of the paper issued by government to finance "marketable" debt — standing at R39 billion at end-1986. In recent years, to help finance borrowing, Treasury has used almost all PIC's cash flow.

CPD is part of SA's monetary authority, which includes the Reserve Bank and Department of Finance. Its function is to accept short-term deposits from central and provincial government, Sats, P & T, and public corporations.

CPD holdings are mostly in Treasury bills and call deposits with discount houses. They are used to fund short-term (current) government spending. At the end of 1986 CPD hold almost 75% of non-marketable central government domestic debt.

Government's domestic debt in December was R39,2 billion marketable and R4,7 billion non-marketable, to total R43,9 billion.

CPD and PIC are vital in financing government expenditure. Taxpayers' monies are spent by the Exchequer; if spending exceeds tax revenue, government finances the deficit from funds at CPD and PIC.

If public-sector bodies decide to withdraw money from CPD, they ask Treasury to redeem bills, leaving it less cash on hand. According to analysts, the CPD balance-sheet structure is often not properly understood.

The debt standstill has meant that foreign borrowings due for redemption must be held at the PIC.

Sats and Escom, for example, "bank" with CPD. Both have recently cut capital spending, leading to yet higher levels of deposits at CPD. The whole system, indeed, is awash with liquidity.

Thus, despite government's high spending, it has a large amount of cash on hand. It is borrowing from the market for two reasons:

- To finance its deficit, and
- To soak up excess liquidity, so that interest rates do not fall any further.

The liquidity problem is also a result of the

balance of payments surplus, caused by the high gold price and slack demand for imports, and low corporate and consumer credit demand.

What are the implications for monetary and fiscal policy?

Reliance by the government on PIC or CPD funds avoids the risk of crowding the private sector out of the capital market. But present weak demand for private sector funds and high liquidity will ensure that government will have little trouble bridging the Budget deficit, by borrowing without driving interest rates up, anyway.

Government has curbed money supply growth probably more successfully than it wished, but at some point interest rates may fall so low as to encourage a sharp increase in credit demand — causing money supply growth to quicken.

A high Exchequer credit balance is not unusual, government has had a surplus in the past — and will use it in the second quarter.

Some analysts argue that excess PIC funds should be used immediately. Others say they should be sterilised, left in a piggy-bank until needed. That could be sooner rather than later, the central government deficit ended fiscal 1987 at R5,5 billion, and is set to go quickly toward R10 billion. ■

Revenue previously refused to give rulings on individual productions, which had to go ahead on a risk basis, in the hope that Revenue would follow precedents.

New rules

The new rules will be in the form of an amendment to the Income Tax Act, likely to be passed around August.

The law will be retrospective in that all deals signed from April 7 will be affected.

Details are yet to be finalised, but the gist of the new rules is three-pronged:

Investors will only be able to write off their actual investment against tax. Previously, they could write off more than this.

For example, if a film costing R1m was R500 000 financed by a (foreign) producer's loan and South African investors put in the balance of R500 000, South African investors could write off full production cost of R1m against income over three years.

To qualify for the exporters' marketing allowance, at least 75% of total remuneration to directors, producers, actors, and production personnel must be payable to South African citizens or permanent residents.

A vital exclusion: the costs of four people will be ignored in computing the 75% — producer, director, one actor, and the leading cameraman/chief editor.

Of costs qualifying for the export marketing allowance, an extra 75%-100% may be claimed against income, and

The write-off of costs against income will be allowed over 24 months, at 1/24 a month, as opposed to the old rule of 70%-30%-10% over three years.

However, if gross box office income exceeds production costs, the write-off may be completed in 12 months.

The write-off will start on completion of the film, defined as either when it passes to the distributor, or, if the owner also distributes, when it is ready for general release.

Though some will decry the new line, at least the drastic measure of ring-fencing was not used. This would dictate that production costs may only be written off against income derived from the film. The new rule book still allows costs to be written off against other income.

Trinity Asset Management's Bruce Hol-

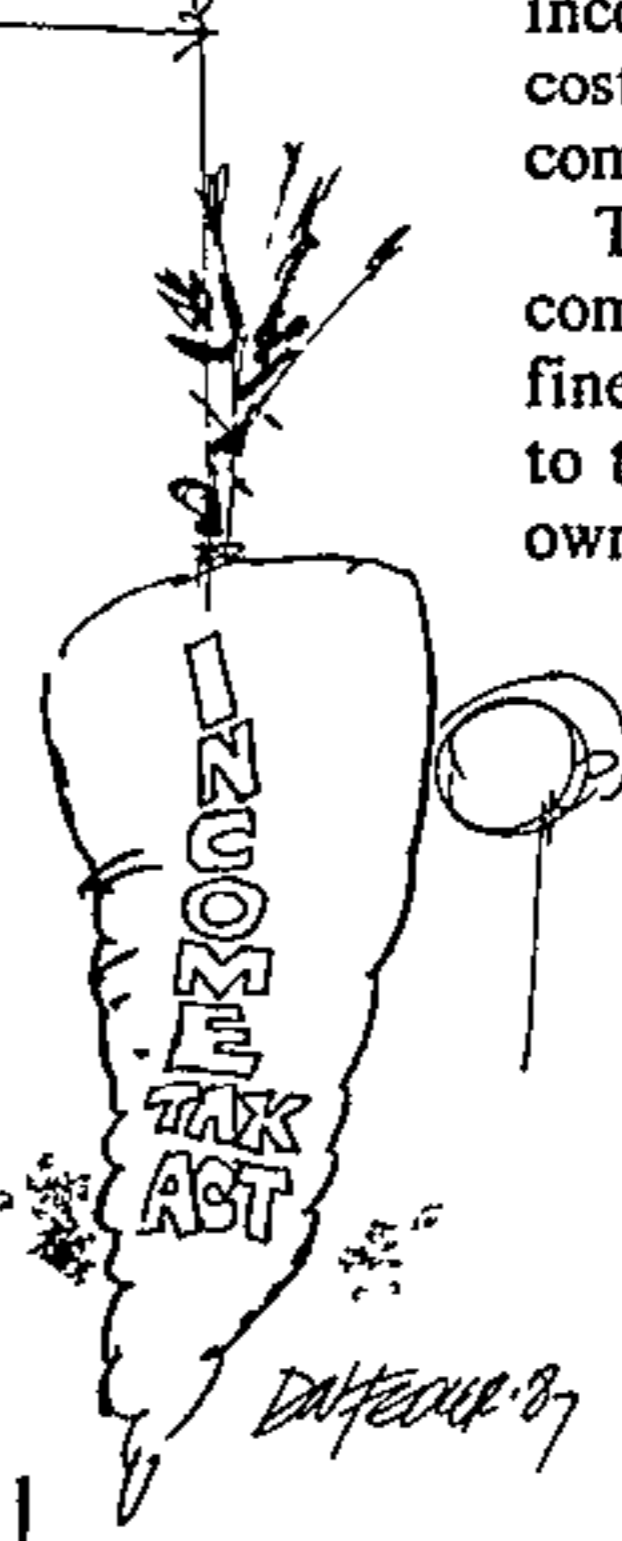
MOTION PICTURES

Revenue speaks

After years of confusion, Inland Revenue has announced a "book of rules" for the film (and video) industry. But an investment in



movies will still offer one of the finest tax shelters, and the new rules are more generous than in most tax jurisdictions.



off against other income.

No zeroes

The Crafford Committee, appointed to investigate new methods of government budgeting, is unlikely to recommend radical departures

The committee, appointed by Finance Minister Barend du Plessis, has handed in its first preliminary report

Any decisions taken as a result could have a significant impact on central government finances. Du Plessis identified the central exchequer problem mainly as a process whereby the Executive — in practice — seldom amends decisions in regard to functions created.

Du Plessis' new policy, to optimise and reduce government expenditure, needed a new approach to budgeting. He obtained Cabinet approval for a special task group. Most members are from the private sector, so as to make objective the approach to public finances.

Du Plessis instructed the group to work in close co-operation with the top management of government departments. It was to evaluate all aspects of spending, with particular reference to each service instituted by the Executive over the years.

Chairman Jan Crafford is convinced the committee will receive the co-operation of directors general and other top management. "Functions and programmes will be evaluated to try and form an opinion whether they should be reduced, reconsidered or discontinued."

Although the committee is known as the "zero-based budgeting" committee in some circles, this forms just part of its investigation. Zero-based budgeting is based on the precept of annual justification. Each cent allocated by the exchequer must be reasoned by the department concerned.

Crafford says the committee does not yet envisage recommending that the existing basis of budgeting for government finances, programme budgeting, be replaced with zero-based budgeting. "Such a change would have huge practical implications."

But though government finances are apparently healthy, the work of the committee should not be overlooked. ■

Copy Times 14/4/87 250

SA's bloated bureaucracy

Political Staff

ALMOST 10 years since President P W Botha took over the government with a pledge to cut bureaucracy, the public service in South Africa has become one of the most bloated in the world, the Sunday Tribune reported at the weekend.

One rand in every six spent by the government went on pay and perks to those in high political office and civil servants, and R12 in every R100 went specifically to propping up the "reformed" system of apartheid, the newspaper reported.

An analysis of government by Ms Isobel Shepherd-Smith, showed the civil service had grown by 20% since Pres Botha came to power and the number of governments in South Africa and the homelands was an "astomshing" 151.

"This country could be 50% richer if the National Party gravy train was derailed and apartheid abolished," she said.

"Instead, SA has one civil servant for every 27 people compared to Britain which has one for every 94 000.

"The only attempt in SA to cut back the civil service has been in Escom and the SA Transport Services, which are parastatal organizations.

"When Pres Botha took the reins it

was estimated that apartheid was costing R13 000 million a year. In 1985 apartheid was costing SA more than R56 000 million."

In 1981, before the tricameral system was introduced, the cost of administering Parliament, the State President's Office, salaries and allowances to MPs and senators amounted to R8 720 660.

"By 1986, under the new constitution, the annual cost of salaries, administration and allowances rose to R40 448 000 — almost 500% more.

"The state spends R200 million on housing subsidies annually, the Post Office spends R72 million annually on housing subsidies from its earnings, and gratuities of R150 000 and R200 000 have been bestowed on loyal civil servants."

Mr Harry Schwarz, the PFP spokesman on finance, was quoted as saying "The government has its priorities wrong. When it should be encouraging the creation of new jobs, it creates a new tax on employment to finance the Regional Services councils.

"That is, every employer in the de-segregated area has to pay a tax for every person he employs.

"Instead of allowing industry to expand where it can do so cheaply, it tries, on ideological grounds, to develop it where it is more expensive to do so," Mr Schwarz said.

(Report by B Streek 122 St George's St CT)

A NASTY SHOCK FOR WORKERS

19/4/87 C/Pres

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By DAN DHLAMINI

THOUSANDS of non-classified labourers working for government institutions throughout the country stand to lose long-service benefits as they are regarded as temporary employees, despite the number of years they have worked

This came to light during an interview with the Department of National Health and Population Development's personnel officer, J Scharfertter

The interview follows a

complaint by workers at Potchefstroom's Witrand Care and Rehabilitation Centre, after receiving notices informing them that they were temporary workers

Some of the workers claim that they have worked for more than 15 years at the mental institution and that they were under the impression that they were employed permanently and therefore qualified for the government's housing loan

Witrand's superinten-

dent, Dr DJ Burger, refused to talk to the Press, saying it was an "internal affair" and referred us to Pretoria

Scharfertter said notices were sent to hospitals and relevant institutions throughout the country, informing them that according to the Public Services Act, No 111 of 1984, all non-classified workers were on a temporary basis and that the department could terminate, or that the workers could be made to terminate their duties within 24 hours

He added that their pension contribution was that of temporary employees, as stipulated in Act 75 of 1979

Scharfertter said thousands of government workers, employed as non-classified employees, were not aware of their conditions of employment and that was why the notices were sent to all government institutions employing such workers

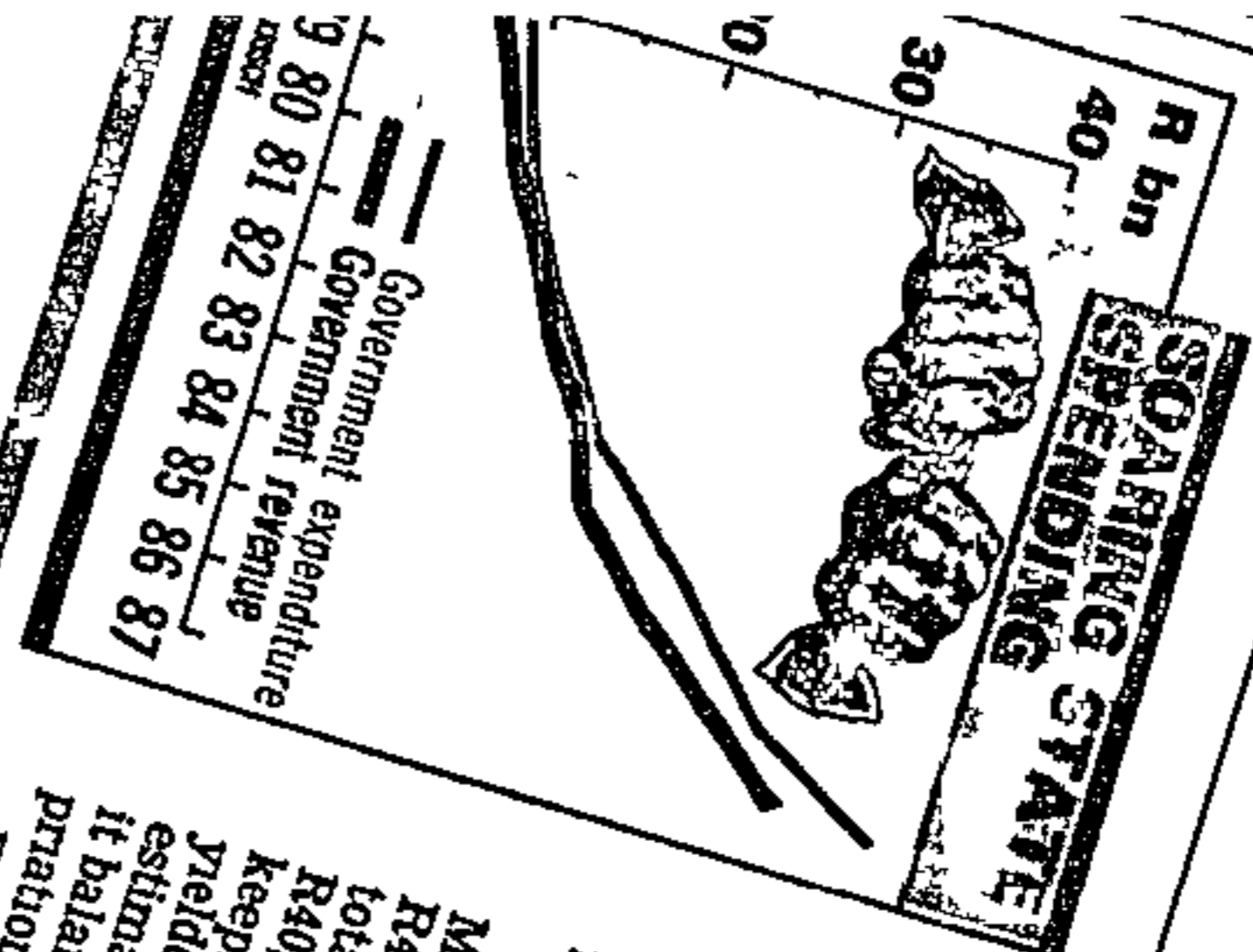
Most of Witrand's workers who are affected by the notice said they were shocked and that they had been under the impression that they were employed permanently and qualified for all the benefits

"I have been working here for 16 years and it is the first time I learnt that I am regarded as a person doing a piece job," said a woman who wished to remain anonymous for fear of reprisals

Workers at Kalie de Haas Hospital said they had not as yet received the notices, but expressed shock when they learnt that their services could be terminated within 24 hours. The notice surfaced in February at Witrand

Kalie de Haas Hospital superintendent Dr Douw Kruger said he received a similar notice from Hospital Services, which outlined the conditions of employment for temporary workers

Kruger, however, said he issued the notices to prospective employees and that it was very rare that an employee with more than 10 years' service would still be regarded as a temporary worker



Can Treasury

ZEALOUS control in the Treasury has apparently resulted in expenditure for the past fiscal year balancing with the budgeted amount with spectacular accuracy.

According to Exchequer returns for March 1987, state spending amounted to R40,4bn, an over-run of R400m, while total revenue, including loans, was R40,3bn. But this did not result in a book-keeping deficit because revenue not only yielded R551m more than the R34,5bn estimated but also because it had a credit-balance of R200m from unused appropriations in the previous year. What is interesting is that most de-

HAROLD FRIDLINSON

partments ended the year with their expenditure maintained accurately to the last thousand rands.

Big spender Constitutional Development and Planning was given a budget of R5 288 482 000 and, according to Exchequer statement, when the accounts were closed on March 31 this was the exact amount disbursed.

Foreign Affairs used its R1 603 564 000, not a cent more or a cent less. The House of Assembly administration with its R4,555bn allocation was an-

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Day

other model of good housekeeping. Defence overran its budget of R5,123bn by exactly R200m in spite of the extra duties the army has been performing in the townships.

Of the 31 departmental votes, 21 apparently spent exactly what Parliament allocated them, including what Parliament voted which came out on a budget of R428,5m in spite of a swollen prison services. The product of civil disturbing within the authorised limits. Perhaps the budgetary control was not as meticulous as the current figures.

“THE VITAL VIEWPOINT”

“book-balancing act?”

suggest and the bottom red lines were drawn only when the ceilings of various appropriations had been reached. This we will only know when the next Parliament considers the Additional Appropriation Bill to audit excess spending.

Then we will also know how sloppy the Treasury budgeting really is. Last year the much-vaunted Duyles state Budget, which purported to keep expenditure at R37,4bn, an increase of 13,6% on the previous year, proved the Appropriation Bill was finally approved.

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Disputes put focus on govt sector

Call for study of labour laws

B/day
27/4/87

LEGISLATION dealing with labour disputes in government sectors should be examined to see whether it was effective or should be expanded, Director-General of Manpower Piet Van der Merwe said yesterday.

The present situation has been highlighted by the prolonged, unresolved strikes involving up to 22 000 transport workers and 4 800 post office workers.

Central and provincial government — including the post office and transport services — are excluded from the dispute machinery laid down in the Labour Relations Act. They are each covered by separate legislation.

Van der Merwe said that in the past the government sector had not faced much industrial action, possibly because of its particular legislation and the conditions of service of its workers.

In view of the recent strikes, he suggested that government-sector conciliatory machinery be studied to decide whether it was adequate.

He said the separate legislation used in the government sectors had

THELMA TUCH

sparked off criticism. One of the Wiehahn Commission's recommendations had been that all employers — including government — be subject to the Labour Relations Act.

"One must weigh up the pros and cons of the government either providing for conciliation machinery in its own legislation or adopting the Labour Relations Act," he said.

The mechanisms provided for in the Labour Relations Act, such as industrial councils, conciliation boards and industrial courts, had been exhaustively used by the private sector and local authorities.

They had been successful in settling many disputes, he said. In 1986, industrial councils handled 1 983 disputes, the majority of which were settled. More than 2 000 cases of alleged unfair labour practices were referred to the industrial court. Most cases were settled before being heard.

Van der Merwe added that 50% of all strikes in the private sector ended within a day.

AGUS 28/4/87 (250) 288

15 pc State pay hike seen

By MAGGIE ROWLEY

SALARIES of public servants will rise by an average 15 percent this year, the Bureau for Economic Research at Stellenbosch University forecasts

General public service salary increases are expected to be about 10 percent. However, taking into account annual notch increases and the possibility of higher increases for teachers, the bureau projects that the average remuneration for civil servants will rise by 15 percent.

The bureau forecasts that the 1987-88 Budget, scheduled to be presented by Finance Minister Barend du Plessis early in June, will also encourage

positive economic growth by

● Raising the Government's consumption expenditure in real terms. Growth of 2,8 percent is projected for this component of the GDP. Real investment spending of general Government bodies is projected to rise by about 6 percent, reflecting increased spending on township development and black housing projects in particular

● Moderate tax relief, specifically in the form of lower personal income tax rates. Married couples can expect further relief in terms of lower joint taxation, and savers should be rewarded by further reductions in the taxation of interest income

Building bill expected to be R8,1bn

Public sector to spend more on construction

Biday

28/4/87

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PUBLIC sector spending on construction this year is expected to total R8,1bn — up from R7,4bn last year and R6,5bn in 1985.

Of this year's figure, nearly one-third — R2,5bn — is scheduled to be spent on non-residential buildings, which includes hospitals, clinics, schools, prisons and offices.

The figures are included in the latest Central Statistical Services (CSS) breakdown of public spending plans. The figures exclude Namibia and the four TBVC states — Transkei, Bophuthatswana, Venda and Ciskei.

The biggest spenders are central government and provincial administrations, which expect to fork out nearly R3,5bn on construction work this year, compared to just under R3bn in 1986.

In addition to the R2,5bn non-re-

DAVID FURLONGER

sidential bill for total public sector construction this year, another R806m will be spent on residential work; R1,8bn on roads, streets and bridges, R592m on water schemes; and R370m on sewerage.

A further R1,95bn will be spent on what CSS defines as "other", which includes electricity projects, railways and harbours, airports, land development, mining development and the survey and development of townships.

The Johannesburg and Pretoria areas — in which Randburg and Brits are classified — are scheduled to receive more than one-sixth of the construction cake. Combined spending there this year is expected to total R1,46bn, compared to R1,34bn in 1984.

Businessmen 'can't avoid politics'

JANE ARBOUS

SOUTH AFRICAN politics and economics are now so entwined that it is "virtually impossible" for prominent businessmen to express views on economic policy without saying something about political or constitutional development at the same time, Reserve Bank Governor Dr Gerhard de Kock says in the latest edition of Leadership.

Following hard on the heels of the Chris Ball row, De Kock says in the lengthy magazine interview that he believes in the right of businessmen to dissent politically and publicly.

However, he adds a qualification that business leaders in responsible positions with a high profile "must of course be careful in what they say or do — simply because they are what they are."

"But businessmen have a duty to inform government about how they feel."

The country has been given "a breathing space" as far as international investor perceptions are concerned.

"The danger is, however, that we won't use this breathing space," De Kock said.

Extent of pay hikes a secret

GERALD REILLY

PRETORIA — Government is keeping the extent of public sector pay hikes a close secret until after May 6 — and with good reason, political observers say.

The increase is unlikely to be more than 12% — it could be less — and it is unlikely to be backdated to April 1.

If this were announced before the elections, the NP could lose significant support to the right.

There are more than 400 000 whites working for central government, Sats and the Post Office. Add their families, and the total amounts to a vital voting block of more than a million voters.

Post Office staff associations were informed earlier this week that the salary issue was being considered and that the "necessary announcement will be made in the various budgets."

Meanwhile, Artisan Staff Association secretary Willie van der Merwe says the Federal Council of Sats Trade Unions is still waiting for an interview with Transport Minister Eli Louw.

"We seem to have reached a stage where our 15% wage claim is being negotiated through the post. This is unacceptable. We want a face-to-face meeting with the Minister before the official pay announcement is made," he says.

Anglo Dutch in R9m deal

ANGLO DUTCH has been awarded the largest office furniture contract ever awarded in SA. The contract, worth about R9m, is for desking and storage at Standard Bank's new administrative building in Johannesburg.

Manufacturing for the contract is due to start in May, with delivery beginning in August.

Anglo Dutch has landed many major contracts recently, including Mobil, Wooltru, Soekor, BMW, Saambou, Norwich Union, the NBS computer centre, Liberty Life and Sage Insurance.

It says it redeveloped its already successful Terminal 7000 desking system to

MICK COLLINS

complement Standard's space-planning concept, and also designed a new storage system, solving intricate filing requirements with fewer components.

MD Ivan Weltman is confident his massive Tulisa Park manufacturing plant can produce the combined requirements of these clients and still run below total capacity.

With the recent addition of new production lines, automated machinery and factory construction, Anglo Dutch is capable of producing R90m of furniture in one working year, he says.

Public servants go for increased perks

Pretoria Correspondent

Public servants are demanding improved housing subsidies and a better pension scheme as well as 12 to 15 percent more pay

During wage negotiations with the Minister in the Office of the State President, Mr Alwyn Schlabusch, in Pretoria this week the Public Servants' Association (PSA) also discussed the adjustment of public servants' housing subsidies. Under the existing scheme there is a ceiling of R50 000

The executive manager of the PSA, Mr Hans Olivier, said yesterday it was unrealistic to allocate a uniform subsidy

"We are campaigning for a subsidy differentiated on the basis of seniority," he said

MEMORANDUM TO MINISTER

The pension scheme was another cause for major dissatisfaction. Mr Olivier said the PSA had already submitted a memorandum to the Minister of National Health, Mr Willie van Niekerk

The scheme requires all public servants retiring after June 1955 to work up to the age of 65, while the PSA wants to see a uniform retirement age of 60. They also want the pension allotted to widows raised from 50 percent to 75 percent

"As in the case of wages, the pension scheme should be adjusted regularly to adapt to the cost of living," Mr Olivier said

In another major development the PSA said they would demand even higher wage increases — 15 to 18 percent — if the initial demand was not backdated to April 1

During discussions with Minister Schlabusch in January, the PSA set a target of 12 to 15 percent to be implemented by May 1 but it has since emerged that the Government could delay the announcement of the increase until June

ORbus 19/5/87 250

CITY/NATIONAL

Civil servants unhappy with pay increases

REACTION to the 12,5 per cent general salary increase for civil servants announced by the Government last night ranged from disappointment to derision — with some associations threatening further action

The president of the 55 000-member Public Servants Association, Dr Colin Cameron, said the PSA was disappointed with the increase. He said the figure could have been reasonable if announced last April but was now inappropriate

Gap widening

Dr Cameron said the economic gap between public servants and the private sector was widening. In some sectors salaries lagged up to 25 per cent behind the private sector

"As a result, we are finding it difficult to recruit sufficient capable people"

The PSA executive would meet tomorrow night to assess the situation and decide what further action would be appropriate, Dr Cameron said

The PSA would make an urgent appeal to the Government to make available additional funds throughout the year to restructure salaries

Spokesmen for the Federation of South African Transport Service Trade Unions were not available for comment

But Mr Jimmy Zurich, who as former chairman of the federation tabled the railwaymen's 15 per cent wage claim in

August, said the 12,5 per cent granted was "lousy"

He said 15 per cent was "the absolute minimum" they had expected to receive

The 12,5 per cent increase was disappointing, below the inflation rate and could only be viewed as temporary relief, the Union of Teachers Associations of South Africa said

The president of the teachers' union, Mr Franklin Sonn, said "We generally have little reason for joy and the struggle

continues"

The chairman of the 77 000-member Teachers Federal Council, Mr Dudley Schroeder, said relief from the salary increase would be shortlived

He welcomed the pay rises but warned that further salary demands would follow as Government employees had been "only partially compensated for inflation and the rise in the cost of living" in the past two years — Own Correspondent and Staff Reporter

GOVERNMENT FINANCES

What will pay hike really cost?

The effective pay increase for the public service is more likely to be about 34% than the 12,5% announced this week. So there is a strong possibility that taxes will have to be increased in the June Budget if current spending trends, boosted further by the public service pay increase, continue and official borrowing is to be kept within normal limits.

In the 13 months up to the delayed June Budget, Pretoria notched up an R8,2 billion deficit before borrowing, which annualised is 4,3% of estimated value of total output (GDP) of R170 billion. But in the year ahead this could be substantially higher.

The revised deficit in the past fiscal year (1986-1987) was R5,5 billion, to which the April (the 13th month) deficit of R2,7 billion (revenue was R2 billion and spending R4,7 billion) is added to arrive at R8,2 billion.

If the FM's earlier forecast, before the public sector pay rise, of R48 billion spending this year (1987-1988) against revenues of R40 billion is correct, the deficit will be the same as last year's.

But after the pay increase, which in reality is closer to 34% than 12,5%, the deficit this year could top R10 billion or 6% of GDP. While there is no need for SA to slavishly adhere to the IMF guideline of a deficit of 3% of GDP, Pretoria could well take the view that 6% will place too great a strain on the capital market causing politically-sensitive interest rates to rise.

Because of "notch" or incremental service increases that accrue automatically, as well as promotions, public service pay increases

are always much higher than the officially announced figure. In 1986, for example, a 10% public service pay increase turned out to be an effective 27%.

Applying this multiple of 2,7 to 1986's pay bill of R9,7 billion, the announced 12,5% increase could "cost" 33,75%, or R3,27 billion more in the current fiscal year.

The multiple is probably valid, given that pensions have been increased by 10%. The public-sector pay bill could thus reach R13 billion, equivalent to 37% of 1986-1987's R34,8 billion total revenue receipts.

The question is whether the deficit can be held at even R10 billion without increasing tax rates. The omens are not good. The biggest spender for April was Defence, 111% more than a year ago at R825m. Clearly, pressure on this account is not negotiable. While spending in the first month of most fiscal years is usually distorted, to contain the deficit at even R8 billion would require spending to virtually match revenue each month for the rest of the year.

That aside, some worrying trends emerge from preliminary figures for the 12 months to March 31. While State revenues increased 16,4% to R34,8 billion, income tax rose only 13,22% and GST just 10,5%. ■

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Cape Times 19/5/87.
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Govt spending
soars by 30%

Own Correspondent
GOVERNMENT spending in April, the first month of the fiscal year, soared to R4,73bn, 30,7% higher than for the same month in 1986

The Governor of the Reserve Bank, Dr Gerhard de Kock, warned

last night that welcome as the higher dollar price of gold was, it did not open the door for either increased government spending or excessive wage and salary increases.

Significant increases in the April outlays by some state departments included rises of 111% in the case of Defence which at R825m more than doubled the R390m spent in April 1986. Police expenditure rose by 31% to R165m from R126m. These increases could be associated with township control.

Other large increases included an 88% jump in the Finance Department's costs to R162,7m, and a 57% rise in the expenditure on education. The Commission for Administration showed a 52% surge to R155m.

On the other hand Development Planning spent only R75m, compared with R484m in April 1986 and Transport cut back its April outlays to R61,5m from R67,5m.

12,5% pay hike for SA's civil servants

Call Tents
19/5/87

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By ANTHONY JOHNSON
Political Correspondent

CIVIL servants will get a 12,5% pay hike from July 1. The general increase — announced simultaneously by a number of government departments last night — applies to the public service, the teaching profession, tertiary and parastatal institutions, SATS and Post Office personnel.

Civil and military pensions are also set to rise from June 1. Civil pensions will increase by 1% for each year after retirement with a minimum of 10% and a maximum of 20% calculated as at May 31 this year, while military pensions will go up by 10% in all cases.

Reacting to the salary increases, PFP finance spokesman Mr Harry Schwarz said that if the government was serious about fighting inflation, it could not increase civil service salaries by more than 10%.

He also warned that taxpayers would have to pay increased taxes to cover the cost of the increases.

Announcing the salary hikes last night, government ministers also indicated that further increases could be in the pipeline later this year.

'Sympathetic and positive'

Mr Alwyn Schlebusch, Minister in the State President's Office entrusted with Administration, said in a statement that earlier this year President P. W. Botha had announced that "the need and representations for a general salary adjustment in the public sector had been thoroughly taken note of".

"He emphasized that the government was sympathetic and positive towards the merits of the representations, but had to postpone a decision until the budget for 1987/88 was compiled."

The Minister of Transport Affairs, Mr Eli Louw, said that SATS personnel had in the past made "exceptional efforts to increase productivity".

□ Sapa reports that the Opposition's chief spokesman on finance, Mr Casper Uys, said last night the increases "do not keep pace with the inflation rate".

"The position of pensioners who retired less than 13 years ago is now even weaker. All employees and pensioners have, in real terms, been even more impoverished. This is because of the government's weak economic management and its increasingly socialist policy directions."

SM 19/5/87

Bitter disappointment at salary increases

Civil servants to consider action

Staff Reporters

Reaction to the 12,5 percent general salary increase for civil servants announced by the Government last night ranges from disappointment to derision — with some associations threatening further action

The president of the 55 000-member Public Servants' Association, Dr Colin Cameron, said the PSA was "particularly disappointed" with the increase. He said the figure could have been reasonable if announced last April but was now inappropriate

"It doesn't address the economic problems with which the people in the lower ranks are confronted and, because of taxation, it is not satisfactory for those in the middle and higher ranks," he said

Dr Cameron, who had a meeting yesterday with Mr Stoffel Botha, the Minister of Home Affairs and Communication, said the public service was in an inferior economic position, with the gap between it and the private sector widening "As a result, we are finding it increasingly difficult to recruit sufficient capable people"

The PSA had indicated that a differentiated increase of between 15 and 18 percent would have been adequate — the 12,5 percent was distinctly below that mark, he added

The PSA executive will meet tomorrow night to "take stock" of the situation and decide what further action would be appropriate, said Dr Cameron.

How will pay increase be financed, asks PFP

Political Correspondent

CAPE TOWN — Opposition parties today criticised the latest 12,5 percent pay rise for public servants.

The Conservative Party said it was too small and the Progressive Federal Party wondered how it was going to be financed.

It was also not clear whether the increase would apply to parliamentarians. The various parties were fudging the issue this morning, but it is understood the mat-

In a statement last night, the PSA said morale of public servants has been dealt a blow by the "very limited" salary increase

In some sectors the situation is acute, with salaries lagging between 20 and 25 percent behind those in the private sector

The PSA will make an urgent appeal to Government to make available additional funds throughout the year to restructure these salaries to bring them in line with market-related salaries in the private sector, the statement said

Executive members of the Federation of Sats Trade Unions met with the Minister of Transport Affairs, Mr Eli Louw, in Cape Town yesterday and were not available for comment last night

But Mr Jimmy Zurich, former chairman of the federation and the man who tabled railwaymen's 15 percent wage claim last August, said the 12,5 percent granted was "lousy"

Mr Zurich said the 15 percent claim put forward by railway workers was "the absolute minimum" they had expected to receive

Civil servants will receive a 12,5 percent pay rise on July 1. Military pensions will increase by 10 percent and civil pensions by 10 to 20 percent on June 1

The Government announced the increases yesterday

The pay rise will be for all civil servants, including teachers and employees of tertiary educational institutions, parastatals, SA Transport Services, and the Post Office

The increase in civil pensions will be 1 percent for each completed year after retirement, with a minimum of 10 percent and a maximum of 20 percent, calculated as at May 31, 1987

The Government also announced that it was ready to "consider limited occupational specific adjustments for certain occupational classes on a priority basis during the course of the year"

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Staff Reporter and Sapa
THE increases given to public servants came under fire yesterday from a wide range of organizations representing teachers and civil servants, as well as from the Official Opposition in the House of Assembly

□ The Transvaal Teachers' Association (TTA) slated the government's general pay rise as "a total embarrassment"

TTA chairman Professor H O Maree said in a statement in Pretoria "Each facet of it creates the impression of ineptitude and controversy"

The associations's executive committee is to meet urgently to discuss the matter with a view to taking further action and agreed with the Federal Teachers' Council that strong action was called for

□ Meanwhile a Public Servants' Association (PSA) spokesman confirmed in Pretoria that PSA directors would meet at 5pm today to discuss the "unsuitable" and "disappointing" increase. A decision will also be taken to decide the course of action

□ But the Federated Chamber of Industries (FCI) said the salary increases were in line with prevailing increases in industry. It said they indicate an awareness by the State not to generate inflationary pressures

□ Mr Malcolm Domingo, national chairman of the Public Servants' League (PSL), said the league accepted the increase with reservation as the salaries of public servants were still not market-related and the increase did not bring them into line with the private sector

The PSL expected an increase of between 15 and

Public service pay rises under fire

Capit T. M. S. 20/5/87
250

18% to combat inflation and also expected the increase to be retroactive from April 1 and not effective from July 1.

The PSL accepted with gratitude the fact that some money had been set aside for job differentiation increases which should bring relief to public servants later this year

"I would like to stress that a 12,5% increase has undoubtedly not brought the public servants' salaries in line with the private sector. The public servants' salaries are not market-related," Mr Domingo said

□ The Official Opposition in the House of Assembly regards the increases as insufficient as they did not keep pace with the rate of inflation

The CP spokesman on Finance, Mr Caspar Uys, said pensioners who retired less than 13 years ago were now worse off than at the time of retirement. In real terms all salary earners and pensioners had become poorer, he said

Mr Uys attributed the whole situation affecting salaries to poor economic management, inadequate control of inflation and the "increasingly socialistic policies" of the government

□ Dr Colin Cameron, chairman of the Federation of Recognized Staff Associations in the public sector, expressed disappointment with the adjustments

He had figures which showed that employees in the private sector were receiving more than 12,5%. This would weaken the bargaining position of the State in the labour market, Dr Cameron said

Wesgro must take the initiative Colin McCarthy

Cape Times 21/5/87

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Financial Staff

THE report on the upliftment of the Western Cape presented yesterday by the economic affairs committee of the President's Council makes it plain that any effective action will have to be taken by the community itself, in the opinion of Colin McCarthy, director of the Cape Chamber of Industries

Commenting on a precis of the report, McCarthy said "They do not seem to have been able to identify much that would give impetus to industrial development in the Western Cape"

McCarthy said the Chamber of Industries was in favour of the suggestion in the report that the greater Cape Town area, including Paarl and Stellenbosch, should be considered separately from the rest of the Western Cape

The building of more housing would certainly provide jobs, and the organizations belonging to Wesgro had already identified the growth potential of tourism

Urban areas

But, he said "The report does not add much to our store of knowledge. It looks as though any action to get things going here will have to be carried out by the Wesgro organizations themselves"

Wolfgang Thomas, deputy regional manager of the Small Business Development Corporation, said it appeared that the council's proposals seemed to focus on the rural areas, with very little attention given to job creation, industrial development, and small business in urban areas

"We will have to focus on urban areas," he said

He attacked the council's black population figure of 12% of the region's

total population as hopelessly understated. In fact, blacks made up about 20% of the region's total population

Reacting to the council's comment that black problems were not as urgent as those experienced by coloured people, Thomas said the high black urbanization in the region did not mean that their problems did not deserve serious attention

Import replacement

Cape Town's City Administrator, Gys Hofmeyr, said the report appeared to have pinpointed two problem areas which the City Council considered most important — a housing and urbanization programme aimed at specifically the coloured population and tourism

The council recently prepared extensive comment on the urbanization issue and the two main ways of dealing with it were more money and land. The council also considered an investigation into tourism potential as very important

Hofmeyr said the council would be studying the report carefully over the next few days

□ The Federated Chamber of Industries (FCI) says it agrees with the committee that productive employment opportunities must be created by the private sector while it should be government's task to implement an economic growth and development policy

"Import replacement, greater exports and inward industrialization under current circumstances must offer the best chance of success

"The FCI supports the committee's viewpoint that an improvement in education and training and the removal of restrictions would be the best way to facilitate the process of employment creation"

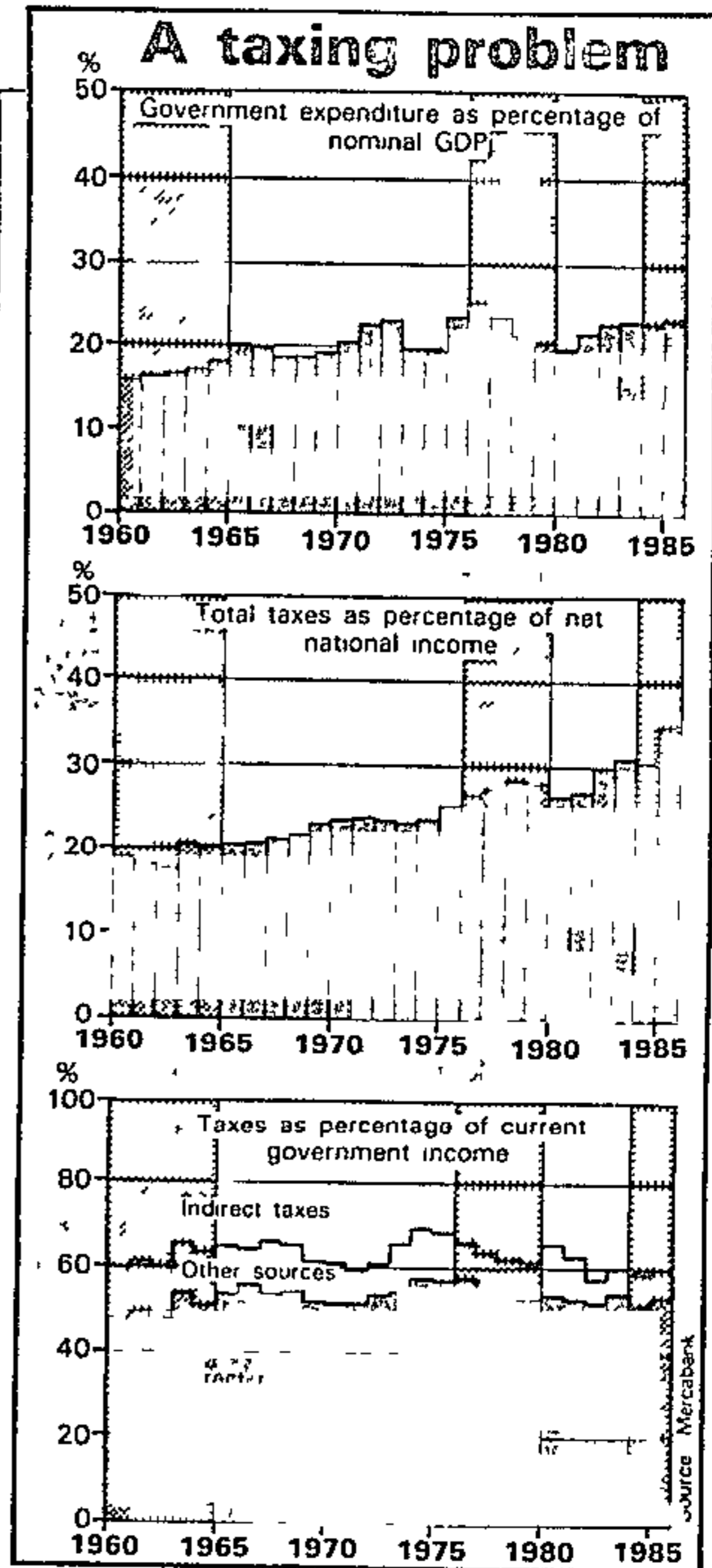
A sorry state (2502/15/87)

It's no secret that government spending and taxation have been rising continually. This was one trend discussed at last week's Mercabank seminar, *Political Reform and the Economy*.

And while the proportion spent on social services is down, Mercabank confirms more is being spent on security. Government savings are also down. The overall effect has been that government's debt has risen.

The proportion of the Budget that goes towards social welfare spending has dropped from 40% in the Fifties, to 20% over the past few years. Sadly, this trend, Mercabank might add, coincides with record unemployment and declining living standards.

On the other hand, the proportion spent on security has risen from 15% to 23%. "Political events have increasingly diverted resources from productive uses such as capital formation and education, towards unproduc-



...tive expenditure on defence and police actions," says the bank.

As the graph shows, total government expenditure has increased from 15% of GDP in 1960, to 23% in 1985.

Financing this has increased the tax burden. As a proportion of national income, total taxes have risen from 18% to 35% over the same period.

Direct taxes — as a percentage of current government income — have remained relatively stable, despite numerous increases in GST (from 4% in 1978 to its present 12%). The original intention was that GST, as an indirect tax, should absorb an increasing portion of total tax. But all that has happened, is that both direct and indirect tax have continued to increase.

"It would appear," says Mercabank, "as if government expenditure has pushed the taxable capacity against a ceiling from where it may influence the motives of the private sector negatively."

But this stiffer tax burden has not met the increase in government expenditure. Government savings are now negative, while the interest burden has become "an important component" of expenditure — some 14%, compared to 5% in the early Sixties.

Mercabank concludes "Political reform therefore has changed not only the composition of government expenditure, but has also forced the economy into a tight squeeze between the incidence of taxation and the high interest on government debt."

Vlok: 'We have respect for what the judges say to us'

HOUSE OF ASSEMBLY — The government took heed of court rulings and adapted emergency regulations when judges said they were not clear, the Minister of Law and Order, Mr Adriaan Vlok, said yesterday.

He was reacting during debate on the censure motion to a prediction by Mrs Helen Suzman (PFP Houghton) that emergency regulations declared invalid by the courts would be revalidated by the government during the present session of Parliament, and that controls on the media would be tightened further.

"We have respect for what the judges say to us," Mr Vlok said.

"If the courts say the regulations are not clear we take note and adapt the regulations."

Referring to remarks by Mrs Suzman on detention without trial, Mr Vlok said the government was "sorry" about this practice but it was duty bound to continue it for security reasons.

He said that countries round the world "find it necessary" to detain people without trial. These countries included Britain and Israel.

Mr Vlok rejected comments by Mr Peter Gastrow (PFP Durban Central) on Wednesday that the government was out to crush the labour federation Cosatu.

He said Mr Gastrow had insinuated that the government was involved in the bombing of Cosatu House in Johannesburg.

"We reject this insinuation with contempt," Mr

Vlok said

"The government is more concerned about good labour relations than Mr Gastrow."

"I give you the assurance The SAP does not interfere in bona fide union activities. In fact, we encourage them."

Mr Vlok said Cosatu and its affiliates were responsible for thousands of blacks being put out of work and these people were angry with the federation.

The government possessed "strong evidence" of "misdeeds" at Cosatu House and this would be submitted in the trial of those allegedly responsible for the four necklace murders during the SATS strike.

Mr Vlok also rejected Mr Gastrow's criticism of the government's ban on meetings to promote Cosatu's Living Wage Campaign.

The minister quoted from documents submitted to court in which links between Cosatu and the ANC and SACP were alleged and he said the campaign was part of a plan to bring about a Marxist, socialist state in South Africa.

"That is what Cosatu stands for. He (Mr Gastrow) wants to let us allow Cosatu to get that right — Marxist goals, socialism and with the final goal of communism."

"The SAP and the government are responsible for the safety of all people in South Africa and we can't allow radicals to hide away behind any cloak."

"We will not allow anyone to hide behind the cloak of a labour movement" — Sapa

Butter the 'own' bourgeois!

THE complex division of public administration into "own" and "general" affairs is taking its toll on good bookkeeping.

South Africa's public accounts show the new constitutional set-up — aggravated by rapid staff turnovers, personnel shortages and poor training — has opened the way for bunglers and the light-fingered.

Two reports released so far by Auditor-General Dr Joop de Loor on white and Indian own affairs administrations show mismanagement, losses and outright theft at a level that has opposition finance spokesmen worried.

In one case a public servant died in detention after getting R111 963 in welfare pension money in "an irregular manner".

Under the budgetary and auxiliary services vote of the House of Assembly administration a total of R303 680 was involved in theft and fraud cases for the audited year 1985/86.

At the Groot Constantia estate the auditor found work had been done by a private company in which members of the Groot Constantia control board had an interest.

Control

Progressive Federal Party finance spokesman Mr Harry Schwartz said the change-over phase to own affairs administration brought with it a lack of control probably greater than in other circumstances.

Conservative Party spokesman Mr Cas Uys said the CP would be specially vigilant on such abuses. Some other incidents highlighted by Dr de Loor's report were:

- A public servant forged 83 documents to get R168 694.
- A sum of R10 581 was re-impounded for rental arrears but not brought to account.

New set-up has opened the way for those with light fingers

By IESTER WENTLER, Political Correspondent

Ten "unknown persons and one former official" illegally cashed 11 warrant vouchers for R12 081,99, of which R7 068,53 was recovered from banks, one case of R998,32 was still being investigated and the former official was paying back R4 015,06 at R50 a month.

The report says staff turnover, shortage of trained personnel and the large number of vacant posts mean internal controls are "not in all aspects as desired".

In the education and culture vote the auditor-general says about departmental inspectors:

"No serious errors or irregularities were revealed, but a general lack of ability was discerned at production level owing to a constant turnover of staff and a lack of regular examinations carried out locally."

Defects

At the National Cultural History Museum "various defects and shortcomings" in internal controls were pointed out to the museum's chairman in 1986 and again this year, according to the report. The report on the House of

By IVOR CREWS

THE fight for control of the Johannesburg City Council is on, with political parties squaring up for what promises to be a dirty election battle.

The beleaguered PFP, smouldering over its defeat in the May 6 general election, is determined to gain control of the council after the defection of Mr Mike Sutherland to Australia.

And yesterday Mr Gary Cooney announced that he would stand for the PFP in the crucial Hospital Hill by-election on July 15.

The election is to fill the Ward 25 seat vacated by Mr Sutherland, whose shock decision to quit SA robbed the PFP of a one-seat majority in the council.

The PFP and the NP/Independent Alliance are presently deadlocked with 23 seats each.

The PFP candidate is incumbent at the Johannesburg management committee's decision to hold the by-election during the university vacation and has threatened legal action. An estimated 20 percent of the

Parties square up for a dirty election scrap

ward is made up of students, many of whom would vote for the PFP.

Said Mr Cooney: "We find this totally unacceptable and will probably take the matter to court to get the date changed."

Confident

The NP and the CP have not yet announced candidates. But Mr Hein Kruger defeated NP candidate in the Yeoville parliamentary election, is being tipped as the likely NP candidate.

The Progs are confident they will retain the seat, but will face stiff opposition from the Nats who caused a major upset when they won the Hillbrow parliamentary seat.

Mr Cooney said the vital issues at stake were "the fight against crime" in the ward, and the Group Areas Act.

The PFP intended establishing a municipal police force in the area to combat the soaring crime rate, he said.

"The SAP cannot cope, because

GARY COONEY to stand for PFP in crucial council by-election



they are understaffed, underpaid and in the township," he explained.

And the PFP was committed to scrapping the Group Areas Act as "guinea pigs".

"The Act should be scrapped altogether and not just in the grey areas," said Mr Cooney.

Mr Cooney, a journalist by profession, is regional director of the PFP in the Southern Transvaal. He represented Border in Netfield school cricket while at Selborne College East London.

Teenager's cell terror

From Page 1

rowly missed hitting an off-duty policeman while driving a car in Bulawayo.

A row followed between the black officer and the five white occupants of the car — Lisa herself, Stephanie, Giter and Turner Paul Lecluse, 22, and college students Wayne Marham, 19, and Michael Wild, 20.

Lisa later paid a 100 Zimbabwe dollars (about R120) fine for driving without a licence.

But the policeman reported that she and her companions had also racially insulted him and made disparaging

remarks during the argument against Zimbabwe President Canaan Banana and Prime Minister Robert Mugabe.

"I don't know why he said that," Lisa told me. "There were no insults."

Tension

"I think it's because there's been quite a bit of racial tension in Bulawayo recently," the Bulawayo Chronicle controlled by the state-owned Media Trust, recently reported that young white Zimbabweans barred blacks from nightclubs in the city

walkers, and routinely insulted black powers under emergency had been in the car at the time of the Sunday incident.

They also held the mothers of the girls, Joyce Murray and Christine Anderson, for 17 hours to force the girls themselves to surrender to the authorities.

The youths and the mothers were later freed without charge.

But Lisa and Stephanie were kept at Stops camp where they were interrogated by a young officer of the CIO.

"He kept asking me about

Rajbansi would welcome new poll

By NORMAN WEST Political Reporter

THE chairman of the Ministers' Council in the Ministry of Delegates, Mr Amichand Rajbansi, said yesterday he would stick to his word and call for fresh elections for the House provided the two opposition parties agreed.

PW calls for ANC curbs

Political Correspondent

PRESIDENT P W Botha has appealed to the heads of eight world industrial powers to put pressure on the ANC in a bid to break the cycle of violence in South Africa.

His appeal is contained in a letter to the leaders — including Mr Ronald Reagan, Margaret Thatcher of Britain, and the Italian, Canadian, West German and French heads of state — shortly before these and other countries meet for an economic summit in Venice.

The letter said an end to set for some months of substantial profile in West European affairs.

At the weekend, West German Minister of State Helmut Schmidt said the Bundespresident planned to invite SA Government members and the Afrikaners to Bonn in October.

South Africa's reaction to Mr Schmidt's statement was not immediately clear, but observers believe the chances of official South African participation in talks with the ANC are slim.

The public interest

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The latest round of financial reports and budgets from SA's publicly owned corporations and business enterprises confirms that they now perform and behave more and more like private enterprises

Escom, Sats and the Post Office have become much less inclined to subsidise either employees or particular consumers. Their financial results provide proof of their independence of direct financial support by government. Indeed, if accounted for in the same way as private corporations, they would show high levels of profitability. But of course these great South African organisations are not privately owned. Their managers do not have to justify investment programmes to private shareholders hungry for cash.

Nor, perhaps more importantly, are they subject to anything like the usual degree of actual or potential competition. While they have the disadvantage of not being able to raise equity capital, they enjoy a highly privileged status in the capital market. Their debt is surely sovereign debt, yet despite this status, they appear to pay as much attention to debt equity ratios as do private companies who may be expected to default.

In the absence of competition and shareholders, the more efficient management of Escom, Sats and the Post Office is by no means necessarily in the interest of consumers or taxpayers. In fact, the opposite may be true. Greater efficiency and financial prudence, as conventionally defined in terms of lower debt equity values, has probably brought generally higher rather than lower prices for the services they render and lesser rather than greater supplies of such services.

The cost savings and savings of capital expenditure realised have by no means been passed on to current consumers. What the savings achieve and are intended to achieve, is less borrowing and perhaps generally lower interest rates. Interest rates, however, are at the mercy of other more powerful forces like inflationary expectations and the expected value of the rand — both financial and commercial.

Perhaps more important, the less public corporations borrow, the less the Treasury officials will be inclined to interfere with their management. The managers of our public enterprises plan, for what they regard, as appropriate debt equity ratios.

Since they cannot raise equity capital

directly — except from the government equity capital must come from internal financial sources — from savings in the form of depreciation and other reserves, including especially, reserves for the replacement of capital and inventories. Like all large fixed interest borrowers, able as our public enterprises have been able, to inflation adjust their prices or tariffs, the public enterprises benefit from unexpectedly high inflation and so unexpectedly low, realised real costs of borrowing.

In other words, they have been able to borrow at relatively low interest rates. The financial surpluses realised in this way, unlike those of private companies which will be called upon to pay dividends or taxes, are automatically ploughed back into financing investment, that is, in reducing real debts. But there is more at issue here than the distribution of the windfalls from unexpected inflation, important as such distributions are. The financial plans of the public enterprises allow for internal savings, even should inflation turn out exactly as expected. The tariffs set, are not only meant to cover the inflated costs of finance and the new capital equipment, but are intended to realise further savings such as will necessitate less real borrowing in the future. That is, to save the planned savings are, in effect, treated as a cost of production to be covered by the tariff.

Of course, savings are not a cost of production. The plan is therefore to reduce the ratio of debt to equity as the system expands over time. The more internal savings are generated, the less the additional borrowing that has to be undertaken. Should inflation turn out to be unexpectedly high, so much the better for savings. Current consumers are therefore being charged tariffs that represent forced savings to be made by them on behalf of the corporations. If the corporations were subject to competition, such overcharging and forced savings would not be possible.

The absence of competition enables the management of the corporations to operate under, what is for them the convenient illusion that equity capital, generated from internal sources is cheaper than debt capital, or indeed outside sources of equity capital. It also means that they are very cautious in their plans for expansion, limited as they believe they should be in their demands on the capital market.

Society at large does not benefit from such practices. All capital or savings from whatever source is equally costly. Financial arrangements, be they for equity or debt capital cannot avoid their real costs, being the alternative uses to which such capital may be put. Taxation and the absence of competition may disguise these realities. There is no justification for any enterprise limiting its calls on the capital market, if such calls are justified by the expected returns to investment. It is the investment decision not the financial decisions that should predominate.

If other borrowers are to be crowded out in the capital market by justifiable investments in extra capacity to produce transport, electricity or communications services, the capital market would be performing its proper role. In my judgement, consumers of electricity, transport and communications in SA are generally paying significantly more than the full costs of providing them with additional services. If competition prevailed, it would be economic to supply South Africans with more electricity, transport and communications, and therefore less of other things. Both demands and supplies are being artificially restricted by the illogical debt management-driven tariffs of our public enterprises and their reluctance to incur debt.

There is only one way out of this patently inconsistent state of affairs and that is for a comprehensive process of encouraging competition and the privatisation of government-owned assets. Better management, as we have seen, is only part of the solution. Privatisation would release the huge savings made to date by these enterprises for the benefit of the present cohort of taxpayers. Future taxpayers will share, as usual, in the profits of these now private enterprises.

Effective competition would mean the breaking up of Escom and Sats into competing but viable units. The harbours and ships could be made to compete with goods transported by rail, road or air. Different harbours could compete with each other. Independent electricity supply companies could be made to compete for custom in their own and other regions, delivering power through an independent transmission network. By subjecting the managers of these enterprises to competition in the market for customers and in the market for capital, prices will be kept down without any artificial encouragement to corporate savings.

R1,8-m facelift for PW's house

Political Staff

A FACELIFT for the State President, Mr P W Botha's official residence, Westbrooke, on Grootte Schuur Estate, is expected to cost R1,8 million.

The Minister of Manpower and Public Works, Mr Pietie du Plessis, said in reply to a question by Mr Peter Soal of the Progressive Federal Party that the work would include a new fence, repairs and renovation

Mrs Helen Suzman of the PFP said "One would think that the State President would set an example in these difficult times in curbing all unnecessary expenditure"

The work had been initiated by the Department of Public Works and Land Affairs, and security measures executed at the request of the SAP

Mr Du Plessis said the total estimated cost involved was R1 870 000.

Taxpayers will pay R70 million for additions and alterations to the tricameral parliamentary complex, according to the government's latest estimates

A memorandum tabled in Parliament yesterday by Mr Pietie du Plessis estimates that R39 470 000 will eventually be spent on "alternations, additions, restoration, adaptation, parking facilities and additional accommodation" for the President's Council, Marks Building, Stalplein, and Tuynhuys complex

The cost of additional accommodation and alterations to the Houses of Parliament is put at R30 100 000, while R1 350 000 has been earmarked for the purchase of "additional accommodation"

Total estimated cost
R70 820 000

The *FM* brings its readers the most news, comment and interpretation possible under the new regulations restricting publication of certain matters.

It does not believe that the restrictions are necessary or in the public interest, but will obey the law.

The creation of a Ministry of Security Services, or something similar, possibly in the State President's office,

The takeover by Foreign Minister Pik Botha of Chris Heunis's Constitutional Development and Planning portfolio, and

The takeover of Foreign Affairs by Barend du Plessis

Speculation is varied on Heunis's future. After his devastating election setback against Denis Worrall, his image as the second most senior Cabinet minister (after Alwyn Schlebusch) and as Cape Nat leader, is severely dented. His chances of taking over from P W Botha — once considered excellent — must now be extremely slim.

Speculation is that he may either retire from politics altogether, take over the security portfolio (if it is created), or be given a new, consolidated portfolio (possibly something like finance and economic affairs).

Cabinet changes

Pik Botha, an experienced negotiator and diplomat, is likely to have better luck than Heunis, who is said to be often intransigent, in encouraging black leaders of stature to join government in talks about constitutional change.

Barend du Plessis is a former deputy foreign minister and is likely to make a greater success of what is left of SA's foreign affairs than he has of the finance portfolio.

His successor could be his deputy, Kent Durr, who is regarded as having a good understanding of the economy. Also, as a successful businessman himself, he is seen to be more in tune with the business community than Du Plessis. Furthermore, Durr is English speaking and his appointment could be used to fill the gap left by the suicide of John Wiley.

Speculation on a security services portfolio has been fanned by the creation of a new joint standing committee on security matters.

It has been suggested that former police commissioner Johan Coetzee, currently on a foreign ministry assignment in the eastern Cape, may be appointed director general of the security department.

Another line of speculation is that the current Law and Order Minister, Adriaan Vlok, could take over as security supremo, heading both police and defence.

Several new deputy ministers are also likely to be appointed. There are currently vacancies for the three who were not re-elected, plus the possibility of other posts if current deputies are elevated to Cabinet.

THE CABINET

New faces for old

The most important Cabinet reshuffle since P W Botha took over the leadership of the National Party in 1978 is on the cards.

There is strong speculation in both parliamentary and government circles that the changes will include

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FIM
5/6/87

MONDAY, 8 JUNE 1987

Ministers' Council of the House of Representatives (4)

†Indicates translated version
For written reply
General Affairs

Howard
(250)

Ministerial Representatives

17 Mr S S VAN DER MERWE asked the Minister in the State President's Office entrusted with Administration and Broadcasting Services

- (1) (a) How many Ministerial Representatives have been appointed for (i) general and (ii) own affairs in respect of each of the Houses of Parliament.
(b) what are their names and (c) with effect from what date are these appointments effective.
- (2) (a) what (i) remuneration and (ii) allowances are paid to these persons and (b) what will be the amount of the pensions they will receive.
- (3) whether these persons will qualify for any fringe benefits, if so, what fringe benefits?

The MINISTER IN THE STATE PRESIDENT'S OFFICE ENTRUSTED WITH ADMINISTRATION AND BROADCASTING SERVICES

- (1) (a) (i) None

(ii) and (b) Ministers' Council of the House of Assembly (6)

Mr T Gunning
Dr E H Venter
Dr G A Hosking
Dr L van der Watt
Mr J M Otto
Mr R Dercksen

ICMcRae
JL Rothman
HEdeling
JSEls

Ministers' Council of the House of Delegates (3)
Mr F L Erasmus
Mr J Scholtz
Mr A W Stowman
Mr J J A Smith

Mr M Mohanlal
Mr A G V Naidoo
Mr P P M Chetty

(c) 1 May 1987

(2) (a) (i) R37 522 per annum (salary)
(ii) R14 599 per annum, as well as a housing allowance of R18 000 per annum

(b) Pension benefits will vary according to the circumstances of every case in accordance with the provisions of the Members of Parliament and Political Office-bearers Pension Scheme Act, No 112 of 1984

(3) Yes, inter alia accident insurance, a motor financing scheme on the same basis as for a private member of Parliament, and eight single domestic air journeys per household per annum

Escom: Management Board

39 Mr P G SOAL asked the Minister of Economic Affairs and Technology

Who were the members of the Management Board of Escom as at the latest specified date for which information is available?

The MINISTER OF ECONOMIC AFFAIRS AND TECHNOLOGY

Escom's Management Board was appointed by the Electricity Council as follows with effect from 1 May 1987

Chief Executive
Senior General Manager
General Manager (Strategic Projects)
General Manager (Strategic Planning)

Howard

8/6/87

12/6/84
250

Pay rise for MPs

HOUSE OF ASSEMBLY.

— All MPs and members of the President's Council would get a 12,5% pay rise from July 1, the Chairman of the Ministers' Council, Mr F W de Klerk, said yesterday

This follows the recent 12,5% increase for public servants.

Mr De Klerk said MPs would have access to a R10 000-a-year secretarial and administrative allowance from the same date.

He said no member would gain financially by the allowance because rents and salaries would be paid directly to lessors and employees from a payments office under the control of the Speaker.

The Official Opposition called on the government to reconsider the decision. — Sapa

Krugersdorp/Springs: freeway

*32 Dr P J WELGEMOED asked the Minister of Transport Affairs †

- (1) Whether it has been decided to build a new freeway between Krugersdorp and Springs, if not, why not, if so, (a) by whom (i) was this decision taken and (ii) is this freeway to be built, (b) when will construction work be commenced, (c) in what phases will the construction work be carried out and (d) what is the (i) expected date of completion and (ii) estimated cost of the project.

- (2) whether this freeway will be operated as a toll road, if not, why not?

The MINISTER OF TRANSPORT AFFAIRS

(1) Yes

- (a) (i) The National Transport Commission (NTC)

(ii) The NTC is presently negotiating with a private company Messrs Toll Highways Development Company (Pty) Ltd who will carry out the work on a concessionary basis as soon as an agreement has been concluded. If an agreement to the mutual satisfaction of both the State and Toll Highways Development Company (Pty) Ltd cannot be reached the NTC will in any event proceed with the construction on a tender basis by means of private construction companies

(b) January 1988

(c) Construction will commence on the Brakpan to Springs eastern section. Thereafter the western section between the N1 and Krugersdorp will be constructed followed by the central M4 section within the Johannesburg national ring road

(d) (i) December 1994

(ii) R680 million

(2) Yes

Petrol price reduced

*33 Mr C J DERBY-LEWIS asked the Minister of Economic Affairs and Technology

Whether, in view of the recent recovery of the rand against the dollar, he intends reducing the price of petrol, if not, why not, if so, when?

†The DEPUTY MINISTER OF ECONOMIC AFFAIRS AND TECHNOLOGY (Mr G S Bartlett)

Yes, simultaneously with the implementation of the increased tariffs of the SA Transport Services and the consolidation of levels on 1 July 1987. The net result would be that decreases will occur which will vary from place to place but there may also be inland areas where increases can occur. These calculations are presently being made

Universities: student fees

*34 Mr C J DERBY-LEWIS asked the Minister of Education and Development Aid

- (1) To what extent are student fees in respect of universities falling under the control of the Department of Education and Training subsidized,
- (2) whether these subsidies are granted subject to certain conditions, if so, what are these conditions?

The DEPUTY MINISTER OF EDUCATION

(1) The State does not subsidize student fees as such in respect of universities under its control, but subsidizes the universities according to the SAPSE financing formula which determines a state contribution to the total recognized expenditure calculated according to the formula. The rate of the State's contribution to the total income of the universities concerned (student fees, other income and the State contribution) was in 1985-86 on average 85,2% for the universities

(Medunsa excluded) and 94.6% in respect of Medunsa. The Universities fix their own student fees in the light of their expected income from other sources

- (2) The subsidies are subject to conditions determined according to the Universities Act of 1955 sections 25, 26 and 27

Section 25 stipulates that subsidies are granted for the purposes on the basis and subject to conditions determined by the Minister

Section 26 stipulates that the Council of the university must submit a report on its proceedings and management as well as a properly audited statement of income and expenditure and a balance sheet in respect of the previous year to the Minister. This report, statement and balance sheet must be Tabled in Parliament

Section 27 stipulates that the Minister may withhold the subsidy or a part thereof if the Council of the university does not comply with the stipulations or conditions set by the Minister

Registration of teachers

*35 Mr R M BURROWS asked the Minister of National Education

- (1) Whether he or his Department has been involved in any discussions concerning the general registration of teachers, if not, why not, if so, (a) with whom have these discussions been held, (b) on what dates were they held and (c) what was the outcome in each case,

(2) whether he or his Department has taken any steps to promote the general registration of all teachers under a single registering authority, if not, why not, if so, (a) what steps, (b) what bodies or persons were involved and (c) what was the result,

- (3) whether he will make a statement on the matter?

†The MINISTER OF NATIONAL EDUCATION.

(1) Yes

(a) Teachers' Association of South Africa and the Federal Teachers' Council

(b) With the Teachers' Association of South Africa at two occasions during the past five months and with the Federal Teachers' Council at four occasions during the past eight months

(c) The bodies in (a) support the principle of a general registering body for teachers

(2) Yes

(a) Proposals for the establishment of a general registering body for teachers are being considered at present

(b) The Committee of Education Ministers and the Committee of Heads of Education Departments

(c) The matter is being investigated further

(3) No

Cabinet approval for appointments

*36 Mr R M BURROWS asked the Minister in the State President's Office entrusted with Administration and Broadcasting Services

(1) Whether appointments to certain post levels in the Public Service are subject to final approval by the Cabinet, if so, (a) to which post levels and (b) what are the designations of each of these post levels,

(2) whether Cabinet approval is required for appointments to certain post levels in own affairs departments, if so, (a) to which post levels and (b) what are the designations of each of these post levels,

(3) whether he will furnish information on whether, during the latest specified period of 12 months for which information is available, the Cabinet declined to approve the appointment to a post in the Public Service of any

- person whose nomination was supported by the Commission for Administration, if not why not if so (a) what post levels in what departments were affected and (b) when were the decisions in this regard made
- (4) whether he will make a statement on the matter?

THE MINISTER IN THE STATE PRESIDENT'S OFFICE ENTRUSTED WITH ADMINISTRATION AND BROADCASTING SERVICES

- (1) Yes
- (a) Senior Management posts
- (b) Director-General Superintendent-General Chief Executive Director Deputy Director-General Executive Director
- (2) As in (1) above
- (3) Yes
- (a) None
- (b) Not applicable
- (4) Not applicable

Group Areas Act

- *37 Mr R M BURROWS asked the Minister of Constitutional Development and Planning
- (1) Whether representatives of his Department in Natal have considered any applications for permits granting exemption from the application of the Group Areas Act, No 36 of 1966, in respect of persons wishing to reside in group areas proclaimed for another race group if so how many such applications were received during the latest specified period of 12 months for which information is available,
- (2) whether any of these applications were refused, if so, (a) how many and (b) for what reasons in each case,
- (3) whether, amongst the applications that were refused, there were applications which had received the support of the local authority and local member of Parliament, if so, (a) in respect of which group areas were these

applications submitted and (b) for what reasons were they refused in each case?

THE DEPUTY MINISTER OF DEVELOPMENT PLANNING

- (1) Yes 42 applications were received during the period 1 May 1986 to 30 April 1987
- (2) Yes
- (a) 14
- (b) The applications were refused by reason of the provisions of section 21 (2) (a) of the Group Areas Act
- (3) Yes
- (a) (i) White group areas
(ii) Coloured group areas
- (b) The reason for the refusals was the same as in 2 (b) above

Technicians trained

*38 Mr J M BEYERS asked the Minister of Communications

- (1) Whether technicians in his Department are trained on a multiracial basis, if so (a) why, (b) as from what date and (c) where,
- (2) whether any exceptions are made in this regard, if so, (a) what exceptions and (b) at which training centres,
- (3) whether his Department has investigated the possible consequences of such training in respect of racial friction and the withdrawal of White technicians if not, why not if so, what were the findings of such investigation,
- (4) whether he will make a statement on the matter?

THE MINISTER OF COMMUNICATIONS
[Reply laid upon the Table with leave of House]

- (1) to (4) The Department's main training centres is situated at Ollantsoetsien near Pretoria where mainly post-qualification training and training in advanced technology

ogy takes place. In addition departmental regional training centres exist in Johannesburg, Pretoria, Durban, Bloemfontein, Kimberley, Cape Town and Port Elizabeth, or in the vicinity of those cities, where the ordinary training of pupil technicians and trainee telecom electricians is undertaken. At the centres where persons from more than one population group are trained, there are depending on circumstances either separate training centres for the relative groups or one training centre with separate classes for the relative groups. The most important training centres for Coloureds is at Bellhar in the Cape Peninsula and for Blacks at Soshanguve near Pretoria and for Blacks Coloureds and Indians combined at Ophirton on the Witwatersrand

Combined training involving White students takes place in certain specific circumstances at all the aforementioned centres with the exception of those at Bellhar Soshanguve and Ophirton. The circumstances to which I refer are the following

- (i) Whether there is no justification to place sufficient lecturers qualified in all the specialised work classifications and subjects of which there are a large variety at a particular centre
- (ii) Where for economic reasons it is not justified to have a number of highly qualified lecturers lecturing to only a few students
- (iii) Where for reasons of economy it is sometimes not justified to send students over long distances from one region to another for training
- (iv) Where students have to receive training on expensive sophisticated equipment which is only available at certain training centres

The Department has not had any experience of friction or the withdrawal of technicians as a result of the existing training arrangements

Johannesburg Stock Exchange

*39 Mr J M BEYERS asked the Minister of Economic Affairs and Technology

- (1) Whether his Department has investigated alleged monopolistic concentrations of power on the Johannesburg Stock Exchange if not why not if so (a) when (b) what were the findings of the investigation and (c) what action has been or is to be taken as a result of the findings
- (2) whether he will make a statement on the matter?

THE DEPUTY MINISTER OF ECONOMIC AFFAIRS AND TECHNOLOGY
(Mr G S Bantler)

- (1) No The Johannesburg Stock Exchange as such cannot be looked upon as a monopolistic situation. However the Competition Board is currently undertaking an investigation in terms of the provisions of the Maintenance and Promotion of Competition Act 1979 (Act 96 of 1979) into concentration in the financial sector and the practical and policy implications thereof
- (a) (b) and (c) Fall away
- (2) No

Israeli weapons to Iran

*40 Mr J M BEYERS asked the Minister of Foreign Affairs

- (1) Whether his Department has (a) taken cognisance of and/or (b) investigated recent allegations in the American press on South African involvement in the transport by air of Israeli weapons to Iran, if not, why not if so, what action has been taken by his Department in this regard,
- (2) whether he or members of his Department have made a Press statement on these allegations, if not, why not, if so, (a) when, (b) where and (c) what was the purport thereof,
- (3) whether he will make a statement on the matter?

THE MINISTER OF FOREIGN AFFAIRS

- (1) (a) and (b) There were no American press reports concerning alleged South

820 000 in civil service

Dispatch Correspondent
CAPE TOWN — More than 820 000 people are employed in the civil service, including 650 277 in the central government

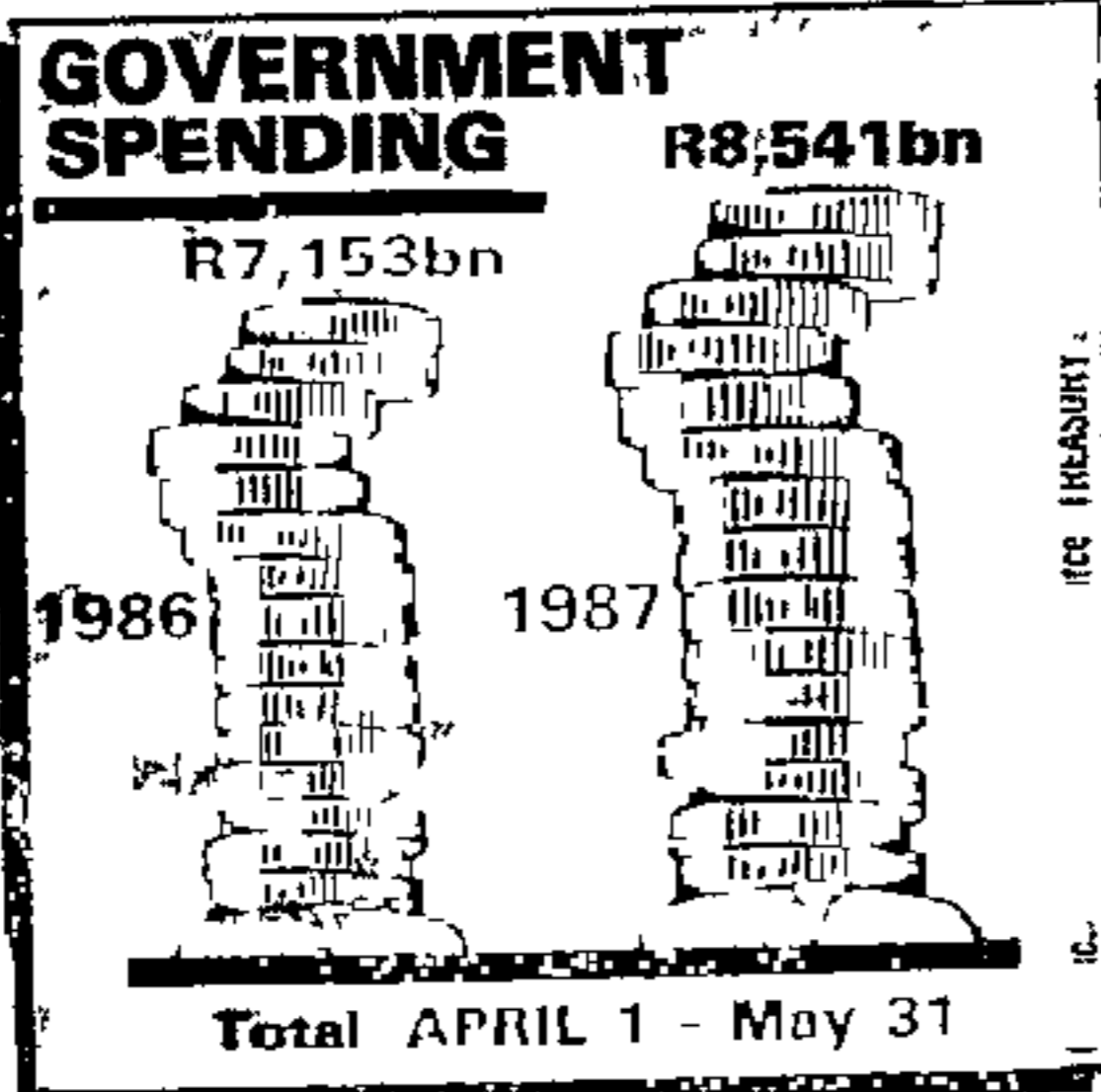
A further 39 177 people, including 13 505 academics, are employed in universities and technikons

The Commission for Administration, whose 1986 report was tabled in Parliament yesterday, said 865 385 were employed by the public service, including the non-independent homelands and parastatals.

Between September 1985 and September 1986, the number of personnel employed by the central government increased from 646 195 to 650 277, an increase of 0,6 per cent

“Apart from the current economic climate, the moderate growth in numbers of personnel may be ascribed mainly to the severe restrictions imposed on government spending in recent times

“Of the nett gain of 2 732 persons, there was a nett gain of only 355 men — evidence that men are being replaced by women, still continues,” the Commission said



8/6/87
Govt spending soars by 19,4%

By Day HELENA PATTEN
 GOVERNMENT spending during the first two months of this fiscal year was R1,39bn up on the comparable period last year to R8,54bn — an increase of 19,4%.

During May, R86bn from the Exchequer Account were just off the monthly budgeted average of R3,9bn, and down from expenditure of R4,94bn

● To Page 2 → 250

Govt spending up 19,4% for first two months

in April, which is traditionally a month of heavy spending.

Revenue receipts, on the other hand, are behind budget at a total collection of R4,61bn for April and May, and R2,46bn for May. This compares with a budgeted average of R3,20bn per month

The difference between expenditure and revenue results in a deficit of R3,93bn in the two-month period. Adding loans and other repayments, the total financing requirement to date is R9,41bn.

Borrowings so far exceed this amount at R9,79bn, including the issue of stock

← ● From Page 1
 which has raised R2,33bn this fiscal year. Thus little scope remains for more borrowing on the part of the state, if it is to remain within budget. Only R2,5bn was budgeted to be raised from the issue of RSA stock. May's issues raised R660m for the account.

Stock issued during May included R303m of 13%, 2008 (probably to the Public Investment Commissioners), R100m of 14%, 1992, R200m of 9%, 1988, R100m of 11,5%, 1990 and R10m of 14%, 1993

Capit. Times 18/6/87

State spending up by 19.4%

Own Correspondent

JOHANNESBURG — Government spending in the first two months of the current fiscal year was R1,39 billion up on the comparable period last year to R8,54 billion — an increase of 19,4%

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Banks back Leyland

Own Correspondent

JOHANNESBURG — Two SA banks are to bankroll the Leyland (SA) management buyout which is expected to be completed at the end of this month

Leyland (SA) MD Brian Fuller yesterday would not disclose the identity of the banks but said "very comfortable" credit lines had been offered to relaunch the Anglo-Dutch company's truck and bus operation in SA

"There are still a few minor loose ends to be tied up before the buyout is scheduled for completion at the end of June," he said

Fuller also disclosed the local operations of British-owned parts and accessories producer Unipart,

GOVERNMENT STOCKS

Gilty times

Long RSA stock (13% 2005) regularly trades on the capital market above long Sats stock (7,5% 2008) — at times by 25 points — on vastly smaller volumes

While it is all sovereign debt, there are those who wryly suggest that government stock should now be considered semi-gilt and public corporation stock gilt. Many a true word may be spoken in jest.

This may explain why Pretoria is showing renewed interest in the prescribed investments of insurers and pension funds, which provide a captive market for government loans (see page 46) and which the De Kock Commission recommended should be phased out.

On occasion RSA stock has even traded at a higher rate than long Eskom and Post Office (PO) stocks (see graphs).

In most countries government stock is the premier stock, against which others are measured and compared. Not so in SA, theoretically sug-

gesting the market values Sats more highly than government, and that Sats funds are more desirable in the secondary market.

If, in the primary market, Eskom, Sats, Post Office and government, for example, each issued a R500m 10-year loan, RSA stock would still probably attract the most attention and command the cheapest rate.

Eskom's 1996 issue last week is a case in point — at 15,6% it was above the equivalent RSA (then around 15,5%).

So it is not entirely accurate to assume government's borrowings are becoming more costly. Besides, government is not borrowing at the long end. What has brought about this secondary market anomaly is largely active and more sophisticated marketing by public corporations. In market jargon, they are "aggressively making markets."

They offer to buy and sell their own stock by "quoting doubles" (buy and sell quotes) at reasonable rates all the time, whether the market is rising or falling.

Some offer innovative packages — Sats' equity-linked fixed-interest issue, for instance, and its keen promotion of weekly box options. Eskom, too, recently consolidated six stocks into one massive R13,6 billion issue as a further attempt at encouraging trade by making stock more marketable.

Improving marketability makes it easier and cheaper for borrowers to raise finance.

For investors the advantages are obvious. If they suddenly want to trade they have ready buyers and sellers. Marketability is the essence of any market.

"It's simply easier to do a deal with Sats, Eskom and the Post Office," says Sanlam's Hendrik du Plessis.

By contrast the Reserve Bank, which handles government stock on Treasury's behalf, does not act as buyer of last resort, though it trades in some short- and medium-term RSA stocks.

The Bank argues it has unique and sensitive problems to contend with. If it quoted doubles the market would view the level as the official view of rates and would thus trade within the Bank's range. Furthermore, the Bank could be offered stock it does not want, making it push up its rates. This might clash with monetary policy, which happens to be keeping rates down.

To raise funds Treasury issues stock to the Bank and Public Investment Commissioners (PIC). While the PIC holds stock, the Bank sells it into the secondary market through brokers, banks and discount houses. It has the help of a captive market in that institutions must invest a minimum proportion of assets in gilts and semi-gilts under the prescribed asset requirements.

Another major reason for the downgrading of RSA stocks is lower borrowings from public corporations, in line with sharp capex cuts. This has reduced the supply of paper, pushing prices up and rates down.

But whatever the reasons, this trend points to the changing nature of SA's capital market, a market dominated by traders (especially on the long end). Marketability and liquidity are of primary consideration. No longer is long stock bought to hold, no longer is its security of primary importance. "The mentality is now one of in and out, not just in," says Federated Life's Luigi Colantoni.

This could be a further pointer to how the market is developing ahead of the authorities. Witness the rapidly expanding options market and Rand Merchant Bank's futures contract in the JSE index.

Sats' first issue was in January 1981. It now has some R4 billion in issue, R1,8 billion of which is 2008 stock and around R500m 1991. In April 1984 Sats began offering options (initially in the 12,5% 2002), and box options from August 1985.

But the major gains have come from Eskom stocks, at one time SA's premier semi-gilts paper. Since September 1985's

debt standstill, when long Eskom traded 144 points above RSA, the gap has narrowed to around parity.

Eskom's Danie du Plessis recalls how its rating took a dive at the time, as the market perceived it would be most affected by the standstill. It was then SA's largest offshore borrower.

"With the market now more comfortable and foreign debt a less crucial determinant of rates Eskom has been re-rated." Du Plessis adds that after initial reluctance the market now believes Eskom's sharp capex and borrowing cutbacks are permanent.

Since January it has been dealing in the options market, while the PO plans to join in soon. Eskom's new jumbo R13,6 billion stock is by far the largest stock on issue and could well become SA's premier stock.

Around R7 billion is held by the public, with the rest (over R6 billion) held in Eskom's internal reserves waiting to be sold into the market. Eskom's finances are well covered for the next few years. So will the anomaly persist?

For 18 months long rates have, by and large, been falling. But in a bear market the public corporations could be stuck with stock and short of money if holders scramble to sell.

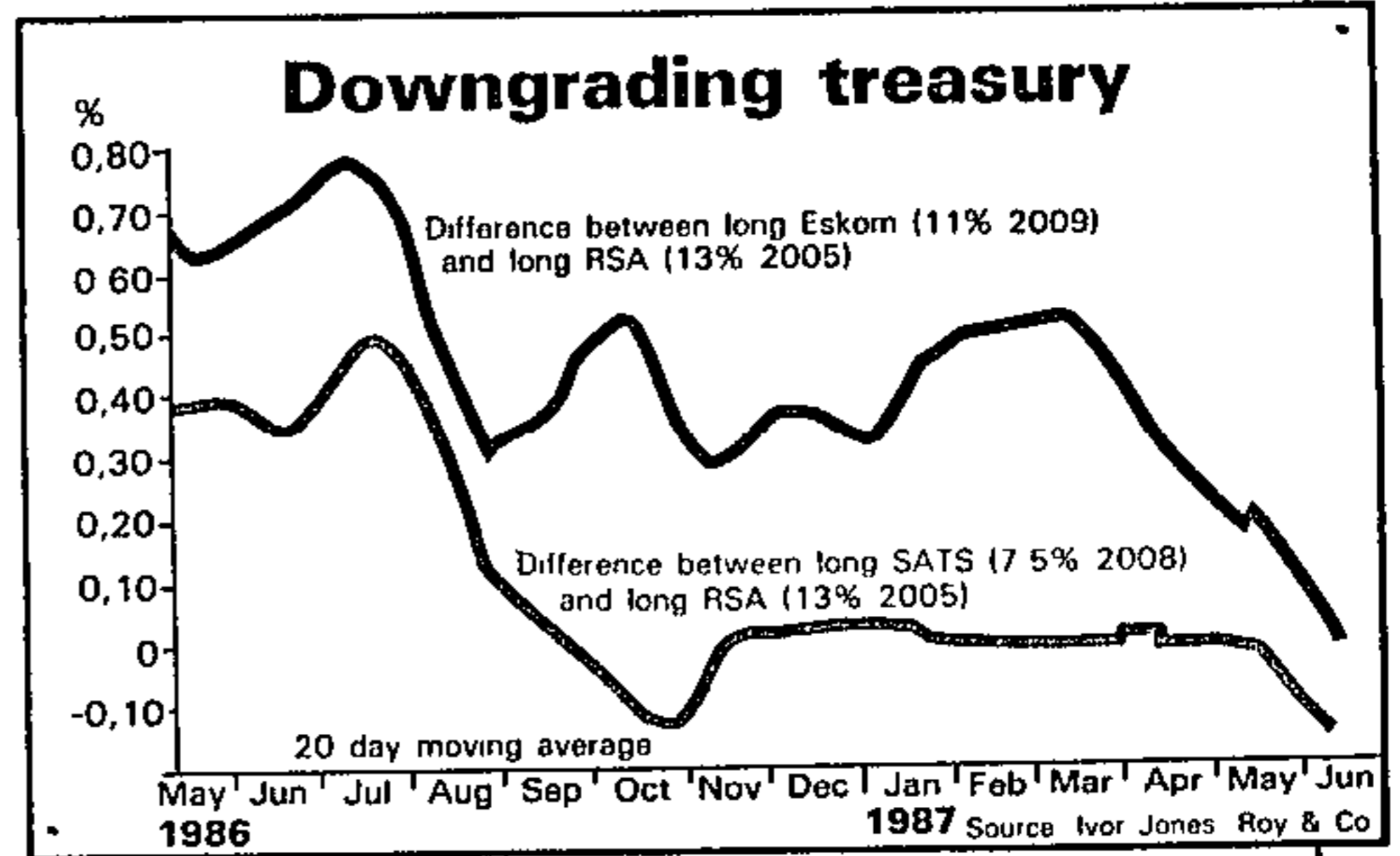
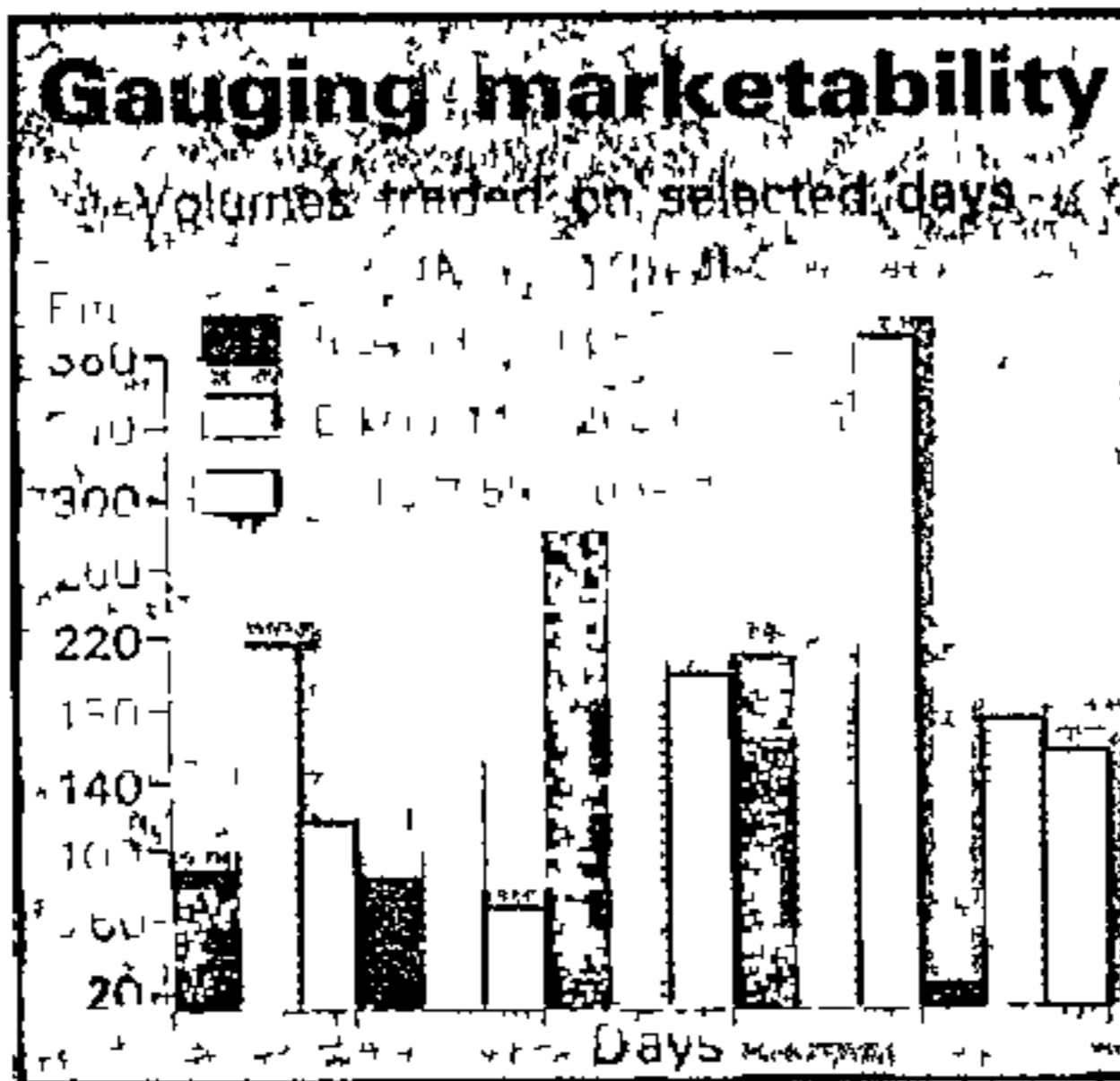
This could result in losses for public corporations, forcing them to quote uncompetitive prices or, worse still, to cancel offers to buy stock. There can be no guarantee that their aggressive marketing is a permanent feature.

The authorities, responsible for the well-being of the capital market, are known to be unhappy. What is not known is what they plan to do. The popular suggestion is that the Bank too should start marketing Treasury stock.

The problems of this have been noted. In Britain, marketmakers, acting as the Bank of England's primary dealers, are obliged to take stock from the central bank. In SA, the Reserve Bank says the market is far too small and dominated by too few participants to follow such a procedure.

Colantoni reckons structural changes in the way the Bank operates are required. "This will take time, as others found, you cannot create active markets overnight."

Indications are that alternative strategies and techniques are being considered.



Shuffling the pack

Speculation about a pending major Cabinet reshuffle (FM June 5) has been heightened by a slight, but important adjustment to deputy ministers' portfolios announced with no fanfare by President Botha

The most significant change is the appointment of Deputy Information Minister Stoffel van der Merwe as Deputy Constitutional Planning Minister in the State President's office. He also retains his Information post, but is expected to give it up soon

Former Deputy Constitutional Development and Planning Minister Piet Badenhorst is now Deputy Minister of Planning only

According to Botha's office, Van der Merwe will "liaise" with Constitutional Development and Planning Minister Chris Heunis

However, in reality he is now expected to take over a significant portion of Heunis' function as the initiator of constitutional change

Van der Merwe is regarded as the main constitutional thinker in the National Party caucus and is the author of all the party's key constitutional policy documents

His appointment and the reduction of Badenhorst's duties are seen as a further dilution of Heunis's power. Badenhorst and Heunis have always worked closely together

Van der Merwe's appointment has been linked to Botha's commitment, voiced at the opening of parliament last month, to become more personally involved in negotiations with black leaders on constitutional change

Van der Merwe is regarded as a "new Nat" and is seen to be far more tolerant than Heunis of different points of view ■

PC CALL FOR YOUTH DISCIPLINE

250
The President's Council (PC) committee on social affairs has recommended, among other things, that national service or similar training be extended to all races

The committee's report, on the "Youth of South Africa," was tabled in the PC this week

Some of its recommendations are bound to be extremely controversial and are likely to have wide-ranging political and social ramifications if accepted. They include:

- Stricter censorship to counter the "negative influence" on young people of violence, sex, drugs, alcohol and satanism,
- The establishment of "training and rehabilitation centres for intimidators and politically-motivated juvenile delinquents" in order not only to "foster in them meaningful ideals, but also to protect orderly and peace-loving members of the community from their acts of intimidation and terror,"
- The establishment of an education and

training programme with "an anti-Communist drift" to inform young people of the opportunities in business and industry and the public sector,

The setting up of "community schools" for early school-leavers where "strict discipline, in-service training and the involvement of young people in the development of the community are emphasised," and

The establishment of a Youth Council to co-ordinate youth programmes and development which will be mapped out in a Youth Strategy, and the formation of a Youth Trust to which both government and the private sector can contribute for the benefit of the Youth Strategy

The committee, chaired by Nic Treurnicht, has been busy with its investigation since February last year. The report points out that 55,6% of SA's population consists of children or young adults under 24

The report also claims that

The demand for better education and training among blacks has increased to

such an extent that it is now impossible to meet the demand adequately,

There is a tendency towards the abuse of freedom among the youth "which is revealed in the denigration of the leadership of authority and over-emphasis of individual freedom,"

Some of the music to which young people listen "breaks down high moral standards" and has a "physically and spiritually demoralising effect,"

To a large extent, the riots in SA "have the characteristics of a youth revolution;"

The "perception" among young blacks that government places them in an inferior and disadvantaged position in society is, to a large degree, the result of "faulty communication and guidance in respect of the objectives of the authorities";

The successes achieved by the End Conscription Campaign should not be underestimated, and

The present unrest is "largely a manifestation of a lack of discipline in young people"

Verifiable Diseases

Viral Hepatitis A	149	Coloureds	51	Asians	15	Blacks	57
Viral Hepatitis B	44		76		18		171
Viral Hepatitis (undifferentiated)	224		164		60		365
Yellow fever	0		0		0		0

127 Dr V S BARNARD asked the Minister of National Health and Population Development

Infant mortality

(a) What are the major causes of infant mortality for (i) Whites, (ii) Coloureds (iii) Indians and (iv) Blacks and (b) what was the percentage of deaths from each of these causes in respect of each race group for the latest specified period of 12 months for which figures are available?

128 Dr V S BARNARD asked the Minister of National Health and Population Development

Lung cancer

How many persons in each race group died of lung cancer during the latest specified period of 12 months for which figures are available?

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

Deaths due to lung cancer during 1 January 1985 to 31 December 1985 Whites 1 436 Blacks 959 Coloureds 662 Asians 60

133 Mr C D DE JAGER asked the Minister of Economic Affairs and Technology

Whether Escom is undertaking or planning certain power-supply projects in the magisterial districts of (a) Kuruman (b) Kathu and (c) Olifantshoek if so (i) what is the nature of each such project (ii) when was each project commenced or will it be commenced and (iii) what is the envisaged date of completion in each case?

The MINISTER OF ECONOMIC AFFAIRS AND TECHNOLOGY

(a) Yes
(b) Yes
(c) Yes
(i), (ii) and (iii)

Certain conditions originating in the perinatal period

Infectious and parasitic diseases

Congenital anomalies

(iv) Blacks

Certain conditions originating in the perinatal period 35.0%

Scheme	Divisional Council	No of points	Length of line	Quote date	Start date	Completion	Scheme accepted
Bermoli	Postmasburg	8	23	—	—	1986	Yes
Witboom	Postmasburg	22	65	—	—	1986	Yes
Gamagara	Postmasburg	15	38	—	May '87	Jun 87	Yes
Lovedale	Postmasburg	32	140	—	Aug '87	Dec 87	Yes
Perth	Kuruman	4	12	May '87	—	1987	Not yet

Scheme	Divisional Council	No of points	Length of line	Quote date	Start date	Completion	Scheme accepted
Grasvlei	Postmasburg	25	50	Jun 87	Aug 87	Dec 87	Not yet
Roosval	Olifantshoek	17	58	Jul 87	—	1988	*
Bilkfontein-Strelly	Kuruman	112	332	Aug 87	—	1988	*
Van Zylsrust C	Kuruman	61	167	Sept 87	—	1988	*
Van Zylsrust B	Kuruman	112	325	1988	—	1989	*
Likveld	Postmasburg	8	28	Oct 87	—	1988	*
Korannaberg	Postmasburg	36	165	1988	—	1989	*

The following schemes will be investigated and quoted from 1988 onwards

— Kuruman area
— Olifantshoek area
— Postmasburg area

Extensions in existing networks will be installed as follows

1987 Kuruman 1 km and Postmasburg 23 km 1988 Kuruman 34 km and Postmasburg, 25 km

137 Mrs H SUZMAN asked the Minister of National Health and Population Development

How many women had legal abortions in 1986 in terms of the Abortion and Sterilisation Act No 2 of 1975?

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

792

Housing units

139 Prof N J J OLIVIER asked the Minister of Constitutional Development and Planning

(a) How many housing units in Black townships were sold in freehold to Blacks during the latest specified 12-month period for which information is available and (b) in which townships are these houses situated in each case?

143 Mr R M BURROWS asked the Minister in the State President's Office entrusted with Administration and Broadcasting Services

(a) How many posts were there in the Public Service as at the latest specified date for which figures are available (b) how many such posts were vacant as at that date and (c) what percentage of persons employed in the Public Service are not White?

The MINISTER IN THE STATE PRESIDENT'S OFFICE ENTRUSTED WITH ADMINISTRATION AND BROADCASTING SERVICES

Information with regard to posts persons in the Public Service during September/October 1986 was as follows

(a) 270 119
(b) 33 722
(c) 62%

175 Mr J VAN ECK asked the Minister of Home Affairs

Whether, since 1 January 1987, any applications have been received for the issue of foreign media visas?

Foreign media

23/6/87

FM
 26/2/87

STATE-LABOUR DISPUTES

New deal coming?

Although it might seem like shutting the stable door after the horse has bolted, Sats seems ready to set up a new negotiating body for collective bargaining between railway workers and management

The suggested reform comes from the "Commission of Inquiry into the establishment of a negotiating body for the Sats relating to salaries and service conditions"

Chaired by Nic Wiehahn, the commission was appointed after wage negotiations ended "unsatisfactorily" in 1986. The suggested answer is "a credible bargaining body" in the form of the Labour Council on which management and "recognised unions" within the service would be equally represented

The report says "The importance of col-

lective bargaining in labour relations cannot be over-emphasised. The greater the conflict potential, the more essential negotiation is for the preservation of peace"

The Labour Council will differ from the present negotiating mechanisms open to Sats employees in that wage and employment disputes will be voted on. Until now recognised unions negotiated directly with management or the minister — who had the final say anyhow

However, the difference does not seem all that significant as Sats remains a government service and is therefore hardly in a position to negotiate wage rates which are prescribed in the national Budget and have to be approved by parliament

Several problems hamper good labour relations within Sats in particular, and the public sector in general. For one thing, the industrial council system generally utilised by the private sector is based on a policy of minimum State interference. But this can hardly be applied to a government employer

The proposed Labour Council, however, does offer some leeway for negotiation. But indications are that it will be met with reservations by unions, and especially labour federations like Cosatu, whose SA Railways and Harbours Workers Union affiliate does not enjoy recognition by Sats. Even if it was included, it would have probably balked at the idea of sitting at the same table as what it sees as Sats' "sweetheart unions"

The suggestion to restrict council membership to Sats workers only also runs against Cosatu's policy of negotiating agreements covering whole sectors rather than in-house arrangements with specific employers. Wiehahn says it is necessary to confine worker representation to Sats unions due to the specific nature of the service

Cosatu's union was also ignored at the representation stage, although Sats' in-house Black Trade Union was requested to submit suggestions to Transport Minister Eli Louw

But, criticisms aside, it remains generally accepted that the recent Sats strike could have been avoided had the parties possessed the necessary negotiating mechanisms and experience

First, however, Wiehahn and his commissioners will have to sell their proposals to government. Minister Louw's liaison officer, Leon Els, says Louw "in principle" accepts the idea of a Labour Council. The minister, he adds, is studying the report before making a decision. Any changes will probably entail an amendment to the Railways Act, and Louw hopes to give a clearer indication of government thinking on the matter within the next month

Acceptance of Wiehahn's recommendations would have implications for the entire public service, which faces the same restrictions as Sats when it comes to negotiating with its workers

Wiehahn believes SA cannot escape the

necessity to extend all trade union rights, *excluding the right to strike*, to the public sector. "In the case of disputes in the public sector, compulsory arbitration and mediation will be the logical measures," he says

Public Servants' Association GM Hans Olivier also rejects the right of strike action in the public sector because civil servants render essential services and he says they owe it to the public to carry these out under

all circumstances. But he admits that the negotiating machinery available to public servants is inadequate

"We want a statutory right to appeal against decisions made by government on salaries and service conditions. Workers should have the right to appeal to an authority appointed by law"

But on the strike issue labour lawyer Pat Stone disagrees. The right to strike, he reck-

ons, should be extended to Sats workers. He says there are also private sector employees — in the food industry, for example — whose work could be considered essential but still have the right to strike

The Wiehahn suggestions, in his view, tend towards "collective begging and not collective bargaining". As far as he's concerned, "if they don't have a right to strike, they can never be equal partners" ■

STOFFEL VAN DER MERWE

Talks about talks

250



Deputy Information Minister Stoffel van der Merwe recently had Constitutional Development added to his portfolio. The appointment is seen as a significant shift in the emphasis of government's reform initiative, though little of substance emerges on this score.

What do your new responsibilities entail?

An intensification of the negotiation process that is under way, aimed at creating a system of power-sharing. At the moment it is talks-about-talks. In that sense my duties are not so new. What is new is that the process has been given higher priority and assumed a new sense of urgency, as evidenced by the president's commitment to become personally involved.

What are, firstly, your short-term goals and, secondly, your longer-term objectives?

My short-term goal is to stimulate "talks-about-talks" and serve as a vehicle for the State President's closer personal involvement, the aim being to create a new dispensation for SA.

Does this mean you will act more as an emissary for the president than a constitutional planner?

Both, in the sense that I need a working idea of where I can go. As the process evolves, the model has to be constantly adapted to achieve consensus.

Will this process lead to the establishment of the National Council (NC) or will it be conducted parallel to whatever happens in the NC?

At this stage that is an open question. **Why should the National Council succeed when a number of proposed forums with similar goals announced since 1984 have failed?**

Last year the unrest was counter-productive in that it was difficult for black leaders to come forward. A perception had also developed that the NP government was on the verge of collapse, and of course no one talks to a government on the verge of collapse, no one wants to become the Muzorewa of SA. The actions of government over the past year demonstrate that it has no intention of capitulating and submitting to black majority

rule. There is no way anyone can take over the country without reckoning with us. This perception is getting through and is conducive to negotiation. The (white) election has also cleared the air and shown more clearly where we want to go.

Do you believe the NC will be established this year?

I don't want to commit myself on that yet. I might have a better idea in a month's time or so.

Is the NC still envisaged as an instrument through which blacks will have a say in government?

That is a secondary consideration. Its main purpose is to serve as a platform for talks about a future system. One knows that these talks will take time, for that reason, as soon as we have a body of black people (in the NC), it can serve immediately as a vehicle through which they can have at least some input into the process (of government). **Will the elevation of the CP to the status of Official Opposition have a detrimental effect on the negotiating process?**

Not much. Even before the election the debate in the House of Assembly was between government and the CP, which was the most important opposition party. In any case they didn't really win their position, they got it by default in that the PFP did so badly. I don't want to discount the rightwing, the potential exists for a sudden swing to the Right, but the best way to counter it is to eliminate uncertainty over where we are going.

Is it possible to have meaningful talks with representative black leaders before scrapping the remaining apartheid measures, as is demanded in black communities?

One gets a little uptight about that. On the one hand people accuse us of acting unilaterally, the converse of which is acting in consultation. If (black leaders) don't want to come forward to become part of the reform process, but want us to act unilaterally until reform is complete, there will be nothing left to negotiate.

Government seems to see the scrapping of apartheid measures as an issue for negotiation, while black leaders want the remaining apartheid laws abolished before they will talk about wider issues. **Is this not a serious obstacle?**

A whole new SA needs to be set up. The sooner black leaders become involved the better the chances that the SA of the future will be to their liking. What is the sense, for example, of a black leader saying he doesn't want to be part of the process in which the Group Areas Act (GAA) is discussed? The logic escapes me.

To what extent is public posturing, by both black leaders and government, on an issue such as GAA an obstacle to the negotiating process, even behind the scenes, on wider issues?

Many unnecessary and invalid barriers are created by public posturing. We should talk, even if it is about the reasons why we should not talk, so that we can at least get misunderstandings out of the way and agree about our differences.

At some stage government will surely have to talk to the ANC. How do you bridge the gap that now separates you?

The real problem is that the ANC and a person like Nelson Mandela are so publicly and ideologically committed to a policy of violence that there is no way in which the ANC can be unbanned or Mandela released without legitimising violence as a political instrument, and probably creating a situation in which negotiation would be out of the question. While the ANC sticks to its attitude, nothing much can be done. You either talk or you fight, you can't do both at the same time.

The reasons why the ANC originally opted for violence no longer exist. It is continuing violence merely for the sake of power, which is something different (to negotiations), so it is power against power until it is willing to become part of the peaceful process. But then again, if a person says "I will not negotiate until such time as...", let's talk about it and see if there is a way we can define both our differences and our common ground.

Should negotiation be low-profile, or should you be seen to be negotiating?

Ideally, one should be seen to be negotiating, but one must distinguish between negotiating and public posturing. I don't believe negotiations should take place in public, though they should be visible, which is only possible if the threat of necklacing is effectively neutralised. ■

NIS denies ANC kidnapping claim

PRETORIA — A spokesman for South Africa's National Intelligence Service (NIS) has denied allegations that South African security services were involved in an alleged plot in England to kidnap ANC members.

The allegation was made in yesterday's issue of the London Daily News following the appearance in court in London yesterday of three men in connection with a kidnapping plot.

The NIS spokesman said: "As a rule we don't comment on press reports, but should we be accused of such a plot

then it is totally untrue because we are not involved at all."

The London Daily News said agents employed by the South African Bureau for State Security (Boss) planned to use Britain as a base for a series of attacks against the ANC.

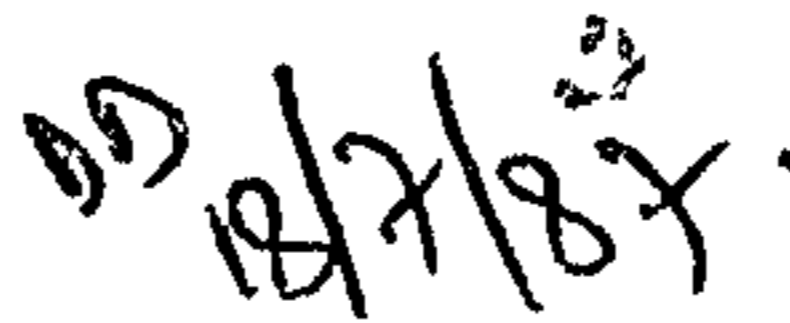
The Bureau for State Security's was first renamed the Department of National Security and then the National Intelligence Service.

The paper did not link its report to the appearance of the three men in court. — Sapa.

Fourth arrest P 9







GOVERNMENT'S use of foreign loans frozen under the debt standstill agreement will raise State expenditure to a level that will be difficult to lower in future, Senbank says in its latest Capital Market Report

Senbank says the substantial annual increases in government spending has given rise to an ever-widening deficit before borrowing

In an effort to ease the pressure on the capital market, government has used foreign funds frozen under the debt standstill agreement

These foreign funds, invested with the Public Investment Commissioners in terms of the debt moratorium, amounts to about R2,5bn

Of this amount, about R1bn was used to finance the deficit of the central government in the previous fiscal

Govt spending raising deficit

24/7/87 (250) B/Oby

GRETA STEYN

year, while it is intended to use a further R1,2bn for the same purpose in the current fiscal year

Senbank says the funds cannot be regarded as a future source of income, and will have to be replaced by funds from the capital market.

This will put pressure on capital market rates next year and probably result in a surplus supply of stock of about R1,2bn

"The authorities, as well as all other participants in the capital market, would do well to heed the underlying hazards involved in this method of financing," Senbank says

ary employees when the detained employees are released by the Police?

the enrolled number of pupils per school per annum

THE MINISTER OF LAW AND ORDER

(1) Yes Three persons

(2) No, nil

(a) Falls away

(b) Falls away

Primary/secondary schools

181 Mr C J DERBY-LEWIS asked the Minister of Education and Development Aid

What are the criteria applied by the Department of Education and Training in determining the number of teaching staff allocated to (a) primary and (b) secondary schools for Blacks?

THE MINISTER OF EDUCATION AND DEVELOPMENT AID

Teaching personnel at schools are allocated according to specific approved post provisioning scales and are calculated on

Period 1 9 85 to 31 8 86

(a) 1 716

(b) USA

Australia	Kenya
Belgium	Lesotho
Botswana	Malawi
Bulgaria	Mauritius
China	Mozambique
Germany	Netherlands
France	New Zealand
Greece	Austria
Ireland	Pakistan
India	Philippines
Iraq	Poland
Israel	Portugal
Italy	Romania
Japan	Russia
Canada	Seychelles
	Scotland
(c) Cape Province	R236 384,82
Natal	R28 217,00
OFS	R766 745,60
Transvaal	R405 507,15
(d) Cape Province	R133 158,82
Natal	R22 666,00
OFS	R394 635,60
Transvaal	R227 524,78

Marasmus/kwashorkor

185 Dr M S BARNARD asked the Minister of National Health and Population Development

How many cases of (a) marasmus and (b) kwashorkor were reported in each of the latest specified three years for which figures are available?

THE MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

(a) Marasmus

July 1984—June 1985

July 1985—June 1986

July 1986—June 1987

2 147

3 103

1 087*

(b) Kwashorkor

July 1984—June 1985

July 1985—June 1986

July 1986—June 1987

1 250

1 263

694*

* Final figures are not yet available

University of Natal, teaching hospital

187 Dr M S BARNARD asked the Minister of National Health and Population Development

(1) Whether a new teaching hospital is to be built for the medical school of the University of Natal, if not, why not, if so, (a) when will construction (i) commence and (ii) be completed and (b) how many beds will be provided in this hospital,

(2) whether this hospital will be fully integrated, if not, why not?

THE MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

(a) to (c) No separate record has been kept regarding the increase in the number of officials due to the new constitutional dispensation. To try and determine it at this stage, will be difficult and time consuming.

The general picture regarding the percentage increase, per grouping, in the central departments and provincial administrations for the year ending 30 September 1986, was as follows

	Number	%	Increase 1985-1986	%
Labourers	143 729	22,1	-99	-0,07
Educators	166 559	25,6	6 859	4,3
Nursing	60 822	9,4	1 366	2,3
Services	118 646	18,2	7 064	6,3
Other	160 521	24,7	-11 108	-6,5
Total	650 277	100	4 082	0,6

Broad occupational composition of the central departments and provincial administrations (September 1986) and percentage increase per grouping (1985-1986)

Public-service officials

(2) Bed allocation not as yet determined

(b) 1 025 beds

(1) Yes
(a) (i) and (ii) Not determinable as yet Hospital in early planning stages

191 Mr A GERBER asked the Minister in the State President's Office entrusted with Administration and Broadcasting Services

Whether there has been an increase in the number of officials in the Public Service since the implementation of the new constitutional dispensation, if so, (a) what increase, (b) how many of these officials have been employed since 1983 as a result of the new constitutional dispensation, (c) what is the total cost to the country involved in this increase in public servants and (d) in respect of what date is information furnished?

THE MINISTER IN THE STATE PRESIDENT'S OFFICE ENTRUSTED WITH ADMINISTRATION AND BROADCASTING SERVICES

Yes

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The "other" in the table refers to people that are divided into more than 500 occupational classes—amongst them engineers, scientists, administrative personnel, legal personnel, clerks, artisans, technicians and caretakers

From this it can be deduced that the increases which did occur (educators, nursing and Services personnel) had nothing to do with the implementation of the constitutional dispensation

(d) 1 October 1985 to 30 September 1986

State Security Council

194 Mr C W EGLIN asked the State President

- (1) How many meetings of the (a) State Security Council and (b) working committee of this council were held in 1986,
- (2) whether any officials of the State have been seconded to work for the secretariat of the State Security Council, if so, (a) for what period in each case, (b) from what Departments, (c) how many officials from each such Department, (d) what percentage of the staff of the secretariat is seconded and (d) in respect of what date is this information furnished?

The STATE PRESIDENT

- (1) The State Security Council and the work committee of this council meet as required. The time, place, attendance and frequency vary
- (2) Officials from various departments are seconded to the Secretariat of the State Security Council according to varying requirements for under-estimated periods since the establishment thereof. If the honourable member requires more information about the Security Management System, he is welcome to discuss it with the State President

199 Mr R R HULLEY asked the Minister of Finance

What total revenue did the State receive from general sales tax on petrol sales during each of the latest specified five years for which figures are available?

The MINISTER OF FINANCE

Statistics which distinguish between collections of sales tax in respect of the sale of petrol and the sale of other petroleum products are not maintained. At all events the disclosure of any information relating to petrol sales without the written permission of the Minister of Economic Affairs and Technology would be contrary to the regulations made under the provisions of section 4A of the Petroleum Products Act, 1977 (Act No 120 of 1977)

Teacher/pupil ratio

214 Prof N J J OLIVIER asked the Minister of Education and Development Aid

What teacher/pupil ratio was applicable in (a) primary and (b) secondary schools in each departmental region of the Department of Education and Training as at the latest specified date for which information is available?

The MINISTER OF EDUCATION AND DEVELOPMENT AID

Region	(a)	(b)
Northern Transvaal	1 39 51	1 32 14
Highveld	1 39 99	1 30 50
Johannesburg	1 34 40	1 27 75
Orange-Vaal	1 42 20	1 38 55
OFS	1 40 95	1 35 11
Natal	1 37 98	1 28 90
Cape	1 39 71	1 28 36

Information as on 4 March 1986

Sandton

225 Mr D J DALLING asked the Minister of Constitutional Development and Planning

- (1) How many applications were received during the period 1 June 1986 to

31 May 1987 from (a) Coloured, (b) Indian and (c) Black persons to (i) occupy and (ii) own residential property in areas proclaimed for occupation by White persons in Sandton,

- (2) how many such applications (a) had been (i) granted and (ii) refused and (b) were pending as at 31 May 1987

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

- (1) Yes
 - (a) Falls away
 - (b) The Department of Education and Training
- (2) Yes
 - (a) Further sports facilities will be provided according to the need, the development program and the availability of funds
 - (b) The estimated cost of providing the required sports facilities for the whole of Khayelitsha is ± R50 million
- (c) (i), (ii), (iii) and (iv) The variety and quantity will depend on the need of the community

Blacks of school-going age

226 Mr R M BURROWS asked the Minister of Education and Development Aid

- (1) Whether, with reference to his reply to Question No 72 on 20 February 1987, his Department has now made a calculation of the number of Black persons of school-going age in the Republic who are not attending school at present, if not, why not, if so, (a) what is the total number involved, (b) on what basis was the calculation made and (c) in respect of what date is this information furnished,
- (2) whether he will furnish information on the number of Black persons of school-going age in the national states who are not attending school at present, if not, why not, if so, (a) what is the total number involved in

respect of each of the national states, (b) on what basis was this number calculated in each case and (c) in respect of what date or dates is this information furnished?

The MINISTER OF EDUCATION AND DEVELOPMENT AID

- (1) No. The information required will only be available by the end of October 1987
 - (a) Falls away
 - (b) Falls away
 - (c) Falls away
- (2) No. The Departments of education of the various self-governing states are autonomous, and all information with the exception of that published with the permission of these departments in the annual reports of the Department of Education and Training, is the responsibility of the government of each state
 - (a) Falls away
 - (b) Falls away
 - (c) Falls away

Detainees: doctors

236 Dr M S BARNARD asked the Minister of National Health and Population Development

- (1) Whether a panel of private doctors has been appointed by the Medical Association of South Africa to attend to detainees, if so, (a) when was it appointed and (b) what are the names of the doctors on this panel,
- (2) whether the names of these doctors are made available to detainees and their parents, if not, (a) why not and (b) what procedure are they to follow to find out the names of these doctors, if so, how are the names made available to detainees and their parents,
- (3) (a) under what circumstances may detainees request that they be attended to by private doctors and (b) how many detainees (i) requested

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HQA

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ary employees when the detained employees are released by the Police?

The MINISTER OF LAW AND ORDER

- (1) Yes Three persons
- (2) No, nil

- (a) Falls away
- (b) Falls away

Primary/secondary schools

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What are the criteria applied by the Department of Education and Training in determining the number of teaching staff allocated to (a) primary and (b) secondary schools for Blacks?

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Teaching personnel at schools are allocated according to specific approved post provisioning scales and are calculated on

Period 1 9 85 to 31 8 86

- (a) 1 716

- (b) USA

Australia	Kenya
Belgium	Lesotho
Botswana	Malawi
Bulgaria	Mauritius
China	Mozambique
Germany	Netherlands
France	New Zealand
Greece	Austria
Ireland	Pakistan
India	Philippines
Iraque	Poland
Israel	Portugal
Italy	Romania
Japan	Russia
Canada	Seychelles
	Scotland
(c) Cape Province	R236 384,82
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Transvaal	R405 507,15
	R133 158,82
(d) Cape Province	R22 666,00
Natal	R394 635,60
OFS	R227 524,78
Transvaal	

the enrolled number of pupils per school per annum

The approved post provisioning scales make provision for an average of one teacher for 28 pupils at secondary schools and one teacher for 38 pupils at primary schools

Hospitals, foreign patients

184 Dr M S BARNARD asked the Minister of National Health and Population Development

- (a) How many foreign patients were treated in State-financed hospitals in each province during the latest specified period of 12 months for which figures are available, (b) from which countries did these patients come, (c) what was the total cost to each province of these patients and (d) what amount of the fees payable was recovered from these patients in respect of each province?

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

Spain	St Helena
Swaziland	Switzerland
Taiwan	Tasmania
Thailand	Tristan da Cunha
United Kingdom	Zambia
Zaire	Zimbabwe

Marasmus/kwashiorkor

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How many cases of (a) marasmus and (b) kwashiorkor were reported in each of the latest specified three years for which figures are available?

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

(a) Marasmus	
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July 1986—June 1987	1 087*
(b) Kwashiorkor	
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July 1985—June 1986	1 263
July 1986—June 1987	694*

* Final figures are not yet available

University of Natal teaching hospital

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- (1) Whether a new teaching hospital is to be built for the medical school of the University of Natal, if not, why not, if so, (a) when will construction (i) commence and (ii) be completed and (b) how many beds will be provided in this hospital,
- (2) whether this hospital will be fully integrated, if not, why not?

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

- (1) Yes
 - (a) (i) and (ii) Not determinable as yet Hospital in early planning stages
 - (b) 1 025 beds
- (2) Bed allocation not as yet determined

Public-service officials

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Whether there has been an increase in the number of officials in the Public Service since the implementation of the new constitutional dispensation if so, (a) what increase, (b) how many of these officials have been employed since 1983 as a result of the new constitutional dispensation, (c) what is the total cost to the country involved in this increase in public servants and (d) in respect of what date is this information furnished?

The MINISTER IN THE STATE PRESIDENT'S OFFICE ENTRUSTED WITH ADMINISTRATION AND BROADCASTING SERVICES

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Total	650 277	100	4 082	0,6

Broad occupational composition of the central departments and provincial administrations (September 1986) and percentage increase per grouping (1985-1986)

Cape Times 30/7/87

Ministers' homes to cost R3,35m

250

Political Staff

THE five houses being constructed in Walmer Estate in Cape Town for the members of the House of Representatives Ministers' Council were expected to cost R3,35 million, the Minister of Public Works, Mr Piëtte du Plessis, said yesterday.

The total estimated cost of R3 350 000 included construction work, site works and services such as roads, water, sewerage, stormwater drainage and electricity as well as security measures and recreational and garden facilities, he said.

Mr Du Plessis, who was replying to a question tabled by the Leader of the Opposition in the House of Representatives, Mr Charles Redcliffe, said the houses were being built in Vredehoek (Walmer) on land previously zoned as public open space and a service road from Christians Street was part of the site works.

The ministerial homes had been designed by Pieter Pelsler and Associates.

The land for the homes was obtained from the Cape Town City Council, Mr Du Plessis said.

Privatization: Govt gives details

Political Staff

THE government has spelt out its attitude on privatization and deregulation in a white paper tabled in Parliament yesterday by Mr Alwyn Schlebusch, the Minister in the State President's office entrusted with administration and broadcasting services

In tabling the white paper, Mr Schlebusch cautioned that the privatization process should not be seen as an end in itself, but essentially as a means of improving economic performance by

□ The more effective use of available production factors such as capital, manpower, material,

□ Optimizing market forces in order to allow demand and supply to determine as far as possible the production of services and products,

□ Increasing the percentage of private sector, and decreasing the percentage of public sector net fixed investment, thereby reversing a trend established over past years

Mr Schlebusch declared that government policy will in future be dictated by the following guidelines

□ State consumption expenditure must be curtailed as far as possible,

□ Services in respect of which the state accepts responsibility must be provided to an extent and at a standard which the country can afford,

□ Social services must as far as possible be focused on the really needy,

□ Personnel expenditure must be kept in check,

□ Services must as far as possible be provided on an economic basis on the user-charge principle,

□ Wherever possible, state business enterprises and public corporations will be run on a profit-and-loss basis with targetted return on capital as the criterion,

□ Other semi-government organizations must, wherever possible, be operated on business principles,

□ Trading accounts will be instituted and business-orientated control applied wherever possible in respect of all of the state's commercial activities,

□ Investment in buildings will be curbed by means of rationalization,

□ Viability studies will be conducted before economic projects requiring large capital investments are undertaken,

□ Government guarantees for loans will be limited and controlled more strictly

The white paper sets out the privatization methods government is prepared to countenance, and the guidelines and criteria which dictate those decisions

Mr Schlebusch said yesterday the government was not in favour of selling public-sector enterprises or assets to the private sector just to obtain the non-recurring additional income from the proceeds. But it is prepared to consider the sale of such assets if it is convinced that this will be in the long-term interests of South Africa

He said the government was also not prepared to sell undertakings in any way that will result in a private sector monopoly

Partnerships were envisaged where it would not be considered acceptable to transfer an existing state enterprise to the private sector in its entirety, or where the nature or extent of a new enterprise would require the involvement of the state

Partnerships could include the acquisition of shares by the private sector in new or existing state undertakings as an interim or permanent arrangement

The report concludes that such a partnership arrangement may be appropriate in the case of natural monopolies or when, for special reasons, full private ownership is deemed not to be in the interest of the country

The government is also in favour of arrangements whereby facilities that cannot be used fully by the public sector can be leased to the private sector

Privatization bid, but no State sales

Political Staff

THE government's privatization initiative, spelt out in a white paper tabled in Parliament yesterday, stops short of placing the "for sale" sign outside any State or semi-State body

□ Government spokesmen have been at considerable pains to stress that the sale of public sector assets ranks fairly low in the list of priorities governing privatization.

□ South Africa is not about to emulate the example established in Britain.

□ The government stresses that it is not in favour of selling public sector enterprises or assets to the private sector just to obtain the non-recurring additional income from the proceeds.

□ Nor is it prepared to sell undertakings that will in any way result in private sector monopolies.

□ Government sources indicated yesterday that the privatization policy outlined in the white paper has purposefully not been specific — because the Cabinet remains divided on which State assets should be sold and how this should be effected.

□ The white paper does, however, signal the start of an intensified three-year programme, during which special further attention is to be given to privatization and deregulation, with the aim of curbing the public sector's involvement in the economy.

□ This is to be orchestrated directly from the State President's office, under the stewardship of Dr Alwyn Schlebusch, the Minister entrusted with administration and broadcasting services

- (2) (a) how many such persons were employed in each of the eight most senior post levels in his Department, (b) how many of these persons were (i) male and (ii) female and (c) to which population group did each of these persons belong,

(3) (a) what will be the applicable salaries and/or salary scales of each of the eight most senior post levels in his Department with effect from 1 July 1987 and (b) what financial and other specified benefits will be applicable to each of these posts levels as at 1 July 1987?

	(2) (a)	(2) (b)	(2) (c)	(3) (a)	(3) (b)	(3) (c)
R105 894 per annum	1	(i) Men 88	White	R119 136 per annum (fixed)		
R67 530 per annum	1	(ii) Women 5		R75 993 per annum (fixed)		
R62 205 per annum	4			R70 017 per annum (fixed)		
R55 278 per annum	8			R62 199 per annum (fixed)		
R48 843 per annum	22			R54 954 per annum (fixed)		
R43 446 - 45 072	11			R48 879 - 50 709		
R38 568 x 1 626 - 41 820	33			R33 624 - 34 803 x 1 431 -		
R29 871 - 30 918 x 1 275				39 096/40 527 x 1 431 - 43 389		
- 34 743,36 018 x 1 275				x 1 830 - 47 049		
- 38 568 x 1 626 - 41 820	13					

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

(1) 6 644 persons

(b)	Salary per annum R	Service Bonus per annum R	Housing Subsidy per annum R	Motor Financing Scheme per annum R	Total per annum R
	119 136	9 233	4 536	37 704	170 609
	75 993	5 889	4 536	27 456	113 874
	70 017	5 426	4 536	27 456	107 435
	62 199	4 820	4 536	21 768	93 323
	54 954	4 258	4 536	14 736	78 484
	49 794	3 859	4 536	—	58 189
	45 219	3 504	4 536	—	53 259
	40 336	3 126	4 536	—	47 998

Crossroads upgrading

264 Mr K M ANDREW asked the Minister of Constitutional Development and Planning

- (1) Whether, with reference to his reply to Question No 144 on 23 February 1987, the upgrading of the Crossroads area has been completed, if not, what remains to be completed, if so, how many persons can be accommodated in this upgraded portion of Crossroads,
- (2) whether any persons have been allowed to settle in this upgraded portion, if so, how many,
- (3) whether officials of his Department were in possession of a list of persons requiring housing in this portion from which a selection was made for settlement purposes, if not, what procedure was followed in this regard, if so, (a) who drew up this list, (b) how many names were on the list and (c) how many of these persons were living in this portion of Crossroads at the time it was devastated by unrest,

HoA *Andrew 1,10/17*

- (4) what other procedures have been or will be followed in selecting persons who may settle in the upgraded portion of Crossroads,
- (5) whether any persons have been unable to be accommodated in the Crossroads area following upgrading, if so, (a) how many and (b) what action is being taken in respect of these persons?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

(1) No The Town Committee of Crossroads has decided to investigate the possibility of providing formal housing. The above committee has furthermore decided that alterations be brought about on the layout plan to provide larger sites in the area referred to

(2) No

(3) No This function is vested in the Town Committee of the relevant area and is currently being considered by the committee in question

(4) and (5) Fall away

(1) because certain policy and executive actions are still in process and because the scheme does apparently not appeal to the inhabitants of certain townships

(ii) (aa) Sobantu
KwaMevana
Shayamoya
Mfuleni
Bongoletu
Hankey
Kareedouw
Klipplaat
Lady Grey
Richmond
Steytlerville
Ugie
Maclear
Victoria West
Verkeerdevier
Vanstadensrus

99-year leasehold scheme

274 Mr K M ANDREW asked the Minister of Constitutional Development and Planning

- (1) Whether the (a) 99-year-leasehold scheme is in operation, and (b) right to hold freehold title to land applies, in all Black townships in the Republic, if not, (i) why not and (ii) in respect of which townships is this (aa) scheme and (bb) right not applicable,
- (2) in respect of what date is this information furnished?
- THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING**
- If the hon member's question refers to townships within urban areas of the Republic of South Africa, the answer is as follows
- (1) (a) No

HoA *Andrew 7/10/17*

Indicates translated version
For written reply
General Affairs

Full-time employees

147 Mr R M BURROWS asked the State President

- (1) What was the total number of persons employed in a full-time capacity in the State President's Office as at the latest specified date for which information is available,
- (2) (a) how many such persons were employed in each of the eight most senior post levels in his Office, (b) how many of these persons were (i) male and (ii) female and (c) to which

7/8/87 250

population group did each of these persons belong.

- (3) (a) what will be the applicable salaries and/or salary scales of each of the eight most senior post levels in his Office with effect from 1 July 1987 and (b) what financial and other specified benefits will be applicable to each of these post levels as at 1 July 1987?

The STATE PRESIDENT

(1) 137 specified date 8 June 1987

(2) (a) Postlevel	Number of persons employed
1	1
2	4
3	8
4	15
5	12
6	11
7	2
8	4

(c) Whites 57, Coloureds Nil, Indians Nil, Blacks Nil

(3) (a) Post Salary scale with effect from 1 July 1987

- 1 R119 136
- 2 R62 199
- 3 R54 954
- 4 R43 389 × 1 830 - 47 049
- 5 R33 624 - 34 803 × 1 431 - 37 665
- 6 R25 371 × 1 179 - 30 087
- 7 R19 068 × 789 - 22 224/22 224 × 789 - 23 013 × 1 179 - 26 550
- 8 R15 912 × 789 - 22 224

(3) (b) (i) Annual Service bonus that amounts to 93% of one month's salary

(ii) Housing Subsidy on interest and capital redemption up to a maximum of a housing loan of R50 000,00, subject

to the compliance with certain conditions

(iii) Car Financing Scheme for officers occupying posts in the *management echelon* (ie those officers who are in receipt of an annual salary of R54 954 fixed and higher) The amount payable varies for each level as it is based on an officer's grading

Full-time employees

149 Mr R M BURROWS asked the Minister in the State President's Office entrusted with Administration and Broadcasting Services

(1) What was the total number of persons employed in a full-time capacity in his Department as at the latest specified date for which information is available,

(2) (a) how many such persons were employed in each of the eight most senior post levels in his Department, (b) how many of these persons were (i) male and (ii) female and (c) to which population group did each of these persons belong,

(3) (a) what will be the applicable salaries and/or salary scales of each of the eight most senior post levels in his Department with effect from 1 July 1987 and (b) what financial and other specified benefits will be applicable to each of these post levels as at 1 July 1987?

The MINISTER IN THE STATE PRESIDENT'S OFFICE ENTRUSTED WITH ADMINISTRATION AND BROADCASTING SERVICES

(1) 857 specified date 10 June 1987

(2) (a) Postlevel	Number of persons employed
1	1
2	1
3	4
4	19

(2) (a) Post level Number of persons employed

- 5 59
- 6 1
- 7 32
- 8 1

(b) (i) 112

(ii) 6

(c) Whites 118, Coloureds Nil, Indians Nil, Blacks Nil

(3) (a) Post Salary scale with effect from 1 July 1987

- 1 R119 136
- 2 R70 017
- 3 R62 199
- 4 R54 954
- 5 R43 389 × 1 830 - 47 069
- 6 R32 445 × 1 179 - 41 958
- 7 R34 803 × 1 431 - 39 096
- 8 R34 803 × 1 431 - 37 665

(b) (i) Annual Service bonus that amounts to 93% of one month's salary

(ii) Housing Subsidy on interest and capital redemption up to a maximum of a housing loan of R50 000,00, subject to the compliance with certain conditions

(iii) Car Financing Scheme for officers occupying posts in the *management echelon* (ie those officers who are in receipt of an annual salary of R54 954 fixed and higher) The amount payable varies for each level as it is based on an officer's grading

in the Bureau for Information as at the latest specified date for which information is available,

(2) (a) how many such persons were employed in each of the eight most senior post levels in the Bureau, (b) how many of these persons were (i) male and (ii) female and (c) to which population group did each of these persons belong,

(3) (a) what will be the applicable salaries and/or salary scales of each of the eight most senior post levels in the Bureau with effect from 1 July 1987 and (b) what financial and other specified benefits will be applicable to each of these post levels as at 1 July 1987?

The DEPUTY MINISTER OF INFORMATION

(1) 499 specified date 4 June 1987

(2) (a) Postlevel	Number of persons employed
1	1
2	3
3	8
4	21
5	39
6	0
7	50
8	5

(b) (i) 84

(ii) 43

(c) Whites 122, Coloureds 1, Indians 3, Blacks 1

(3) (a) Post Salary scale with effect from 1 July 1987

- 1 R70 017
- 2 R62 199
- 3 R54 954
- 4 R43 389 × 1 830 - 47 049
- 5 R33 624 × 1 179 - 34 803 × 1 431 - 37 665
- 6 R30 087 × 1 179 - 34 803
- 7 R25 371 × 1 179 - 30 087
- 8 R20 646 × 789 - 23 013 × 1 179 - 25 371

Full-time employees

150 Mr R M BURROWS asked the Deputy Minister of Information

(1) What was the total number of persons employed in a full-time capacity

Top officials' pay beats private sector's

TOP civil servants earn about R20 000 more than their private sector counterparts.

That is the view of top executives approached last night to comment on the salaries of top officials, disclosed in Parliament yesterday

In reply to a question from Roger Burrows (PFP Pinetown), Minister of Constitutional Development and Planning Chris Heunis said the top civil servant in

HELOISE HENNING

his department earned a package of R170 609, SAPA reports

This consisted of a salary of R119 136, a R9 233 bonus, a R4 563 housing subsidy and a R37 704 motor financing scheme.

The department employed 664 people

Business Day yesterday canvassed management-placement services and

71887
250
250
executives on this package

Most felt an MD who headed a company employing 700 people would not earn more than a R150 000 package, and most expressed surprise at the size of the car allowance

Others were sceptical whether the whole package had been disclosed, a source saying his "inside" information was that top civil servants got perks in excess of R60 000

.. ..

(3) whether any ordinary members of regional services councils have been appointed, if so, (a) when and (b) what are their names, if not, when will they be appointed,

(4) whether such ordinary members will

receive any (a) remuneration and (b) fringe benefits, if so, (i) (aa) what will be the amount of such remuneration and (bb) how will it be calculated, (ii) what fringe benefits will they receive and (iii) from what budgetary account will the said remuneration and fringe benefits be paid?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

(a) Councils	(b) Chairmen	(c) (i) Remuneration
Algoa	J W Kleinbans	R90 750
East Rand	L Ferreira	R90 750
Pretoria	P Delpoit	R90 750
Central Witwatersrand	G Bornmann	R90 750
Western Cape	P J Loubser	R90 750
Bloem-aria	D F van Tonder	R44 550
West Rand	N de Bruin	R74 250
Walvis Bay	CL de Jager	R24 750

(c) (ii) The above-mentioned remuneration represents the total package

between R100 and R220 per session day

(bb) The level of remuneration are determined on a differentiated basis according to the variety of functional tasks, complexity and degree of responsibility of a RSC. A members' applicable session allowance is determined by the level of responsibility and complexity of a RSC (metropolitan, urban or rural RSC)

(2) No

(3) No The members of a regional services council are not appointed, but are nominated by each local body of a region from among its own members in terms of section 6 (2) of the Regional Services Council Act, 1985 (Act No 109 of 1985)

(4) (a) Members will only receive a daily session allowance according to a decision pursuant upon section 8 (4) of the Regional Services Council Act, 1985

(b) No

(i) (aa) The allowance varies

(ii) None

(iii) From the applicable RSC's budget account

Indicates translated version

For written reply

General Affairs

Ministers/Ministerial Representatives: duties/responsibilities

325 Mr F J LE ROUX asked the State President +

What, apart from the powers, functions and duties of the persons to whom he referred in his reply to Question No 1 on 28 July 1987, is the (a) list of duties and (b) field of responsibility of each (i) Cabinet Minister, (ii) Deputy Minister, (iii) (aa) Minister and (bb) Deputy Minister in the Ministers' Council of the House of Assembly and (iv) Ministerial Representative for the Ministers' Council of the House of Assembly at present?

The STATE PRESIDENT

(a) and (b) (i), (ii) and (iii) There are no written lists of duties for Ministers and Deputy Ministers. The duties and responsibilities of the office bearers concerned arise from the Acts under their administration, the administrative matters for which they are responsible in terms of the government departments, or affairs which they administer, the policy-making within the ambit of their activities, convention which arises from the handling of matters through the years, as well as actions that may result from regular consultations between the State President and Ministers.

(aa) and (bb) (iv) The Chairman of the Ministers' Council determines the du-

ties and responsibilities of Ministerial Representatives

Own Affairs

Agricultural extension officers

56 Mr R W HARDINGHAM asked the Minister of Agriculture and Water Supply

Whether there is a shortage of agricultural extension officers in his Department, if so, (a) how many posts for such officers were vacant as at the latest specified date for which information is available and (b) how many such officers (i) joined and (ii) left the service of his Department during the latest specified period of 12 months for which figures are available?

The MINISTER OF AGRICULTURE AND WATER SUPPLY

Yes

(a) 69 (31 May 1987)

(b) (i) 7 (1 June 1986 to 31 May 1987)

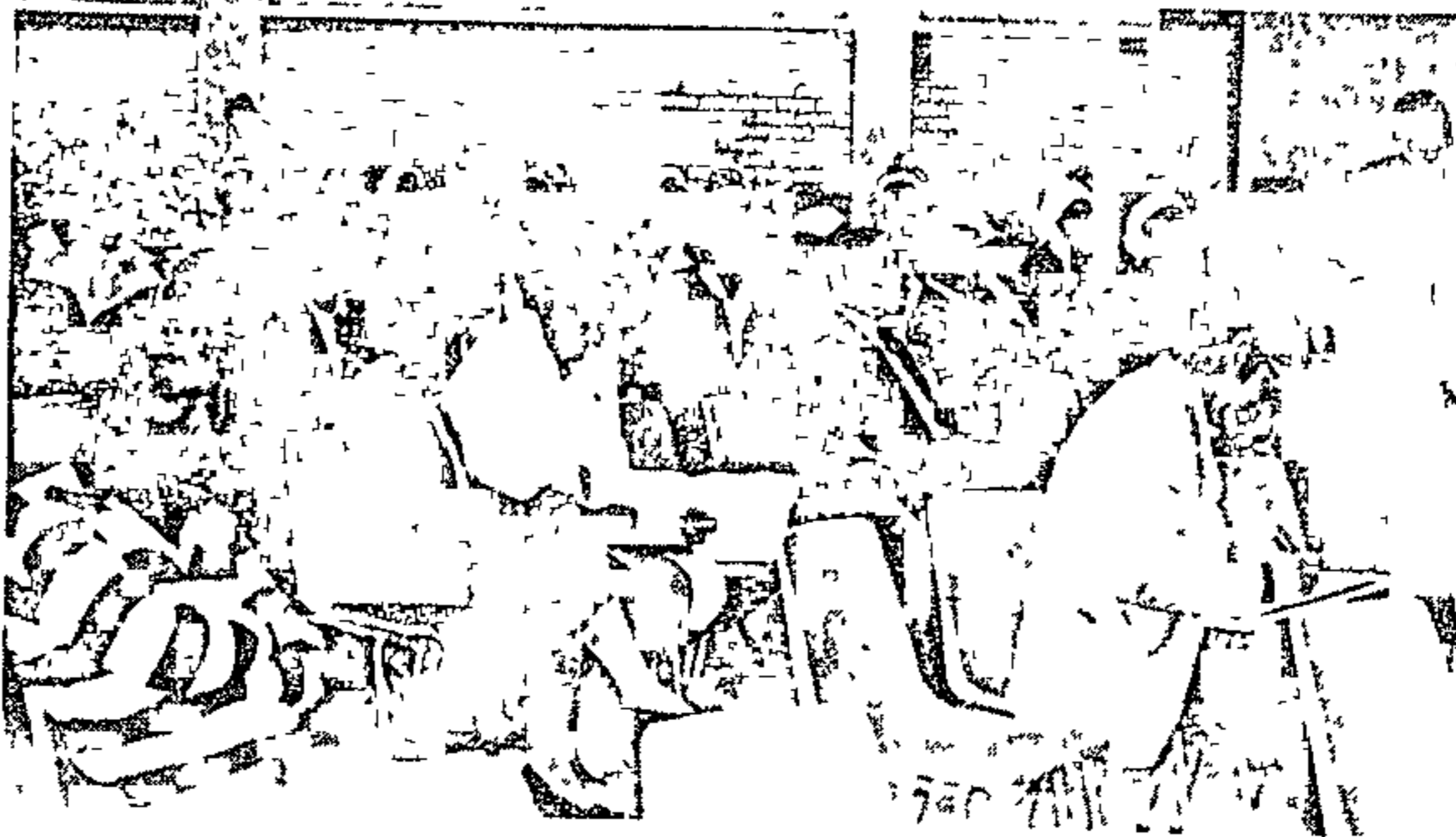
(ii) 4 (1 June 1986 to 31 May 1987)

Grey High School, Port Elizabeth

57 Mr D J N MALCOMESS asked the Minister of Education and Culture

(1) Whether his Department intends providing additional (a) classrooms and (b) laboratory facilities at Grey High School in Port Elizabeth, if so, (i) when, (ii) how many classrooms, (iii) what laboratory facilities and (iv) what stage had the planning in this regard reached as at the latest specified date for which information is available, if not, why not,

(2) whether the Grey High School Committee has made any requests to his Department for the above facilities, if so, what was the date of the (a) original and (b) most recent request received by his Department,



Part of the more than 100 janitors at a meeting in Elsie's River at the weekend listen to a speaker complaining about low wages

Janitors in wage row

750

SOUTH 13-19/8/8

MORE than a hundred school janitors, some from as far as Lamberts Bay, gathered at Elsie's River at the weekend to voice their grievances

They pledged to organise themselves and to unite for a better deal from the State and school principals

Workers' grievances ranged from wages and benefits to working conditions and the attitude of some principals and teachers

Workers also said they wanted to receive their year-end wages in mid-December instead of at the end of December because they had difficulty providing their families with food and clothes during the festive season

All the workers were unhappy with their low wages and long working hours

Some said they were expected to work up to 12 hours a day although policy was that they should work only 48 hours a week

Janitors who had been

serving for more than 20 years, earned a maximum wage of about R425,00 a month

Others earned about R378,00 a month before deductions

A janitor, Mr Steven Lemboela, said workers were victimised and treated without respect

He showed an envelope containing an invitation to the meeting, which he said had been opened by the principal

The principal, he said, dismissed the issue with a token apology for opening the letter

Workers also complained that at some schools no staff cloakroom was available.

It was alleged that workers had to spend their breaks in rooms opening into toilets

Mr D Brown, a Cosatu member at the meeting in his private capacity said janitors should organise themselves to sort out their problems

He said Cosatu had made "great strides because

workers were prepared to stand up for their rights"

He also said janitors should tell their children - the students - and civic organisations about their problems

A spokesperson for the Public Servants League, which called the meeting, said it was the State's responsibility to "rectify our problems"

"Private sector workers go on strike when they are unhappy with low wages and poor working conditions, but it is illegal for public servants to go on strike

"Therefore we must unite to tackle the problems we have through negotiation. However, negotiation on a master servant level will never work," he said

A Department of Education and Culture spokesperson said they were not aware of the meeting and could not comment

However, chances were good that demands could be addressed if tabled before the department

... alleged to have thrown in guerrilla

Ex-Sanlam boss drops pension bombshell

Call for judicial inquiry into 'broke' State fund

Public servants warned: Buy-backs must halt

R30-BILLION BUDGET?

A MULTI-BILLION RAND bombshell lies waiting to explode in the Government service pension fund — which is destined to go broke.

Over-generous handouts to public servants will give State employees what amounts to a staggering R30-billion free gift from taxpayers over the next 20 years.

The lid on the impending calamity has been comprehensively lifted by Dr Andreas Wassenaar, former chairman of Sanlam and long-time critic of Government financial policies.

He exposes it all in a new book — entitled *En Route to Fairyland* — the fantasy world of the Government service pension fund — published this week by Tafelberg.

His revelations will shake the ruling establishment and send shudders through the ranks of South Africa's vast legion of public servants.

In an interview with the Sunday Times this week, Dr Wassenaar said "The pension fund debacle is a looming financial crisis for this country. Depending on how the Government deals with it, it could become the biggest financial scandal of our time."

Crisis

He said South Africa's...

By DAVID CARTE

cynical abuse that lay behind this debacle. That is one reason why a commission of inquiry is required.

He also contends in his book that the Minister of Finance, Mr Barand du Plessis, should apologise to Parliament for giving an incorrect answer to a question on why public service gratuities, unlike those of the private sector, were tax-free.

Slammed

Dr Wassenaar's new book is expected to cause an even bigger sensation than his earlier work, *Assault on Private Enterprise* — Freeway to Communism, which attacked State intervention in the economy in 1977.

This book so infuriated former Prime Minister John Vorster that he sent half-

POP GOES LESLEY AS Radio bans her disc



'Go it alone' rugby Boks in four revolt

By EDWARD GRIFFITHS
SA RUGBY stars are on the brink of rebellion. This weekend they were laying plans to organise their own unofficial Australian tour.



This article can be bought for R20.00 or R30.20

16/8/87

S Times

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R30-billion boob

517 Waps 16/8/87

□ From Page 1

salary in their last year of service

"The taxpayer has no option but to repudiate all contracts with public servants in respect of pension benefits based on service which was not rendered"

Dr Wassenaar says buying back fictitious service has to be terminated forthwith

He advocates that the fund's contributions and benefits be brought into line with those of private sector funds

He also suggests that public servants who have been paid excessive benefits in the past be required to repay them to the Exchequer

Dr Wassenaar is an actuary. His book is cool and scientific in tone and he goes out of his way to say he is not attacking public servants

He contends there is not much point in belonging to a pension fund heading for insolvency and that it is in the interests of public servants for the funds to be made solvent again

Why did he assail the Government?

"All my criticism is concerned with economic and financial matters. I have never bothered the Government with political complaints"

● LESTER VENTER, Political Correspondent, writes

The Government will pay out a budgeted R5 779-million in personnel expenditure on South Africa's one million-strong public service in the current financial year with a whopping additional R1 074-million earmarked for improvement of conditions of service

In 1985-86, the Government Service Pension Fund paid out R464-million in annuities. Public servants retiring in that year received cash gratuities of R238-million

The Minister of National Health and Population Development, Dr Wille van Niekerk, who administers the fund, said that since the fund's creation in 1973 annual expenditure had averaged only 43 percent of income and the fund did not have cash-flow problems

Analysts of Government expenditure, however, say

that with all factors taken into account, the country's public sector swallows nearly one third of the State budget

Their figures show 22 percent of the country's economically-active population — 29 percent if the homelands are included — are employed in the public sector

An average of 35 percent of public employees' salaries are contributed to their pensions. But the employees chip in only about eight percent — the other 26,68 percent, according to 1986 figures, is provided by taxpayers

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b/day 17/8/87 (circled) (circled) 250

Call for probe into State pensions

FORMER Sanlam chairman Andreas Wassenaar is pressing for a commission of inquiry into the running of State pension funds, which he claims are destined to go broke

Wassenaar says taxpayers are set to be landed with a burden they will not be able to afford if the enormous pension packages given to public servants are not reviewed

Unless the State pension fund rules are changed, taxpayers are set to pay every

JENNY BOBERG

retiring civil servant eight to 10 times what he earned in his last year of service

In a new book entitled "En Route to Fairyland — the Fantasy World of the Government Service Pension Fund", Wassenaar says the SA economy will not be able to support the swollen pay packages given to retiring public servants.

He says the system allows a public servant to buy back nine years of pen-

sionable service This means, assuming pay increases of 15% a year, public servants who retire at 65 will be receiving R6,8m in total additional benefits — R1,6m additional gratuity plus an additional annual pension of R438 000

Former PFP pensions spokesman Brian Goodall said taxpayers would be the ones squeezed, as the return on the investment of State pension funds was traditionally low The average 9% yield is about half that of private sector funds

BUSINESS DAY

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LANDMARKS
PROPERTY BROKERS SANDVALTERS

'THE VITAL VIEWPOINT'

Experts call for drastic overhaul of state pension scheme

LEADING pension fund experts have called for a drastic overhaul of the government pension fund, which is facing ruin because of slack financial discipline and over-generous concessions to public servants

They agree with former Sanlam head Andreas Wassenaar that unless the running of the fund is revised the South African taxpayer will increasingly carry the burden of civil service "diamond handshakes"

Sanlam general manager and honorary secretary of the Actuarial Society of SA Desmond Smith said it was clear

financial discipline was lacking

"Over the past 12 years the government fund has not been subjected to the same financial discipline as private funds because actuarial evaluations were dropped in 1976," he said

Smith said the society had made repeated calls on government to reintroduce actuarial assessments

"It does create the concern that to a large extent the structural benefits are being determined by the beneficiaries"

He said it would appear sufficient assets were not being built up and payouts were being funded by current contribu-

PATRICK BUGGER

tions He likened the practice to a company paying dividends out of capital.

When actuarial assessments of the fund were re-introduced in 1986, a R7,6bn actuarial shortfall was uncovered.

He welcomed government's intention to limit "buying back" — a scheme under which civil servants buy pensionable years even if they did not work them.

Government has not indicated the precise limits it will place on the system.

Pensions expert and former PFP MP for Edenvale Brian Goodall said it was

not unusual for State pension funds to run into trouble. This arose because they tended to rely too heavily on taxes

"In SA we seem to have a lack of foresight. You would have thought we would have learned from the lessons of the world"

"But civil servants are an important electoral support group — they command a lot of votes. There has been a continuous attempt to placate them, and to redistribute wealth in favour of the public sector"

He suggested a cutback in the size of the public sector.

Old Mutual general manager of pensions Gerhard van Niekerk called on government to make public all details surrounding the fund controversy

Further details — Page 8

rounding the fund controversy

"The danger is that there have been practices like the buy back scheme through which the fund is incurring liabilities which are not fully understood"

"As long as the fund does not earn a real rate of return on its investments it would make more sense to use a pay-as-you-go scheme," he said

20/8/87 250 B10ay

20/8/87 B/Day (250)

Bureaucracy is still a growth industry

CENTRAL government employees receive more than R4bn in wages and salaries each year. According to Central Statistical Services, the central government wage bill went from R527 862 000 in 1972 to R4 115 346 000. At the same time, the number of people employed rose from 255 833 to 379 938. This does not include the 117 000 government employees in self-governing national states, the 258 259 in the employ of provincial administrations and the 236 000 employed by local authorities.

The Institute of Race Relations notes that the size of

the public service doubled between 1970 and 1976. Economists quoted by the SAIRR estimate that 25% of all bureaucrats are engaged in administering apartheid regulations.

In spite of promises by State President P W Botha to scale down the bureaucracy, and in spite of government departments being reduced from 40 to 18, bureaucracy has grown. According to Wassenaar, the number of central government employees grew by an average of 7% between 1975 and 1985. Their salaries rose by an average of 16% annually in the same period.

PUBLIC SERVICE pensions have become the best in the country, thanks to a series of seemingly insignificant regulations printed in the Government Gazette

The astonishing story of how bureaucrats' pensions have improved to the point of threatening the viability of the Government Service Pension Fund is told by former Sanam head Andreas Wassenaar in his book "En Route to Fairyland"

While the fund is governed by an Act of Parliament, "the important rules which control the fund are, however, not embodied in the Acts, but in the Regulations approved by the Minister and published in the Government Gazette," Wassenaar notes

Government has not hesitated to use this provision. In 1965, the State - the SA taxpayer - contributed and for rand to public servants' pensions. But a 1968 regulation raised the taxpayer's contribution to R2,29 to every rand paid by the public servant, 16 years and seven regulations later, the taxpayer was doling out R2,75 to the employee's single rand

The Gazette also played a pivotal role in determining which salary level would be used to calculate pensions. A 1965 regulation set this at the average salary over the past seven years. A regulation three years later reduced this to four

Gazette the licence to up public servants' pensions

25/8/81
b/Opuf

PATRICK BULGER

years, and in 1973 this was further whittled down to three years. Not content with this, however, a 1981 regulation reduced the three years to the salary on the last working day - the highest salary a public servant was likely to earn.

"By agreeing to that small 'final salary' amendment to the Regulations, the Minister could have com-

mitted the SA taxpayer to an amount of about R4bn," Wassenaar calculated. The controversial "buy-back" system, by which public servants can pay to have included as pen-

sionable service years never worked, arose in the same way. In 1965, pensionable service constituted "years of continuous service." A 1969 regulation allowed members to buy back to the age of 25, a 1973 regulation allowed buying back to age 18.

A 1980 regulation - "Regulation 16 is hereby amended by the substitution in subregulation (1)(b)(ii) for the expression '18' of the expression '16'" - allowed a maximum 48 years' service, regardless of how long the public servant actually worked. Public servants "can therefore backdate pensionable service to a date when they were still sitting on school benches," Wassenaar notes. The most controversial change to the running of the fund was the dropping of actuarial assessments in 1976. To effect this change, the then Minister of Social Welfare and Pensions - Johannes van der Spuy - had merely to publish in the Gazette the phrase "Regulation 1 is hereby amended by the deletion of the definition of 'actuary'". That simple stroke put control of the fund firmly into the hands of its chief beneficiaries - when actuarial tables were recalled 10 years later, they uncovered an actuarial shortfall of R7,6bn.

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Wassenaar lambastes govt

FORMER Sanlam head Andreas Wassenaar yesterday accused government of "bypassing all the issues" he raised in his attack on the Government Service Pension Fund

"The government is trying its best to ignore the issue for as long as it can," Wassenaar said. He singled out Pensions Fund director Japie Visser for criticism, saying Visser's reply to his allegations "was a lot of nonsense". Visser said in a statement this week the fund was healthy because payouts amounted to only 31% of revenue

"The question of whether income will cover payouts has got nothing to do with the issue.

"The taxpayer is already being

PATRICK BULGER

taxed to the hilt, and milked to provide pensions that are quite unwarranted," Wassenaar said.

He said government had not answered why it was necessary for the taxpayer to contribute 21,9% of salary to pensions in the public sector, when private sector employees contributed an average of 12%

He questioned government claims that it would limit the number of years civil servants could "buy back" and include as pensionable service.

"The buy-back system is a dis-

grace I have no information that it is being limited."

He repeated his call for an independent commission of inquiry and said the scrapping of actuarial assessments in 1976 was a "disaster"

"It appears as if civil servants wrote their own pension fund regulations That is unheard of".

Business Day late yesterday telexed a series of questions to the Minister of National Health and Population Development, Dr Willie van Niekerk. A spokesman for his office said the questions were being considered by the minister who had not yet had the time to look fully into the issue.

Civil servants snap up Wassenaar book

5/Day

21/8/87



THE story of the chaotic state of the Government Service Pension Fund has become favourite bedside reading for dozens of parliamentarians and senior civil servants

"The mandarins and the top people in government are very interested in it," Tafelberg Publishers MD Danie van Niekerk said yesterday

Both English and Afrikaans editions of "En Route to Fairyland" by former San-

PATRICK BULGER

lam head Andreas Wassenaar were being snapped up around the country, but bookshops near Parliament were selling the most, he said

A second edition of the book is being printed — days after the book was released this week

"A lot of other people who are not civil servants are worried about what is going

to happen to taxation

"It is controversial People are asking whether their pensions are safe," he said

Van Niekerk said 3 000 copies of the English edition had already been sold A total of 4 800 copies had been sold

Wassenaar's previous book "Assault on Private Enterprise" published in 1977 sold 18 000 copies, Van Niekerk said

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See Page 3

Mr Roger Burrows, MP, PFP spokesman on the Commission for Administration, has investigated the structure of the civil service.

BRUCE CAMERON of the Political Staff reports

Civil Service 'closed shop'

SOUTH Africa's civil service has virtually become a closed shop for white males, holding severe political dangers, particularly for reform.

This is the conclusion reached by Mr Roger Burrows, MP, PFP spokesman on the Commission for Administration, after investigating the structure of the civil service.

Mr Burrows's investigation comes hard on the heels of the serious criticisms levelled by former Sanlam chief Dr Andries Wassenaar about the overly generous pension scheme for civil servants.

Mr Burrows listed what he viewed as major problems with the structure and employment conditions of the civil service. These were:

- The heavy bias in employing white males,
- The multilevel structure of posts with middle ranking civil servants receiving out-of-proportion employment packages,
- The extremely low wages paid to the black labour groups, and
- The large number of allowances which were not incorporated in basic pay.

In an interview Mr Burrows said the most serious aspect of the civil service was that "it is heavily racially skewed.

"And there appears to be no serious attempt whatsoever to bring blacks into the middle and upper ranks of the civil service."

In fact, he says, a political danger lurks if the select group of white civil servants perceive reform as threatening their jobs.

They could very well delay reform to prevent Africanisation of the civil service.

Based on replies to questions he has asked in Parliament Mr Burrows said there were more than 250 000 people in public service departments (excluding the provinces).



Mr Roger Burrows "There appears to be no serious attempt whatsoever to bring blacks into the middle and upper ranks of the civil service."

the employed were not white fewer than five per cent were in the top jobs.

Of the total, 10 966 employees were in the upper eight post levels.

Total bias

In these posts one could see how there was a total bias towards whites.

Of posts 96 percent (10 534) were held by whites, 0.7 percent (78) by coloured, 1.4 percent (152) by Indians and 1.8 percent (202 by blacks).

Of the 202 blacks the largest group were medical staff (94) employed by National Health.

Even in departments which were concerned with black affairs there was a heavy imbalance in favour of whites.

For example the Department of Development Aid had 205 whites in the top eight post levels and not a single black. In black education in the top eight post levels there were 272 whites and only 20 blacks.

The State President, who in terms of the Constitution

is responsible for black affairs, does not have a single black employed in the top eight levels.

None at all

Most departments employed a nominal number of people of colour in top posts with 12 departments employing none at all.

The Prisons Service had about the best ratio with 1 181 whites to 44 coloured to three Indians to 65 blacks in the equivalent levels.

He said the government had stated that general affairs departments were to serve all groups "so one would think they would be staffed by all groups."

The position was almost as bad in the own affairs administrations with whites holding most of the senior posts in these departments.

For example another white, Mr R P Wronzley of the Department of Finance, had been appointed this week to head the House of Delegates Administration.

The flip side was that not a single black was employed in the upper levels of the House of Assembly departments.

Mr Burrows said there had been a recent good development in that many posts were now being advertised on a non-racial basis but the difficulty remained promotion.

Women

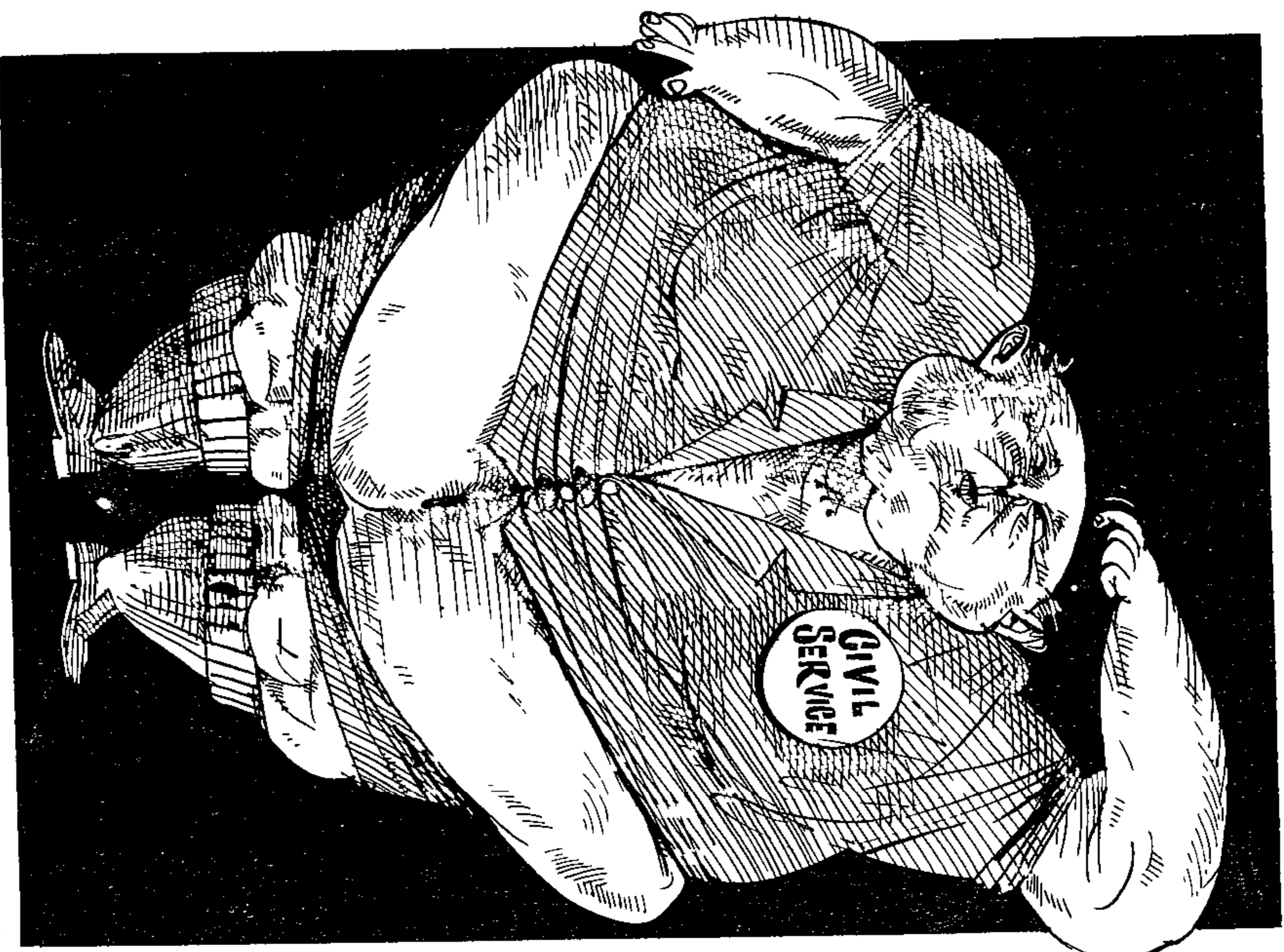
The bias against women was just as bad with only 12.5 percent of top eight level posts being held by women.

Dealing with salaries generally he said the wages being paid on the labour scales were appallingly low.

The minimum scale was R177 a month with very few perks. For example many appeared not to qualify for pension funds.

At the top end of the scale salaries and employment packages were competitive with those paid to managing directors of large private sector groups.

In between the two groups there was a bulge



created by among other things the large number of post grades.

By reducing the 21 post levels, Mr Burrows feels it would make salary progress-

sion more acceptable and at the same time it would pull up the lower wages on the

Upper government service salary scales

AN example of salary scales in the upper government service was given in Parliament recently by Mr Chris Heunis, Minister of Constitutional Development.

Number of People in Post level	Annual Salary	Service Bonus	Housing Subsidy	Motor Vehicle Allowance	Total
One	R119 136	R9 233	R4 536	R37 704	R170 609
One	R75 993	R5 889	R4 536	R27 456	R113 874
One	R70 017	R5 426	R4 536	R27 456	R107 435
Four	R62 199	R4 820	R4 536	R21 768	R93 323
Eight	R54 954	R4 258	R4 536	R14 736	R78 484
22	R49 794	R3 859	R4 536	N/A	R58 189
11	R45 219	R3 504	R4 536	N/A	R53 259
33	R40 336	R3 126	R4 536	N/A	R47 998
13				N/A	

labour grades.

Dealing with the scope of the employment package he pointed out that numerous allowances were paid to public servants, in various combinations, of which the most important were a service bonus (which amounted to almost 1/12th of the salary), a housing allowance and a motor vehicle allowances.

There were numerous other allowances. Among other problems with the numerous allowances, Mr Burrows pointed out that the Margo Commission had highlighted the state's role providing an example for the payment of cash remuneration rather than adding perks.

Another benefit could be easier and simpler scaling of employment packages.

Mr Burrows feels that the problems can only be overcome by an independent assessment of the employment packages of civil servants and a concerted effort to employ other race groups.

There was no point in getting the civil service to investigate the civil service as appeared to be happening in the investigation into the public service pension fund.

The public service was an important component in giving all groups a fair stake in the economy.

The public service had been used effectively to give the Afrikaner a more equitable stake in the economy and should used in the same way for blacks.

MANY members of the Government Service Pension Fund may believe that they are fortunate to belong to such a truly wonderful pension fund. Those who have a more intimate knowledge of pension funds than most may have tumbled to the fact that the benefits offered by this fund are too good to be true.

The conclusions arrived at in this study are that some of the benefits are indeed too good to be true. The conclusions show, furthermore, that the financial implications are untenable and that the Regulations cannot be allowed to remain unaltered.

The longer the adjustment of the Regulations is postponed, the more explosive the financial crisis will be when it breaks. It is in the interest of the civil service itself that the problem should be solved as soon as possible.

Regulation 18 of Notice R1062, published on June 22, 1973, required an actuarial valuation of the Pension Fund to be made once in every five years, at a date to be determined by the Minister.

Tradition

The Regulation followed tradition — one could call it "ancient tradition".

It stipulated "The report of the actuary shall be laid on the table of the Senate and in the House of Assembly within 60 days after the receipt thereof by the Minister." This traditional requirement was, as far as is known, part of all previous pension fund Acts and Ordinances which applied to provincial pension funds.

Private sector pension funds are required by the Pension Funds Act (Act No 24 of 1956 as amended) to be actuarially valued once every five years. This requirement is very strictly enforced.

Fund benefits are just too good to be true

This is an extract from a new book by Dr A D WASSENAAR, "En route to Fairyland" (Tafelberg), which has created an uproar over the Government Pension Fund.

Notice R1526 (August 27, 1976) replaced Regulation 18 of Notice R1062 with a new Regulation 18. It placed the management of the Government Service Pension Fund from that date onwards firmly under the control of the Minister of Social Welfare and Pensions — without the interference (or advice) of any outside expert opinion.

Then something went wrong. The signs that something had gone wrong apparently became evident to the two-member management team of the Fund (the Minister and the secretary of the Fund) only sometime during 1985.

An actuarial valuation of the Pension Fund was again called for, in spite of the 1976 decision to abandon actuarial valuations.

It must have given the Minister of National Health and Population Development (who had taken over the responsibility for pensions) a bit of a shock. It could be this shock which influenced the Minister to decide to keep the

actuarial report a closely guarded government secret.

The decision not to publish this report exposes the Minister to the most severe criticism.

Interpreting an actuarial report is normally not a task for a layman. There is good reason to believe that the actuarial report in question would be a great deal more difficult to interpret than most actuarial reports. Had the report been published, public comment could have been of great value to the Minister.

One result of the decision not to disclose its contents could well be that the Minister of National Health and Population Development will have to rely solely on his Department for the interpretation of the report.

Every civil servant has a substantial pecuniary interest in the maintenance of the status quo in regard to the Government Service Pension Fund.

As justice should not only be done, but should be seen to be done, it would be extremely un-

wise of the Minister to rely exclusively on the view of the Department of National Health and Population Development.

The Minister's decision not to publish the report also casts some doubt on the Government's ability to handle intricate financial problems such as are undoubtedly posed by the present state of the Fund.

If there is a lesson to be learned from the present trauma, it is that there are some functions in the Government which should not be left in the hands of laymen and which should be reserved to be dealt with by Ministers who have the necessary knowledge.

The fact that the two Ministers most directly concerned in this matter have decided to move into the Government's dark-room — curtains drawn and lights dimmed — shows that there must be a nagging doubt at the back of their minds, a doubt as to whether they will be able to resolve the problem. Very drastic measures may be required.

Serious

The seriousness of the present state of the fund should not be underrated. That notable financial losses have already been suffered is certain.

The very nature of the changes in the Regulations leaves no room for doubt about this.

The financial losses which are bound to arise in the future, if the Regulations are not amended, could be beyond the amount that the South Africa taxpayer is prepared, or indeed able to pay.

The Government has no option but to redraft the Regulations so extensively that repercussions within the Civil Service are unavoidable.

and the other in 1931.

the SAAF, Wassenaar decided to be-

Republic's second-biggest insurance company.

ROGER WILLIAMS

CAPE TIMES 22/8/87

Changing the rules for huge pension pay-out:

JOHANNESBURG. — Public service pensions have become the best in the country, thanks to a series of seemingly insignificant regulations printed in the Government Gazette.

The astonishing story of how bureaucrats' pensions have improved to the point of threatening the viability of the Government Service Pension Fund is told by former Sanlam head Andreas Wassenaar in his book "En Route To Fairyland".

While the fund is governed by an act of Parliament, "the important rules which control the fund are, however, not embodied in the acts, but in the regulations approved by the minister and published in the Government Gazette," Wassenaar notes.

The government has not hesitated to use this provision. In 1965, the state — the taxpayer — contributed rand for rand to public servants' pensions. But a 1968 regulation raised the taxpayer's contribution to R2,29 to every rand paid by the public servant. Sixteen years and seven regulations later, the taxpayer was doling out R2,75 to the employee's single rand.

The Gazette also played a pivotal role in determining which salary level would be used to calculate pensions. A 1965 regulation set this at the average salary over the past seven years. A regulation three years later reduced this to four years, and in 1973 this was

further whittled down to three years.

Not content with this, however, a 1981 regulation reduced the three years to the salary on the last working day — the highest salary a public servant was likely to earn.

"By agreeing to that small 'final salary' amendment to the regulations, the minister could have committed the SA taxpayer to an amount of about R4 billion," Wassenaar calculated.

The controversial "buy-back" system, by which public servants can pay to have included as pensionable service years never worked, arose in the same way.

In 1965, pensionable service constituted "years of continuous service". A 1969 regulation allowed members to buy back to the age of 25; a 1973 regulation allowed buying back to age 18.

A 1980 regulation — "Regulation 16 is hereby amended by the substitution in subregulation (1)(b)(i) for the expression '18' of the expression '16'" — allowed a maximum 48 years' service, regardless of how long the public servant actually worked.

The most controversial change to the running of the fund was the dropping of actuarial assessments in 1976.

That put control of the fund firmly into the hands of its chief beneficiaries. When actuaries were recalled 10 years later, they uncovered an actuarial shortfall of R7,6 billion.

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Mandarins lapping up Wassenaar's 'Fairylan'

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Own Correspondent

JOHANNESBURG — The story of the chaotic state of the government service pension fund has become favourite bedside reading for dozens of parliamentarians and senior civil servants

"The mandarins and the top people in government are very interested in it," the managing director of Tafelberg Publishers, Mr Danie van Niekerk, said yesterday

Both English and Afrikaans editions of "En Route to Fairylan" by the former chairman of Sanlam, Mr Andreas Wassenaar, were being snapped up around the country, but bookshops near Parliament were selling the most, he said

A second edition of the book is being printed — days after the book was released this week

"A lot of other people who are not civil servants are worried about what is going to happen to taxation. It is controversial. People are asking whether their pensions are safe," he said

Mr Van Niekerk said 3 000 copies of the English edition and 1 800 of the Afrikaans edition have already been sold

He said a political or financial book that sold 4 000 copies was considered a success "Anything by Wassenaar tends to sell well," he said

Mr Wassenaar's previous book, "Assault on Private Enterprise", published in 1977, sold 18 000 copies, Mr Van Niekerk said

'Ignore the issue'

In Johannesburg yesterday, Mr Wassenaar accused the government of "bypassing all the issues" he raised in the book

"The government is trying its best to ignore the issue for as long as it can," Mr Wassenaar said

He singled out Pensions Fund director Mr Japie Visser for criticism, saying Mr Visser's reply to his allegations "was a lot of nonsense" Mr Visser said in a statement this week that the fund was healthy because payouts amounted to only 31% of revenue

"The question of whether income will cover payouts has got nothing to do with the issue," Mr Wassenaar said

"The taxpayer is already being taxed to the hilt, and milked to provide pensions that are quite unwarranted"

He said the government had not answered why it was necessary for the taxpayer to contribute 21,9% of salary to pensions in the public sector, when private sector employees contributed an average of 12%

He questioned government claims that it would limit the number of years civil servants could "buy back" and include as pensionable service

"The buy-back system is a disgrace. I have no information that it is being limited"

He repeated his call for an independent commission of inquiry and said the scrapping of actuarial assessments in 1976 was a "disaster"

"It appears as if civil servants wrote their own pension fund regulations. That is unheard-of"

A series of questions was yesterday telexed to the Minister of National Health and Population Development, Dr Willie van Niekerk. A spokesman for his office said the questions were being considered by the minister who had not yet had the time to look fully into the issue

Pension fund critic slams silence

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STimes

23/8/87

988

By ALAN DUGGAN

THE nationwide furore over the crisis in the State pension fund ballooned alarmingly this week as Government spokesmen tried furiously — but vainly — to dampen anxieties that the fund was destined to go broke

And the man who blasted the lid off the scandal, Dr Andreas Wassenaar, is sticking to his guns. The fiery financial wizard accused the Government of trying to ignore the crisis for as long as it can

After Sunday Times disclosures of Dr Wassenaar's startling criticisms in his book, *En Route to Fairyland*, hundreds of thousands of public servants throughout the country were anxious about their long-term security

And taxpayers were furious at the prospect of having to pick up the tab for over-generous handouts to State employees.

Political observers noted that both the ruling NP and the CP Opposition had a vested interest in minimising the crisis, since both relied heavily on public servants' votes.

Outcry

Thus the growing public outcry has been matched only by the silence of senior Ministers, who limited the Government's response to an unsatisfactory statement by a relatively junior official.

Dr Wassenaar this week brushed aside Government assurances about the probity of the fund

"Taxpayers need to know on whose recommendation the fund's actuarial watchdogs were sacked by the Minister of Social Welfare and Pensions in 1976, and for what reason

"Is it possible the actuaries were sacked because they were doing their work too diligently?"

He said this meant that from 1976 to 1986, the pension fund was "at the mercy" of the very people who had an interest in maintaining high benefits

He asserted. "In effect,

□ To Page 2

Pension outcry

□ From Page 1

benefits payable by the Government pension fund constitute a free gift from taxpayers to public servants"

Meanwhile, the book in which Dr Wassenaar exposed the shortcomings is selling like hot cakes and is already into its second printing

It is in this slim volume that the former chairman of Sanlam and a pillar of the Nationalist establishment revealed that pension perks could give State employees what amounted to a staggering R30-billion in gifts over the next 20 years

He traced the roots of the actuarial crisis to swollen pay packets and a change in the rule that allows public servants to "buy back" their pensions to the age of 18

The PFP Member for Pinetown, Mr Roger Burroughs, said the Government would be given a hot time when the Pensions Vote was debated in Parliament

"Like Dr Wassenaar, we want to know why the actuarial report has been kept secret," he said "That is indefensible. We would like to know who stopped valuations — and why"

Dr Wassenaar said "I demonstrate in my book that even an insolvent fund rises in value to start with. It takes a few years for excessive benefits to take their toll. It is not good enough for public servants on their own to examine the matter. We need an independent inquiry"

After the first news of the

Wassenaar bombshell was published in the Sunday Times last week, the State pensions chief, Mr J C Visser, said the next actuarial assessment would take place next year. He said that, although a shortfall of R7,613-billion, had been reported last year, contributions were sufficient to make up the difference

● See Business Times

their

Spotlight on juiciest of all pensions

THE furore over pensions kicked up by Andreas Wassenaar's book "En Route to Fairyland" has turned attention to the juiciest pension scheme in the land — for politicians.

The Members of Parliament and Political Office Bearers Pension Scheme offers pensions for life equal to 100% of pay on retirement plus tax-free cash gratuities equal to two years' pay — after only 15 years' service.

"Office-bearers" qualify for 100% pensions after only 12 years' service. They also receive two years' salary on retirement after 15 years' service.

Office-bearers include ministers, deputy ministers, chairman and deputy chairman of the President's Council, administrators, administrators-general, commissioners-general, former MPs appointed as ambassadors and others designated by the State President.

Willie van Niekerk, the Minister of National Health, who is in charge of public service pensions, could retire next year with 7½ years' service on a pension of R76 000 a year for life and R121 000 tax-free in cash. He is only 50.

The State President would be separately treated. He could retire on full salary of R135 000 for life and receive

Business Times Reporter

a tax-free gratuity of three years' pay — R405 000

Critics of the Parliament and Political Office Bearers Pension fund are concerned that its amazing benefits are being extended to more and more people as the political system has extended to encompass three Houses of Parliament, homeland legislatures and regional services councils.

There are 63 ministers, deputy ministers and ministerial assistants alone. They cost taxpayers R7-million a year.

"Taxpayers will not be able to afford a change of government. There will be too many retirees," says an actuary who does not wish to be named.

Ammunition

Politicians on all sides of the House of Assembly are scrambling for ammunition in the pension-fund battle due to take place on September 3 during the National Health Vote.

In 1983, taxpayers subsidised State pension funds by R549-million. The figure grew to R626-million and then to R694-million before actuaries discovered that one fund alone was short-funded by R7,6-billion.

The taxpayers' contribution in 1986 leapt to R1 004-million and this year is budgeted at R1 077-million.

Collin Cameron, chairman of the Public Servants' Association, the public-service trade union, said he was reassured by Government statements that the funds could meet their obligations.

The Margo report presents the Government with two thorny recommendations in regard to public servants.

It recommends that public servants' gratuities on retirement should no longer be tax free. It also urges the treatment of fringe benefits as cash.

Exactly how generous the buy-back provision is may be judged from a real-life case of an academic, who retired at 60 on a salary of R50 000 last year.

Having joined the public service at 23, he bought back seven years of service for R9 274. He retired on a pension of R40 360 a year. Had he not bought back service, he would have received R33 396 a year. So for R9 274 he received an additional R6 364 a year for life.

That is not all. He received a tax-free gratuity of R147 840, which would have been R124 320 without the buy-back. The buy-back gained him an additional R23 520 in cash the day he left.

Dr Wassenaar is not satisfied with the Government's response to his book — a statement that because benefits were only 31% of revenue, all was well.

23/8/87
S/Times

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GMA Times 24/8/87

Public servants face fraud trials

Own Correspondent

JOHANNESBURG. — A spate of public sector fraud cases — involving about R20 million — have come under the spotlight this year

Of this, allegations of fraud or corruption involving R18 million have been made against public servants

The largest case involves an alleged cross-border customs racket. It relates to two Swazi officials who appeared before an Mbabane magistrate on May 4 charged with defrauding the governments of Swaziland, Botswana, Lesotho and South Africa of R13 million in customs duties

Most of the cases have yet to be decided by courts

The largest case involving a South African public servant came to the fore in July when a senior marketing official for Iscor appeared in Pretoria Regional Court in connection with an

alleged R2-million fraud involving claims of irregularities in the requisitioning, delivery and distribution of steel

A number of SAA employees, including two top men, have been investigated for or charged with ticket fraud said to involve millions. The case is continuing.

A former Thokoza mayor appeared before a Johannesburg magistrate in April charged with misappropriating R1,3 million. In a related sequel, the estate of the township's former town clerk was provisionally sequestered in the Rand Supreme Court this month amid allegations of a R650 000 misappropriation

Escom has suspended four employees at Megawatt Park after allegations of petty cash and expense claims fraud involving R70 000

Earlier this year, a Department of Community Development housing official appeared before a Johannesburg regional magis-

trate charged with fraudulently telling six people she could secure positions for them on waiting lists for R5 000 each

The postmaster and a clerk of the Boshoff post office in the Free State have appeared in the local magistrate's court charged with R25 000 fraud involving drawings from postal savings accounts

A Finance Department tax clerk was jailed for two years in June for receiving more than R19 000 for falsifying tax returns and accepting a R1 500 bribe

Police this month launched an investigation into the disappearance of R30 000 from the coffers of the Mhluzi Town Council, Middelburg

Last week, nine men — five of them Post Office employees — were arrested in Cape Town in connection with alleged theft of R80 000 in Unemployment Insurance Fund cheques. They are expected to appear in court today

SA's public sector wages cost R5 764m

PRETORIA — South Africa's enormous and still expanding public sector cost the country R5 764-million in wages and salaries for the second quarter of the year, according to Central Statistical Services

At the end of June there were 1 645 907 working in the state's departments, provinces, Sats, post office, the civil services of the self governing states, local authorities, para-statal, boards and public co-operations, and universities and technikons.

According to CSS figures for the first quarter of the year the salary and wage bill came to R5 081-million — an increase of R683-million.

At end-June, 712 224 were employed by the central government and provin-

cial administrations — 5,2 per cent more than last year.

When Sats and post office workers are added, the total amounts to 1 008 224 — 3 per cent more than employed at the end of December.

Central government and provincial workers were paid R2 589-million for the second quarter — 19 per cent more than for the same quarter last year and 17,4 per cent more than for the last quarter of 1986

When pay-outs to Sats and PO workers are added the total rises to R3 662-million.

White earnings have increased 16,6 per cent, coloured 19,6 per cent, Asians 20,6 per cent and blacks 26,3 per cent. — DDC

State pension fund under the spotlight

By DALE LAUTENBACH, Parliamentary Staff

AFTER predictions that the public service pension fund would go broke if it continued to be administered as it was at present, the Progressive Federal Party has called for the fund to become the responsibility of the Commission for the Administration under Minister Mr Alwyn Schlebusch

This was said by the PFP spokesman on the commission, Mr Roger Burrows

The fund has been at the centre of controversy since the release of Dr Andreas Wassenaar's book *En Route to Fairyland* in which he warned that the fund was spiralling out of control

Speaking during the debate on this budget vote in the House of Assembly yesterday, Mr Burrows said it was "illogical" that pensions should fall under the Department of National Health when the Commission for the Administration was responsible for all other public sector matters

Urgent inquiry needed

Professor S C Jacobs of the official Conservative Party Opposition said Dr Wassenaar's analysis that the State pension fund was in serious financial trouble should be investigated urgently

It was difficult to know whether Dr Wassenaar's allegation that the fund was R7 000-million short was true but it would be in the national interest to investigate this claim

Mr Burrows also challenged the Government to disclose the details of its policy on the employment of blacks in the public service

There were 865 000 people in the public service of whom 33 percent were white, 11 percent coloured, three percent Indian and 48 percent black

"This is not reflected in the senior posts where 96 percent are white, 0.7 percent coloured, 1.5 percent Indian and 1.8 percent black. These are figures for concern," he said

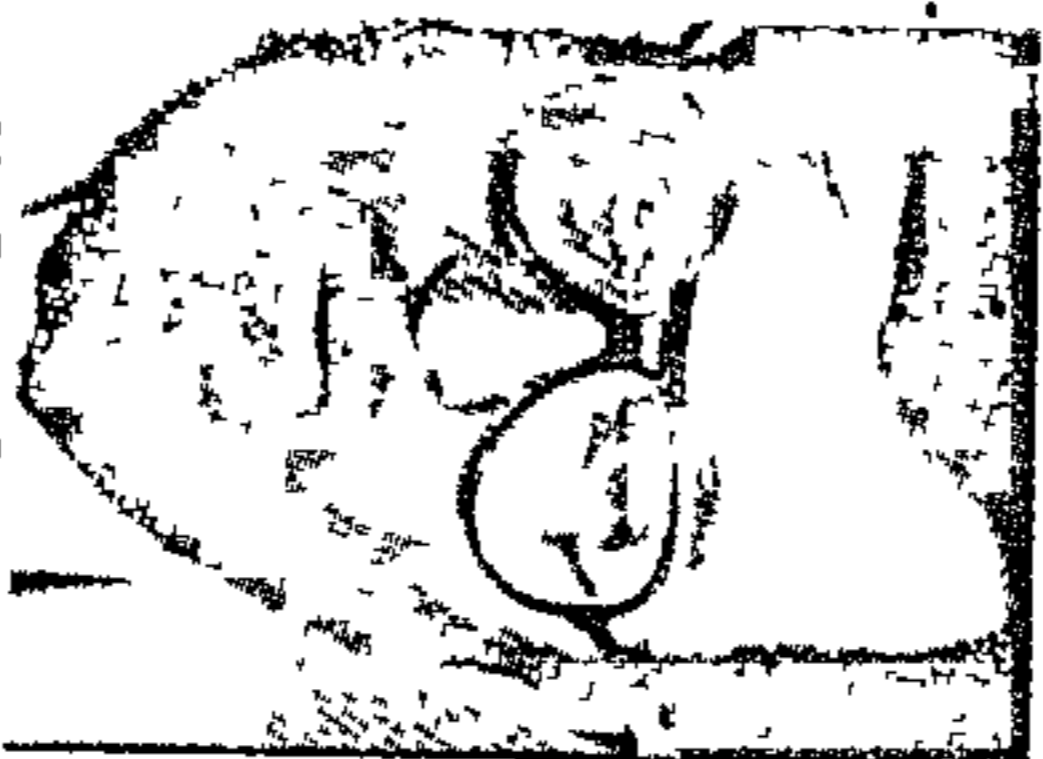
Evaluating productivity

The Government apparently approved the promotion of blacks as senior managers and executives in private business companies but had not done similar promoting itself

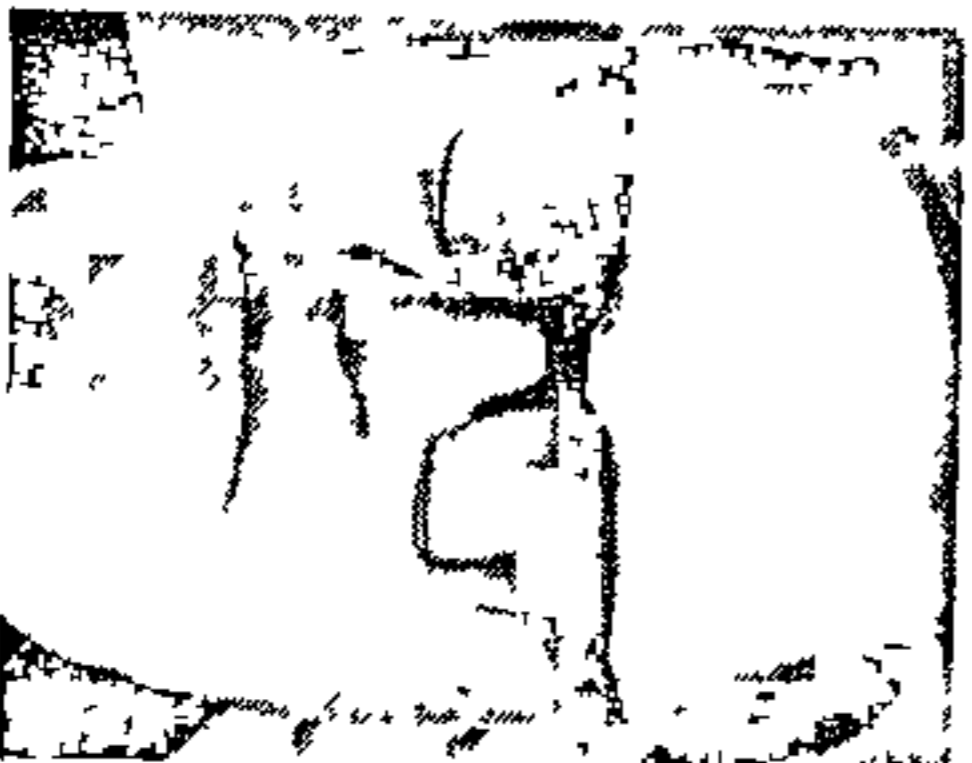
Introducing the debate on his budget vote, Mr Schlebusch said productivity and the evaluation of all Government functions to ensure their necessity were matters of the highest priority

Mr Mike Ellis (PFP Durban North) said thousands of people, especially white men, had been employed in the civil service as a vote-catching mechanism by the National Party

It was difficult to provide remuneration to these hundreds of thousands of civil servants comparable to salaries in the private sector but he welcomed Mr Schlebusch's announcement that productivity and functional efficiency were being looked into



Mr Roger Burrows



Mr Alwyn Schlebusch

Margo — 'task force' to meet

A TASK force under the chairmanship of the director-general of finance is to meet in Pretoria for four days in October to discuss memoranda submitted on the Margo Commission report, said the Minister of Finance, Mr Barend du Plessis

Replying to the debate on the finance vote, he said the task force would consider all memoranda received by September 30 "with all possible dispatch"

INVITATION

Where it considered that further discussions were warranted, the task force would invite representatives of the bodies concerned to Pretoria for that purpose.

The discussions would take place between October 14 and 17 and the relevant organisations would be notified "well beforehand" of the date and time at which the task force would be able to receive representatives, Mr du Plessis said.

— Sapa

GOVERNMENT spending during the first four months of this fiscal year was R2,6bn up on the same period last year to R15,6bn — an increase of 19,6%

Govt spending up R2,6bn

Bl Day 25/8/87 250

Spending for the first four months appears to be on target for the fiscal year's budget of R46,8bn

However, receipts for the same period are lower than expected at R10,4bn — 9,5% up on last year's corresponding figure

Sanlam economist Johan Louw expressed concern at the lower receipts, saying this indicated the deficit before borrowing for this fiscal year would probably exceed the budgeted figure of R8,4bn by about R2bn)

For the first four months, the deficit

GRETA STEYN

before borrowing amounted to R5,2bn Borrowings, including R517,5m in "granny bonds", amounted to R17,14bn and loan redemptions were R10,98bn. Thus, the deficit could be funded with R6,16bn, which left a surplus of R964m

Stock issued during July included R1,8bn of 13% 2008, (thought to have been issued to the Public Investment Commissioners), R150m of 11,5% 1990 and R125m of 9,5% 1990

Public sector nets R5bn

PRETORIA — South Africa's enormous and still expanding public sector cost the country R5 764m in wages and salaries for the second quarter of the year, according to Central Statistical Services (CSS)

At the end of June there were 1 645 907 people working in state departments, for provinces, SATS, the post office, the civil services of the self-governing states, the local authorities, para-statal, boards and public co-operations, and in universi-

GERALD REILLY

ties and technikons CSS figures for the first quarter of the year show the salary and wage bill came to R5 081m — an increase over the three months of a huge R683m

At end-June, 712 224 were employed by the central Government and by the provincial administrations — 5,2% more than the number employed at the end of last year.

Civil Service pay is one third of Budget

250
SAR
26/8/87

Political Staff

Civil servants' salaries and benefits cost nearly one third of the national Budget in 1986.

The total spending on salaries and all benefits was about R12 000 million in 1986, the Government's Commission for Administration disclosed in a booklet issued yesterday.

This is 31,4 percent of the R38,2 000 million Budget for the year.

The booklet was issued because of the many "erroneous impressions and insufficient information" about public servants' salaries. The total 1986 salary bill had increased 19,5 percent on the 1985 bill or 16,5 percent per capita.

Of this, 10 percent was for the general salary increase of April 1987 and 6,5 percent for improving the pay for certain jobs, such as nurses, paramedics and teachers with lower qualifications.

The commission denied that since 1980 public servants' pay had increased faster than pay in the private sector. Their pay still lagged behind and was "moderately competitive" at best.

The "relatively high" pay increases between 1981 and 1984 were necessary because they had "fallen behind seriously", it said.

Government policy was that total pay packages for public servants should be equivalent to those in the private sector — but scaled down by between 5 and 15 percent to compensate for such factors as greater job security.

Exchequer Personnel Corps

The 1986 bill of "about" R12 000 million applied to the "exchequer personnel corps" — those paid out of the National Budget.

This excluded the employees of the SA Transport Services and the Department of Posts and Telecommunications.

It included employees of government departments and provincial administrations, the self-governing National States, parastatal institutions such as scientific councils, cultural institutions, the Consumer Council, Parliament, and universities and technikons.

There were 865 385 people in the exchequer personnel corps on September 30, 1986, of a total of 1,6 million in the public sector.

The R12 000 million included basic salaries, employers' contributions to the pension and stabilisation funds, service bonuses, employers' contributions to the medical aid funds, housing subsidies, car benefits for about 1 320 managers, overtime and danger pay.

● The exchequer corps represents 8,4 percent of the economically-active population. It comprises 54,1 percent of the public sector. The rest is: SATS staff, 14,5 percent; Post and Telecommunications, 5,9 percent; control boards, 0,2 percent; Local authorities, 14,8 percent; Escom, 4,1 percent; Iscor, 3,4 percent; Others, 3 percent.

deliberate dishonesty was virtually impossible to prove. As a result of increasing misuse and problems encountered in providing legal advice was taken. It was recommended that the system be amended to place the onus on the user to prove correct use and to monitor use accordingly. For these reasons the new system of refunds was introduced on 1 July 1987 whereby declarations of the actual use have to be made. Law enforcement can now also take place through a single administration and false declarations concerning actual consumption will constitute easily proven fraud.

What was the total (a) number of houses built, and (b) amount spent on providing housing for Blacks, by the (i) State and (ii) private sector in the 1985-86 financial year in each of the (aa) urban and (bb) non-urban areas of each national state?

THE MINISTER OF EDUCATION AND DEVELOPMENT AID

(a) (i) (aa) No houses were built by the State but the following number of self-building loans were granted.

Gazankulu	192
Lebowa	105
KwaZulu	926
KaNyane	300
South African Development Trustland	691
Total	2214

(bb) Nil

(ii) (aa) Gazankulu Unknown

Lebowa	89
KwaZulu	309
KaNyane	65
South African Development Trustland	1103
Total	1566

(bb) Unknown

(b) (i) (aa) The amounts granted in respect of self-building loans are as follows

Gazankulu	R 1622000
Lebowa	R 841500
KwaZulu	R 4630302
KaNyane	R 1192487
South African Development Trustland	R 2488500
Total	R10774789

(bb) Nil

(ii) (aa) Gazankulu	Unknown
Lebowa	R 3425286
KwaZulu	R 3133700

KaNyane	R 285000
South African Development Trustland	R25150000
Total	R31993986

(bb) Unknown

The figures in respect of Qwaqwa and KwaNdebele are not available as the functions relating to towns had been transferred to the governments of the said self-governing territories prior to the 1985/86 financial year.

East London Prison

245 Mr F J LE ROUX asked the Minister of Justice †

- (1) Whether any repairs were recently made to the East London Prison, if so, what was the cost involved,
- (2) whether tenders were called for, if not, why not, if so, (a) what persons or bodies submitted tenders, (b) what was the amount of each tender and (c) to whom was the tender awarded,
- (3) whether he will make a statement on the matter?

THE MINISTER OF JUSTICE

(1), (2) and (3) The East London Prison is presently being modernised and enlarged by the South African Prisons Service at a cost of approximately R1 million. The expenditure will be spread over more than one financial year and the work should be completed during 1989 if progress is according to plan.

This building work was not given out on tender to private contractors because East London Prison, which accommodates long- and short-term convicted prisoners as well as awaiting-trial prisoners, could not, due to a lack of substitute accommodation, be evacuated for the duration of the building and renovation work. In view of the security considerations involved it was decided that the Prisons Service itself should execute the work with prison labour and the necessary technical assistance from the Department of Public Works and Land Affairs, as is normally done in these circumstances.

supply of building material or rendering of special services by the private sector (e.g. the cladding of steam boilers which was recently completed) are arranged through the Department of Public Works and Land Affairs and/or the State Tender Board.

For the hon member's information it is confirmed that the South African Prisons Service places a high premium on the job and training opportunities in prisons which are made possible by way of the Prisons Service's own building activities. However, when the private sector, during times of a general and/or regional slack in the building industry requests that building projects of the Prisons Service in a particular region should also be put out on tender, the requests are considered sympathetically where possible. The greater part (††75% for 1987/88) of the annual budget for building work is, however, traditionally already taken up by contract services.

Reply substituting reply to Question 153 on 6 and 7 August 1987 put by Mr R M Burrows (Col 486 and Col 498)

Full-time employees

153 Mr R M BURROWS asked the Minister of Constitutional Development and Planning

- (1) What was the total number of persons employed in a full-time capacity in his Department as at the latest specified date for which information is available,
- (2) (a) how many such persons were employed in each of the eight most senior post levels in his Department, (b) how many of these persons were (i) male and (ii) female and (c) to which population group did each of these persons belong,
- (3) (a) what will be the applicable salaries and/or salary scales of each of the eight most senior post levels in his Department with effect from 1 July 1987 and (b) what financial and other specified benefits will be applicable to each of these post levels as at 1 July 1987?

Own Affairs
Agricultural colleges
61 Mr R J LORIMER asked the Minister of Agriculture and Water Supply

How many (a) Coloured and (b) Indian students (i) applied for admission and (ii) were admitted to each specified agricultural college in the Republic in 1986?

THE MINISTER OF AGRICULTURE AND WATER SUPPLY

	(a)	(b)
	(i)	(ii)
Cedara	3	13
Potchefstroom	0	0
Eisenburg	1	0
Grootfontein	0	0
Glen	1	0

THURSDAY, 27 AUGUST 1987

†Indicates translated version

For written reply
General Affairs

Housing by State/private sector

58 Mrs H SUZMAN asked the Minister of Education and Development Aid

HOA

27/8/87
Howard

28/8/87

250

250

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The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

(1) 664 specified date 8 June 1987

Reply substituting reply to Question 241 on 28 and 31 July 1987, put by Dr M S Barnard (Col 431 and Col 448)

(2) (a) Post level	Number of persons employed	Aids
1	1	
2	1	
3	4	
4	8	
5	22	
6	11	
7	33	
8	13	

- (b) (i) 88
- (ii) 5
- (c) Whites 93, Nil; Coloureds Nil; Indians Nil, Blacks Nil

(3) (a) Post level from 1 July 1987

1	R119 136
2	R75 993
3	R70 017
4	R62 199
5	R54 954
6	R48 879 - 50 709
7	R43 389 x 1 830 - 47 049
8	R33 624 - 34 803 x 1 431 - 39 096/40 527 x 1 431 - 43 389 x 1 830 - 47 049

(b) (i) Annual service bonus that amounts to 93% of one month's salary.

(ii) Housing subsidy on interest and capital redemption up to a maximum of a housing loan of R50 000,00, subject to the compliance with certain conditions

(iii) Car financing scheme for officers occupying posts in the management echelon (ie those officers who are in receipt of an annual salary of R54 954 fixed and higher) The amount payable varies for each level as it is based on an officer's grading

241 Dr M S BARNARD asked the Minister of National Health and Population Development

How many carriers of the acquired immune deficiency syndrome virus had been identified in respect of each race group in South Africa as at the latest specified date for which information is available?

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

Whites	1 140
Coloureds	31
Indians	3
Blacks	*1 093
Unknown	57
Total	2 324

*Of which 946 were miners

FRIDAY, 28 AUGUST 1987

†Indicates translated version

For written reply

General Affairs

Group Areas Act

342 Mr J J S PRINSLOO asked the Minister of Justice †

(1) Whether any criminal cases have been heard in terms of the Group Areas Act, No 36 of 1966, since 1 January 1987, if so, how many such cases have been heard in (a) district and (b) regional courts in each province;

(2) whether any eviction orders have been made by courts since that date against persons who occupied premises in contravention of the provisions of the said Act, if so, how many such orders have been made in (a) district

and (b) regional courts in each province,

(3) in respect of what date is this information furnished,

(4) whether he will make a statement on the matter?

The MINISTER OF JUSTICE

(1) Yes

(a) 1 (Transvaal)

(b) 0

(2) No

(3) 1 January 1987 to 31 July 1987

(4) A statement is not necessary

Own Affairs

Teachers-handicapped pupils

64 Mr M J ELLIS asked the Minister of Education and Culture

(1) Whether his Department intends making it compulsory for persons teaching at training centres for mentally handicapped children to have a special qualification for teaching such pupils, if so, (a) what diploma will be required and (b) what will be the duration of this diploma course,

(2) whether this course will be available on a part-time basis, if so, at which institutions?

The MINISTER OF EDUCATION AND CULTURE

(1) No, although the ideal is for every post incumbent to have such a qualification a specialised course is at present a recommendation

(a) and (b) Fall away

(2) Falls away However, a two-year diploma course in Special Education for the Severely Mentally Handicapped, is available on a part-time basis It is offered by the University of South Africa

Schools of industry/reform schools/technical colleges

65 Mr M J ELLIS asked the Minister of Education and Culture.

Whether his Department intends altering the functions of the governing bodies of

(a) schools of industry, (b) reform schools (c) schools for special education (d) training centres for mentally retarded children and (e) technical colleges, if so, (i) what changes are to be introduced in each case and (ii) when will these changes become effective?

The MINISTER OF EDUCATION AND CULTURE

(a), (b), (c), (d) and (e) No, not for the present The proposed Act on Education Affairs may have the result that anomalies which may exist are eliminated

(i) and (ii) Fall away

Mentally handicapped children, training centres

66 Mr M J ELLIS asked the Minister of Education and Culture

Whether his Department intends changing the formulae for nominating persons to the governing bodies of (a) training centres for mentally handicapped children and (b) special schools, if so, (i) what are the present formulae, (ii) what changes will be made to each formula and (iii) why are these changes being made?

The MINISTER OF EDUCATION AND CULTURE

(a) and (b) No, not for the present The proposed Act on Education Affairs may have the result that anomalies which may exist are eliminated

(i), (ii) and (iii) Fall away

Cultural affairs' regional councils

67 Mr R M BURROWS asked the Minister of Education and Culture

What are the names of the persons serving on each of the regional councils for cultural affairs falling under the control of his Department?

The MINISTER OF EDUCATION AND CULTURE

The following persons have been appointed to the different regional councils for cultural affairs for a three year period from 1 August 1987

28/8/87 250/8/1M

GOVERNMENT FINANCES

Spending madly

Exchequer issues for the four months of the fiscal year to July 31 grew almost 20% compared to a year ago. Revenues grew by 10%. For July, expenditure increased 23% and revenue 18%.

During the first quarter of fiscal 1987-1988, exchequer issues increased 18,2% (budgeted 16,2%), while issues comprised 25,6% of budgeted expenditure for the year. In terms of seasonal patterns, the ratio of issues was lower than average for the previous three fiscal years.

The sharp, and no doubt welcome, increase in July receipts was attributable to Inland Revenue; details will be supplied during the month. For reasons that, it is to be hoped, will become apparent in due course, Customs and Excise actually drew R66m out of Revenue in July.

During the first quarter exchequer receipts increased only 5,6% against a budgeted 12,6%. In the first quarter revenues comprised 18,7% of budget for the year. Like expenditure, this was also below the average



Finance Minister Du Plessis ... borrowing more

for the past three years.

The Reserve Bank's *Annual Economic Report* notes that while government spending has increased by an average 18,5% in the past 10 fiscal years, current government expenditure increased by 19,3%.

This meant a "deterioration in the savings performance of general government," and "necessitated increased reliance on borrowing for supplementing current government income."

As a result, government has had to borrow since fiscal 1982-1983. The deficit before borrowing after the first quarter of fiscal 1987-1988 was R4,5 billion, some 53% of the R8,4 billion budgeted for the year as a whole. The latter is equal to 4,7% of GNP compared to 4,1% in fiscal 1986-1987. ■

A look at govt spending

The South African Government spends proportionately more on education and proportionately less on social security than most other countries in the world

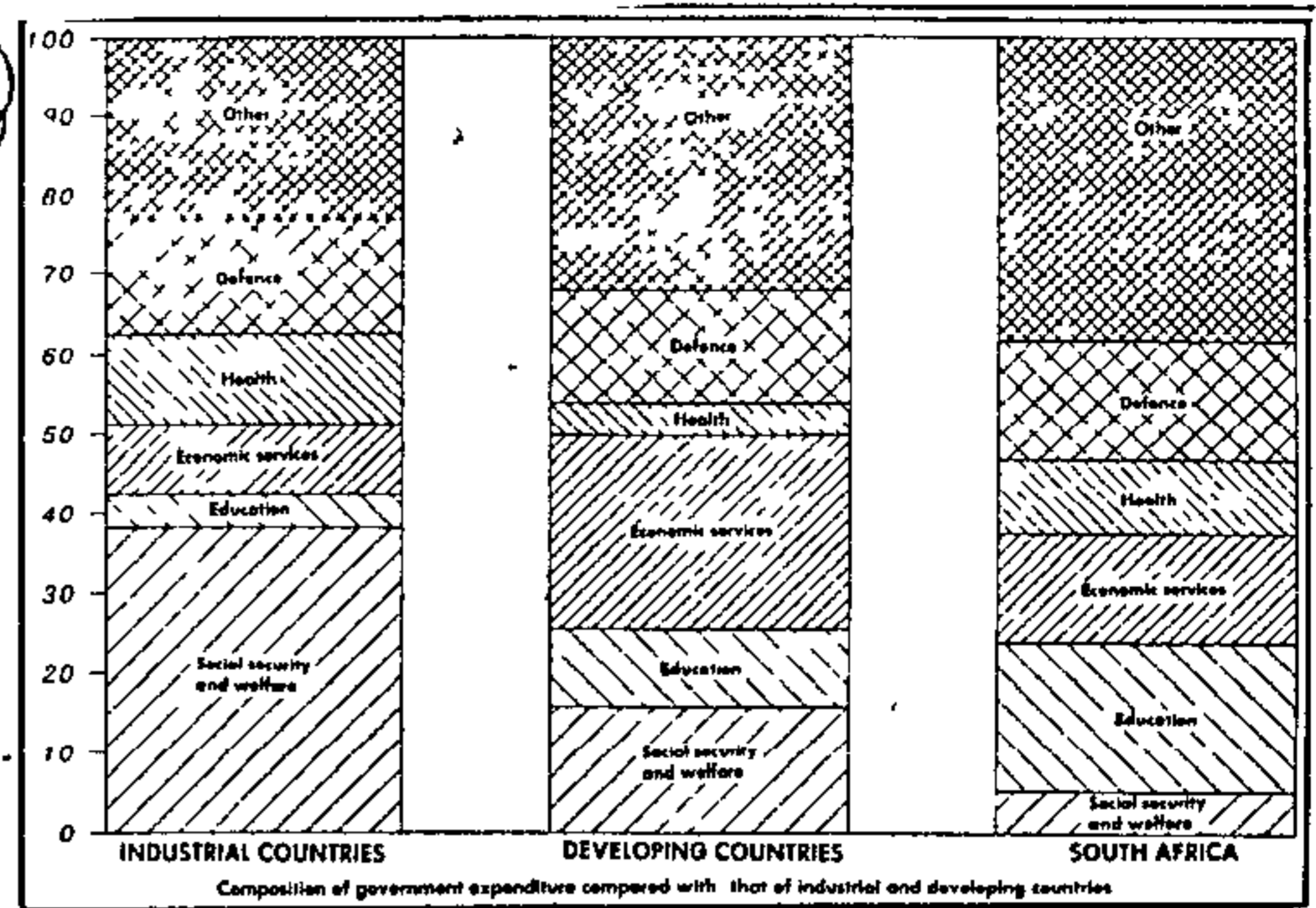
The accompanying graph, compiled by economist Dr Gad Arivich, shows the percentages of government expenditure applied to each of the categories indicated in developed countries, developing countries and South Africa

Whereas the most marked differences are in the spheres of education and social security, it is interesting to note that in terms of

government spending on health and economic services, South Africa is closer to the developed countries than to the developing countries

Monday's Star Executive Forum lunch meeting will focus on these issues, with guest speaker Gerhard Creoser, Public Finance Chief, targeting in on the outlook for government spending and its implications for the economy

Those interested in attending the lunch should telephone Belinda on (011) 633-2320



250
B/Dey
3/18/87

'No refuge for inefficiency'

Public sector streamlined

GERALD REILLY

PRETORIA — The public service was no longer the safe refuge for stumbling inefficiency it might have been in the past, Public Servants Association GM Hans Olivier said yesterday.

He said the Commission for Administration had adopted a new tough policy last year of getting rid of staff who were under-performing. Since then sackings had been frequent.

Popular criticism of public servants in their battle for salary parity with the private sector was that cast-iron job security in the service was never put on the scales. "Well, government workers are no more secure now under the new policy than workers in the private sector. If they don't perform, they're out."

Other criticism included that when public service workers' total earnings were being assessed for comparison with equivalents in the private sector, their superior pensions gratuities and medical aid benefits were not taken into account.

"In fact, when private consultants used to make the comparisons, they discounted these advantages by between 10% and 15% "

Olivier said the commission could terminate a worker's service on one month's notice, if he had less than 10 years service, and three months' notice if he had more than 10 years service — "without having to give reasons".

...however, were met

Ex-D-Gs lining up for big hand-out

CAPE TIMES 2/9/87 Political Staff 250

SEVEN retiring directors-general are in line to collect cash gratuities of more than R2,7 million between them immediately they leave the civil service.

The seven are Mr Johan du Plessis, D-G of Water Affairs, Mr Dirk Immelman, Agriculture and Marketing, Mr Fred Otto, Environmental Affairs, Mr Adriaan Eksteen, Transport Affairs, Mr James Gilliland, Administration in the House of Delegates, Mr Sarel du Plessis, Trade and Industry, and Mr Jan Jooste, Administration in the House of Assembly.

Each stands to receive an individual pay-out of R392 291, calculated on the assumption they were all enjoying annual salaries of R119 136 in their last year of service.

It is also based on the assumption that all seven reached the retirement age of 65 after full service, ie 49 years. The latter could have been reached by buying back service.

In addition to the gratuity, these long-serving D-Gs will enjoy annual pensions or annuities amounting to more than R106 000, or about R8 800 a month.

These remuneration levels indicate that the public service is no longer the poor relation to the private sector — and in many instances is probably far better off.

Admittedly, the number of civil servants enjoying salary and other remuneration benefits on the scale detailed above is small in relation to the total personnel corps in the public service.

(250) ARGUS 4/9/87

New formula promised for State pension fund

Political Staff

THE Government is to change the public servants' pension buying-back scheme to forestall a predicted R16,997-billion shortfall in the Government Service Pension Fund.

The Minister of National Health and Population Development, Dr Willie van Niekerk, announced several new measures in Parliament yesterday to try to put the controversial fund on a healthy footing.

Critics of the fund, including former Sanlam chief Dr Andreas Wassenaar, are still not satisfied that the measures will solve the problem.

Dr van Niekerk also released the actuary's report on the fund, withheld for 17 months. It disclosed that at current rates of pension increases the fund would eventually face a shortfall of R16,997-billion.

Dr Wassenaar recently published a book in which he said the taxpayer would eventually have to pay out billions to save the fund because of over-generous pension benefits. One of his main targets was the provision which allows public servants to buy back pension service to the age of 16.

Buying back

Yesterday Dr van Niekerk announced during the debate on his portfolio in Parliament that the formula for buying back pension service would be changed next month "in accordance with the actuary's recommendation."

"This will result in the fund being fully compensated in each case for the benefit which the member will eventually receive from the fund."

Dr Wassenaar said it was impossible to assess if the new measure would solve the problem as Dr van Niekerk had not said what the new formula would be.

Mr Roger Burrows, MP, Progressive Federal Party spokesman on the Public Service, today accused Dr van Niekerk of not painting the true picture and not spelling out the cost to the taxpayer when he appeared on television last night.

The actuary's recommendation on this point was not contained in the report released yesterday.

Mr Burrows said the taxpayer was already having to foot an extremely high bill. For every rand a civil servant contributed the taxpayer contributed R2,74.

This is far more than the average proportion in the private sector, which tends to be one rand to R1,50.

Dr van Niekerk said last night the fund was sound enough to be paying out only from the interest on its capital.

"So the taxpayer can expect to pay even more in the future."

He pointed that in Parliament Dr van Niekerk had conceded the fund was not in danger because the taxpayer would always be behind it.

Mr Burrows said that in simple terms the pension fund was a young fund with a large proportion of contributors compared with beneficiaries. A tremendous problem would be experienced as the fund matured and more and more beneficiaries received money.

Taxpayer being milked, says Wassenaar

Staff Reporter

THE taxpayer was being milked to pay for the civil service when proper management would save billions, says economist Dr Andreas Wassenaar.

A prime example was the Civil Service Pension Fund which could result in civil service pensioners earning more in retirement than while they were working, the former Sanlam chairman told the Cape Town Press Club yesterday.

"Blatant manipulation" and "extraordinary" changes to the fund's regulations needed to be investigated.

Dr Wassenaar's recent book *En Route To Fairyland* tells the story of his own probe into the fund. He said he had found "the most unbelievable manipulation" of regulations and expected this to continue.

BORROWING

As a result he has proposed turning the fund into a corporate body controlled by a board of trustees in the same way as private funds — and paying more realistic pensions.

One of the major drains on the taxpayer was the Government's "excessive grasp" on loan money and its reliance on increased borrowing to repay a runaway national debt, he said.

Cape Times 5/9/87 (200) 250

State Pension Fund deficit 'R20 billion'

By NICO MULLER
Political Staff

HOUSE OF ASSEMBLY — While the PFP speculated yesterday that the State Pension Fund's deficit could be around R20 billion, the government said it would investigate the fact that civil servants could buy back pension to the age of 16 years.

The Minister of Finance, Mr Barend du Plessis, however, told the House of Assembly while replying to debate on his budget vote that control over buying back service time was not the responsibility of his department.

His department's only responsibility was to see that funds under the State Pension Fund were invested to ensure maximum returns.

Average returns had increased by 13,5% at the end of June, by 13,3% so far this year, by 12,84% last year, by 11,92% the previous year and by 10,96% in 1984

If the conditions under which pensions could be bought back were too wide, it was the collective responsibility of all government departments falling under conditions of service

However, he said the government "would have to" investigate the fact that civil servants could

buy back their pensions to the age of 16

Mr Du Plessis said "responsible attention" was being given to pension funds at the moment

● Statements by the Minister of National Health and Population Development, Dr Willie van Niekerk, on television on Thursday night about the State Pension Fund were "totally misleading", Mr Harry Schwarz (PFP Yeoville) said yesterday

'Very clear'

Referring to recent reports about the fund's shortfall of R7 600 million, he said during debate that Dr Van Niekerk's statements about the fund's cash flow "had absolutely nothing to do with its solvency".

The actuarial report on the fund, made available yesterday from the minister's office but not provided to the Standing Committee on Finance, was in fact very clear on the fund's position

"The deficit is not R7,6 billion, but it is in reality R16 billion, in fact nearly R17 billion.

"That was in 1985, and with interest increasing it, the total must now be about R20 billion," Mr Schwarz said

"The (actuarial) report says

that the situation will be contained if there is a 'cut off' now and that there will be a surplus of R150 million per year in the fund

"But even that will not really be a surplus in view of inflation and that the deficit will still have to be eliminated, which will take years and years at a rate of R150 million per annum

Mr Schwarz said the fund's problems had arisen as a result of changing the calculation of a civil servant's pension on his last salary as opposed to the average of the last three years, and the opportunity to "buy back" service time.

"A man of 54 who joins the public service can buy back service time to the age of 16."

Dr Van Niekerk's announcement yesterday that the formulae were to be looked at and that details would be announced within the month were an open invitation to public servants to make applications now to buy back their service before it was too late.

"This should be frozen today, so that we can get some sense back into this issue

"The taxpayer will eventually have to finance the deficit," he said. — Sapa

CP: 'Like attorney caught with hand in till'

HOUSE OF ASSEMBLY. — The State Pension Fund should be run on a sound economic basis and it was not good enough for the government to simply say it would make up any deficit, Mr Casper Uys (CP Barberton) said yesterday.

Speaking in the Finance vote of the Budget, he said it appeared the government planned to use taxpayers' money to make up any shortfall in the pension fund.

The government's assurance that there was no

need for concern because the pension fund's income exceeded its expenditure was not acceptable.

He said the pension fund was similar to a trust account and compared the situation to that of an attorney being caught with his "hand in the till". It would not be acceptable for the attorney to say his income still exceeded his expenditure.

The situation had to be put right and not by using taxpayers' money to make up any deficit. — Sapa

Equal pay on war

By TOS WENTZEL
Political Correspondent

250

11/19/82

ALL public servants, regardless of race, will get equal pay and benefits from March 1 next year.

Mr Alwyn Schibusch, Minister in the Office of the State President entrusted with the public service, announced in Parliament today that all remaining disparities between the salaries of various population groups in the public service would be removed from that date.

Legislation to provide parity in service conditions for all 198 000 employees of SA Transport Services was also published today.

Mr Schibusch said the final stage in the programme to eliminate disparities would cost about R135-million for a full year.

Full co-operation

He pointed out that he had recently stated in Parliament that he was giving urgent attention to the issue of salary disparities. In this he had received the full co-operation of other Ministers and the issue could be resolved before the end of this financial year.

The step meant that the same salary scales and measures which governed the determination of individual salaries applied to all population groups in the public service.

The elimination of disparities would include general measures such as those applying to compensation for transfer costs, subsistence allowances and stand-by allowances.

Mr Schibusch paid tribute to the various staff associations, particularly the Public Service League, the Public Service Union and the Institute of Public Servants.

Wider powers

He said the dignified manner in which they had submitted their representations and their understanding of the complexities and constraints involved advanced the process of eliminating disparities.

The South African Transport Service Amendment Bill, introduced in Parliament by the Minister of Transport Affairs, Mr Eh Louw, also grants wider powers to the general manager of Sats to dismiss workers who were involved in illegal strikes.

The Bill also enables the service to establish or acquire interests in South Africa and elsewhere.

The proposed legislation enables Sats to implement the last phase of the programme to grant equal service conditions to employees of all races.

Negotiated

According to a Sats spokesman, employees would now enjoy the same service benefits except for travel and medical fringe benefits.

The extension of these benefits to all employees was now being negotiated with trade unions and was dependent on finances.

The Minister of Communications, Mr Stoffel Botha, announced earlier this year that parity was being introduced for the remaining categories of employment in the Post Office.

250



PUBLIC SECTOR EMPLOYMENT

Revealing some secrets

Public sector earnings increased by 37% in the five quarters ending in June 1987. The only attributable reasons for the increase were a general 10% salary adjustment on April 1 1986 and a 3,6% increase in people employed to 1 464 922.

Spokesmen for the Commission for Administration — which has just produced a booklet *Exchequer Personnel* presenting a new picture of the public sector — say a number of distorting factors were at work during the period. Bonuses are paid in the second quarter, explaining the 24% increase between the first and second quarters in 1986.

There were also great shifts of staff during the period, for example, tens of thousands of teachers were transferred from provincial to central administration. As a result, in the year to end-June 1987, public sector pay increased by just over 10% — in line with the general salary adjustment.

Central Statistical Service (CSS) has produced a new set of figures compatible with the definitions of the public sector as set out in the commission's booklet. The figures, are, unfortunately, confusing as for the first time public corporations (Iscor, for example) have been included.

A note in the new statistical release says "A line across a column of figures indicates an interruption in the comparability of the figures," without elaborating further.

Public corporations

CSS chief Treurnicht du Toit says the figures for public corporations have to be considered in order to reconcile 1986 and 1987 figures. If public corporations are removed from figures for the first two quarters of 1987, the public sector was paid R4,4 billion in the first quarter and R5,1 billion in the second — an increase of 15,5%.

In crude terms, if this quarterly increase is annualised, the cost of the public sector excluding the public corporations will increase by over 60% in 1987. Two major distorting factors, the payment of bonuses in the second quarter, and the inclusion of cash paid out under Pretoria's job creation programme, have to be discounted from the general trend.

The second quarter increase in 1986, which is comparable to the 15,5% for 1987, was 24%. In the third and fourth quarters of 1987, growth was -3,9% and 2% respectively, smoothing the average for the year. The overall increase for 1987 will be affected by the general adjustment which came into effect on July 1, the start of the third quarter.

The commission's booklet, however, contains a wealth of facts and figures and would leave the uninitiated with a picture not quite



CSS chief Du Toit ... figuring the exchequer

in keeping with reality, especially with regard to public sector pensions and pay increases.

The main criticism concerns salary and other remuneration hikes, the booklet claiming that there have been "allegations of exorbitant" increases. The commission, using figures which are not comparable with those discussed here, shows that the 1985-1986 general 10% adjustment was affected by a multiple of 1,65 to produce 16,5%.

The increase in pay applied to the "Exchequer personnel corps" and is explained as general adjustment of 10%, notch increases, promotions 1,6%, educators with low qualifications 1%, nursing staff 3,1%, and labourers 0,8% — to total 16,5%.

The commission uses the term "public sector" in its broadest possible sense, thereby including

- Central and provincial government departments (appointments under, inter alia, the Public Service Act, the Education Acts, Water Act, Defence Act, Police Act, and Prisons Act),
- Utility institutions (such as the CSIR, National Parks Board and universities),
- Public services of the self-governing states,
- Sats,
- The Department of Posts and Telecommunications,
- Local authorities,
- Agricultural control boards, and
- Public corporations (such as Iscor, Eskom and the SABC)

The first three categories are called the "exchequer personnel corps," being financed directly by Pretoria. The last five categories generate their own income.

The CSS figures show that at end-June some 1,64m people — 641 000 whites, 190 000 coloureds, 38 400 Asians and 777 000 blacks — were employed in the public sector (including public corporations).

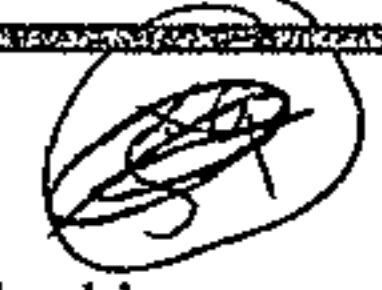
Living requirement

Whites, comprising 39% of the public sector work force earned 63,4% (R3,7 billion or an average R1 902 per month), blacks 25,6% (R1,5 billion and R633), coloureds 7,9% (R457 000 and R802), and Asians 3% (R176 000 and R1 528). In passing, it is of note that Cosatu's minimum living requirement is R850 a month.

The best place for a white to work in the public sector is in "scientific councils" —

P.T.O.

WORKING IN FINANCE



According to CSS some 87 500 people were employed at end-June by banking institutions (including 65 300 whites and 11 300 blacks); 20 900 by building societies (15 800 and 3 000), and 51 100 by insurance companies (34 800 and 7 400).

In contrast to the public sector, banks and building societies employ slightly (less than 1%) fewer people than last June. Only 1,6% more are on insurers' payrolls, though finance and services are one of the few growth sectors.

In the year to June the quarterly wage bill (including bonuses) also rose less than the public sector's — 16% for banks to

R424m, 22% for building societies to R94m; and 25% for insurers to R293m.

Average salaries for all race groups are highest at insurance companies, whites earning an average R2 313 and blacks R1 053 a month.

Banks pay whites an average R1 845 and blacks R612 a month while societies pay R1 504 and R711. Average earnings in the public sector are R1 902 and R633 a month, respectively.

At the end of June there were 195 vacancies at banks (against 289 at end-March), 5 at building societies (0), and 191 at insurance companies (213).

AM 11/9/87

where average monthly pay is R3 156 The last place you would want to work is in a provincial administration where you could earn R1 374 a month

If you were black you would earn most in the homelands civil service at R952 a month The worst payers in general are the utilities (other than scientific councils)

There were 83 669 vacancies at the end of June — the majority were 31 500 in Sats, and secondly 30 600 in "trade establishments" — against 81 990 at the end of March.

A failing of the well presented, colourful booklet is its omission of buy-back rights in its discussion on pensions Recently, ex-Sanlam boss Andreas Wassenaar reckoned these rights could give rise to a R17 billion shortfall in the State pension, exciting discussions in parliament and assurances from various ministers

The booklet says the average public service pension paid in October 1985 was R667 a month The maximum housing bond subsidised is R50 000 and only 1 320 employees qualified for the "motor finance scheme." All these figures, like the discussion on pensions, need to be read with some circumspection

The commission's booklet is in general very useful. It is shown, for example, that 70% of the functional activities of the personnel of central departments and provincial administrations is aimed at development. This includes direct development activities such as education, health services, establishment of infrastructure and aid

About 20% of personnel are involved in protective work, including activities of the SADF, SAP, Prisons Service, and departmental security personnel in buildings. Ten per cent of the people are involved in regulating, as well as rendering administrative and logistic support to the development and protection functions

How effective, or productive, all these people are is anyone's guess. Productivity in the public sector is not meant to be measured But when two major new documents — the commission's booklet and a new analysis from the CSS — fail to make clear the costs of the public sector, the harsh criticism vented by so many at the level of Pretoria's spending acquires new vigour ■

8 6

250 270 300

Public service, SATS wage parity

By ANTHONY JOHNSON
Political Correspondent



Mr A Schlebusch



Mr Abe Williams

ALL racially-based inequalities in pay and benefits in the public service will be eliminated by March 1 next year

And legislation providing for parity of service conditions for employees of all races in SATS was tabled in Parliament yesterday

The programme to eliminate disparities between the different races in the public service would cost about R135 million a year, the Minister in the Office of the State President, Mr Alwyn Schlebusch, said yesterday

Mr Schlebusch told the House of Assembly that by the end of this financial year people in all departments of the public service would be paid according to the same salary scales and everyone would receive the same benefits in regard to transport costs, subsistence allowances and stand-by allowances

The move had been taken with the full co-operation of the cabinet and the "dignified manner" in which the Public Service League, the Public Service Union and the Institute of Public

Servants had submitted their representations had "definitely advanced the process", he said

The Labour Party spokesman, Mr Abe Williams, welcomed the step, saying it would make a "major contribution" to the economic upgrading of "our community" and advance the need for the elimination of social inequalities

'Inflationary'

The Conservative Party spokesman, Professor Fanie Jacobs, labelled the move as "inflationary" and expressed fears that it could lead to discrimination against white public servants

The South African Transport Services Amendment Bill introduced yesterday specifies that the general manager of SATS may make regulations, retrospectively, in connection with the appointment of temporary or permanent employees, "as may be necessary to achieve parity of service conditions for all races"

SATS sources indicated yesterday that provision meant that the roughly 200 000 workers could soon enjoy the same benefits, travel and medical fringe benefits excepted

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WEEKEND Argus

September 12 1987

Equal pay: Now for productivity

IN announcing the introduction of complete racial pay parity and benefits in the public service from March next year the Government has taken a commendable, if long-overdue, step away from discriminatory remuneration.

And by doing so for public servants, a laudable example has been set for those sections of the private sector which still differentiate in pay scales.

For too long a thoroughly unfair and unjust system has been applied. This is bound to affect productivity, job satisfaction and service loyalties. By people being deprived, motivation and incentive tend to be denuded too. Moreover, pay differentiation denies people a chance to improve their circumstances and life-styles.

Now, for the first time, public servants of colour can look forward to a fair return for their labours. And, to the benefit of all, many are bound to want to improve their skills in the quest for further advancement.

The equalisation of benefits means that all public servants will enjoy the same advantages in housing subsidies, transfer costs, subsistence and stand-by allowances.

The pay equalisation measures will cost an additional R135-million a year, but if it leads to a much-needed upliftment in public service productivity the benefits, felt by everyone, will be well-worth the money. The additional money in peoples' pockets will also have the added advantage of giving the economy a boost.

Although a long time in coming, the Government has kept its word in introducing equal pay and benefits.

Voluntary days negotiable, report suggests

Move to cut paid public holidays

By David Braun, Political Correspondent

CAPE TOWN

The Government was today advised by the President's Council to prescribe only four paid public holidays, leaving six or seven others to be negotiated between employees and employers.

This would open the way to making Soweto Day (June 16) a paid public holiday as proposed.

According to the report on public holidays of the Committee for Economic Affairs of the President's Council, published today, only "core statutory paid public holidays" should be stipulated — Christmas Day, Good Friday, Republic Day (May 31) and Day of the Vow (December 16).

Additional paid holidays should be determined by means of negotiation between employers and employees, but the maximum number should not exceed 10 or 11.

The President's Council investigation was conducted on the instructions of the State President, Mr P W Botha.

The investigation had revealed that the number (11) of public holidays currently observed was not excessive by international standards, but representations had been received to have the number reduced to 10. Each public holiday cost the country about R400 million in lost productivity.

It was recommended that Founders' Day (April 6) be scrapped as a public holiday but retained as a commemorative day, that Kruger Day (October 10) be scrapped but replaced by a public holiday on the first or second Monday in September. Consideration could be given to creating the proposed public holiday "Heroes' Day".

To ensure the highest degree of acceptability, public holidays should be determined in accordance with certain guidelines.

They should as far as possible be evenly spread throughout the year. In cases where such days were not purely neutral, the needs of groups that could be reconciled with endeavours to achieve broad acceptance should be taken into account.

Widely accepted

A public holiday may also come into being when a particular day was already so widely accepted as a paid holiday as a result of negotiation between employers and employees that its acceptance as a public holiday would be a *de jure* recognition of a *de facto* situation.

June 16 was such a day.

But the resulting public holiday had to be acceptable generally and not merely sectionally, the committee said.

June 16 would contribute to the concentration of holidays in the first half of the year.

Other recommendations were:

- A very limited number of public holidays, preferably not more than one, determined on a regional or group basis, might perhaps be desirable to provide for the urgent needs of people or areas, that could not claim national importance, provided that the total number of public holidays in the country was not increased in this way.

- A holiday falling on a Sunday should be transferred to the following Monday.

- Remuneration for work on a paid holiday should at least amount to that for Sunday work.

- There should be provision for negotiation on whether workers would have paid holidays separately or could work on some and add these to annual leave.

See Page 13.

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15/9/87

The Star

Public holidays for all seasons

NO NUMBER of public holidays can satisfy all interests in a country South Africa, in a state of flux and beset by turmoil, seems to need more commemorative days than most. If all religions could select their own holy days; if patriots and sentimentalists could nominate their dedicatory holidays; if political groups were permitted to set aside their special memorial days, and a few obvious special days such as New Year were to be thrown in, we would be close to the seven-day weekend.

The ferment over holidays has been illustrated over recent years by confusing experimental changes. Easter Monday was set aside to honour the Family, the anniversary of Van Riebeeck's landing was broadened to include other Founders of choice, Dingaan's Day metamorphosed through Covenant to Vow, and Boxing Day was set aside, at least in name, for Goodwill.

A bitter wrangle resulted in the first Friday in May being set aside as Workers' Day. And it is the prospect of other disputes over special days, as well as the need to rationalise

the distribution of public holidays, that have led to the report of the President's Council, published yesterday.

As if conflicting interests were not a sufficient complication, it is argued in some quarters that holidays arranged so as to form a long weekend affect productivity less than midweek days off. But another lobby says long weekends kill off more people in road accidents.

So the idea of a core of four fixed holidays a year, plus negotiated paid holidays to suit individual preference, is a fair compromise. Yet it will not solve all the differences.

For instance, would pupils and students be given a choice? There would have to be an official ruling for educational institutions if teachers and learners are to be there at the same time. (Pupils, having nothing to lose financially, would tend to opt for as many holidays as are available.)

The only totally rational solution would be for a state of affairs in which the whole nation can accept the allocated holidays — with all the rest as Goodwill days.

Council proposals get mixed reception

Pretoria Correspondent

Employers and employees have mixed feelings about the President's Council report on public holidays

The Association of Chambers of Commerce (Assocom), while welcoming the report, said it regretted the recommendation regarding negotiation of payment for other public holidays.

"The problem here is that, with the majority of workers in South Africa unorganised, and taking into account the large number of small businesses, such negotiations may not be practical," Assocom said

Assocom described the report as well-researched and one which offered a balanced assessment of the wide range of divergent views that existed on the highly emotional issue of public holidays.

The information officer for the Congress of South African Trade Unions (Cosatu), Mr Frank Meintjies, expressed disappointment that Soweto Day (June 16), Sharpeville Day (March 21), or Labour Day (May 1), were not stipulated public holidays

But he said the fact that it had not been proposed to enforce the first Friday in May as Labour Day was an acknowledgement of the power of the unions.

Trade unions strongly opposed this suggestion last year and have asked that May Day be a paid public holiday.

Mr Meintjies said the report did not address the needs of Cosatu members, specifically in regard to the Day of the Vow

"The Government is held hostage by the

interests of the conservative elements," he said "It is not going far enough to address the needs of the majority"

The South African Federated Chamber of Industries welcomed the introduction of a flexible approach to public holidays

"The FCI particularly appreciates the recommendation regarding the role to be played by the collective bargaining process in determining a number of holidays to be celebrated by specific groups or communities," the chamber said.

"This approach is in line with the submission made to the council by the FCI."

The chamber supported the decision that the number of existing public holidays would not be increased and should be better distributed throughout the year

"The proposed inquiry into the various Acts relating to holidays to achieve uniformity is also supported.

"The FCI is, however, concerned that certain of the recommended four core statutory paid holidays may be contentious in the eyes of certain communities in the country."

The Government should stipulate the minimum number of public holidays to be agreed upon between workers and management to prevent some companies from exploiting their staff, Mr Randall Falkenberg, head of a human resources consultancy said yesterday.

Mr Falkenberg said the report indicated an incredibly divided society in which "it does not seem possible to arrive at agreed national public holidays"

Mr Falkenberg said the idea of having as many holidays as possible with the widest possible acceptance seemed to be a move to accommodate sectional interests

Although the holidays were to be negotiated on a "less than national" regional, corporate or provincial basis, he felt the Government should legislate a national minimum number

"If there is not a national minimum, some companies will exploit workers

"I do not think the differential between the legalised maximum of 10 or 11 days and the legalised minimum should be more than three days"

Mr Falkenberg said that, while in the process, the Government should scrap existing holidays which were objectional and divisive

But Labour Day (May 1) was an internationally recognised holiday

"This is an opportunity to recognise it as it cuts right across colour and acknowledges the importance of labour throughout the world"

If handled properly, the proposed arrangement over holidays could remove one small problem from the industrial relations arena, Mr Falkenberg said

● The report advised the Government to prescribe only four paid public holidays, leaving six or seven others to be negotiated between employees and employers.

Christmas Day, Good Friday, Republic Day and Day of the Vow should be core statutory paid public holidays, the council said

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GOVERNMENT GAZETTE

OF THE REPUBLIC OF SOUTH AFRICA

REPUBLIEK VAN SUID-AFRIKA

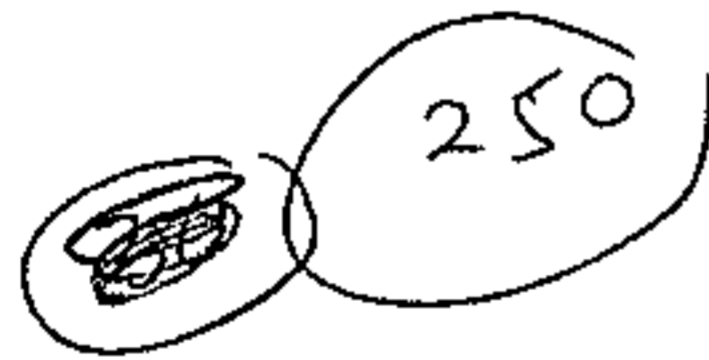
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Vol 267



CAPE TOWN, 18 SEPTEMBER 1987
KAAPSTAD, 18 SEPTEMBER 1987

No. 10916

STATE PRESIDENT'S OFFICE

KANTOOR VAN DIE STAATSPRESIDENT

No 2069

18 September 1987

No 2069

18 September 1987

It is hereby notified that the State President has assented to the following Act which is hereby published for general information —

Hierby word bekend gemaak dat die Staatspresident sy goedkeuring geheg het aan die onderstaande Wet wat hierby ter algemene inligting gepubliseer word —

No 49 of 1987· Appropriation Act (House of Assembly), 1987

No 49 van 1987· Begrotingswet (Volksraad), 1987

ACT

To appropriate amounts of money for the requirements of the Administration: House of Assembly during the financial year ending 31 March 1988.

*(English text signed by the State President.)
(Assented to 9 September 1987.)*

BE IT ENACTED by the State President and the House of Assembly of the Republic of South Africa, as follows —

Appropriation of moneys for requirements of Administration House of Assembly.

1. Subject to the provisions of the Exchequer and Audit Act, 1975 (Act No. 66 of 1975), there are hereby appropriated for the requirements of the Administration House of Assembly during the financial year ending 31 March 1988, the amounts of money shown in column 1 of the Schedule, with which the Revenue Account. House of Assembly shall be charged 5

Short title

2. This Act shall be called the Appropriation Act (House of Assembly), 1987

Act No. 49, 1987

APPROPRIATION ACT (HOUSE OF ASSEMBLY), 1987

Schedule

Vote		Column 1	Column 2
No	Title		
1	Health Services	R 64 836 000	R
	Including—		
	Financial assistance to National Council for Mental Health		1 000
2	Agriculture and Water Supply	991 363 000	
3	Education and Culture	3 338 972 000	
	Including—		
	Schools of industry Grants-in-aid to school funds		23 000
	Reform schools Grants-in-aid to school funds		3 000
	Financial assistance to declared cultural institutions		
	Museums		4 943 000
	Art collections		453 000
	Assistance to organizations for preservation of national memorials		
	Board of Control Huguenot Monument		31 000
	Louis Trichardt Association		17 000
	1820 Settlers' National Monument Foundation, Grahamstown		
	Control Board Voortrekker Monument		677 000
	Grants-in-aid		703 000
	Training, coaching and participation		40 000
	Administration of recreation bodies		45 000
	National fitness scheme		10 000
	Recreation facilities and apparatus		1 000
	Conferences and projects		4 000
	Promotion of cultural services, youth work and publicity		
	Recurrent expenses of cultural organizations		667 000
	Presentation of courses and projects		3 798 000
	Erection and maintenance of camps and camp sites		361 000
	Issuing of publications		12 000
	Promotion of performing arts		
	Community theatres		500 000
	Overseas study		15 000
4	Local Government, Housing and Works	293 935 000	
5	Budgetary and Auxiliary Services	19 755 000	
6	Improvement of conditions of service	198 000 000	
7	Welfare	769 936 000	
	Including—		
	Care of the aged		
	Homes for the aged and infirm Special grants		650 000
	Subsidies		
	Child Welfare Additional/supplementary to any formula		100 000
	Community centres		50 000
	Grant-in-aid to Salvation Army		3 000
	Total	5 676 797 000	

League's exco suspends Domingo

THE HEAD of the controversial Public Servants League, Mr Malcolm Domingo, has been censured and suspended from all offices.

This follows a motion alleging that he is unsuitable to be the League's chairperson.

The motion was carried unanimously by representatives of 26 districts at a weekend national meeting.

The Groote Schuur branch submitted a motion that Domingo be censured and a committee of inquiry elected to investigate his activities as chairperson.

Vice-chairman Mr Joe Davis has been appointed acting chairman until the investigation had been completed.

Domingo was elected to serve another term at the League's AGM earlier this year. He is now alleged to have been elected to serve another term at the League's AGM.

to have:

- Been part of an executive decision to invite Mr David Curry, a Minister in the House of Representatives, to be guest speaker at the last AGM, thus damaging the League's floundering credibility.

- Objected to an executive decision to invite Mr Franklin Sonn, president of the Cape Teachers' Professional Association (CPTA), to speak at the AGM.

- Appointed a white East London woman into a vacant post without consulting the executive or the secretary.

- Used his position to try to lure an East London league worker into bed. When she refused he is alleged to have threatened that she was jeopardising her job, according to an affidavit.

- Used an employee of the Bureau of Information to canvass votes for him during the past AGM, raising serious doubts within the league.

- Spent League funds excessively. Domingo said he found the allegations laughable. He was appointed chairperson at the AGM, a body higher than the National Committee.

"Therefore, they have extended their powers by censuring me," said Domingo, who claimed it was a result of a personal clash between himself and Mr Arthur Farred.

"The allegations against me are nothing more than slanderous lies. I'm going to sue them," he said.

He had already sought legal advice and now considered all matters about the censure sub judice.

He accused Farred and others of trying to spread the lies about his alleged involvement with an East London League worker at the time of the AGM.

League members, who refused to be named, complained of Domingo "being buddies" with members of the House of Representatives. They partly blamed him for the League's tainted image in the eyes of the community and community organisations.

Domingo was criticised for supporting President, PW Botha, over the resignation of the Reverend Allan Hendrickse, in a statement to an Afrikaans newspaper.

It was alleged that the league's name, for some obscure reason, was being "traded" for the eventual success of a multi-million rand holiday resort which, ironically, was beyond the means of most of members.

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dable basis."

Cape Times 23/9/87 (50) 250

Govt moves on pensions fund

Own Correspondent

JOHANNESBURG. — Government moved yesterday to dispel criticism of its pension fund management, but resisted pressure to scrap its "buy-back" system, or to make actuarial assessments compulsory by law.

Chief critic of the running of the funds, former Sanlam head Andreas Wassenaar, said yesterday government was "nibbling at the edge of the problem".

According to a government notice issued by National Health and Population Development minister, Willie van Niekerk, two changes are being introduced:

- Civil servants will now only be able to buy back service they never worked to age 18, instead of age 16. This reverses a change introduced in 1980;

- Members' monthly payments have also been adjusted by means of a formula which appears to place the determination of payments in the hands of civil servants.

The administration of the Government Service Pension Fund has been criticized by pensions fund experts who argue benefits are being determined solely by civil servants who are its beneficiaries.

In terms of yesterday's regulations monthly payments will be set by the formula: the number of years worked, multiplied by yearly pensionable emoluments, multiplied by "a factor determined by the Director General".

Members' payments will be in line with compound interest "at the rate fixed by the Director-General from time to time".

Wassenaar said yesterday the changes appeared to open the way for "terrific manipulation".

He said he wanted to study the regulations more closely before commenting further.

Public servants to request more pay

23/9/87

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PRETORIA — The Public Servants' Association (PSA) has been given a firm mandate to formulate and make fresh representations on pay.

The president of the 63 000-strong body, Dr Colin Cameron, said this after its annual meeting here.

The 12,5 per cent salary hike for public servants on July 1 was said to have been unsatisfactory, with most PSA members also feeling that it should have been backdated to April.

Delegates also backed Dr Cameron's call for better machinery to handle public servants' grievances.

"We feel the time is right to formalise this with the authorities.

Dr Cameron said it was too early to say what percentage increase public servants would seek in April next year. — Sapa

- them at state expense with the aid of the Department of Public Works and Land Affairs, and against payment by them for the duration of their stay
- (b) Official quarters Hostel Private rooms Private homes
- (c) Official quarters on Prisons Terrain, Cape Town Hostel and private rooms at Guguletu and Khayelitsha Private houses at Nyanga East

- (3) Yes Travel facilities are provided for official journeys undertaken during the Parliamentary session in the same way as if they were at their headquarters. Exception for the following journeys, travel assistance is not given by the State for private journeys

A maximum of 2 private journeys, where the employee's whole household moves to Cape Town, and 4 journeys where the whole household is not thus moved can be paid out of State funds. The journeys can be undertaken to and from their headquarters or any other place, to enable them to attend to their interests

- (4) Yes
- (a) Falls away

(b) The State is responsible for the relevant journeys referred to in (3) above. In addition, the State transports the employees to Cape Town at the beginning of the session and for the final journey back to their headquarters. The employees travel via the most economical means of transport which in the discretion of the head of department is the most practical and efficient means

†Mr S S VAN DER MERWE Mr Chairman, arising out of the hon the Minister's reply, I want to know whether no arrangements are made for assistance to these persons for journeys from and to work on a daily basis, while they are in Cape Town. I ask this question as a result of the fact that

Khayelitsha, for example, is very far from Cape Town. Is there any assistance or are there special arrangements in that regard?

†The MINISTER Mr Chairman, I will have to furnish those particulars to the hon member later, or he will have to put an additional question on the Question Paper. I am not prepared for that.

Philadelphia Hospital - person disappeared

*3 Mr P G SOAL asked the Minister of Law and Order

- (1) Whether a certain person, whose name has been furnished to the South African Police for the purpose of the Minister's reply, was removed from the Philadelphia Hospital in Denilton by the Police in early August 1987, if so, (a) on what date, (b) why, (c) where is he being held and (d) what is his name, if not,

(2) whether the Police have been approached by any persons regarding the disappearance of this person from the above-mentioned hospital, if so, (a) when and (b) what action have they taken as a result,

(3) whether the Police are investigating the disappearance of this person from this hospital, if not, why not, if so, with what result?

†The MINISTER OF JUSTICE (for the Minister of Law and Order)

- (1) No
- (a) to (d) Fall away
- (2) No
- (a) and (b) Fall away

(3) No. The person had been detained since 16 May 1987 by the KwaNdebele Police in terms of the Emergency Regulations. On 13 June 1987, members of that Police Force took him to the Philadelphia Hospital for treatment of an illness. He was guarded for the duration of his stay in hospital and was discharged from hospital on 13 August 1987. After he had been detained at the Denilton police station for one night, he was

transferred to the Nylistroom Prison, where he is still being detained. The relatives of the detainee were informed of his discharge from the hospital. They are aware of the fact that he is again being detained in the Nylistroom Prison and they as well as the detainee's attorney, have visited him there on several occasions since 13 August 1987.

Executions

*4 Mr P G SOAL asked the Minister of Justice

How many persons had been executed in the Republic since 1 January 1987 as at the latest specified date for which information is available?

†The MINISTER OF JUSTICE

From 1 January 1987 to 9 September 1987 111 persons were executed.

Media regulations

*5 Mr D J DALLING asked the Minister of Home Affairs

(1) Whether he has appointed any persons to serve on a committee or committees to advise him on the implementation of the most recently published regulations relating to the media, if so, what are the (a) names and (b) qualifications of these persons,

(2) whether the persons so appointed will receive financial compensation for performing their duties, if so, what compensation?

†The MINISTER OF HOME AFFAIRS

(1) No

However, in applying the regulations the responsible Minister must on examination of a series of issues of a periodical, decide whether a systematic or repeated publishing of matter has, or is calculated to have the effects stipulated in the regulations. The provisions of regulation 7A confer upon me the discretion to decide

and the decision is mine alone. In reaching that decision I have to apply my mind and act without *male fides*, failing which my decision can be challenged in Court. In the process of applying my mind I intend to *inter alia* avail myself of and weigh the full spectrum of relevant issues and facts.

Should I, therefore, deem it necessary in a particular case, I shall make use of the opinions and advice of social scientists, academics, lawyers and media experts. Each individual situation will determine my course of action. I might find the matter before me so clear-cut that I do not consult anyone.

For the proper functioning of the system I do not consider it advisable to divulge the names of the people consulted by me. I do not wish to involve them publicly in a decision which, in the end, is mine. However, if they take it upon themselves to let it be known, I have no objection thereto.

(2) Compensation

Compensation is a matter that varies from case to case. I intend to consult experts directly, by telephone, or through correspondence. The question of compensation might not arise at all in many cases, depending on the circumstances and the persons consulted.

Passenger coaches: sequence

*6 Mr D J DALLING asked the Minister of Transport Affairs

Whether any passenger trains traveling between Johannesburg and Cape Town have the sequence of the passenger coaches changed during the journey, if so, (a) why, (b) what changes are effected in the sequence of the coaches and (c) (i) where and (ii) at what stage of the journey are these changes effected?

The DEPUTY MINISTER OF TRANSPORT AFFAIRS

Under normal circumstances the sequence

CAH-71116 24/9/87 (250) 255

It pays to be a top official

Political Staff

MAJOR salary and other increases granted to directors-general (DGs) — the mandarins of the civil service — are made in virtual isolation of the pay scales set for lower echelons

This is one reason for the vast remuneration gap of about 70% between what a DG will take home and what his deputy DG receives. On a flat rate, excluding perks, the pay scale for a DG currently amounts to a little more than R119 000 a year. His deputy gets R70 000.

This disparity has been confirmed by Mr Wessel Meyers, at present

secretary-general of the Commission for Administration and due to become DG of the Administration of the House of Assembly from December.

He said the existing remuneration scale for DGs was set last year following a survey of pay scales for comparable executives in the private sector — less 5% to 15% to account for the security offered public servants.

This broad disparity has aroused discontent within the public service and has caused the Public Service Association to call for a meeting with Mr Alwyn Schlebusch, minister in charge of public service matters.

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the State President's Office entrusted with Administration and Broadcasting Services †

Whether he will furnish information on the provisions of the (a) motor-car scheme for Ministers and (b) motor-car purchasing scheme for public servants, if not, why not, if so, what are the main provisions of each scheme?

†THE MINISTER IN THE STATE PRESIDENT'S OFFICE ENTRUSTED WITH ADMINISTRATION AND BROADCASTING SERVICES

(a) Yes

A Minister is entitled to, instead of a second state vehicle, acquire a vehicle according to a financing scheme that is reviewed from time to time. The application of this scheme is the same as the scheme for Directors-General, except that Ministers are entitled to a more expensive car and that all kilometers travelled will be considered official.

According to the Consultants who advised the Committee of Inquiry into the Structure of Remuneration and Conditions of Service of Political Office-bearers during 1985 on the remuneration of Members of Parliament, the average guaranteed cash remuneration on comparable levels in the private sector is presently R295 000 per annum with a fringe benefit package of about R80 000 per annum. Depending on the performance of the company, an additional cash remuneration of up to R100 000 per annum is possible. Furthermore, under the share option schemes, shares in the name of the employee are accrued up to an amount of R1,2 million over a period of 10 years, free of cost to the employee.

The cash remuneration of Ministers (allowances excluded) presently amounts to approximately 35% of those of their equivalents in the private sector, while fringe benefit packages compare favourably.

(b) Yes

The salient features of the motor

finance scheme for senior officers in the Public Service are as follows

(i) Only officers in the classified managerial echelon (ie Director and higher) participate in the scheme. According to statistics for 1986, these officers formed only 0,2% of the total number of officers.

(ii) In terms of the scheme, an officer can apply for a State loan to purchase a new vehicle. In exchange for this, it is required that the officer use his vehicle for official journeys. The amount of the loan is a maximum amount which is linked to the post level which he occupies.

(iii) An officer can apply every fourth year for a new loan to purchase a new vehicle.

(iv) The loan must be repaid in 48 monthly instalments to the State at the official interest rate (at present 13%)

(v) The officer receives from the State a monthly allowance which—

* is equal to the monthly repayment on the loan amount, but

* also provides in a limited measure for the following components:

- Insurance
- Parking fees
- Registration fees
- Licence fees
- Running and maintenance costs for 500 official kilometers per month

(vi) The officer is the owner of the vehicle and he may use the vehicle for private purposes but without compensation by the State for this.

(vii) Participation in the scheme ceases immediately when the—

* officer's services terminate,

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* officer is transferred to a post which is not classified in the managerial echelon

In these cases, the outstanding debt on the loan must be repaid immediately in one lump sum.

†Dr W J SNYMAN Mr Chairman, arising out of the hon the Ministers's reply, I would like to know whether a trip to a political meeting by a Minister is regarded as a private or an official trip.

†The MINISTER Mr Chairman, as far as I know, a Minister may use his official car for any purpose at any time, except in his own constituency during an election campaign in which he himself is involved.

*17 Mr J J WALSH—Justice [Reply standing over]

*18 Mr J J WALSH—Law and Order [Reply standing over]

Questions standing over from Tuesday, 22 September 1987

Hillbrow election

*1 Mr P G SOAL asked the Minister of Law and Order

Whether the South African Police have received any representations regarding the conduct of the election held in the Hillbrow Parliamentary constituency on 6 May 1987, if so, (a) when, (b) what was the nature of the representations, (c) what action has been taken by the Police in response to these representations and (d) what was the result of this action?

†The MINISTER OF JUSTICE (for the Minister of Law and Order)

Yes

(a) On 21 July 1987

(b) to (d) A case docket has been registered and is being investigated, therefore I am not prepared to furnish any further information at this stage.

†Mr A FOURIE. Mr Chairman, arising from the hon the Minister's reply, can he tell us whether he is aware of the fact that on the day of the election the NP won that seat with

120 votes, excluding postal and special votes?

†The MINISTER Mr Chairman, that is public knowledge. Sir, I do not think you would expect me to enrich the knowledge of the opposition any further.

Parliamentary session Black employees

*2 Mr S S VAN DER MERWE asked the Minister in the State President's Office entrusted with Administration and Broadcasting Services

(1) Whether any Black employees of the State who are normally resident in Pretoria, are required to render service in Cape Town during the Parliamentary session, if so, (a) how many, and (b) in which grades of employment,

(2) whether arrangements are made by the State to accommodate these employees in Cape Town during the Parliamentary session, if not, why not, if so (a) what arrangements (b) what is the nature of the accommodation provided and (c) where are they accommodated,

(3) whether the State provides any travel facilities or assistance to these employees while in Cape Town, if not, why not, if so, what facilities or assistance,

(4) whether the State makes arrangements for these employees to travel from Pretoria to Cape Town and back, if not, (a) why not and (b) who is responsible for these travel arrangements, if so, by what means do these employees travel?

†The MINISTER IN THE STATE PRESIDENT'S OFFICE ENTRUSTED WITH ADMINISTRATION AND BROADCASTING SERVICES

(1) Yes

(a) 11

(b) All Messengers

(2) Yes

(a) Accommodation is provided to

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them at state expense with the aid of the Department of Public Works and Land Affairs, and against payment by them for the duration of their stay

- (b) Official quarters Hostel Private rooms Private homes
- (c) Official quarters on Prisons Terrain, Cape Town Hostel and private rooms at Gugulethu and Khayelitsha Private houses at Nyanga East

- (3) Yes Travel facilities are provided for official journeys undertaken during the Parliamentary session in the same way as if they were at their headquarters. Exception for the following journeys, travel assistance is not given by the State for private journeys

A maximum of 2 private journeys, where the employee's whole household moves to Cape Town, and 4 journeys where the whole household is not thus moved can be paid out of State funds. The journeys can be undertaken to and from their headquarters or any other place, to enable them to attend to their interests

- (4) Yes
- (a) Falls away

(b) The State is responsible for the relevant journeys referred to in (3) above. In addition, the State transports the employees to Cape Town at the beginning of the session and for the final journey back to their headquarters. The employees travel via the most economical means of transport which in the discretion of the head of department is the most practical and efficient means

†Mr S S VAN DER MERWE Mr Chairman, arising out of the hon the Minister's reply, I want to know whether no arrangements are made for assistance to these persons for journeys from and to work on a daily basis, while they are in Cape Town. I ask this question as a result of the fact that

Khayelitsha, for example, is very far from Cape Town. Is there any assistance or are there special arrangements in that regard?

†The MINISTER Mr Chairman, I will have to furnish those particulars to the hon member later, or he will have to put an additional question on the Question Paper. I am not prepared for that.

Philadelphia Hospital: person disappeared

*3 Mr P G SOAL asked the Minister of Law and Order

- (1) Whether a certain person, whose name has been furnished to the South African Police for the purpose of the Minister's reply, was removed from the Philadelphia Hospital in Dentilton by the Police in early August 1987, if so, (a) on what date, (b) why, (c) where is he being held and (d) what is his name, if not,

(2) whether the Police have been approached by any persons regarding the disappearance of this person from the above-mentioned hospital, if so, (a) when and (b) what action have they taken as a result,

(3) whether the Police are investigating the disappearance of this person from this hospital, if not, why not, if so, with what result?

†The MINISTER OF JUSTICE (for the Minister of Law and Order)

- (1) No
- (a) to (d) Fall away

(2) No

(a) and (b) Fall away

(3) No. The person had been detained since 16 May 1987 by the KwaNdebele Police in terms of the Emergency Regulations. On 13 June 1987, members of that Police Force took him to the Philadelphia Hospital for treatment of an illness. He was guarded for the duration of his stay in hospital and was discharged from hospital on 13 August 1987. After he had been detained at the Dentilton police station for one night, he was

transferred to the Nylstroom Prison, where he is still being detained. The relatives of the detainee were informed of his discharge from the hospital. They are aware of the fact that he is again being detained in the Nylstroom Prison and they, as well as the detainee's attorney, have visited him there on several occasions since 13 August 1987.

Executions

*4 Mr P G SOAL asked the Minister of Justice

How many persons had been executed in the Republic since 1 January 1987 as at the latest specified date for which information is available?

†The MINISTER OF JUSTICE

From 1 January 1987 to 9 September 1987 111 persons were executed

Media regulations

*5 Mr D J DALLING asked the Minister of Home Affairs

(1) Whether he has appointed any persons to serve on a committee or committees to advise him on the implementation of the most recently published regulations relating to the media, if so, what are the (a) names and (b) qualifications of these persons,

(2) whether the persons so appointed will receive financial compensation for performing their duties, if so, what compensation?

†The MINISTER OF HOME AFFAIRS

(1) No

However, in applying the regulations the responsible Minister must on examination of a series of issues of a periodical, decide whether a systematic or repeated publishing of matters has, or is calculated to have the effects stipulated in the regulations. The provisions of regulation 7A confer upon me the discretion to decide

and the decision is mine alone. In reaching that decision I have to apply my mind and act without *male fides*, failing which my decision can be challenged in Court. In the process of applying my mind I intend to *inter alia* avail myself of and weigh the full spectrum of relevant issues and facts.

Should I, therefore, deem it necessary in a particular case, I shall make use of the opinions and advice of social scientists, academics, lawyers and media experts. Each individual situation will determine my course of action. I might find the matter before me so clear-cut that I do not consult anyone.

For the proper functioning of the system I do not consider it advisable to divulge the names of the people consulted by me. I do not wish to involve them publicly in a decision which, in the end, is mine. However, if they take it upon themselves to let it be known, I have no objection thereto.

(2) **Compensation**

Compensation is a matter that varies from case to case. I intend to consult experts directly, by telephone or through correspondence. The question of compensation might not arise at all in many cases, depending on the circumstances and the persons consulted.

Passenger coaches: sequence

*6 Mr D J DALLING asked the Minister of Transport Affairs

Whether any passenger trains traveling between Johannesburg and Cape Town have the sequence of the passenger coaches changed during the journey, if so, (a) why, (b) what changes are effected in the sequence of the coaches and (c) (i) where and (ii) at what stage of the journey are these changes effected?

The DEPUTY MINISTER OF TRANSPORT AFFAIRS

Under normal circumstances the sequence

granting and (ii) refusing each application?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

Statistics regarding applications for permits in terms of the Group Areas Act, 1966, is not maintained according to parliamentary constituencies. The question, therefore, cannot be answered in its present form.

Coloured/Indian employees' service during Parliamentary session

456 Mr S S VAN DER MERWE asked the Minister in the State President's Office entrusted with Administration and Broadcasting Services

(1) Whether any (a) Coloured and (b) Indian employees of the State who are normally resident in centres other than Cape Town are required to render service in Cape Town during the Parliamentary session, if so, (a) how many, and (b) in which grades of employment, in each case,

(2) Yes

(a) Accommodation is provided to them at state expense with the aid of the Department of Public Works and Land Affairs, and against payment by them for the duration of their stay

(b) 30 Indians and 4 Coloureds in official quarters 1 Indian and 3 Coloureds in private houses/flats

(c) The residential areas are

• Pelican Park 30 Indians and 4 Coloureds

• Parow 1 Indian
Grassy Park 1 Coloured
Heideveld 1 Coloured
Mitchell's Plain 1 Coloured

(3) whether the State provides any travel facilities or assistance to these employees while in Cape Town, if not, why not, if so, what facilities or assistance,

(4) whether the State makes arrangements for these employees to travel to and from Cape Town in connection with the Parliamentary session, if not, (a) why not and (b) who is responsible for these travel arrangements, if so, by what means do these employees travel?

(5) Yes Travel facilities are provided for official journeys undertaken during the Parliamentary session in the same way as if they were at their headquarters. Excepting for the following journeys, travel assistance is not given by the State for private journeys

A maximum of 2 private journeys, where the employee's whole household moves to Cape Town, and 4 journeys where the whole household

The MINISTER IN THE STATE PRESIDENT'S OFFICE ENTRUSTED WITH ADMINISTRATION AND BROADCASTING SERVICES

HOA

is not thus moved can be paid out of State funds. The journeys can be undertaken to and from their headquarters or any other place, to enable them to attend to their interests

(4) Yes

(a) Falls away

(b) The State is responsible for the relevant journeys referred to in (3) above. In addition, the State transports the employees to Cape Town at the beginning of the session and for the final journey back to their headquarters. The employees travel via the most economical means of transport which in the discretion of the head of department is the most practical and efficient means

Aliens deported

500 Mr K M ANDREW asked the Minister of Home Affairs

Whether any aliens convicted of being in the Republic illegally have been deported since 1 January 1986, if so, (a) how many as at the latest specified date for which information is available and (b) (i) to which countries and (ii) in terms of what statutory provisions were they deported in each case?

The MINISTER OF HOME AFFAIRS

Statistics as required by the honourable member are not being kept by the Department. With reference to the number of persons removed from the country during 1986, the honourable member is referred to my written reply to Question No 350

Own Affairs

Port Elizabeth: regional offices

55 Mr D J N MALCOMESS asked the Minister of Local Government, Housing and Works.

(1) Whether his Department leases premises in Port Elizabeth to house the regional offices of the Departments of the Administration House of Assembly, if so, (a) what are the

HOA

(1) street addresses and (ii) names of the buildings in question, (b) (i) how many square metres are being leased, (ii) what is the price per square metre and (iii) what is the annual escalation in price, (c) for what period is each of these buildings being leased and (d) (i) from whom is each building being leased and (ii) who are the directors of the leasing companies,

(2) whether tenders were called for prior to the leasing of these premises, if so,

(a) how many tenders were received, (b) from whom was each tender received, (c) what was the amount per square metre tendered in each case and (d) (i) which tenders were accepted and (ii) why, if not, why not,

(3) whether his Department is required to call for tenders before leasing property for this purpose, if not, why not, if so, in terms of what statutory provision,

(4) whether the premises currently leased have (a) air-conditioning and (b) wall-to-wall carpeting, if so, to what extent in each case,

(5) by whom was the final decision taken in respect of (a) approving and (b) signing each of these leases,

(6) whether he will make a statement on the matter?

The MINISTER OF LOCAL GOVERNMENT, HOUSING AND WORKS

(1) Yes

(a) (1) By virtue of the Agreement of Lease

No 1 Traduna Mall, Hoof Street, City Square
No 2 Erf 1559, Dyke Way, Algoa Park
No 3 Erf 189, Harry Smith Street, Sidwell
No 4 Richmond Hill Street 32, Central
No 5 Erf 1561, Kambedo Street, Algoa Park
No 6 Hoof Street
No 7. Greenacres Shopping Complex, Kaap Way
No 8 Greenacres Shopping Complex, Kaap Way

THE PRESIDENTIAL SUCCESSION
From P W to F W



It's repetitive, but it has to be said P W Botha has had his day. No one can doubt the force, and obstinacy, of his personality — his unwillingness to temper domestic realities to foreign suasion. He believes in what he says, he is taking reform as far as he wishes it to run, and his impact on his party and the country will be felt for many years yet.

But at what a cost! He wrecked the rand. Our human rights record is lower than Ciba's. The financial burden of the public sector he vowed to curb is crushing life and will from the taxpaying entrepreneur. And for all the lip-service to individual enterprise, deregulation and privatisation, the cumbersome regulatory mechanisms governing the homelands — "independent" or not — have left us with massive economic distortions and deepening racial polarisation.

Botha, now 71, will sooner or later make his exit. So who comes next? Enter F W de Klerk, described by the London *Financial Times* as "the perfect man to reassure ner-

The man most likely to be king is F W de Klerk. He is well aware of this — and has begun rehearsing for the role. But the actual presidency will require great political and economic skills which he does not yet appear to have.

vous, politically unsophisticated middle-of-the-roads to head off the rightwing challenge. At present he looks more like an intelligent pragmatist determined to make the entrenched ideological system work better than a man with a new vision of a modern non-racial future for SA."

That isn't a compliment, F W's limits are unfortunately all too apparent (see accompanying *Face to face*). Nonetheless, he is the crown prince. His credentials are good. Transvaal leader of the National Party (NP), Minister of National Education, chairman of the white Minister's Council, leader of the House of Assembly, fifth in Cabinet seniority.

His main rivals are seen as Cape Nat leader Chris Heunis, Foreign Minister Pik

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 25/9/78

Botha and — as an outsider, though once the frontrunner — Education and Development Aid Minister, Gerrit Viljoen.

Heunis's chances were scuppered by Denis Worrall. Pik Botha, while no longer quite the rogue elephant of a few years ago, lacks structural party support. Magnus Malan perhaps represents the military solution — but we aren't there yet.

Only in the event of a Cape/Transvaal impasse, elder statesman and P W Botha confidant, Alwyn Schlabusch, may emerge as a compromise candidate. So De Klerk has emerged as the strongest contender for the post-P W presidency.

True, his image as provincial leader did not emerge unscathed after Conservative Party (CP) gains in the May elections, but as the *FT* correctly observes, he remains the only Nat personality capable of luring party dissidents back to the laager.

This task takes on paramount importance when the results of the last election are placed in perspective. Traditionally, the NP leader came from the Transvaal — that was where the majority of seats were held, and where ideological purity was a *sine qua non* until John Vorster wrecked his leaky ship

ly castigate his brother for going against Nat policy. Yet they remain close and have apparently agreed to disagree.

On the other hand, critics on the Nationalist Left have no doubt that his wife is the staunch conservative of the De Klerk household. Marike de Klerk plays a leading role in party politics — she serves on the Federal Council of the NP — and is a very outspoken lady.

For example, she has advised the wives of Nat MPs — especially those belonging to women organisations — not to get into political discussions with black women. De Klerk will always give serious consideration to his wife's viewpoint, those close to him say.

Then there is the role of the Afrikaans press. The old cosy Keeromstraat relationship between Nasionale Pers and P W Botha cannot be ignored. The continuing bond between chairman Piet Cillie and Botha (together with Botha's formidable presence) is definitely the determining factor in Naspers's subservient attitude towards the Botha regime. The group has even seconded a senior journalist, Jack Viviers, as press spokesman to the president's office.

As president, De Klerk would simply not enjoy the same degree of media obedience. As a Transvaaler he would find it difficult to penetrate the inner sanctum of the Cape-based press group, whose bosses — with 50% of *Rapport* — did nothing to protect Willem de Klerk from P W's wrath.

De Klerk's style has also come under fire as lacking aggression — a quality more favoured in some Afrikaner circles than clear-headedness and an ability to negotiate. Part of the problem lies in the unexpected eleva-



FW ... precipitated into leadership

tion of De Klerk to Transvaal leadership in the wake of Andries Treurnicht's rebellion in 1982.

At that time F W tramped the length and breadth of the northern and western Transvaal, facing waves of rebellious Nationalists who consistently shouted him down as he attempted to salvage what was left of the NP in those regions. It was a baptism of fire that no Nat provincial leader since 1948 had experienced, and clearly tempered him for the confrontations to come.

This year rural voters in their tens of thousands turned their backs on the Nation-

alist cause. Despite De Klerk's relatively cool public dismissal of the CP "threat," it is considerable and growing — and he knows it. "There were periods I found particularly challenging — the most challenging so far was when the rift in the NP occurred and I was called on as a relatively young man and relatively junior minister to assume the leadership of the NP in the Transvaal. Things were in disarray, old friendships were destroyed, supporters of the NP were confused. But we are now through that," he adds optimistically — or disingenuously.

De Klerk probably keeps the lowest profile of all P W's senior ministers. He does not socialise with Cabinet colleagues and those who know him well describe him as a very private person. He has never really been one of P W Botha's coterie — a dubious honour bestowed on P W Botha, Malan and, until recently, Heunis. Only lately had the president begun to confide in him, and solicit his opinion. Perhaps there is a reason for this: the president will want to sound out his heir apparent before conferring the regal succession.

De Klerk is shaping up for the role. "In my management style I believe in convincing people, because by doing so you take them with you and the decision has a chance of acceptance and successful implementation."

Can this man rescue us from the economic malaise and political cul-de-sac into which P W's rule has taken us? He is clearly a canny, astute politician. That may well get him the job — but after that he will have to deliver, and do so for the majority, not just the privileged whites in the boundaries of the old South African Republic.

and Connie Mulder was ignominiously ejected in place of the Cape leader, P W Botha.

Now, the numbers look very different. The Transvaal Nats have 47 seats, the Cape 48 (with 14 alike in Natal and the OFS). The CP holds 22 in the Transvaal, and is set to gain without heroic efforts from, specifically, De Klerk — Transvaal leader and presidential heir apparent. (There are 10 nominated NP MPs, and one for the CP.)

Perhaps wisely, as a man with so much at stake, he declines to even discuss the possibility of party — and national — leadership. But this is doubtless an issue he contemplates at length, and it is a position he will fight for when the time is propitious.

What kind of man is he?

De Klerk places strong emphasis on group security, group rights, own affairs and own this-and-that. For insecure whites this offers a degree of comfort, and this is where the shrewd politician he hides behind a bland exterior excels. Or to put it another way — he can tell an audience what it wants to hear. If he contradicts himself — well, what politician doesn't?

Thus, a closed NP information meeting at Innesdal heard De Klerk say clearly that NP policy on blacks has failed, and that it is "untenable that a white minority can rule a black majority." Yet only a few weeks before that he asked that people of colour living in "white" areas be reported to the authorities.

On the university discipline issue he felt free to talk tough — laying down the law in no uncertain terms to principals of liberal universities plagued by student unrest.

For this and other reasons his leftwing opponents in parliament see him as a conservative merely pandering to the growing rightwing. Of course, those on the Right believe he oscillates between verlig and verkramp views depending on which sector of the NP he is trying to influence.

The ambiguity is well caught in De Klerk's own definition of his political philosophy — that it is based on the need to simultaneously achieve two goals, group security and equal rights for all. "We didn't create the groups, they are part of the reality," he says. "Their need to be and feel secure against being swamped by majorities is a reality. Unless you succeed in catering for that, you won't find a solution."

"On the other hand, there is the reality that there are millions of people who don't as yet enjoy the same rights as others, who are suffering as a result of backlogs that can be historically explained, who are not participating at all levels in decision-making. You must provide full participation for them. You must evolve a system in which everyone will participate, but where there will still be security for minorities and where no one group will be able to dominate another."

What this will mean in practice remains to

be seen, it sounds good but means little without action. And F W really ought to start honing his economic skills, if any.

Apart from hunting with the hounds and running with the hares, F W needs all the friends he can get. In his (fervently denied) quest for the presidency he has an influential supporter in Cabinet colleague and former Broederbond boss Gerrit Viljoen. Seen as a powerful intellectual figure among verligtes, Viljoen's backing could be decisive once the race is on.

However, in a close-run race, Viljoen himself may be tempted to run — and in that case could draw support from the P W Botha and Heunis camps. Sources close to De Klerk say in this event — a sudden death play-off between De Klerk and Viljoen — De Klerk may be pipped at the post. His all-things-to-all-white-men game may militate against him then.

Other problems lie ahead en route to Tuynhuys. As a Dopper (a member of the Potchefstroom-based Reformed Church), De Klerk positively invites resistance from some quarters, notably members of the bigger Dutch Reformed Church. And there has been his tricky relationship with his older brother Willem, who earlier this year resigned as editor of *Rapport* in protest against government pressure on his editorial policies.

It was left to De Klerk — insiders say on the instructions of the president — to public-

tries are reluctant to release details of their internal financial affairs. But it is known from printed estimates that the four countries have budgeted to spend R4,458 billion in 1987-1988. Of that, at least R1,583 billion will be spent on salaries and wages.

The revenue details of the TBVC countries will fall short of these printed expenditures, details of figures are unknown at this stage. TBVC revenue comprises a complicated mixture of transfer payments:

- Budgetary aid,
- Customs union share,
- Tax compensation; and
- Rand-for-rand contributions for industrial incentive schemes.

These, said Foreign Affairs Minister Pik Botha in a written reply in parliament recently, were paid into one consolidated revenue fund, along with the independent states' own income. From this account, "the whole spectrum of government services was financed."

The item "tax compensation" is apparently calculated on the assumption that a TBVC citizen working in SA should have his taxes re-routed to his mother country. It is not known how important the contribution of this element is for TBVC revenue.

But the principle would be extremely difficult to carry to its logical conclusion. In Ciskei, for example, maximum personal tax is a flat 15% (after an allowance). So in theory, in some cases at least, tax compensation for a Ciskei citizen working and taxed in SA would have to be paid to the person rather than the country.

SA, unlike most of the West, taxes on the source rather than the residence basis. If SA taxed TBVC citizens on a residence basis, tax compensation payments would be unnecessary but the Margo Commission recommended against changing to this basis.

In any event, this process illustrates the difficulties of creating SA's "constellation" of states — the TBVC and six self-governing homelands. And, as the FM discovered in attempting to collect more detailed data for these areas, the degree of disclosure leaves much to be desired.

The public service in the self-governing states (whose stats are still released by Pretoria's Cen-

tral Statistical Service) employed 131 015 at end-June 1987 — only 1,7% more than a year before. The cost at end-June 1987 was R374m — 39% more than a year earlier.

Average monthly earnings in the self-governing states were R952, used as a basis, the number of employees in TBVC are probably closer to 200 000 for the 1987-1988 financial year.

One specific example of the financial relationship between SA and TBVC was given by Botha. SA has granted project aid, totalling R46,6m, for educational purposes to TBVC over the past five financial years.

This project aid included "non-recoverable financial assistance." Most of the aid, Botha said, involved the erection of primary and secondary schools, including R12,6m for the erection of primary, middle and secondary schools in the Winterveld area of Bophuthatswana, and R8,5m as a contribution towards the erection of the University of Bophuthatswana at Mmabatho.

While these amounts are small compared to Bop's printed expenditure estimate for 1987-1988 of R1,518 billion, it would be handy if SA and TBVC printed accounts of the standard expected of companies by the South African tax authorities.

There would be more certainty as to what was being spent by whom. Botha said, for example, that transfer payments were "as a rule, not specifically earmarked for the rendering of any particular service by the independent national states."

PUBLIC SECTOR

The TBVC climb in

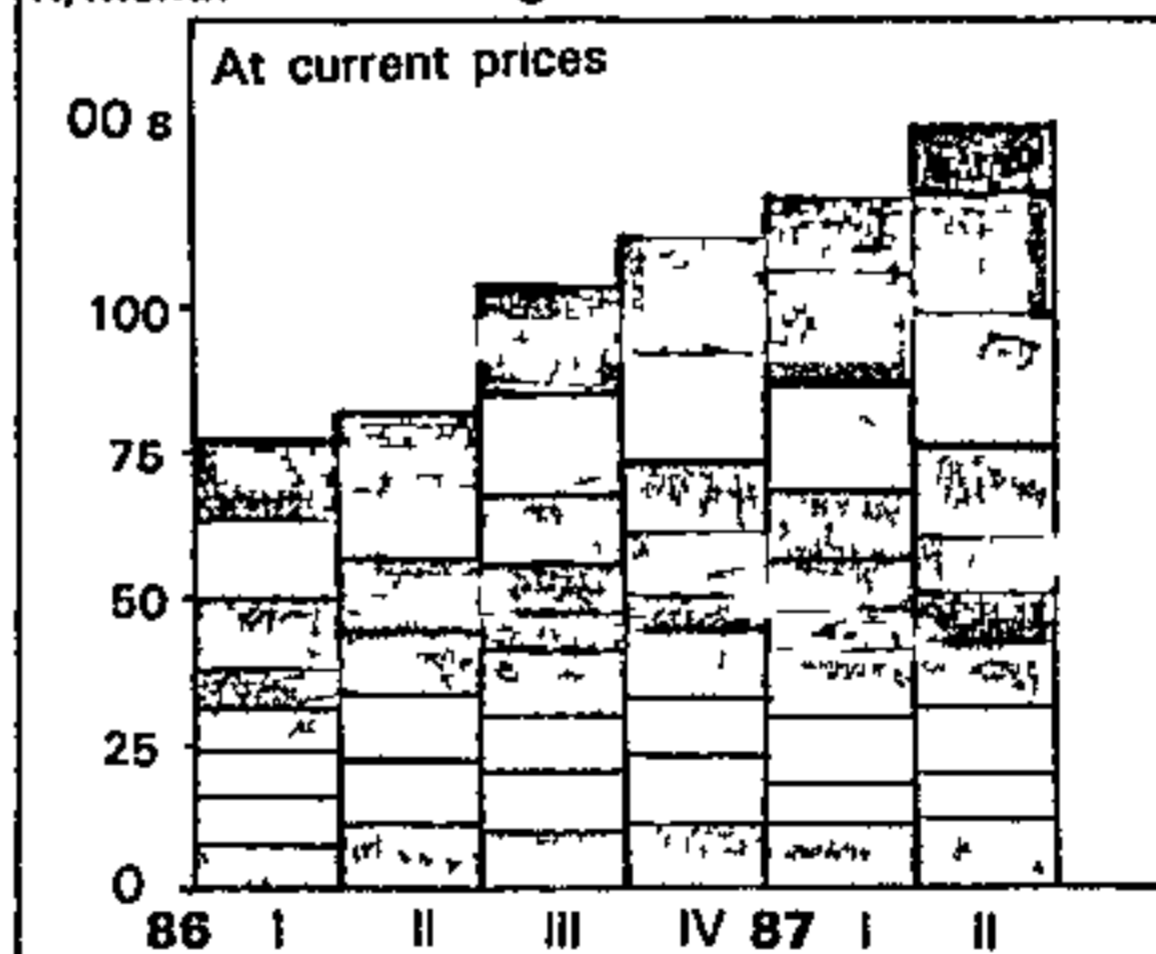
In the fiscal year to end-March 1987, the Transkei-Bophuthatswana-Venda-Ciskei (TBVC) countries are expected to spend R4,5 billion. Of this, R1,6 billion (or 36%) was paid to more than 150 000 public servants, probably closer to 200 000. This means that SA, including TBVC, has more than 1,8m public sector employees in 1987-1988 that will cost about R23,5 billion annually.

It means that more than half of SA's national budget will be paid out in the way of salaries and wages. Due to major constitutional changes, and devolution of the TBVC and similar developments in the six self-governing states comparisons with previous years are either impossible or largely meaningless.

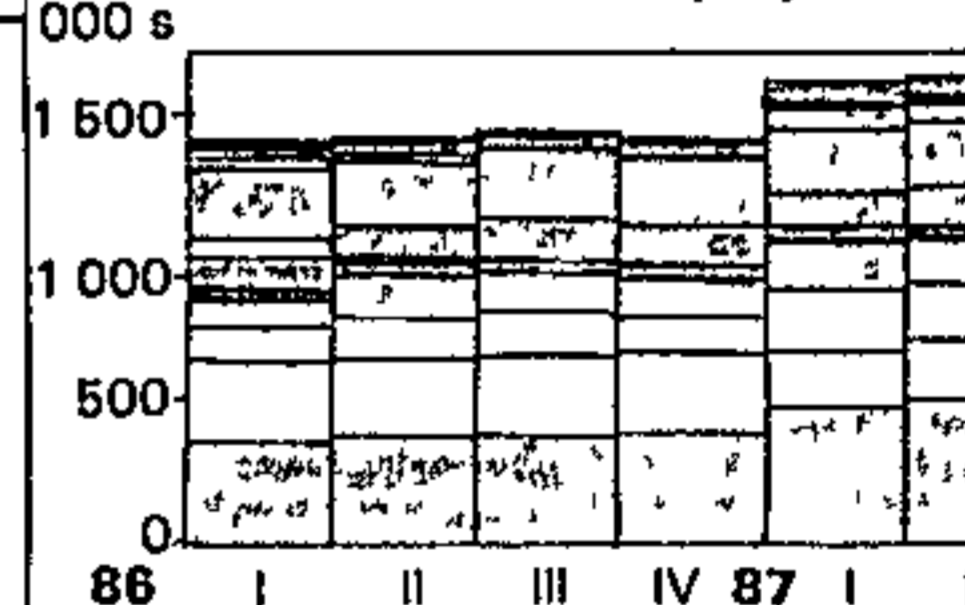
For unspecified reasons, the TBVC coun-

Taxpayers terror

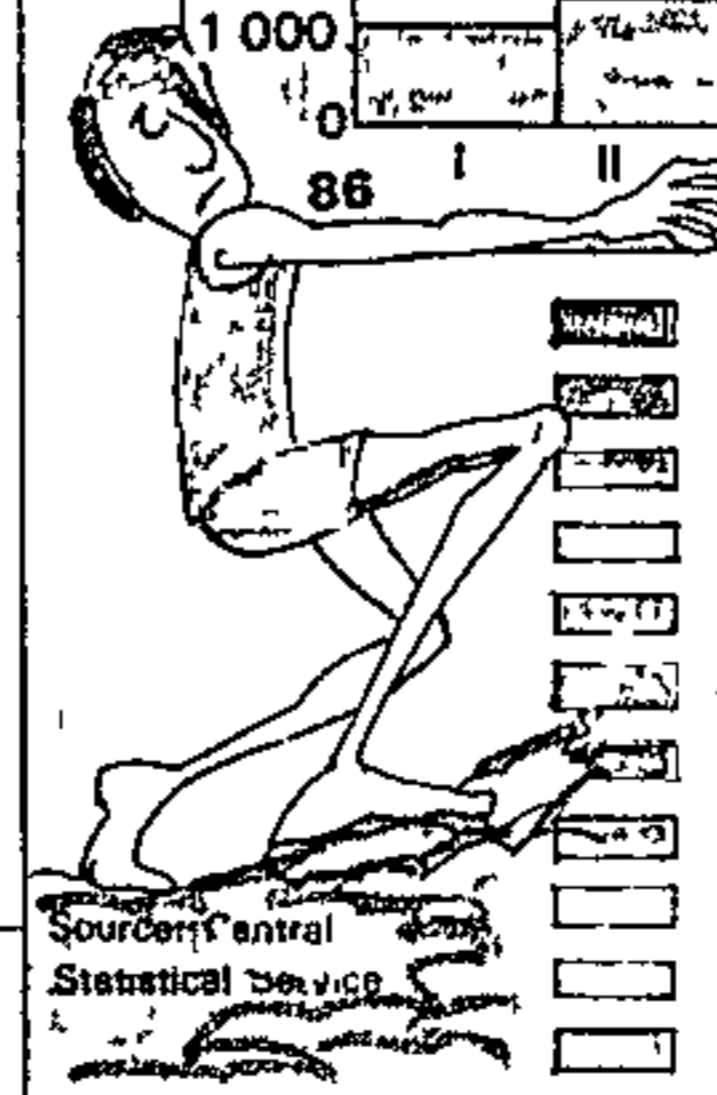
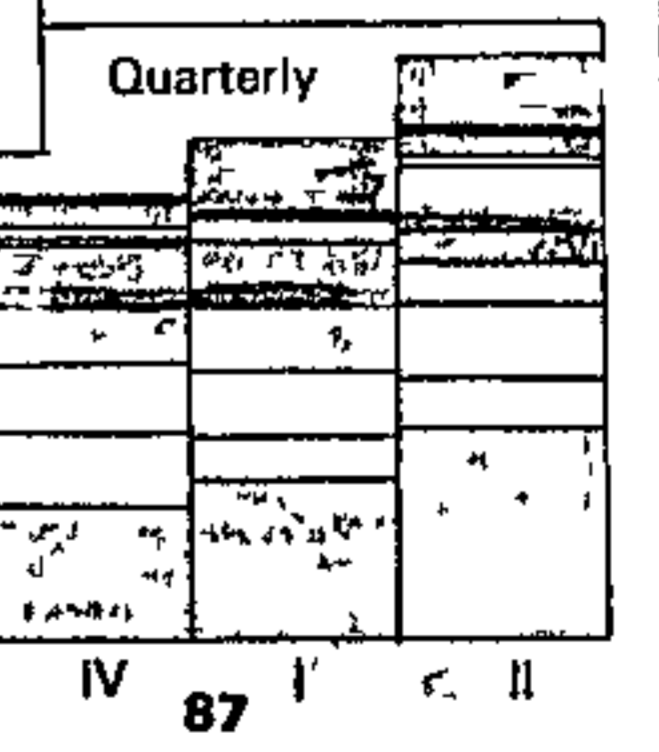
Public sector average salaries, wages and bonuses



Public sector employment



Public sector salaries, wages, and bonuses



- AGRICULTURAL MARKETING BOARDS
- PUBLIC CORPORATIONS
- UNIVERSITIES AND TECHNIKONS
- PARASTATAL INSTITUTIONS
- LOCAL AUTHORITIES
- NATIONAL STATES CIVIL SERVICE
- GENERAL AND OWN AFFAIRS
- POSTS AND TELECOMMUNICATIONS
- SOUTH AFRICAN TRANSPORT SERVICES
- PROVINCIAL ADMINISTRATION
- CENTRAL GOVERNMENT

SANTAM

Spring cleaning?

The Civil Servants Association (CSA) received quite a shock recently when members were presented with premium increases of as much as 44% by Santam

So much so that the CSA had its business re-brokered by Bancura to ACA Insurers Ltd (previously called Atlantic & Continental), and now headed by former State Actuary Willem Swanepoel. It means that from October 1, Santam loses at a stroke no less than 37 000 policyholders, worth a current premium income of R38m.

On the other hand — and perhaps more significant — is that the new deal will amount to a fantastic increase in ACA's business, from about R1m of total premium income as at the year ended December 31 1986, to about R48m.

Some suggest there's quite a storm brewing, given the traditional links the Santam/Sanlam camp has with Afrikaner business and with the ranks of government and semi-government employees.

One publication embellished the speculation by mentioning Andreas Wassenaar's book where he recently criticised the government pension scheme. Wassenaar was a previous chairman of Sanlam.

However, Pieter Louw, Santam's GM marketing, is reconciliatory. "Each year Bancura has always reviewed the position. It is incumbent on any broker to obtain the widest possible cover for the lowest premium for his clients.

"This year we quoted a premium that was not acceptable to them and so they decided to move the business. This is unfortunate, but we hope to tender for their business at next renewal."

As CSA general manager Hans Olivier says: "For the last seven years we have had an arrangement with Santam whereby we look at the premium income and the claims and then agree on a premium rating. It's

worked well up to now, but this time round for the October renewal, in our view, Santam's request was simply not realistic."

Apart from this, the CSA was not the only business affected by what appears to be a spring cleaning operation thought to have cost Santam about R50m in premium income, or some 7% of its total business.

Its lengthy list of group schemes business cancelled involves around 65 000 policyholders, ranging from Hoeveld Personnel (now Bancura), the Cape and Natal Provincial Administrations, to a number of government departments.

For insurers generally, group schemes have not been that successful. One criticism is that such packages bring similar employees together motivating a collective attitude toward claiming, while at the same time the quality of risk tends to be more homogenous.

Instead, policies on an individual basis, such as Santam's Multiplex, can more easily be underwritten, risk assessment is improved, while the overall risk profile can be spread more evenly over the populace.

At the end of the day those insurers that no longer want group schemes business are obviously taking a well-considered underwriting decision.

Meanwhile, loyalties run deep. It is understood that some civil servants are not happy with the move despite a saving in premiums. When their group scheme goes to ACA in October, they will leave and purchase an individual Multiplex policy.

And that may well be precisely what Santam wants. ■

White Bulls

P's almost 10 years since President Botha first announced his intention to "rationalise" the public sector.

His promises of a clean administration and an efficient civil service were eagerly received by an electorate fed up with the abuses of power revealed by the Info scandal. Studies were undertaken and White Papers produced, 18 "super departments" were created and "secretaries" were elevated to the status of "directors-general".

Today the results of all these frantic efforts are not much more than outdated official Stationery. Indeed, if the Government Printer were a private company, it could have made a fortune by printing letterheads for ministers trapped in the revolving door of Mr Botha's rationalisation programme.

Five major Cabinet reshuffles since 1979 and a myriad of minor inter-departmental exchanges resulted in a civil service that may appear to be different, but where very few changes have taken place below the surface.

Titles have changed, offices were vipped and names have come and gone, and come and gone.

Mr Botha's own office is a shining example. For no apparent reason it was changed from a department to an office, then to a department and, since September 1984, again to an office, headed by a secretary-general who has in the past been both a secretary and a director-general.

The Ministry of Economic Affairs was renamed Industrial Affairs and Trade and Consumer Affairs in 1979, because, Mr Botha said, the new name "better described its functions".

Since then it, in turn, became Industry, Trade and Tourism (1980), Industries and Commerce (1984), Commerce and Industries (1985) and, at the time of writing, Economic Affairs and Technology.

Fisheries has been shunted from pillar to post since rationalisation began. It was moved from Economic Affairs to Agriculture to Environmental Affairs. Somewhere along the line it was renamed Marine Affairs, but this did not affect its participative nature. It moved to Transportation and then back again to Environmental Affairs.

The Ministry of the Interior was first renamed Internal Affairs. Coloured and Indian Affairs were added, and so was Planning. It lost both to Constitutional Development. It became responsible for the Commission for Administration, renamed Home Affairs and then lost the Commission again.

Traditionally, Home Affairs is responsible for the administration of hatching, licensing and dispatching, but Mr Botha shunted it into a "trashcan" department which once briefly administered influx control and nowadays regulates thought control through the publications control boards and the new system of media cen-



BY DRIES
van HEERDEN
freelance journalist

STW

27/9/87

At last count, 11 presidents, five security ministers, 14 finance ministers, 11 health ministers and 11 interior ministers were in charge of South Africa. Even then they may not be governing it...

to cell a mere intra-departmental shuffle. Finance also managed to keep out of harm's way. The irony here is that it is exactly this department that may need the biggest shake-up.

In January 1983, the then Receiver of Revenue, Mr Mickey van der Walt, testified before a parliamentary Select Committee that the decision to keep Finance, the Treasury, the Internal Revenue Service, and Customs and Excise in one department was a grave mistake "costing the country millions".

Labour changed to Manpower Utilisation, then to plan old Manpower. Transport became Transport Affairs, Transportation and again Transport Affairs. Somewhere along the line the Weather Bureau left. Transportation Affairs and joined Environmental Affairs/Planning/Conservation.

Health and Pensions must have driven the Government Printer up the wall. It changed from Health and Social Welfare and Pensions (1979) to Health, Welfare and Pensions (1980) to Health and Welfare (1982) and eventually to National Health and Population Development (1985).

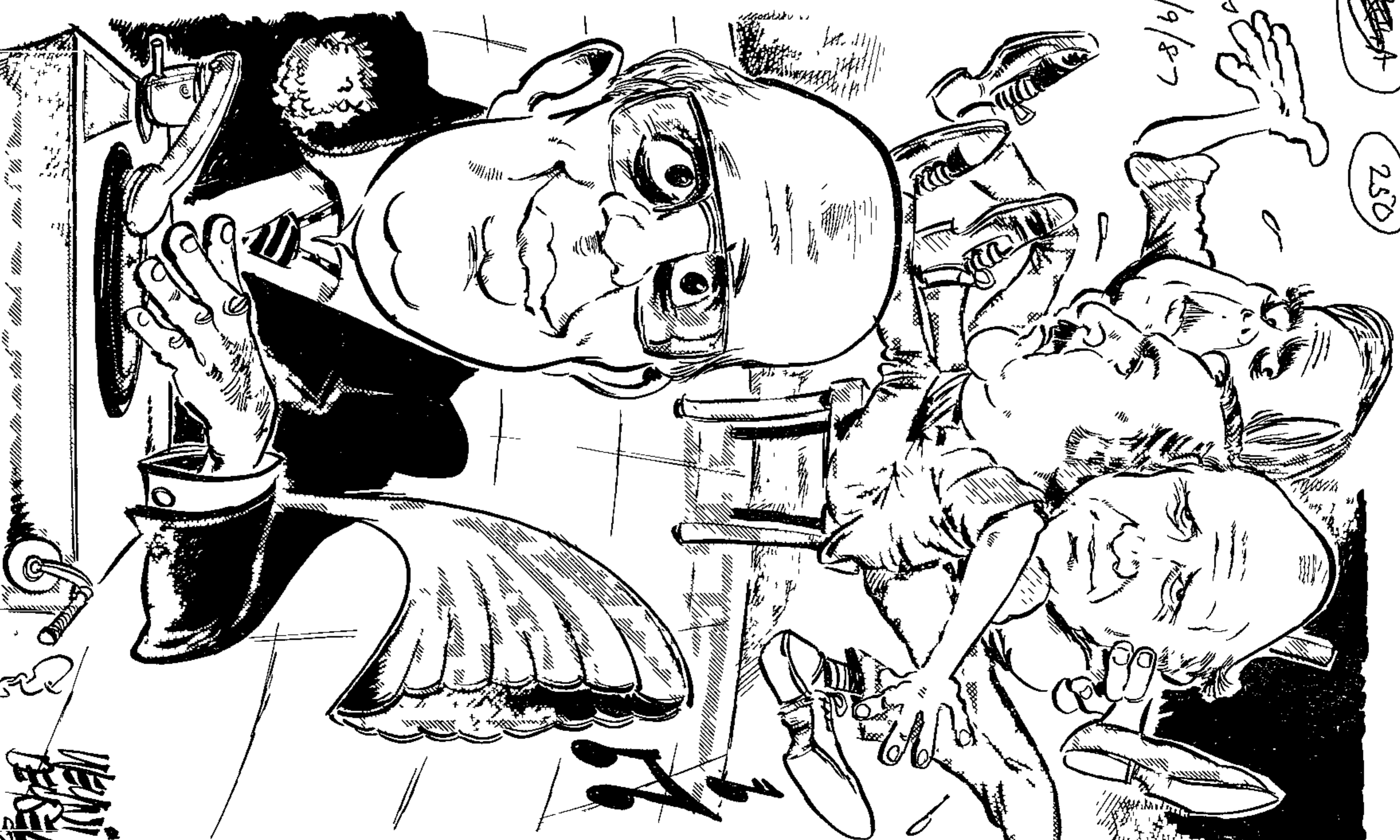
The SABC is the organisation that every politician wants to see...

ters, a plethora of Own Affairs Ministers and a gaggle of Ministerial Representatives — the latter with the expressed idea to "bring government closer to the people" (after elected provincial councils were abolished).

Every month more coaches are added to the gravy train. Appointed Provincial Authorities are followed by indirectly elected Regional Services Councils — all with the powers of administering taxes.

At the last count there were at least 156 government departments operating in South Africa. If all the national states were taken into account. This included 11 presidents, prime ministers or chief ministers, five ministers of national security, 14 ministers of finance, 11 ministers of the interior, and 18 ministers of health.

The real problem, however, is that all these people may not even be governing the country, because, somewhere, under the control of Mr Botha and, who knows else, is a State Security Council with regional or sub-structures, 446 local or municipal structures, each divided into committees for security (VEJ-com), Politics, Economics and Social (PES-com) and Communications (Com-co-...).



250

27/9/87 5 Times

Today it is known as Home Affairs and Communications. — previously known under the aliases Post Office (1979) and Post and Telecommunications (1979-1986)

To show that the Government readily admits its mistakes, the Ministry of Agriculture has come a full circle

It was Agriculture in 1979, Agriculture and Fisheries in 1980, Agriculture Economy and Marketing in 1984, Agriculture Economy and Water Affairs one month later and, since last year, just plain old Agriculture again

Have pity for Mr Japie van Wyk, MP for Gordonia, who may have difficulty remembering at any given moment whether he is Deputy Minister of Waters or Deputy Minister of Water Supply

Actually, it is all quite simple, according to Government logic. When it is an "affair" it is a "general affair", but when he starts supplying the water it becomes an all-white "own affair"

Incidentally, Water Affairs was a fully-fledged department up to 1982 when it was dissolved and relegated to a directorate attached first to Environmental Affairs and later to Agriculture. Two years later, however, the Department of Water Affairs was resurrected

The Police and Justice departments escaped the rationalisation process relatively unscathed, although Police did become Law and Order — presumably because the previous Minister, Mr Louis le Grange, preferred "ordering" to "policing".

Justice acquired the Prison Services so as to make the movement from courtroom

refuses to take responsibility for. During Mr Botha's reign it moved from National Education to Telecommunications, to Foreign Affairs to the State President's own office

The benefit of the latter move is that at least it makes Mr Botha's telephonic *diktats* to Mr Riaan Eksteen local calls

The best example of the utter lack of planning is the fate that befell the Department of Planning and the various high-powered advisory bodies

In 1980 Mr Chris Heunis started building his present-day empire, at the time under the guise of Internal Affairs. Planning was attached to this ministry, but Mr Botha's office got control of the economic, scientific and planning advisory committees.

In 1982 the "Land of Milk and Heunis" moved to Constitutional Development and, like the children of Hamelin, he was followed by all the planning sections

Three years later it split up again. The Economic Advisory Committee, Statistics and Social Planning went back to Mr Botha, Scientific Planning went to National Education, while Mr Heunis received Physical Planning

When last heard of, the Economic Advisory Committee — the one without an economist serving on it — was attached to the Department of Finance.

Meanwhile, in the Department of Constitutional Development and Planning the confusion has reached new heights — Mr Piet Badenhorst is now known as the Deputy Minister of Development Planning

In the last decade Mr Botha has also appointed a constellation of Deputy Minis-

- (3) No (a), (b) and (c) Fall away
- (4) (a)

Department of Trade and Industry
 Registrar of Companies
 Board of Trade and Industry
 Competition Board
 Estate Agents Board
 SABS
 CSIR
 Travel Agents Board

	1986	1985	1984	1983	1982
R					
3 960	3 963	3 932	2 716		
Not applicable	2 787	2 366	1 471		
1 225	1 091				
Not applicable					
11 857					
Not applicable					
1 568					
1986	1985	1984	1983	1982	
1 500	1 530	1 530	1 400		
20	20	20	20	20	
1 200	1 200	800	500	450	
1 500	1 200	1 000	615	800	
25	25	25	25	25	
4 500	4 500	4 500	4 500	4 500	
5 750	5 700	5 700	5 700	5 700	
50	250	250			

- (b)
 - (i) Three
 - (ii) Two
- (d) Good quality local paper
- (e) (i) (aa), None

(bb) The reports of the SABS and the CSIR as well as two reports of the Department of Trade and Industry

(ii) (aa) Two reports of the SABS and each of the relevant reports of the CSIR

(bb) Two reports of the Department of Trade and Industry and three reports of the SABS

Annual reports

375 Mr K M ANDREW asked the Minister of Economic Affairs and Technology

- (1) (a) How many annual reports were produced in 1986 by the South African Tourism Board, (b) what was the

HoA

(Handwritten signature)

- (2) whether the printing of these reports was put out to tender, if not, why not, if so, (a) what was the (i) lowest and (ii) highest tender submitted, and (b) what was the amount of the successful tender, in each case,
- (3) whether any copies of these reports were sold, if so, (a) how many, (b) to whom, and (c) at what price, in respect of each report,
- (4) in respect of each of the latest specified five years for which information is available, (a) what was the total cost to this Board of these annual reports, (b) how many copies were printed, (c) how many of these reports contained (i) full colour and (ii) black and white pictures, (d) on what quality paper were the annual reports printed and (e) (i) how many of these reports contained a photograph or drawing of the (aa) political head and (bb) top official of this,

Board and (ii) how many of these pictures were in (aa) colour and (bb) black and white in each case?
 The MINISTER OF ECONOMIC AFFAIRS AND TECHNOLOGY

- (1) (a) One
- (b) R68 784 (Total production cost for a specially upgraded report as part of an intensive campaign to attract foreign tourists)
- (c) 7 000
- (d) Whinnall Simonson, Johannesburg

- (2) Yes
- (a) (i) R19 878
- (ii) R23 997
- (b) R19 878

- (3) No
- (a), (b) and (c) Fall away

- (4) (a) R138 160 in respect of the four annual reports since the Board's inception in 1983
- (b) 7 000 in 1986 and a total of 8 500 in the preceding three years
- (c) (i) Two
- (ii) One
- (d) Sappi coated papers
- (e) (i) (aa) None
- (ii) (aa) and (bb) Fall away

Pensions

406 Mr R M BURROWS asked the Minister of National Health and Population Development

- (1) Whether it is possible for State employees who are members of a State pension fund to buy (a) previous service and (b) non-service to the age of 16 years, if so, (i) in which State pension funds is such buying back permitted and (ii) when was this concept (aa) introduced and (bb) amended,

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- (2) what is the formula for the buying back of (a) previous service and (b) non-service to the age of 16 years in the case of each pension fund in which it is permitted,
- (3) whether State employees are required to pay immediately the full amount of the cost of buying back service and/or non-service periods, if not, (a) on what basis does the State accept repayment of buying back amounts and (b) what is the current interest rate charged on the outstanding amounts owed to the State for buying back service and/or non-service periods,
- (4) whether the buying back income for each pension fund is separately accounted for in his Department if not, why not, if so, (a) what income was received in respect of each fund in the latest specified financial year for which information is available and (b) what total income has accrued to each scheme as a result of buying back since the introduction of this concept,
- (5) whether the effect of buying back service and/or non-service periods on the accumulated funds has been calculated or estimated, if not why not, if so, what has been and will be the effect of such buying back on each pension fund?

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

- (1) (a) Yes
- (b) Yes

(i) Government Service Pension Fund, Associated Institutions Pension Fund, Temperary Employees Pension Fund, Authorities' Service Pension Fund and in the case of the Authorities' Service Superannuation Fund previous service only

- (ii) (aa) to age of 25 years with effect from 22 06 55

(Handwritten number 250)

Howard

(bb) to age of 18 years with effect from 26 08 86, to age of 16 years with effect from 5 12 80

(2) (a) Repayment of the resignation benefit received plus interest

(b) $(A \times B \times C \times D) \times E$ plus interest where—

A = the rate at which the member contributes to the Fund

B = pensionable emoluments at the date on which the member became a member of the Fund

C = period member wishes to purchase

D = an actuarial factor

E = Government Service Pension Fund—3.47

Institutions Pension Fund—3.04

Temporary Employees Pension Fund—3.00

Authorities' Service Pension Fund—3.25

(3) No

(a) The Funds accept repayment on a monthly basis for a maximum period of 15 years on condition that any balance outstanding must be paid on or before the retirement date

(b) The current interest rate charged on the outstanding amounts owing to the relevant fund is 5.5% compounded annually at the 31st March of each year

(4) Yes

(a) 1986/87

Government Service Pension Fund—R79 417 355.52
Associated Institutions Pension Fund—R33 054 264.86
Temporary Employees Pension Fund—R9 657 721.38
Authorities' Service Pension Fund—R598 441.05

(b) Information not readily available
(5) Up to date only in respect of the Government Service Pension Fund
An estimated deficit of R1,5 milliard

Newsprint industry

410 Mr W J D VAN WYK asked the Minister of Economic Affairs and Technology

Whether he will furnish the names of undertakings in South Africa which are involved in the newsprint industry, if not, why not, if so, what are the names of (a) manufacturers, (b) dealers and (c) importers concerned?

The MINISTER OF ECONOMIC AFFAIRS AND TECHNOLOGY

Yes

(a) SAPPPI Ltd and Mondri Paper Company Ltd are the only manufacturers of newsprint in the Republic of South Africa

(b) SAPPPI and Mondri supply newsprint mainly direct to members of the Newspaper Press Union of South Africa, ie newspaper publishers. A relatively small volume of newsprint which is used for purposes other than the printing of newspapers, is supplied directly to dealers of which the most important are as follows
Haddons (Pty) Ltd
VRG (Pty) Ltd
Peters Papers (Pty) Ltd
Spicers (Pty) Ltd
Wiggins Teape (Pty) Ltd
Press Supplies Ltd
Main Paper (Pty) Ltd

(c) During the past three years no newsprint was imported

State expenditure on education

465 Mr K M ANDREW asked the Minister of National Education

(1) What was the total State expenditure on education in the Republic, (a) including and (b) excluding the (i) self-governing territories and (ii) independent

Howard

dent Black states, in the 1984-85, 1985-86 and 1986-87 financial years, respectively,

public, (ii) self-governing territories and (iii) independent Black states, (b) Whites, (c) Coloureds and (d) Indians?

(2) what amount was spent in each of these financial years on education in respect of (a) Blacks in the (i) Republic

The MINISTER OF NATIONAL EDUCATION

(1) The total State expenditure on education in the Republic

1985-86 1986-87

(a) Including the self-governing territories

R6 130 262 000 R7 557 762 000

(b) Excluding the—

(i) Self-governing territories
(ii) Independent Black states

R5 446 522 000 R6 662 383 000
The amounts are not available

These amounts do not include expenditure in respect of education in the independent Black states which do not form part of the Republic. The amounts for 1984-85 are not available

(2) The expenditure on education in the Republic in respect of

1985-86 1986-87

(a) Blacks—

(i) Outside the self-governing territories
(ii) In the self-governing territories
(iii) In the independent Black states

R950 096 000 R1 265 185 000
R683 740 000 R895 379 000
The amounts are not available

(b) Whites

R3 241 707 000 R3 698 469 000

(c) Coloureds

R799 526 000 R1 173 619 000

(d) Indians

R455 193 000 R525 110 000

These amounts do not include expenditure in respect of education in the independent Black states which do not form part of the Republic. The amounts for 1984-85 are not available

The above-mentioned amounts include expenditure in respect of the following number of universities and technikon

(a) (i) 5 universities, 1 technikon
(ii) 1 technikon

(b) 11 universities, 8 technikons

(c) 1 university, 1 technikon

(d) 1 university, 1 technikon

(SD)

250

WASSENAAR: FUND COULD BE R25 000-M IN RED

FORMER Sanlam chairman Dr Andreas Wassenaar has rejected the Government's defence of its service pension fund and claims that it could be R25 000-million in the red

A determined Dr Wassenaar told the Institute of Future Research in Cape Town this week that the total tax income from individuals was estimated at R12 600-million — about half the pensions deficit.

"This deficit has built up in spite of the colossal contribution from revenue to the fund which has varied since 1976 between 18,9 percent and 21,9 percent of salaries."

BY ALAN DUGGAN

Dr Wassenaar made it clear that he was still unhappy with past decisions which had contributed to the huge deficit.

The amendment of regulations and dismissal of the fund's consulting activities in 1976 should be investigated by an independent commission of inquiry, he insisted.

One of the suspect changes was a 1981 amendment which defined

the final salary for pension purposes as the salary on the "last working day".

Attack

The fact that the Minister at the time agreed to this "ridiculous extreme" proved how wrong it had been to dispense with the actaries, Dr Wassenaar said.

He also renewed his attack on the "buy-back" system, whereby civil ser-

vants could purchase non-existent years of service to boost their pensions and gratuities on retirement

There were inherent flaws in the formula by which this "pensionable service" was determined, Dr Wassenaar warned, and the recent changes to the rules did not solve the problem.

"The consequence is an increased tendency for the Minister of Finance to borrow, and lately an increased tendency towards

deficit budgetting," he said.

"The consequences for the country's economy have been lack of capital for the private sector, and lack of capital for development generally and venture capital in particular."

Cake

Dr Wassenaar proposed a scenario in which the Government relinquished its right to "the first big bite" of the pensions cake. However, this was not likely to happen unless the

State President co-opted one of South Africa's top financial talents into his Cabinet as Minister of Finance

Such a step would mean that pension funds could follow an investment policy which would to some extent neutralise the effects of inflation

At the same time, the income of the Government service pension fund would be increased, allowing the "exorbitant" contribution to the fund from revenue.



ANDREAS WASSENAAR call for probe by independent commission

R79m in pension buy-backs

By ALAN DUGGAN

CIVIL servants paid R79-million during the book year 1986-87 to "buy back" pensionable service as a means of increasing benefits, it was revealed this week

This will result in a deficit of R1,5-billion after payment of benefits — almost 19 times the sum paid by the Government employees

Dr Willie van Niekerk, Minister of National Health and Population Development, provided a breakdown of the buy-

back revenue in a written reply to a question tabled in Parliament by Mr Roger Burrows, MP for Pine-town

Interest

Besides the extra payments to the Government Service Pension Fund, revenue of R33-million was received by the Pension Fund for Associated Institutions and R9-million by the Pension Fund for Temporary Employees

Dr van Niekerk said the pension funds accepted repayment of the costs of

the buy-back on a monthly basis, with the stipulation that any outstanding balance became payable before or on the day of retirement

The present interest rate, calculated on the outstanding amount owed to the funds, was 5,5 per cent.

The Minister said information on the buy-back scheme was available only in respect of one pension fund, and he was unable to provide the total income since the introduction of the scheme.

rest 50 metres further down De Waal Drive.
Graphic ANDREW DONALDSON

2 000 buy back pensions as rules change

CAP TOWERS 250

Political Staff

THE government's announcement last month that it is to change the rules whereby state employees can "buy back" pensionable service prompted 2 142 civil servants to apply for the perk.

This was revealed in Parliament yesterday by the Minister of National Health and Population Development, Dr Willie van Niekerk.

Answering a question from Mr Roger Burrows (PFP Pinetown), Dr Van Niekerk confirmed that all applications had been granted at the old formula, which permits state employees to buy back pensionable service to the age of 16.

According to Dr Van Niekerk, the change in the "buy-back" formula came into effect on September 21, with the amendment merely aimed at ensuring that the relevant pension fund is fully compensated by the member for the additional benefits bought.

It would seem, therefore, that state employees will now still be able to "buy back" service to age 16, if they so wish.

Child hurt in Soweto blast

PRETORIA. — An explosion in a shop in Diepkloof, Soweto, last night slightly injured a two-year-old child. A police spokesman said the blast was caused by an exploding gas bottle and caused considerable

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Howard

Howard

Mangaung (Bloemfontein—
closed on 28 August 1987)
Umlazi (Durban)

UWC bursaries to Black students
*20 Mr K M ANDREW asked the Minister of Education and Development Aid

(2) Yes, but statistics are available only in respect of Transvaal and the Cape

(a) Transvaal 69
Cape 26

(b) Transvaal 32
Aiming of a weapon 23
Attempted murder 11
Murder 11
Robbery 3

Cape 1
Murder 4
Attempted murder 4
Armed robbery 4
Assault 2
Culpable homicide 2
Loss of firearm 7
Unauthorised use of firearm 1
Aiming of a weapon 5

(3) Yes

(a) Falls away

(b) (i) Black Local Authorities Staff Regulations promulgated in Government Notice R 2568 of 25 November 1983, as amended by Government Notice R 1957 of 12 September 1986 and Regulations relating to Law Enforcement Officers, contained in Government Notice R 1900 of 31 August 1984, as amended by Government Notice R 1956 of 12 September 1986

(ii) By the local authority concerned

(iii) Transvaal 607 cases
Cape 25 cases
Orange Free State Not available
Natal Not available

(1) Whether his Department awards bursaries to Black students attending the University of the Western Cape, if so,
(2) whether approved bursaries for such students were paid out by 31 August 1987, if so, (a) when were they paid out, (b) how many students were involved and (c) what was the total amount paid out, if not, (i) why not, (ii) when (aa) were and (bb) are they to be paid out, (iii) how many students are involved and (iv) what is the total amount involved?

THE MINISTER OF EDUCATION AND DEVELOPMENT AID

(1) Yes

(2) No (a), (b) and (c) Falls away

(i) The completed bursary contract forms and claim forms which had been returned to the University of the Western Cape for corrections on 29th July 1987, had not been received by the Department by 31 August 1987

(ii) (aa) 17 September 1987 and 21 September

(bb) Falls away

(iii) 46

(iv) R20 550 on 17 September 1987
R42 300 on 21 September 1987

Bursaries/loans to prospective teachers

*21 Mr K M ANDREW asked the Minister of Education and Development Aid

(1) Whether his Department grants (a) bursaries and (b) loans to approved students studying at universities with a view to becoming teachers, if so, (i) what financial assistance is available to each student and (ii) what conditions relating to (aa) repayment and (bb) any other specified matters

are applicable to such bursaries and loans, if not, why not,
(2) whether such bursaries and loans were granted at any time during the past five years, if so, (a) when and (b) why were they stopped?

THE MINISTER OF EDUCATION AND DEVELOPMENT AID

(1) (a) Yes

(i) Non-resident (all universities)

R1 350 for the Humanities
R1 500 for the Natural Sciences

For students in residence (at universities under the jurisdiction of the Department of Education and Training) an additional amount of R1 250

(ii) (aa) Repayment takes place in the form of teaching service to be rendered for the same number of years for which the student received the bursary. If teaching service is not rendered all money must be repaid together with interest determined by the Treasury. If the full amount cannot be repaid immediately, it can be done in instalments as mutually agreed upon

(bb) Suspension of studies by the student is considered as breach of contract. A year of unsuccessful study must be repeated by the student at own cost. If successful the bursary allocation continues for the following year of study

(b) No Remainder of question falls away

(2) Yes
(a) 1982-1987
(b) Only bursaries to first-year students at the University of Fort Hare were suspended as from 1987 due to the fact that the administration of the university was transferred to the Government of Ciskei and the fact that bursaries are only allocated to the universities in the Republic of South Africa

Military pensions. means test

*22 Mr R M BURROWS asked the Minister of National Health and Population Development

(1) Whether, when applications for military pensions are considered, a means test is applied, if so, (a) why and (b) what is the formula for the application of the means test.

(2) whether persons failing to meet the requirements laid down in the means test may be granted military pensions on other grounds, if so, on what other grounds,

(3) whether he or his Department has assessed the cost of providing military pensions without a mean test for persons above the age of 65 or 70, if not, why not, if so, what total additional costs is it estimated would be involved,

(4) whether he will make a statement on the matter?

THE DEPUTY MINISTER OF NATIONAL HEALTH

(1) Military pensions are not subject to a means test (a), (b), (2) and (3) Fall away

(4) No

Men/women: salary/benefit disparities

*23 Mr R M BURROWS asked the Minister in the State President's Office entrusted

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Howard

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TUESDAY, 6 OCTOBER 1987

with Administration and Broadcasting Services

- (1) Whether there are any salary and/or benefit disparities in respect of men and women in the Public Service, if so, (a) in what spheres and (b) what is the extent of the disparities in each sphere,
- (2) whether he (a) has taken and/or (b) intends taking any steps to eliminate such disparities, if not, why not, if so, what steps in each case,
- (3) whether he will make a statement on the matter?

The MINISTER OF NATIONAL EDUCATION (for the Minister in the State President's Office entrusted with Administration and Broadcasting Services)

- (1) No
 - (a) Falls away
 - (b) Falls away
- (2) (a) Falls away
 - (b) Falls away
- (3) Falls away

Mr R M BURROWS Mr Speaker, arising from the reply given by the hon the Minister, I should like to know from him whether he is aware of the salary disparity between men and women at post level one in the teaching profession. If so, does he not concede that the reply he has just given is therefore an inaccurate reply?

The MINISTER Mr Speaker, the hon member for Pinetown, as chief spokesman of his party on National Education, should know that teachers are not regarded as officials or public servants [Interjections]
Mr SPEAKER Order!

Government Service Pension Fund

*24 Mr R M BURROWS asked the Minister of National Health and Population Development

- (1) Whether he has amended or intends amending the formula for the buying

HOA

[Handwritten signatures]

1112

back of previous non-service in the Government Service Pension Fund, if not, why not, if so, (a) in what manner has he amended or does he intend amending the formula and (b) as from what date does the amendment take effect,

- (2) whether he has had consultations with any organisations on the above matter, if so, with what organisations,
- (3) whether any applications to buy back non-service were received between the date of the announcement of the proposed amendment of the formula and its actual commencement, if so, (a) how many and (b) which formula was applied to such applications,

(4) whether the change in formula will have a cost-saving effect for the State, if not, why not, if so (a) what assessed saving will be generated and (b) in respect of what period will this saving be generated,

(5) whether he will make a statement on the matter?

The DEPUTY MINISTER OF NATIONAL HEALTH

- (1) Yes
 - (a) To ensure that the Fund is fully compensated by the member for the benefits accruing from the added service bought
 - (b) 21 September 1987
- (2) No, only the consulting actuary and the Ministers concerned were consulted
- (3) Yes
 - (a) 2 142
 - (b) The formula applicable at that time

(4) No, because the detrimental effect of the previous formula was borne by the Fund and not by the State

- (a) Falls away
- (b) Falls away
- (5) No

1113

TUESDAY, 6 OCTOBER 1987

Saldanha Abraham Jules shot/killed
*25 Mr J VAN ECK asked the Minister of Law and Order

- (1) Whether a person was shot and killed in the course of action taken by the South African Police during incidents of unrest in Saldanha on 13 September 1987, if so, (a) where in Saldanha, (b) what were the circumstances surrounding his death and (c) what was the (i) name and (ii) age of this person,
- (2) whether the mother of the deceased was allowed to (a) go to her son immediately after the shooting and (b) travel with him in the ambulance, if not, why not, in each case,
- (3) whether an inquiry has been instituted into these incidents, if not why not, if so, what are the relevant particulars,
- (4) whether any persons were injured during these incidents, if so, (a) how many, (b) by whom, (c) what are their names and (d) what was the nature of their injuries,
- (5) whether any persons have been (a) arrested and (b) detained as a result of these incidents, if so, (i) what are their names and (ii) in terms of what statutory provisions?

The MINISTER OF LAW AND ORDER

- (1) Yes
 - (a) and (b) The circumstances regarding the death of the person are at present the subject of a judicial process, the findings of which I do not wish to anticipate

In order to provide greater clarity, I am, however, prepared to say that provisional information indicates that the deceased was with a group of persons who were setting alight road barricades. They threw stones at members of the South African Police when they were confronted. The Police consequently fired on them with bird-shot and 9 mm ammunition

1114

(c) Abraham Jules

(d) 14 years

- (2) (a) and (b) The mother of the deceased was not at the scene at the time of the shooting incident. So not as to delay the ambulance which transported the deceased to the hospital, the Police immediately went to search for the mother of the deceased and took her directly to the hospital
- (3) Yes I am, however, not prepared to furnish further information, because the circumstances in respect of the death of the person are the subject of a judicial process, which I do not wish to anticipate
- (4) Yes
 - (a) 5 persons
 - (b) The South African Police
 - (c) and (d) During the Police action these persons received bird-shot wounds mainly in their legs. It is however, not in the interest of the public or the interest of the persons to furnish their names

- (5) (a) Yes
 - (i) It is not in the interest of the public or the interest of the persons to furnish their names
- (b) Yes

(ii) Fourteen persons were charged with Public Violence and one person with Assault

Saldanha unrest on 12/13 September

*26 Mr J VAN ECK asked the Minister of Law and Order

Whether, during the course of incidents of unrest in Saldanha on 12 and 13 September 1987, the South African Police received any requests for assistance from any persons, organisations or companies, if so, (a) from whom, (b) (i) when and (ii) in what manner were the requests made and (c) what was the (i) nature of the requests and (ii) response of the Police thereto?

Howard

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HOA

[Handwritten mark]

Hospital	White	Coloured and Indian	Black
Willems Cruywagen, Germiston	100	—	—
Witbank	50,8	—	49,2
Zeerust	23,8	—	76,2

*The designated beds are exchangeable between Coloureds and Indians

Hospital	Whites	Coloured	Indians	Blacks
Addington	75	25	—	—
Christ the King	4	—	—	96
Clarwood	—	—	—	100
Dundee	13	—	—	87
Estcourt	13	—	—	87
Empangeni	75	25	—	—
Eshowe	9	—	—	91
G J Crookes	4	—	—	96
Grey	100	—	—	—
Gretown	6	—	—	94
Hillcrest	100	—	—	—
King Edward	—	—	—	100
Lady'smith	13	—	—	87
Newcastle	71	—	20	—
Northdale	—	20	80	—
East Griqualand/Usher Memorial	14	5	—	81
Port Shepstone	28	—	—	72
R K Khan	—	—	100	—
St Andrews	13	—	—	87
Stanger	—	—	—	100
Taylor	12	8	—	80
Utrecht	22	—	—	78
Vrheid	17	—	—	83
Wentworth	No individual beds allocated			

Orange Free State

Hospital	Whites	Percentage beds/Whites	Percentage beds/Coloureds
Universitas, Bloemfontein	100	—	—
Nasional, Bloemfontein	100	—	—
Pelononi, Bloemfontein	—	—	100
Bethlehem	100	—	—
Phekolong, Bethlehem	—	—	100
Voortrekker, Kroonstad	100	—	—
Bontumele, Kroonstad	—	—	100
Oendaalsrus	53,16	—	46,84
Sasolburg	100	—	—
Welkom	72,25	—	27,75
Virginia	55,06	—	44,94
Bothaville	33,87	—	66,13
Clocolan	27,41	—	72,59
Ficksburg	47,36	—	52,64
Frankfort	36,11	—	63,89

Hospital	Whites	Percentage beds/Whites	Percentage beds/Coloureds
Harrismith	54 80	—	45 20
Heilbron	41 57	—	58 43
Hoopstad	40 54	—	59 46
Jagersfontein	40 00	—	60 01
Ladybrand	40 90	—	59 10
Parry's	43 33	—	56 67
Retz	38 20	—	61 80
Senekal	31 13	—	68 87
Smithfield	40 62	—	59 38
Vrede	32 78	—	67 22
Winburg	42 30	—	57 70
Zastron	41 17	—	58 83

No beds are allotted to Coloureds and Indians specifically and beds are regarded as being for Whites and non-Whites only

Cape Province

(1) Actual beds

(i) White	5 911 = 33%
(ii) Non-white	11 926 = 67%
	<u>17 837</u>

(2) Regarding the Non-white patients, beds are not specifically separated on a racial basis, but are allocated to need. Should circumstances demand it, even beds which are mainly allocated for White patients are used for the hospitalisation of other race groups

(3) Based on the occupation figure for 1986, the available 11 926 beds for Non-white patients were utilised as follows

(i) Coloured	7 384
(ii) Black	4 514
(iii) Indian	28
	<u>11 926</u>

Promotion: qualifications/period of service

584 Mr C J DERBY-LEWIS asked the Minister of Constitutional Development and Planning

(1) What (a) qualifications are and (b) period of service is required for an

250

official to be promoted to each of the five most senior posts in his Department, whether the present incumbents of these posts meet these requirements?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

(1) (a) At least an appropriate recognised three-year post-school qualification
 (b) At least 1 year service in the preceding level
 (2) Yes

Financial advances by Government

595 Mr K M ANDREW asked the Minister of Foreign Affairs

(1) Whether any (a) loans, (b) lines of credit and (c) other specified financial advances were granted directly or indirectly by the Government or any Department or agency of the Government to (i) the Government of, (ii) any Government Department of, (iii) a development corporation in and (iv) any other specified person or organization in Bophuthatwana in 1983, 1984, 1985, 1986 and 1987, respectively, if so,
 (2) (a) what amounts were involved in

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Population growth outstripped

Big rise in public sector jobs — study

By BARRY STREEK
Political Staff

THE growth in public sector employment was higher than the increase in both the population and the economically active population, a University of Cape Town masters student, Mr Barry Standish, has found

He said employment by the public sector was estimated to have increased from 160 000 in 1920 to 1,5 million by 1980 and 1,6 million by 1986

Homelands

White employment by the public sector grew from 12% of the white economically active population in 1921 to 31% of the white economically active population by 1980, while black employment by the public sector increased from 5% of the black economically active population in 1946 to 11% in 1980

Mr Standish's findings have been summarized and published by UCT's Southern African Labour and Development Research Unit (Saldru)

"The most surprising and least expected result is the evidence regarding the tremendous growth in the number of blacks working for the state

"The growth is largely centred around the growth of black employment in the public services, particu-

larly the central authorities during the 1980s and the homeland governments since the 1960s

"In terms of the activities which the public sector undertakes, nearly half of all employment is to do with the provision of economic services"

One of the problems he faced in his research was "no complete data existed for public sector employment"

In absolute terms employment by the central authorities grew from less than 19 000 in 1930 to "a massive 335 000 in 1981

"This is a compounded annual growth rate of nearly 5% since 1930, compared to a compound annual population growth rate between 1936 and 1970 of 2,53%"

P W Botha

In 1985, there were 381 759 people employed by the central authorities, 258 699 by the provincial authorities, 239 100 by local authorities, 124 866 by homeland governments, 30 882 by statutory bodies and control boards, 225 055 by SATS, 93 924 by the post office and 200 000 by public corporations, giving a total of 1 554 285

In 1978, when Mr P W Botha became Prime Minister and pledged to streamline the civil service, there were 1 481 109 people in the public sector

Pupil fares may be subsidised

Journalist

SSC

SSC

2/8/76

THE Department of Education and Training may soon subsidise scholars' transport fares, according to Mr Job Schoeman, the department's Chief Liaison Officer.

Mr Schoeman said on Thursday that the Department of Transport Affairs had, for some time, been negotiating with various education departments with a view to subsidising scholars' fares. He said the negotiations were still in progress and that no firm decision had yet been taken.

This follows a recent decision by Putco that scholars using its buses will have to pay full fares from the beginning of next year as the company was suffering substantial losses as a result of the concessions

Meanwhile, white schoolchildren living in outlying areas but attending school in towns are being subsidised.

The company also appealed to the various Government departments with an "interest in scholar transport" to come together and formulate a meaningful policy for all population groups, "so that any perception of unequal treatment" could be eliminated.

Putco's decision came under fire from various black organisations which accused the corporation of being "insensitive".

The Azanian People's Organisation urged the Government to subsidise black transport as the problem emanated from its policy of apartheid.

A massive deficit in the offing

By Sven Lunsche

The Government is heading for another huge deficit in the current financial year.

Expenditure from the Exchequer for the first six months of the 1987/88 financial year exceeded revenue collected by 30,8 percent, as against 26 percent for the corresponding period last year, according to Central Statistical Services (CSS) figures released yesterday.

Many economists have blamed the Government's chronic overspending on its own budgeted expenditure as one of the root causes for the current economic slump, and the trend runs counter to Finance Minister Mr Barend du Plessis's declared aim of reducing the Government's role in the economy within the next five years.

Total payments by the Exchequer to government departments amounted to R23,44 million, while revenue income over the period was R18,05 million — a 15,4 percent rise on the first half of the previous financial year.

Another feature of the statistics is that the contribution of individual taxpayers is still rising, although they already make up about half of the Government's total income, through income tax and GST payments.

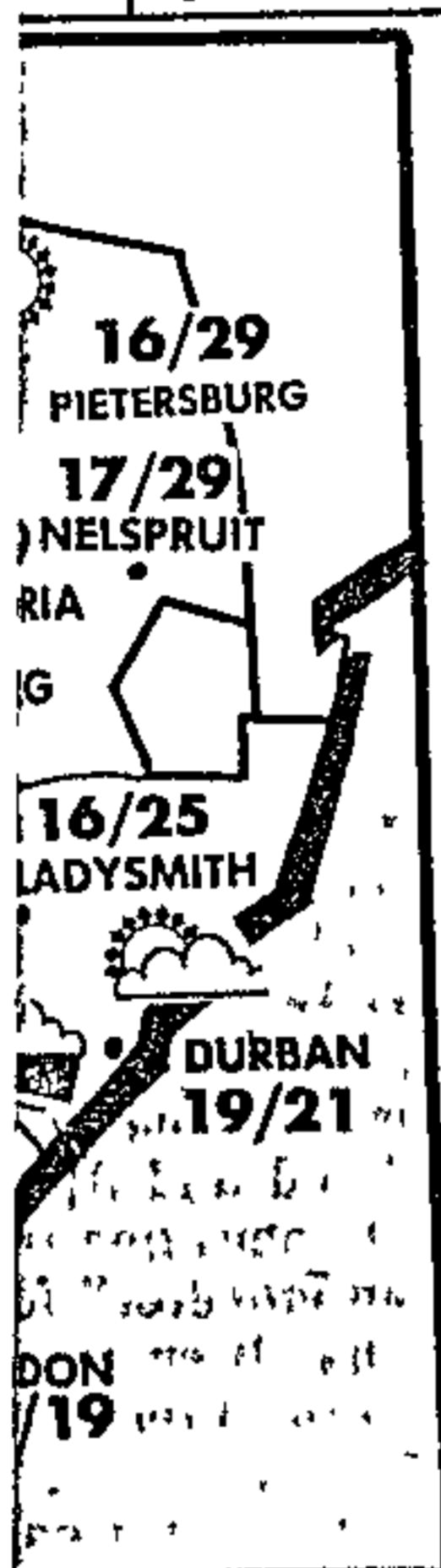
Tax income increased

Taxes received on net income and profits of gold mines decreased by 3 percent from R1,13 billion to R1,09 billion, while other tax income, including that from individual salaried taxpayers, increased by 16,9 percent from R7,61 billion to R8,90 billion.

Total tax revenue increased by 14,4 percent to R18,11 billion, while total non-tax and other revenue increased by 34,9 percent to R1,12 billion.

Income from GST increased by 14 percent to R4,94 billion and income from excise duty rose by 11,1 percent to almost R900 million.

Income from the newly instituted comprehensive fuel levy system amounted to R215,5 million.



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'Devastating spiral of violence'

The Star Bureau

LONDON — The costly regional conflict in southern Africa — the only area of the continent south of the Sahara where defence spending is increasing — is "compounded by South Africa's active destabilisation policies", the authoritative International Institute for Strategic Studies says in its latest global military review.

It says South Africa's "intransigent position", and the absence of movement towards resolving other conflicts in the area, are discouraging.

The institute says that in a region where economic performance "continues to disappoint", the continuing military and civil disorders have had disastrous effects on the Mozambican and Angolan economies, and have forced Zimbabwe to adopt a substantially increased defence budget.

The report says "South African defence expenditure also continues to increase, but there are no indications that such economic sanctions as have been applied to the Republic have significantly increased the difficulty of meeting the defence burden.

"Defence expenditure in

Regional Wars take High toll

South Africa continues to rise in the face of undiminished internal and external opposition to the apartheid regime.

"Zimbabwe's defence budget went up by more than 40 per cent in 1986/87 which may partially indicate the costs of its operations to protect rail and oil lines in Mozambique from attacks by South African-backed MNR (Mozambique National Resistance) guerrillas.

"The MNR campaign has had disastrous consequences on the Mozambican economy, threatening up to one quarter

of the population with starvation.

Defence was the largest single item in the 1987 Mozambique budget, at around 43 per cent of the total.

The effect of the war on Angola is described as disastrous. "Its agriculture has been devastated and its trade and transport network disrupted."

The report says that in Namibia security forces "continue to maintain control".

"Swapo has suffered severe casualties, and although incursions continue to be attempted, they have little effect."

Tensions in southern Africa boost spending on defence

LONDON — Defence spending in most of Africa south of the Sahara is declining but southern Africa is the exception.

The total sub-Saharan defence outlay, the International Institute for Strategic Studies' military review for 1987/88 reveals, is about R16 billion.

The total sum for South Africa, Zimbabwe, Angola and Mozambique is around R8 billion the result of "considerable increases as intra-state tensions continue to mount".

The defence budgets and troop quotas (including opposition troops) of southern Africa are:

SOUTH AFRICA — R658 billion

Total armed forces: 97 000 active personnel (including 67 800 national servicemen) and 325 000 reserves.

South West Africa Territory Force: 22 000

Para military commandos: 130 000

Air commandos: 20 000

SA Police: 53 000

OPPOSITION: South West African People's Organisation (Swapo) about 8 900

African National Congress (ANC) about 10 000 trained, up to 3 000 based in Angola

ZIMBABWE R779.2 million

Total armed forces: 47 000

SA 11/11/88
252

Police: 15 000

Police support unit: 3 000

National militia: 20 000

OPPOSITION: Zimbabwe National Freedom Movement (ZNFM) about 1 500 based in Mozambique

ANGOLA R2 billion

Total armed forces: 53 000 (including about 10 000 guerrillas and 24 000 conscripts)

Para military reserves militia (totaling 50 000)

Border guard: 7 000

Swapo: 8 900

FORCING TROOPS: Cuba 28 000 (plus 8 000 civilian instructors and advisers)

East Germany: 500 intelligence and security advisers

North Korea: 4 000 reported

Portugal: About 100 including combat pilots and technicians on contract

Soviet Union: 500 advisers and technicians

ANC: About 1 000

OPPOSITION: Union for the Total Independence of Angola (UNITA) about 26 000 regulars and 34 000 militia

National Front for the Liberation of Angola (FNLA) claims about 5 000 but actual strength reported to be 250

Front for the Liberation of the Cabinda Enclave (FLEC): 200 to 300

MOZAMBIQUE R293 million

Total armed forces: 31 700 (including about 10 500 conscripts)

Para military border guards: 9 500

Militias of unknown sizes at provincial and local level

Foreign troops:

Cuba 600

Soviet Union 830

North Korea 60

East Germany: 500 security advisers

Zimbabwe: 6 000 to 12 000

Tanzania: 650

Malawi: 400

OPPOSITION: Renamo (MNR): 18 000

BOTSWANA R54.58 million

Total armed forces: 1 250

Police: 1 000

ZAMBIA Defence budget not known

Total armed forces: 16 200

Police mobile unit: 700

Police para military unit: 500

MALAWI R41.30 million

Total armed forces: 5 250 active and 1 000 reserves

Police: 1 000

TANZANIA R446.8 million

Total armed forces: 40 000 active and 10 000 reserves

Police: 1 500

Citizen's militias: 100 000 — The Star Bureau



FOCUS ON GROUP AREAS

THE STATE'S HOUSING MONEY GOES TO THOSE WHO DON'T NEED IT

Thousands are homeless, but the government spends on reshuffling those who have homes already. A new study calculates the costs of the group areas policy.
JO-ANN BEKKER reports

MORE than three quarters of the state's housing money for Indians and coloureds is spent on people who already have homes

In the past 15 years, more than 76 percent of state spending on Indian and coloured housing went on families who contravened the Group Areas ban on mixed residential areas

And, in terms of the Act, the state relocated 126 000 families — about 630 000 people — and 2 771 traders between 1950 and 1984

These are some of the indications of the cost of the group areas policy, revealed in a recently released research paper written by a South African Institute for Race Relations researcher, Claire Pickard-Cambridge

Government ministers have told parliament "information was not available" as to the total cost of implementing group areas

But Pickard-Cambridge said between 1960 and 1975 alone, R200-million of the R261-million state expenditure on coloured and Indian housing went on rehousing "residentially disqualified" families

By the end of 1975 the direct cost to the taxpayer of moving 1 277 traders had amounted to R24,4-million

In Johannesburg, 280 Indian traders were moved from the city centre to the outlying Oriental Plaza in the mid-Seventies, at a cost of R16,6-million — about R59 000 per trader

Pickard-Cambridge said the Act also ensured valuable land in some formerly mixed areas which was allocated to whites, such as Cape Town's District Six, lay unused for years

"In this massive programme of relocation it was the taxpayer who bore the expense of administration, surveying, land acquisition, demolition, removals, compensation and new construction," she said

"The Group Areas Act substantially reshaped the country's urban landscape. In its attempt to unscramble racially mixed residential patterns it had effected the creation of 918 group areas by December 1985."

She said about 126 000 families had been moved, included 83 691 coloured, 40 067 Indian and 2 418 white families

From 1 September 1984, the administration of Group Areas Act removals became an "own affair". Own affairs administrators maintain that removals in terms of the Act have been negligible since then

In recent years, Pickard-Cambridge said, various pressures had forced it into retreat

"In an attempt to stimulate the economy and to foster a black 'middle class' it has sanctioned the opening of some commercial zones to all races, while it continues to support residential segregation in principle, it has abandoned attempts to enforce the Act by removing black people from white-designated areas and indeed the Act has not been used to move black communities or individuals since 1984"

However, the evictions of black tenants from "grey areas" in recent weeks has continued under other guises — although this is not covered in the SAIRR report — as the evictions of Hillbrow tenants this month have demonstrated

Described as the "essence of apartheid" by the then prime minister, DF Malan, the Group Areas Act was enacted in 1950, two years after the National Party came to power

Pickard-Cambridge says the Act was partly a realisation of electoral promises to the white working class to segregate white working class districts, and partly the result of demands for protection against economic competition from Indian traders

However, she adds, the 1950 legislation was not simply the product of Nationalist ideology but the culmination of repeated attempts by white legislators since the late 19th century to impose segregation more effectively — in response to demands by white interest groups

On the other hand, the policy of enforcing racially segregated residential and business areas was a major focus of protest throughout the decades. It was a central concern during the African National Congress' defiance campaign in the Fifties; the state-appointed commission into the Soweto 1976 uprising found it had

triggered the unrest and the Group Areas Act was singled out as a target for opposition by the United Democratic Front in 1983

Pickard-Cambridge says the establishment of the tricameral parliament gained the National Party reluctant new allies in enforcing group segregation — from the groups which had been the victims of the Group Areas Act "Coloured and Indian administrations in the tricameral parliament, although committed to opposing the Act, can meet the acute housing needs of their constituents only within the present segregated system and so are virtually compelled to accept, and sometimes even request, extensions to group areas in their attempts to secure more land for housing"

She says despite the government's clear but gradual retreat from rigorous segregation and the increasing trend away from it in major urban areas, "very substantial changes in law and policy alike are required before all South Africans can enjoy equal access to land"

There is another network of laws which touch on land and property segregation. These include the demarcation board established by the Promotion of Local Government Affairs Act of 1983, the guide plans drafted in terms of the Environment Planning Act of 1967 and the Mining Rights Act of 1967. The latter enforces residential segregation in the proclaimed gold mining districts of the Witwatersrand, Heidelberg, Klerksdorp, and the Free State

The publication, *Land and Race*, is the third in a series of SAIRR investigations into the Group Areas Act. The first found that, far from boosting the market in areas reserved for whites, the Act obstructed the growth of the entire property market. It predicted if the Act were repealed, property prices and housing standards were sure to rise

The second research paper analysed police crime statistics in suburbs of Johannesburg and found there was no substance in the claim that crime rates were higher in racially integrated areas. It found in some segregated areas occupied by whites rates of violent crime were higher than in racially mixed suburbs

The research gives the lie to Malan's statement in 1950 that the Group Areas Act would "preserve Western civilisation". The races were at differing stages of cultural and political development, Malan said, and conflict between them could be prevented only by removing contact between them

CPG 70215: 14/11/88 250

SA Govt spending 'alarming'

JOHANNESBURG — SA's budget deficit and government expenditures are showing alarming if not potentially catastrophic trends and reflect lack of fiscal discipline, said Colin Dunn, executive chairman of Discount House of SA Ltd

Any expenditure overruns that require private sector funding could have serious implications for medium and long-term interest rates

He forecast a deficit before borrowing of R13,7 billion for the fiscal year ending in March, 1989, up from an estimated R10,1 billion for fiscal 1988 and compared with R7,2 billion in 1987

Dunn, addressing the financial mail investment conference, predicted government expenditure will rise 19% to R48 billion in 1988 and increase another 15% to R55,2 billion in 1989

He said the growing budget deficit and a weak fiscal policy inhibited chances of an immediate cut in interest rates

Dunn said the budget deficit next year should be financeable partly through use of debt-standstill funds and from the private sector, if necessary, at reasonable interest rate levels

"But any expenditure overruns that require private sector funding could have serious implications for medium and long-term interest rates," he added

Dunn predicted short-term rates will

rise from the middle of next year if, among other things, the SA economy is affected by the decline in the equity market

Interest rates will decline "across the entire maturity spectrum" if factors such as a worldwide recession occur, Dunn said

Investors usually switch to bond markets when stockmarkets decline and this may happen to a limited extent in SA but won't last, Dunn said

"It is clear that even after the present reverse, equities have proved a far better investment than gilt-edged securities in this decade."

Dunn said interest in the bond market was weak because of lack of real returns on fixed interest securities, especially in a period of high inflation

The inflation problem will prevent any easing of monetary policy and eventually under-pin a tightening of policy

Dunn said the inflation problem will prevent any easing of monetary policy and eventually under-pin a tightening of policy

"However, we do not anticipate that a serious attempt will be made to significantly reduce our chronically high rate of inflation," he added

Dunn predicted that growing wage demands will contribute to inflation rising again in late 1988. — Reuter

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Govt Spending to be cut back

FINANCE

Finance Editor

GOVERNMENT spending is likely to be reduced next year now that the economy is showing signs of growth

Increased government spending has played a major role in getting the economy rolling in the past three years

In this period the government has pumped money into low cost housing and other development projects. This has created employment for thousands of people and has helped to keep the wheels of industry turning

However, this policy has not been without cost. It led to an increase in government borrowings, which one day will have to be repaid, and also increased the burden of interest payments borne by the state — and ultimately by the taxpayer

Limits

So, with the economy now building up its own momentum and needing less government stimulation, the government is expected shortly to

Affordable limits the goal as economy slowly gathers momentum, says Barend

reduce its expenditure and lessen its need to borrow

The Minister of Finance, Mr Barend du Plessis, said the government should be able to bring its spending within affordable limits following the improvement in the economy

He was speaking at the National Party's Cape congress in Goodwood this week

In an interview after the congress, Mr du Plessis said "We don't need to give the economy the same kind of stimulation as we have done in the past. This will enable us to return to a smaller deficit before borrowing

"But to cut government spending for the sake of saying you have done so is meaningless. You cut government spending in order to keep it within affordable limits and

within the framework of your overall policy approach"

Government policy had been to stimulate the economy by a combination of tax relief and direct spending. Spending had been designed to accomplish two purposes — to stimulate the economy and to address some of the fundamental issues such as the need for low cost housing and job creation

"Crowd out"

"I stressed at the congress that we must bring spending to within affordable limits

"You need a large deficit before borrowing when the government is making a big contribution to stimulating the economy. You don't need either when the economy is growing or you will start to crowd out the private sector

"This could result in an increase in interest rates which we want to avoid as far as possible," said Mr du Plessis

The government would phase out its role as a stimulator as the private sector started to move business

Mr du Plessis said the economy was in a better position today than it would have been if the government had not gone out of its way to stimulate the economy. There was nothing wrong with deficit spending to keep an economy going in a recession

The Reserve Bank believed that a deficit before borrowing equal to 5.5 percent of GNP or even higher was not unhealthy in certain circumstances

"But if the economy shows reasonable economic growth it must change its spending policy to what is affordable

Long term policy was to keep the deficit down to an average of about three per cent of GDP

Mr du Plessis said the cabinet would decide where to make the spending cuts

20% increase for year predicted

Alarm over soaring govt spending

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17/11/87

GOVERNMENT spending continues to soar amid the ringing of alarm bells in both the private sector and official circles.

According to the latest Government Gazette, government spending increased by 20,7% to R26,76bn in the seven months to the end of October this year compared with the same period last year.

GRETA STEYN

October's increase of 23,2% to R3,83bn compared with the same month last year, comes after an increase of 25,2% to R4,1bn in September and 18,2% to R3,19bn in August. Economist Louis Geldenhuys, a noted analyst on the level of government spending, warned yesterday that if the high increase in spending of the last few months continued it was unlikely government would keep to its targetted increase of 16,2% for the current fiscal year.

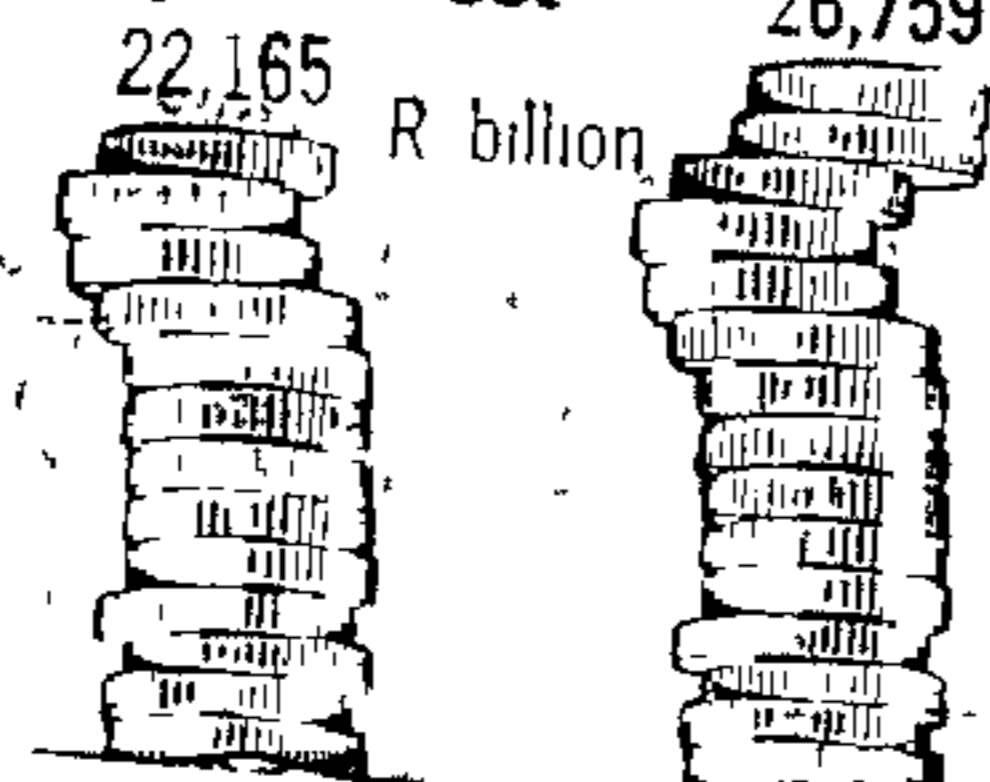
"I would be surprised if the figure is below 20%," he said.

He said that last year government spending seemed on course up to December — but then took a dramatic turn for the worse in the New Year. "Could it be that we are now already seeing a turn for the worse?"

Yesterday's figures strengthen the view that the deficit before borrowing will exceed the budgeted R8,4bn

GOVERNMENT SPENDING

1 Apr - 31 Oct



Graphic: JONNA KRISCH

Alarm as govt spending soars

by R2bn. So far, the deficit is running at more than R5bn with five months to go.

Geldenhuys agreed that the deficit was heading for R10bn this year, compared with about R6bn the previous year.

"That kind of increase is worrying. A rising deficit before borrowing could put pressure on capital market rates, either because government may be forced to issue more paper, or indirectly through higher inflation," says Geldenhuys.

Geldenhuys's warnings come after a statement last week by deputy director-general of public finance Gerhard Croeser that government spending was "getting out of control". This would have a serious impact on the country's stability, affecting important areas such as job creation, he said.

Only last month Finance Minister Barend du Plessis assured the Institute of Municipal Treasurers and Accountants that public sector expenditure would receive continued serious

attention of government. He disclosed that government had a secret five year plan to decrease spending. He said the plan had given government confidence that it would be able to do so.

Reserve Bank Governor Gerhard de Kock said in the Bank's annual report the Bank remained concerned about the long-term effects of the high rates of government spending and taxation. He said the bank fully endorsed the strict fiscal guidelines laid down in the long-term economic strategy, "particularly the proposed curbs on government spending and on the deficit before borrowing".

Revenue for the first seven months of the fiscal year was R20,99bn, 13,5% up on last year's R18,5bn. Borrowings amounted to R27,75bn and loan redemptions totalled R20,62. Thus the exchequer was left with R7,13bn to finance the deficit.

From Page 1

Alarm bells in private sectors as . . . Government spending continues to rocket

Daily Dispatch Correspondent

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An economist and noted analyst on the level of government spending, Mr Louis Geldenhuys, warned yesterday that if the high increase in spending of the last few months continued it was unlikely the government would

keep to its targetted increase of 16,2 per cent for this fiscal year.

"I would be surprised if the figure is below 20 per cent," he said.

He said that last year government spending seemed on course up to December — but then took a dramatic turn for worse in the New Year. "Could it be that we are now already seeing a turn for the worse?"

Yesterday's figures strengthen the view that the deficit before borrowing will exceed the budgeted R8,4 billion by R2 billion. So far, the deficit is running at more than R5 billion with five months to go.

Mr Geldenhuys agreed that the deficit was heading for R10 billion this year, compared with R6 billion the previous year.

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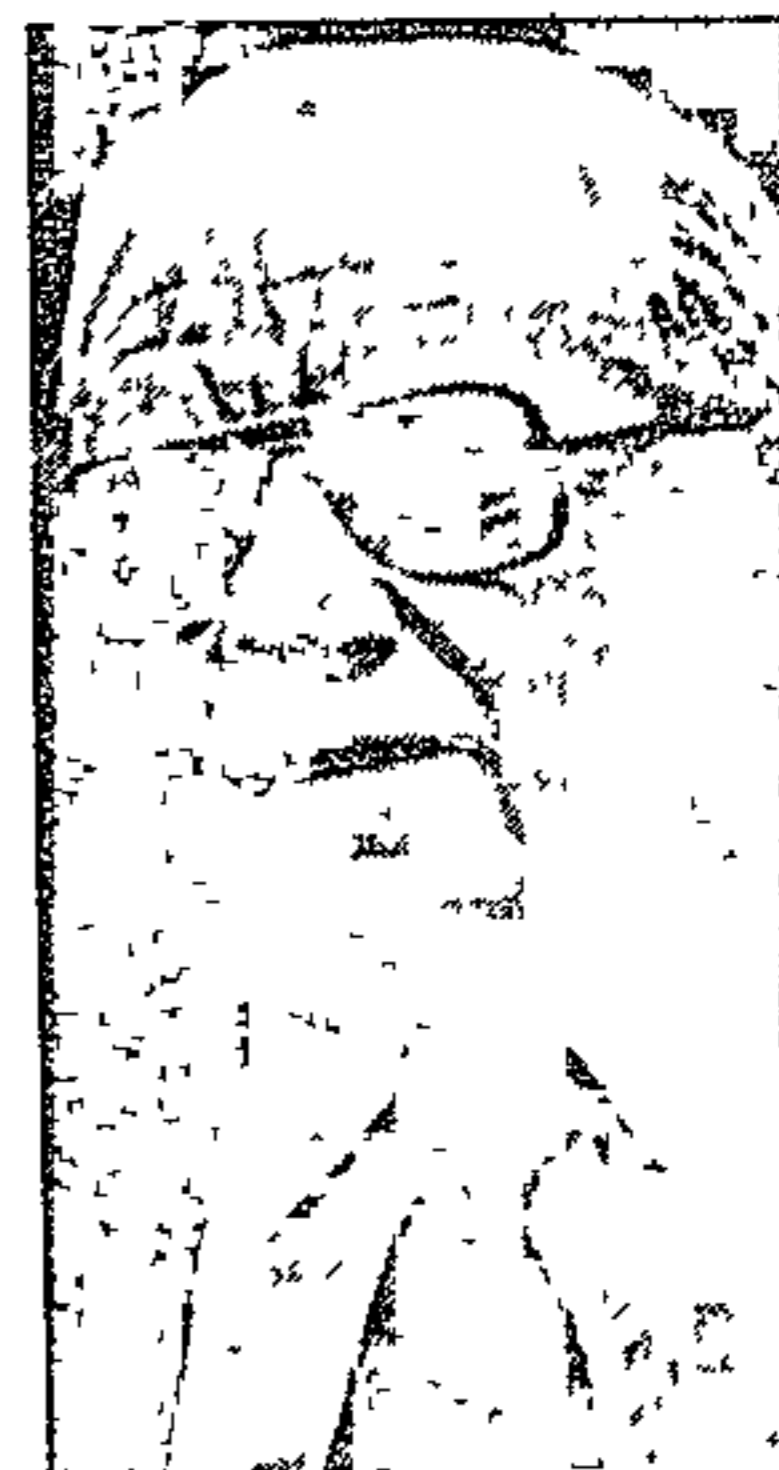
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Meanwhile, Opposition MPs have accused the government of squandering taxpayers' money and abusing the Tri-cameral system by pre-empting the findings of a parliamentary standing on labour matters.

Both the Labour Party's Mr Archie Poole and the PFP's Mr Jan van Gend this week hit out at



DR DE KOCK concerned about long term effects

the Minister of Manpower, Mr Pietie du Plessis, for announcing details on proposed legislation on "militant" unions at the National Party's Transvaal congress at the weekend.

Mr du Plessis outlined details of amendments of the Labour Relations Act to delegates at the same time as members of the standing committee were still hearing evidence on possible changes to the legislation.

Mr Poole said yesterday "I think it is wrong for the minister to preempt findings of a parliamentary committee. I feel a bit useless listening to all this evidence if the minister has already decided on the changes".

Mr Van Gend said he estimated that the state had recently spent R100 000 on collecting evidence in Pretoria when it appeared the minister had already made up his mind.

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A hunter meets a bear who tells him "It's better to talk than to shoot" So they talk. The bear wants a full stomach and the hunter a fur coat. In the end the bear walks away, his stomach full and the hunter with a fur coat around him.

This little fable was told to the Transvaal National Party Congress last weekend by President P W Botha. He doubtless had such matters as the total onslaught on his mind — but it also shows his obduracy when it comes to negotiating the limits of reform. It is the reformists who have been eaten.

Botha responded with the tale after an urgent call by young Nationalists for their party to set up a network of informal discussions with blacks. However, Pretoria youth leader Conrad le Roux had made a fatal mistake by admitting that he and his fellow Nats had *already* talked to radical black youths — and that tripped Botha up.

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FINANCIAL MAIL NOVEMBER 20 1987

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GOVERNMENT FINANCES

Some hope of control!

250

Signs that the fiscal authorities are finally getting some kind of a handle on government spending are starting to filter through. Compared to a year ago, the projected deficit overshoot is less.

Though it is impossible to predict accurately, the expected deficit for 1987-1988 will be just over R10 billion. This is a R1,6

slowdown in spending

As the FM understands it, government reception to the Margo Commission on tax rests on the question of revenue neutrality, rather than the issue of a general reduction in the tax burden. This burden now sits at an overall record in real terms.

Given that the deficit overshoot for 1987-1988 looks to be a lot better than last year, the sheer pace of government spending should not be overlooked. The actual projected deficit of R10 billion at end 1987-1988 can be measured against an original 1986-1987 estimated deficit of R4 billion.

These kind of figures gives George Huy-samer's Louis Geldenhuys cause for alarm. But he detects signs of control over spending, emphasising that such controls take time to implement. "To expect immediate and final signs of control is like putting a bull in a china shop." With the proviso that a lot could happen in the last five reporting months of the fiscal year, Geldenhuys expects a final deficit of just over R10 billion.

Figures just released show that government spending jumped by 23% in October compared to a year ago. This means spending for the first seven months of the fiscal year is 20,7% (estimated 16,4%) up on a year ago.

The R26,8 billion spent in the first seven months of fiscal 1987 is 57% of the estimated R47 billion for the year. This would indicate that spending is on target.

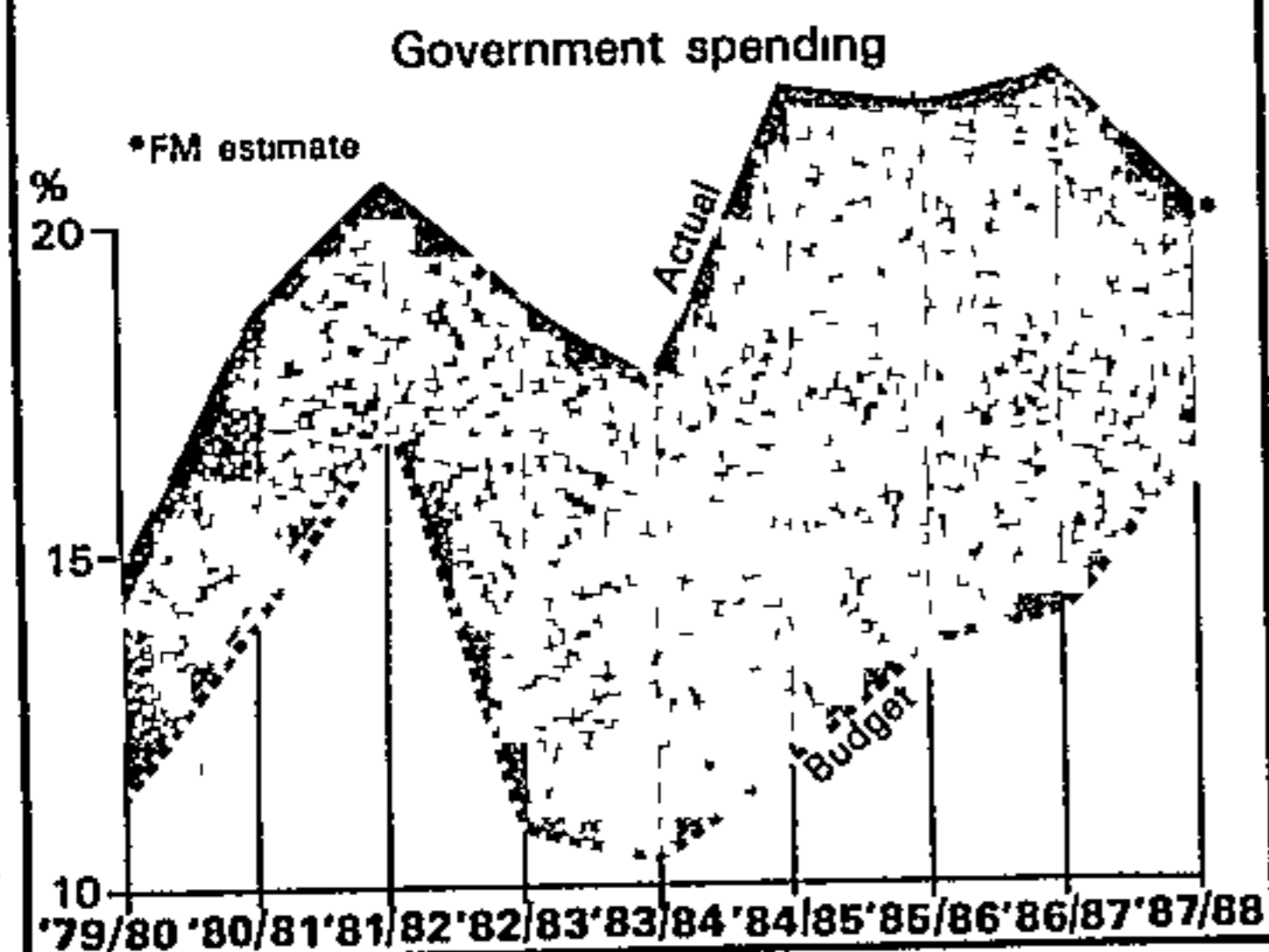
Revenue for October increased to R2,9



billion, just 1% more than October a year ago. The overall revenue increase for the year so far is 13% — just above the officially estimated 12,6%.

The simple deficit before borrowing for the first seven months is R5,9 billion, compared to R3,7 billion a year ago. On a proportional basis, this indicates a deficit for the fiscal year of R10,1 billion.

A bad report



billion overshoot on the estimated deficit of R8,4 billion.

In real terms it is a lot better than 1986-1987's R2,8 billion overshoot. This, in spite of government spending increasing by 20,7% for the first seven months of 1987-1988 compared to a year ago.

A R10 billion deficit, at 5,6% of GDP, is pitched well if standards of industrialised countries are used as the yardstick.

Not to say that there is no cause for alarm. In the past decade, spending has consistently exceeded estimates (see graph). And the pattern of government spending in recent years has shown heavier drawdowns in the swansong quarter of the fiscal year.

Several factors aggravate the pattern this year, however.

The main Budget was presented in July instead of March, suggesting postponement of certain disbursements and even heavier loading than usual in the closing months.

Extraordinary items that will no doubt be extra strains include military action in the Angola war and the Natal floods. Finally, in government circles, the determination to get on with development to reduce imbalances in the economy is gathering momentum.

Along with transfers to TBVC and the six self-governing territories, the "extraordinary" cost could be several billion.

At this stage it is probably more important to emphasise control over government spending rather than the calls for a dramatic



All good boys go to heaven, is the saying. Part of being good is paying tax, when due. Another part of being good is paying the correct amount of tax.

On the face of it, one of our readers is not a good boy.

Sometime in 1982 he underpaid GST owing by 1c. Five years later he was sent a form VB 39 demanding the 1c and adding a penalty of R2,41.

For those who believe that measurements

in percentages above 100 have any significance, the fine is 24 100%.

The reader claims that he never heard a word about the 1c in question between February 1982 and November 4 1987.

What is surprising is that, according to the form, the penalty was calculated as at April 29 1982.

And it's no mistake. Revenue has dutifully added the items together to show a total of R2,42 now owing.

Furthermore, unless this is paid within 14 days the matter will be filed with the Clerk of the Magistrate's Court.

Meneer/Mevrou/Mejuffrou

1 Volgens my registers is die belastings hieronder gemeld, deur u verskuldig en betaalbaar

(a) Verkoopsbelasting ten opsigte van die belastingtydperk

Feb 1982 verskuldig en betaalbaar op laat betaal R 0-01

Boete bereken tot 29-04-82 R 2-41

Handwritten notes: 20/11/87, a circled signature, and R1M.

Govt spending curb urged

note competition,

Promoting the informal and small business sectors,

Encouraging competition in the labour market,

Ensuring effective bargaining by consumers in the determination of prices by way of codes drafted by the Competition Board for use by a restructured Consumer Council,

Avoiding linking wages, salaries and

← ● From Page 1



prices to the official consumer price index

The report was presented to government in September and has now been made available for public comment, which will be assessed by a working group under Director General of Finance Chris Stals

Lost horizon

250

A hunter meets a bear who tells him "It's better to talk than to shoot" So they talk. The bear wants a full stomach and the hunter a fur coat. In the end the bear walks away, his stomach full and the hunter with a fur coat around him.

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THE PRESIDENCY

P W cracks the whip

FIM
20/11/87
250

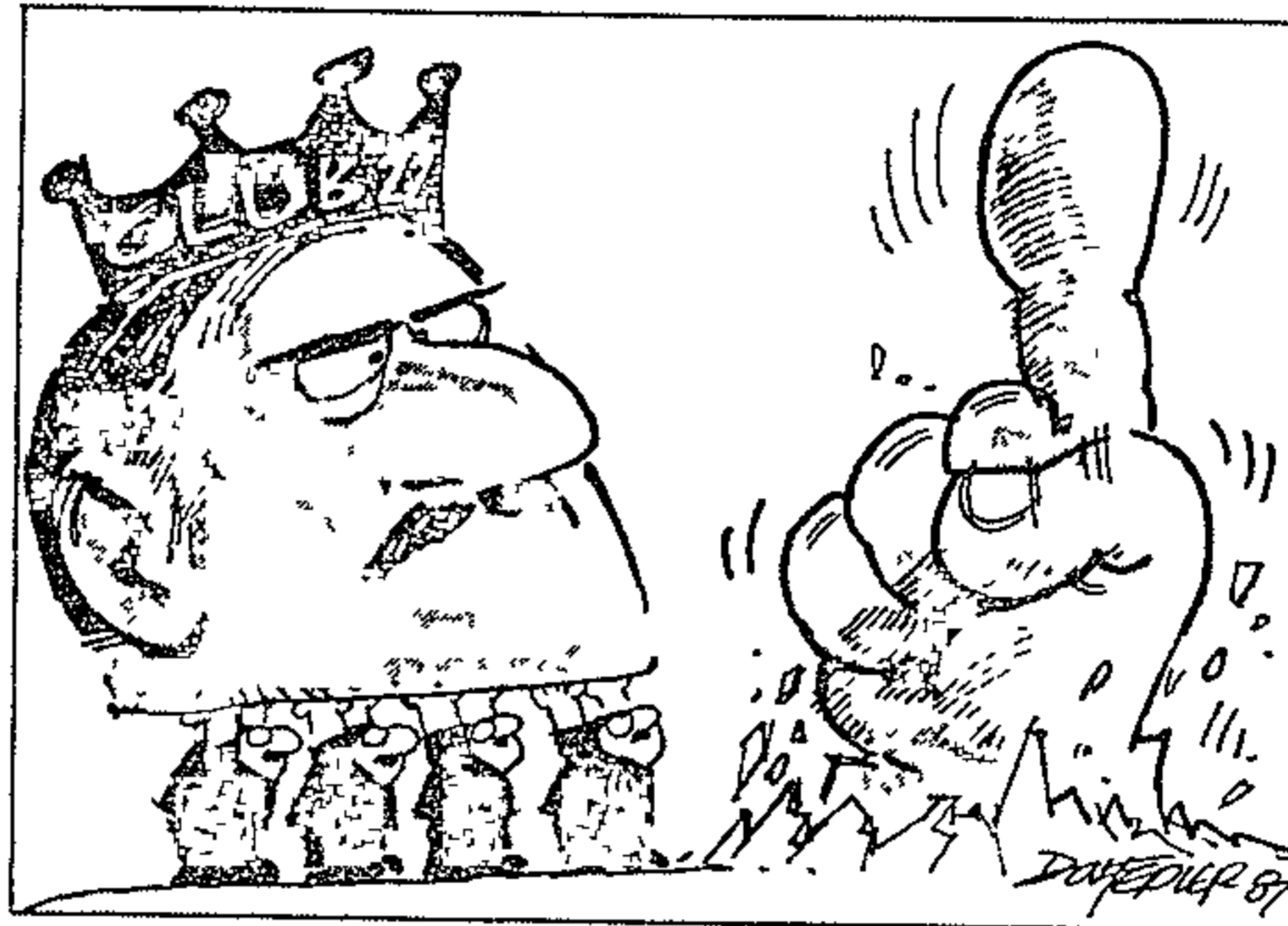
In an unprecedented move, President P W Botha has ordered senior Cabinet Minister Pietie du Plessis to refrain from taking part in efforts to canvass support for Foreign Minister Pik Botha as a potential presidential candidate. Botha made it quite clear that he will not allow factions in his Cabinet, or the promotion of candidates for a position which is not yet vacant.

The reprimand of Manpower Minister Du Plessis, a close confidante of Pik Botha, follows the formation of a supporter's club for the foreign minister. Club 22, as it is known among National Party MPs, was formed soon after the May election, at a meeting held at the home of nominated Nat MP Esmé Chiat, who is also a Cape Town city councillor. Chiat was nominated after her fine election showing against the PFP's Tiaan van der Merwe in Greenpoint.

At the meeting it was decided that Du Plessis would act as Club 22's patron, with eastern Cape MP Sakkie Louw as the kingpin behind the scenes. Louw, an outspoken Pik supporter, was also involved in fundraising for Botha's Westdene election campaign. At a function held in Port Elizabeth, an amount of R13 000 was handed over to Pik Botha. The chief fundraiser in PE is President's Council member Syd Spilkin, a prominent businessman in the city.

Louw's influence as organiser cannot be discarded in Nat circles. During the recent campaign amongst Nats to get Budget Minister Dawie de Villiers elected vice-chairman of the Cape NP, De Villiers himself inquired as to where Louw's loyalties lay. He described Louw as a formidable force.

According to Nat sources, the "Pik for President" club has its own set of internal rules. One is that not more than 15% of funds received should be channelled to the candi-



date

Shortly before parliament went into recess, a meeting was organised in one of the parliamentary bars between members of Club 22 and their candidate. It appears that word of this leaked out to Constitutional Affairs Minister Chris Heunis, who showed up at the same place — before Botha made his appearance. The discussion apparently never took place.

Club 22 has since grown and it is understood that some Transvaal Nat MPs have also joined.

Meanwhile, backers of Finance Minister Barend du Plessis — himself a Pik Botha man in the past — have advised their candidate not to be too closely associated with the foreign minister. They feel that Du Plessis will enhance his own chances if he stays clear of cliques.

Barend supporters feel that he might be in with a good chance as a presidential candidate in two or three years' time. His only

disadvantage at this stage may be the generation gap between him and the older MPs.

The old rivalry between firm favourite F W de Klerk and former crown prince Heunis was again noticeable at the Cape Nat congress recently. Heunis confronted staff members of the SABC's parliamentary team about the absence of TV cameras when he made his opening speech at the

congress.

According to an SABC source, Heunis told political correspondent Freek Robinson that the SABC would certainly record De Klerk's speech at the Transvaal congress the following week.

The behind-the-scenes jockeying for position and canvassing for candidates are most probably the main reason for P W Botha's blunt attack on what he called press speculation that he is on the verge of retirement. In Nat circles it is, rather, seen as a direct warning to his own party members.

At the Transvaal congress the leading contenders treated each other with visible respect and friendliness. After De Klerk's reelection as Transvaal provincial leader, Pik was the first to congratulate him.

Later, after it had been announced that Botha was on his way overseas, De Klerk interrupted proceedings to personally introduce a motion of thanks to the foreign minister. Botha returned the compliment.

If there is unhappiness in Tuynhuys about developments at grassroot level, it may pay P W Botha to do some soul searching. Nats — not the press — have for a long time complained about the autocratic manner in which party and government affairs are being handled by their leader. It seems as if P W has isolated himself with a few chosen officials and securocrats.

Curto speedlines urges report on inflation

26/11/87
 (250) 00
 (18)

Daily Dispatch
Correspondent

JOHANNESBURG

The government has been urged to impose strict discipline on its spending to fight South Africa's high rate of inflation.

A report by the State President's Economic Advisory Council, commissioned by President P W Botha before the May general election to recommend action to reduce inflation, was released today.

It says
 State departments should be held to their

budgets and overspending should be financed by reductions in other programmes

Growth in public spending should be curbed in the longer term. This could be done by establishing spending guidelines set by the State President's Committee on National Priorities and the cabinet.

Cuts by the government should focus on current spending, mainly on wages and salaries, rather than capital spending. This can only be achieved by imposing restraint on manpower increases.

The government should finance its

spending in a non-inflationary manner, that is, without the creation of money.

The document has been described as the government's blueprint for the 1988-89 financial year. It discusses the need to strengthen the hand of Treasury to keep increases to a minimum.

It urges that a balance be struck between monetary and fiscal discipline. Monetary measures should not be relied on alone.

"The maintenance of monetary and fiscal discipline with a view to keeping a balance between the demand and supply of goods and services, and to avoiding conditions of surplus demand, should therefore form the cornerstone of any anti-inflation policy strategy."

Further increases in the tax burden should be avoided "at all costs" and the aim should be to relieve the tax burden as far as possible.

The government should limit increases in administered prices and its remuneration policies should be modelled more on market principles.

The report rejected more direct control measures to fight inflation such as a wage and price freeze or incomes policy.

"Experience has shown that such measures are hardly able to be applied successfully in order to force down the rate of inflation," it said.

Other measures to fight inflation recommended by the report include:

- Implementing the government's deregulation and privatisation programmes
- Applying the new policy directions of the Competition Board to promote competition
- Promoting the informal and small business sectors
- Encouraging competition in the labour market

'Adequate staff needed'

252
B
24/1/87

PRETORIA — SA's inflation problem could not be solved by cutting back on public servants' pay and numbers.

This is the reaction of the Public Servants Association (PSA) to the Economic Advisory Council's finding that State spending was a root cause of inflation.

The EAC said cuts by government should focus on current spending — mainly on salaries and wages — rather than capital spending.

This could only be achieved by imposing manpower restraints.

PSA GM Hans Olivier said SA had a complex political system which had to be serviced, and this demanded an adequate staff complement.

A majority of voters and taxpayers voted for a tricameral system of government "and they must be prepared to pay for it". Olivier said the PSA kept

GERALD REILLY

clear of politics, but it was not public servants who were responsible for an expanding public service.

"We don't prescribe the system," Olivier said.

And he stressed that to ensure quality of service, government workers had to be paid salaries compatible with the private sector.

Efforts had recently been made to close the gap between private and public sector earnings — but the gap remained a wide one in many areas.

Olivier said the Commission for Administration had launched a staff shrinking programme about two years ago.

In some departments, staff complements had been cut by as much as 50%.

Y T

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S.M.
24/1/87

R12-m plan
to improve
farm schools

The Department of Education and Training (DET) has launched a major programme aimed at improving the quality of education at South Africa's 5 500 farm schools, the Minister of Education and Development Aid, Dr Gerrit Viljoen, said yesterday.

He said R12 million had been earmarked for the four-year programme, known as the Farm School Management and Teacher Development Project.

It was an expansion of a programme which has been in existence at urban schools for the past two years. It had been designed to improve the management, teaching and learning methods at farm schools, where educational standards had fallen behind those in urban areas.

Dr Viljoen said the DET had become increasingly concerned about improving education in farm schools.

Until the development of a communications technology that made it possible to take the training to the schools, this goal had been almost impossible.

"In the past, any large-scale programme to improve the management and professional competence of teachers had to overcome the seemingly insurmountable problems of numbers, distance and cost."

Dr Viljoen said the whole spectrum of teaching would be covered and each person involved with the teaching or managing process would be activated.

In March last year, 34 percent of primary school pupils were at farm schools.

From GRETA STEVENS

Defence Spending Under Fire

JOHANNESBURG — Government's policies are causing it to overspend and indications are that matters could get worse, Fedsure Group CE Johannes Hamman said yesterday.

Referring to defence spending, Hamman said: "If our military is trying to put the Soviet Union in its place, we are in big trouble."

He said he believed in the maintenance of law and order, but that it was more than a military exercise — it also meant the dismantling of discriminatory legislation.

He told a seminar of the Jo-

hannesburg Afrikaanse Sake-kamer that he found it hard to believe government when it promised to control spending.

"We have been listening to this kind of rhetoric for years and very little of it has materialized so far."

He would remain sceptical of good intentions until there were tangible results.

Government's policies had untenable financial implications, specifically that of defence spending.

As a businessman I am concerned over the increasing

emphasis on military policy directions and viewpoints — instead of on civil and economic policy directions — in all facets of our society."

In the inner circles, where policy was formulated, there were more military representatives than there were business representatives.

In Hamman's view, SAs' military activities held serious financial implications in the long-run.

At the same seminar Deputy Finance Minister Org Marais came under fire

He said government revenue so far indicated a short-fall of R1,5 billion on the budget for the fiscal year — but government was confident that it would make up the difference.

Marais was responding to a question from Rand Merchant Bank economist Rudolf Gouw.

He cited the miners' strike as one of the reasons for the revenue situation.

He would not reply to Gouw's question on whether government saw spending

overshooting the budgeted increase of 16,2% other than stating that government was happy with the "normal" spending figures so far.

He went on to say the Natal flood was an unforeseen circumstance which would have to be taken into account when comparing spending with budgeted estimates.

Several members of the audience were sceptical about government's promises to control spending, to which Marais replied: "You will definitely see results. We are in the process of controlling government spending — we are changing the system."

CAPG TRAVIS
26/11/87

250

Right-wing 'white Cosatu' formed

Own Correspondent

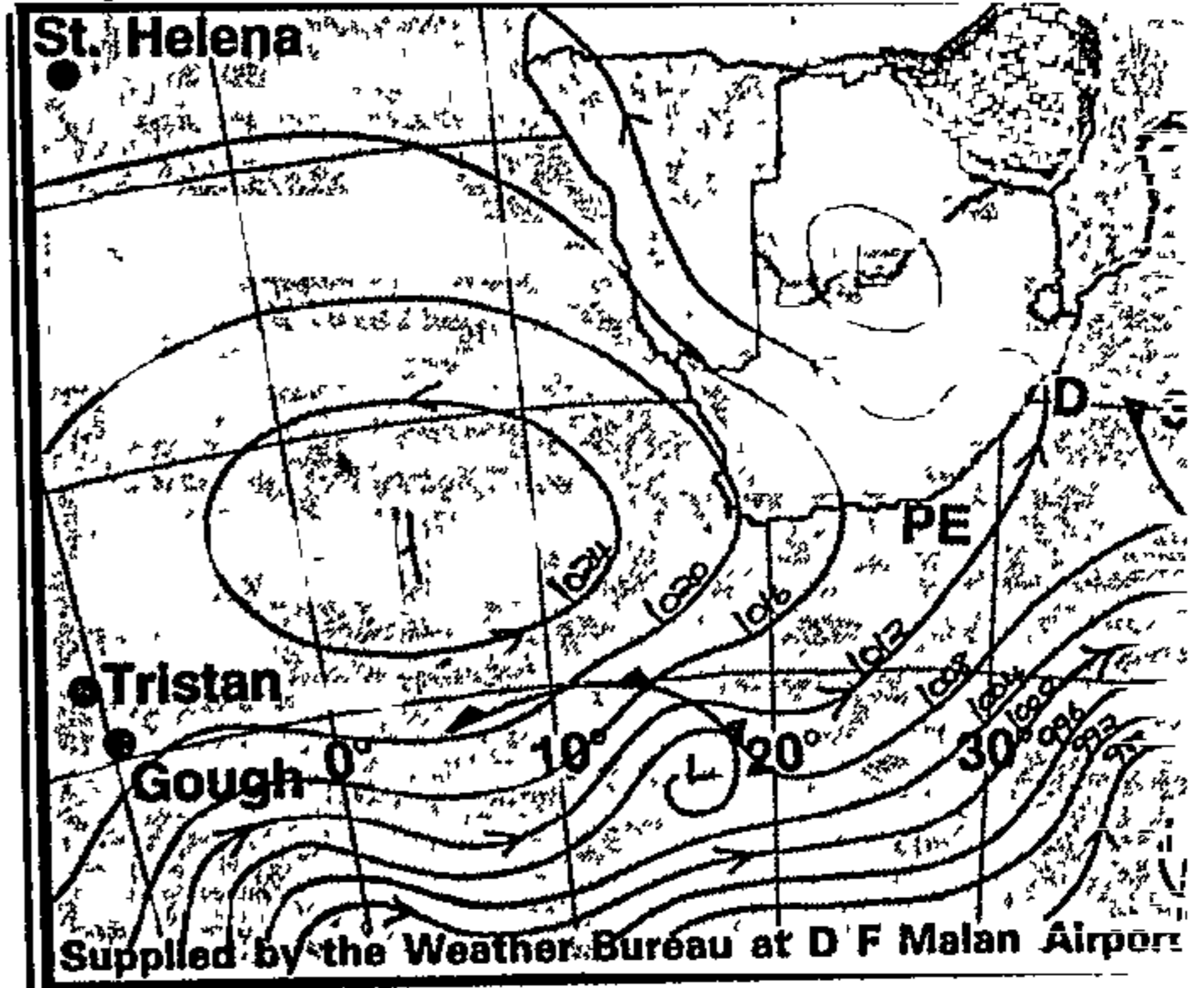
A NEW battle is underway in support of the interests of white workers and against the racial discrimination they suffer at the hands of liberal employers, according to the general secretary of the White Conservative Workers' Union (WCWU), Mr Attie Venter.

Mr Venter has been working to establish the Pretoria-based union since June.

Citing the organization as "the white Cosatu", he said membership figures are confidential at this stage, but that support was "quite considerable and increasing at a tremendous rate. The WCWU is gaining support from disenchanted members of multiracial and leftist white unions as well as from non-unionized workers."

He said the union is initially concentrating on SATS employees, who are joining in their thousands. He attributed this to dissatisfaction at the SATS unions' acceptance of the principle of racial pay parity.

There were similar trends among members of the Public Servant's Association, he added.



Cloudy and cool

CAPE PENINSULA and vicinity and Western Cape coastal belt: Partly cloudy and cool. Wind moderate south-westerly becoming southerly. The minimum and maximum temperature will be between 13° and 20°C

Low: 0029 1316
 Sun sets 1938 rises 0529
 Moon rises 1028 sets 0009

TIDES (TABLE BAY) TIDE
 High 0808 2038
 Low: 0136 1439
 Sun sets 1939 rises 0529
 Moon rises 1140 sets 0048

From page 1

D/D 26/11/87

Plan to reduce ²⁵⁰ spending resisted

Daily Dispatch
Correspondent

JOHANNESBURG —

The government's two-pronged five-year economic plan to cut public sector spending and sell off state assets has run headlong into resistance from within the civil service

The plan, recently announced by the Minister of Finance, Mr Barend du Plessis, limits growth in total government spending over the next five years to an average of 3 per cent, and identifies state assets which could be sold

The funds raised would be pooled and spent on once-off projects, such as education and housing, or invested in what the government calls "human capital"

But it is understood some departments are conducting rearguard actions to protect their interests and their opposition has been described as "massive"

The plan is increasingly being seen as a concerted effort to reduce the government's percentage of total expenditure in the South African economy and to instil the discipline urged by the private sector on the public sector

Once implemented, it will require large-scale reconstruction of certain government departments and will redefine their activities

The Director General of Finance, Dr. Chris Stals, confirmed the existence of a list identifying state assets

"Eventually, each function of government will be subject to the programme. The plan's importance will be the contribution it makes towards controlling government spending," Dr. Stals said

Millions of rands spent on scholars of other races

NO SUBSIDY FOR BLACK KIDS



Sumetun
27/11/87

THE Government is spending more than R10 million on subsidising transport for whites, coloureds and Indian scholars, but does not spend anything on black schoolchildren.

An investigation by the *sun* has revealed that more than R4 million was spent on scholars under the control of the Department of Education and Culture (House of Representatives and Delegates) in the 1986/7 financial year. The amount for whites, who are controlled by the Department of Education and Culture (House of Assembly), had by yesterday not been established yet. A telex sent to the department last week Monday has yet not been answered by yesterday.

However, according to our estimates, the Government is spending far more on white children. Expenditure for coloured

scholars was R534 334,32 for Indians R3 892 168,00. These are official figures. Spokesmen for the education departments of coloured and Indian scholars, said pupils who live 3,25 km and more from a suitable school were each entitled to travelling allowance of R50 a year.

The following are the total number of pupils at school this year: blacks (6,5 million), whites (1,1 million), coloureds (818 832) and Indians (240 000).

The Putco bus company recently announced that from next year, black scholars would have to pay full fares on its buses.

The company said scholar concessions over the past three years had cost it between R12 and R15 million. This, it said, had resulted in substantial losses.

The black community has strongly criticised Putco for withdrawing the subsidy for scholars.

The Government has also been attacked for not subsidising black schoolchildren.

It has been argued that blacks, through no fault of their own, stay far from schools and had to travel long distances.

Meanwhile, white schoolchildren living in outlying areas but attending school in towns are being subsidised.

Mr Job Schoeman, the Department of Education and Training's chief liaison officer, recently said his department might soon subsidise scholars' transport fares.

He said the Department of Transport Affairs, was negotiating with various education departments on subsidies for scholars.

However, he made it clear that at this stage no decision had been made to subsidise black pupils.

Putco has appealed to Government departments with an "interest in scholar transport" to formulate a policy for all population groups, so that any perception of "unequal treatment" could be eliminated.

JOB Schoeman

By NKOPANE
MAKOBANE

NEWS FOCUS

New rules ready to roll

MICK COLLINS

THE FIRST of government's plans to deregulate heavy transport comes into effect today.

The move will see transport operators able to move freely within a 300km radius around the main metropolitan areas without having to hold permits issued by the Department of Transport (DoT) as in the past.

However, in terms of the deregulation, operators are still required to register and apply for certificates. They are also obliged to obtain a certificate of fitness (CoF) or a roadworth certificate for all vehicles.

The move has been criticised by some sectors of the transport industry, who claim that the CoF requirement will place unnecessary strain on testing stations.

But Transport Minister Eli Louw said yesterday that an extended period of grace to next April 30 would be granted in order to alleviate pressure on municipalities' testing facilities.

In a statement on the extension of the exempted areas in terms of the Road Transportation Act 1977, Louw said the present exempted areas would be substituted by extended exempted areas with a radius of 300km from certain main post offices.

These are Pretoria, Johannesburg, Bloemfontein, Cape Town,

Port Elizabeth, East London, Durban and George. From the main post office at Newcastle, the radius will be 150km.

"The extended exempted areas will come into operation, together with amended road transportation regulations, in order to give effect to the quality requirements as recommended in the White Paper on national transport policy."

Farmers would still be able to convey their own farm products and farming requisites as well as farm labourers without further requirements.

Louw also said that, after consultation with Treasury, he had decided that registration for the concession of either a 300km or a 150km exempted area certifi-

cates would provisionally be done free of charge.

Operators wishing to convey goods in the exempted areas as from today would be required to apply at their respective Local Road Transportation Boards (LRTBs) for registration for either a 300km or 150km exemption.

"In the meantime, vehicles with temporary exemption, in respect of which application for registration has been submitted to the LRTB, can be freely used for the conveyance of goods within the extended exempted areas."

"It is important to note that the extended exempted areas do not affect the status quo insofar as the concession of 40km in respect of public carriers, as well as the 80km in respect of conveyance which may be undertaken in the course of a trade, industry or business is concerned," he said.

SUBSIDY ATTACK ON GOVT

250
1/12/87
Sowetan

THE Government has come under attack for not subsidising transport for black school-children.

On Friday, the *Sowetan* published an article which revealed that the Government was spending more than R10 million on subsidising transport for whites, coloureds and Indian scholars, but did not spend anything on blacks.

Our investigation revealed that more than R4 million was spent on scholars under the control of the Department of Education and Culture (Houses of Representatives and Delegates) in the 1986/87 financial year

Expenditure

The official expenditure for coloured scholars was R534 334,32 and for Indians R3 892 168. The amount for whites was unavailable, but our estimate is that the Government is spending far more on white children

Mr Elmon Mathonsi, vice-president of the National Education Union of South Africa (Neusa), said, for any education to be successful, the Government must subsidise transport in view of the fact that many parents are jobless. "We fail to understand why other racial groups are subsidised and yet the majority are not. This shows discrimination and that the Government has not moved away

same treatment," he said

Mr Piroshaw Camay, general secretary of the National Council of Trade Unions (Nactu), said his movement condemned the Government for not providing subsidies for black schoolchildren's transport

"This is one further exacerbating factor which will continue to cause educational crisis in our country," he said

Mr Lebamang Sebidi, the co-director of adult education at Funda Centre in Soweto, said the statistics proved that the separate but "equal" policy of the Government was a big lie

Tyranny

"This goes to prove more than ever that taxation without representation is tyranny. If we were represented we would be able to use our taxes in a way that would benefit us"

Mr Nkosi Molala, president of the Azanian People's Organisation, said it came as no surprise that blacks are discriminated against. He said the whole thing was in line with the policy of apartheid

MR ELMON Mathonsi . . . Government must subsidise transport.

from its old ideology of apartheid," he said

Mr Fanyana Mazibuko, the director of the University Preparation Programme (UPP), said it was outrageous that the Government failed to subsidise black scholars

Equality

"We demand equality in everything. We are also taxpayers and we are equally taxed. There is absolutely no reason why other racial groups should get a big slice of the cake and blacks none. We are entitled to the



WHAT Nkpane Makobane revealed in the *Sowetan* of Friday, November 27, in respect of *No subsidy for black kids*, infuriated the black community but did not startle those of us who labour in the field of black education

No, we were not really startled to learn that this Government nonchalantly channels R10-million to subsidise school transport for whites, coloureds and Asians, while allocating nothing for black school transport.

Given the present socio-political structures in which whites (with coloureds and Asians as their junior partners) monopolise the polling booths, the above flagrant discrimination based on colour becomes the inevitable result

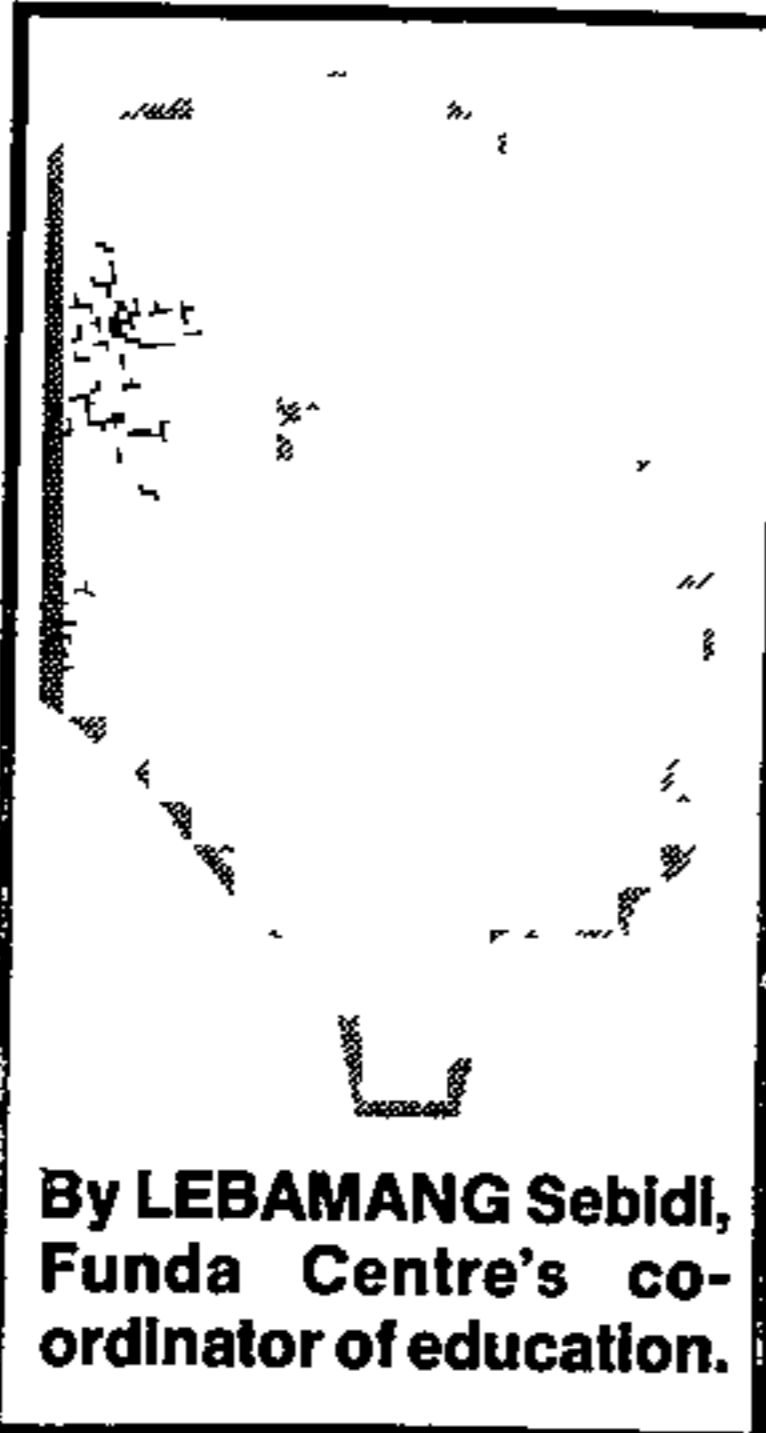
Those whose job it is to distribute this country's collective funds are accountable only to those who vote. This is obvious to be taxed without having the right to vote at elections is tantamount to giving a *carte blanche* on your banking account to people you do not know

A frightening prospect, indeed. It is, in fact, worse than that

Whoever said "taxation without representation is tyranny" must have experienced the searing pain of being

RACIST POLICY

If the separation of schools in South Africa is based on culture we would be able to see culturally homogenous schools which were at one and the same time racially heterogenous



By **LEBAMANG Sebidi**, Funda Centre's co-ordinator of education.

to them. This point must be repeated ad nauseam



The above grossly unjust allocation of education funds, which is clearly based on a colour bar model of things, confirms our age-old suspicions that most of the so-called non-negotiable principles propounded by the Government's educational policy-makers are nothing but a camouflage of white sectional

Classification Board we will remain singularly unconvinced about the fact that the separation in schools is based on cultural criteria and not on racism

The Government, in practice, identifies "race" with "culture". This is wrong. "Race" is a biological category and is not amenable to change.

longer going to accept that the disparities in school allocations, old age pensions, child welfare subsidies, etc are premised on the diversity of culture

The culture factor has nothing to do with these invidious distinctions. The disparities, the separateness is there because white people in this country do not want to share anything that matters

And this confirms my hunch that the so-called separate-but-equal principle can only work against the best interests of the black communities of this country

"Separate", in the concrete realities of our lives, can never be "equal". Black South Africans do not need to learn from the 1954 USA Supreme Court injunction that "separate" is always inherently unequal — that while it engenders hypocrisy, prejudice, and a false sense of superiority on the part of the segregating whites, it robs the black sector of the population of its rightful share and engenders a false sense of inferiority on the segregated black youth

Powerless

It is wrong. It is unfair. It is so blatantly un-Christian for a country which professes its

Racist policy

• From Page 8

whatsoever you do to the least of my brothers, that you do unto me

Six years ago the all but forgotten De Lange Commission encapsulated the black people's deepest feelings as it intoned in its final report

"If provision has to be made for a programme of education of the same quality for all population groups, the distribution of education will have to be organised in such a way that everyone will receive a rightful share, regardless of race, colour, socioeconomic context, ethnic context, religion, sex, or geographic location"

This Commission made it clear that

"Differentiation based purely on differences of race or colour, cannot be regarded as relevant grounds for inequality of treatment and is consequently contrary to the social and ethical demands for justice"

These were the sentiments that were expressed by a Government appointed commission — six years ago. But to date we are still scandalised by the revelations of a Nkopane Makobane

We still have the per capita expenditure, proportion of qualified teachers, quality and quantity of facilities, equipment and sports facilities school laboratories, etc predicated on racist criteria that operate under the guise of cultural diversity

The solution? Our cry as black people has always been the same

- De-racialise education,
- Create one system of education for South Africa's children,
- Restore parental choice of schools for their children

It is only in this way that anomalies like the R10-million discrepancy can be avoided. South Africa deserves much more than that

Assocom slams govt industry scheme

B/day
9/12/87
JENNY BOBERG

GOVERNMENT'S decentralisation programme, costing more than R800m a year, has produced a large number of industries which are not economically viable and which depend on subsidisation, Assocom says in its latest review.

The review questions whether the policy has been worth the cost.

"While the decentralisation programme has created many thousands of jobs, recent surveys have shown it has also produced a large number of industries which are not economically viable and which depend for their survival on subsidisation," the review says.

The cost of establishing these widely dispersed growth areas was not taken into account, nor were the logistics of providing power, water and transport facilities. None considered the strain on managerial resources by spreading them thinly over the country, away from their natural urban environments.

Reviewed

The industrial decentralisation policy must be reviewed and modified, but this did not mean regional development could be ignored.

SA needed a sound regional economic development policy. Activities associated with agriculture and service industries must be promoted to encourage the production potential of different areas.

"These will inevitably lead to the establishment of industrial enterprises which will grow 'naturally' and not depend on the hot-house environment induced by subsidies," the review says.

Groups protest over welfare

TEN welfare organisations have come out in opposition to the Government's welfare policy which envisages cutbacks in subsidies.

Broadly, the organisations say that constitutional development in South Africa is following an incomprehensible path because all consultations are being confined to government created bodies such as Regional Services Commissions

The organisations charge that the welfare policy is designed to conform to apartheid and the tricameral concept. They say the Government is abdicating its duty to provide welfare services for the socially disadvantaged by pushing for privatisation of welfare services and cutting back on subsidies.

The organisations have all called on the

Government to revise its welfare policy

The organisations are Johannesburg Child Welfare Society, Johannesburg Indian Social Welfare Association, South African Black Social Workers Association (Jhb Branch), Nicro, Johannesburg, Witwatersrand Mental Health Society, Society for Social Workers (Witwatersrand), South African Council of Churches (SACC), Concerned Social Workers, School of Social Work (University of the Witwatersrand) and Family Life Centre (Johannesburg)

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Azasm slams Govt over fares

THE Azanian Students' Movement is to call on the international community to put pressure on the Government to subsidise transport for black scholars

Addressing a Press conference in Johannesburg last week, Mr Thami Hlekiso, Azasm's president, said the organisation's fourth annual congress in Cape Town on December 5-7 had strongly condemned the Government for not subsidising transport for black schoolchildren

Putco was also criticised for withdrawing the subsidy of pupils on its buses from next year, he said. The company announced recently that from January 1, 1988 black scholars will have to pay the full fare on its buses.

The congress attended by about 2000 delegates and observers also condemned the decision by some liberal universities in not allowing Azasm to operate within their campuses for allegedly being a "racist" exclusive black student organisation.

Another resolution passed was that Azasm reiterate its call for students to return to school next year.

Questions

In answer to questions, Mr Hlekiso said although Azasm was an adherent of the black consciousness movement, it was not at loggerheads with other progressive student organisations.

He also slammed an article written by Mr Jaap Strydom, the DET deputy director-general, in the *Sowetan* last week. He said his agreement with Mr Fanyana Mazibuko on a number of points was opportunistic.

The newly-elected office bearers of Azasm are Holly Kekana of Mamelodi (publicity secretary), Ofentse Mokgatle of Atteridgeville (deputy president), Brand Nthako of Welkom (secretary general), Katiso Lengane of Soweto (projects co-ordinator), Siphó Maseko of Cape Town (secretary for political education), Jackson Thamakga of Sekhukhuni (national organiser) and Thami Hlekiso of Soweto (president).

EXECUTIVE members of the Azanian Students' Movement at the Press conference. From left, Ofentse Mokgatle (deputy president), Thami Hlekiso (president) and Holly Kekana (publicity secretary)



Privatisation boost possible, says Standard Bank

Govt finances now 'in worsening state'

250
B/day
15/12/87

THE RATE of increase in government spending now seems "almost out of control", says Standard Bank in its latest Review

"Government spending was on average 6,5% above budget during the period 1981/82-1986/87, and 8,2% above budget during 1984/85-1986/87, and it will possibly be some 5% above budget during 1987/88"

This state of affairs and an expected worsening in government's financial predicament means the much-debated implementation of privatisation is likely to gain momentum, it says

Caught between rapidly rising expenditure (and increasing demands for spending on security and socio-economic investment), and the need

HELENA PATTEN

to finance this expenditure, government's focus on privatisation may well become sharper through force of circumstances, says Standard Bank

Alternative routes out of the spending/revenue dilemma are limited, so that privatisation may come to be seen as a "very desirable method of funding increases in government expenditure with little or no pain"

The Review says scope for privatisation in SA is considerable — the value of public assets that could be privatised probably exceeding R80bn "Revenue from privatisation could make an enormous difference to the state coffers. Sales of state assets at a rate of R10bn a year

would be the equivalent of a quarter of budgeted revenue in the 1987/88 financial year

"Whatever the degree of actual acceptance in SA of the desirability of privatisation as a principle, government is likely to be pushed inexorably down that road. And as privatisation becomes more deeply entrenched in government policy, the interests to be privatised will be progressively less peripheral, and increasingly major state-owned entities"

□ State revenue figures for the period spanning April 1 to October 31 this year show an increase to R20,78bn from a comparable R18,34bn last year. Spending figures for November have not yet been released

Bank credit used to finance R1bn of deficit

From HELENA PATTEN

JOHANNESBURG — Government, going against an accepted economic principle, used bank credit to finance its deficit to the tune of just over R1bn in the first six months of the fiscal year

Figures in the Reserve Bank's latest quarterly bulletin show the banking sector accounted for R1,073bn, or just over 21% of the deficit financing of R5,049bn from April to September this year

Davis Borkhum Hare economists describe government's use of bank credit as contravening one of the "sacred cows" of disciplined fiscal financing

"The use of bank finance, of course, increases the monetary base with an expanding effect on the money supply and possible inflationary consequences," Davis Borkhum Hare says in its latest Economic Research.

Slippery slopes

It warns that the SA economy could "be on the slippery slopes of 'Latin American' deficit financing policies with adverse long-term effects on interest rates, the exchange rate and inflation," and calls for immediate action to restore discipline in State financing and spending

The Reserve Bank bulletin shows that the quarter-to-quarter rate of increase in money supply has accelerated appreciably from 5% in the first quarter to 15,9% and 14,1% in the second and third quarters respectively

As a result, M3 money supply at the end of September fell within the targeting "cone" for the first time in the 1987 targeting year

In excess

Referring to government spending, the Bank said expenditure for the first seven months of the fiscal year had been "significantly in excess" of the budgeted increase of 16,2%. Government spending increased by 19,1% from April to October this year

Aggregate government expenditure rose by as

much as 23,7% in the first quarter of 1987 compared with the same period last year, and more moderately by 18,7% and 20,1% in the second and third quarters of this year

Other highlights in the report include

● The surplus on the current account of the balance of payments declined further to R5,4bn, from R7,2bn in the first quarter of 1987 and R5,8bn in the second quarter. But the third-quarter figure still amounts to more than 3% of GDP, compared with an average 4,5% since the beginning of 1985

Weakness

● The disappointing overall growth in the third quarter of 1987 was caused almost entirely by weakness in the agricultural and mining sectors.

● Bank credit has remained sluggish despite the seasonally adjusted annual rate increase to the private sector from 8,2% in the first half of 1987 to 13,6% in the third quarter

Road to privatisation strewn with obstacles

STAL
11/2/87
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The Government did not need a share market crash to discover that its privatisation programme would be fraught with difficulties

Ever since it made known its ambition to sell certain sectors of the public bureaucracy and public corporations to the private sector in the early 80s, new problems have emerged virtually by the week.

Cynics now say the Government is regretting the day it announced its intentions, and certainly the White Paper on privatisation and deregulation, tabled in Parliament in August, lacks the spirit of determination which is needed to carry out a programme with as many hurdles as this one

The root cause of the problem is the vast role the state and semi-state sector plays in the economy — total public sector spending now accounts for about 38 percent of the gross domestic product

Mr Robin McGregor, author of the respected publication, "Who Owns Whom", recently embarked on an intensive study of the subject. The result is a very comprehensive book "Privatisation in South Africa", edited by Mr McGregor, containing essays on the history, problems and future of privatisation in this country

Mr McGregor

Discussing the background to the White Paper, Mr Wolfgang Thomas, general manager of the Small Business Development Corporation, writes that since the early 1970s the business community had been calling for a rapid reduction of the Government's role in the economy, which had expanded rapidly during the economic boom of the late 60s and early 70s

The Government responded to this move with the great state-business reconciliation that led to the Carlton conference in 1981

Embracing the free enterprise ideology, the Government indicated its willingness to privatise some of the public corporations, taking the partial privatisation of Sasol as a demonstration of its sincerity and as proof of the possible success of such a strategy

"Once the principle had been accepted the debate about the what, when and how of privatisation waxed and waned over the years, in accordance with the business cycle and the apparent profitability of possible privatisation candidates," Mr Thomas writes

In the wake of ambitious privatisation programmes by governments

An intensive study of the subject has resulted in the publication of a book, reviewed here by Sven Lünsche.

in Europe and Japan, share-ownership became a mass phenomenon in those countries

In the United States 47 million people, or one American in five, holds shares, while one in every six French person is a shareholder. Estimates put the number of Japanese shareholders at 8.5 million, with Britain possibly as high as 9 million

In view of these developments and despite the recent share market crash, South African business has once again embraced the idea of privatisation, especially with the view of share ownership in some of the bigger public corporations, such as Eskom and Iscor

But share ownership is far from the Government's mind with "normal" privatisation moving at only a snail's pace

According to Mr Fanus Visser, the Government's director for privatisation and deregulation, the grading and inspection of cotton and the regulating of butter and cheese have been the only activities of the Central State Department that have been finalised. The privatisation of the submission of criminal procedure papers has also been approved

He admits that acceptable privatisation will take a lot of time and scrutiny before it is actually implemented

Mr Thomas says the White Paper obviously tones down the momentum of privatisation. The Government, he says, is acting on a rightward shift among the white labour force, comprised to a large extent of civil servants

Elaborates Mr McGregor in his introduction to the book "The public sector is a very comfortable haven for hundred of thousands of government

supporters, most of whom are confirmed bureaucrats and would have considerable difficulty adjusting to a situation which does not provide the protection to which they have become accustomed"

Counters Mr Visser "Some staff resistance is to be expected, but we have not had noteworthy problems with staff as yet. Only the uninformed may feel that the process is too slow

"Those people in the private sector who are involved in the programme are aware of the difficulties and appreciate that progress is better than anticipated"

Higher costs

Further difficulties for the programme are fears that ill-conceived privatisation, leading to cost rises for the lower income public, could prove politically explosive

In view of the hurdles imposed by the Government's large stake in the economy and its cognisance of white political opinion, Mr McGregor feels that staff should be given a personal stake in the ownership of a newly privatised company

"There is no doubt that efficiency would increase significantly if this method of privatisation were employed, provided the assets don't fall into the clutches of a cartel," he insists

To support his argument he lists about 160 state-controlled bodies and more than 350 hospitals, 123 abattoirs and 16 municipal markets considered privatisable

But before only a small portion of this falls into the hands of private business, cynics say a lot more water has to flow down the Rubicon.

NOT FOR PUBLICATION
IN THE PUBLIC INTEREST
BY THE GOVERNMENT
OF SOUTH AFRICA

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'Privatisation: State ends up paying'

250
2/12/87
Bida

Welfare chiefs slam govt plans

GOVERNMENT plans for the privatisation of child welfare services came under attack from top welfare experts yesterday.

At a conference highlighting the plight of foster children, Johannesburg Child Welfare executive director Adele Thomas said privatisation would further fragment a service already divided along racial lines.

"Privatisation is a means for government to shed its responsibility, but the State will ultimately pay through the prison services, alcoholism rehabilitation services and unemployment."

Referring to government's new welfare policy, details of which are expected later this month, Thomas was sharply critical of the disparity in allowances between different race groups.

"Black foster parents are provided with a State grant of R79, coloureds R123 and whites R153 a month."

Commenting on the State's expressed

HELEN WISHART

intention to narrow the gap in grants for different race groups, residential care manager Jackie Loffell said. "All that can be said for the black-white gap is that it has ceased to increase in the past two years."

She said Budget and Welfare Minister Dawie de Villiers had convened a commission of inquiry into foster care, but his terms of reference included only white children.

"The average work load for a social worker among white families is 54 families, whereas loads for other race groups are commonly 100-200 families."

Child Welfare field work manager Miriam Mazibuko said the financial problem was aggravated because most foster parents were old age pensioners.

"Grants for black children are stopped at 16 years, but only at 18 years for whites."

PRETORIA — About
78.9% of road acci-

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Minister launches probe into taxi death traps

JOHANNESBURG —

The government looks set to review its transport deregulation policy following a major crisis in the black taxi industry

Informed sources said at the weekend a special Ministerial Work Group (MWG) under Transport Minister, Mr Eli Louw, had been set up following reports of over 45 000 unregistered black taxis on South African roads

The move, they said, could lead to the re-introduction of stricter controls.

Transport spokesmen have slammed the government's rush to deregulate and say National Road Safety Council statistics show 18 715 accidents involving mini buses in the six months to June 1987 — more than 3 000 a month.

The recently-appointed chairman of the Public Carriers Associa-

tion (PCA), Mr Phil Erasmus, said prosecutions against black taxis have rocketed to 24 800 for the first 10 months of 1987 for a variety of moving offences

Mr Erasmus points to four accidents on the N1 freeway between Pretoria and Pietersburg during September, which were responsible for the loss of 39 lives

"The police are in no doubt why the accident rate is so high. Taxi drivers, in the rush to get rid of one load of passengers and take on another, are breaking just about every traffic regulation in the book

"Overloading in this context is no technicality, but is a very serious matter. In the wrong hands an overloaded minibus becomes a death trap"

The national adviser of the South African Bus and Taxi Association (Sabta), Mr James Chap-

man, said that in its investigations of the N1 accidents the Department of Transport found in all cases illegal taxis were involved

"The situation is becoming critical. Passengers, the public and our drivers are at risk if something is not done"

Mr Chapman said his organisation recommended to the National Transport Policy Study that deregulation be phased in gradually

"For some reason the report was passed through the Competition Board which objected to our recommendations and they were dropped. Government has now had a rethink and has appointed the MWG to look at the problem"

He said Sabta had re-submitted its recommendations on deregulation to the MWG and has also formed the Black Transport Development Trust — DDC

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AS NERVOUS as a captive tiger about to be freed, the South African transport industry has cautioned government against giving it too much freedom too soon

The plea follows informal sector inroads into organised business in the wake of partial deregulation. Deregulating the industry — the scrapping of government's stringent licencing requirements — has seen an upsurge of activity, especially in the black taxi sector.

Unregistered operators have moved in to compete for what was formerly the lucrative preserve of the registered.

Partly implemented is the abolition of SA's notorious "permit" system, which the formal heavy haulage sector is welcoming apprehensively.

As more restrictions go, will new hauliers — in a cut-price scramble for work that has suddenly been thrown open to all comers — maintain standards?

And if they do not, will existing hauliers, who find they are losing work to "cowboy" contactors who cut corners, not feel they, too, must start to cut standards?

The transport industry sees the possibility of a backlash against too-rapid deregulation, with calls for the reimposition of regulations in the name of road safety.

Says Phil Erasmus, chief executive officer of the TTI group, and recently elected chairman of the Public Carriers' Association:

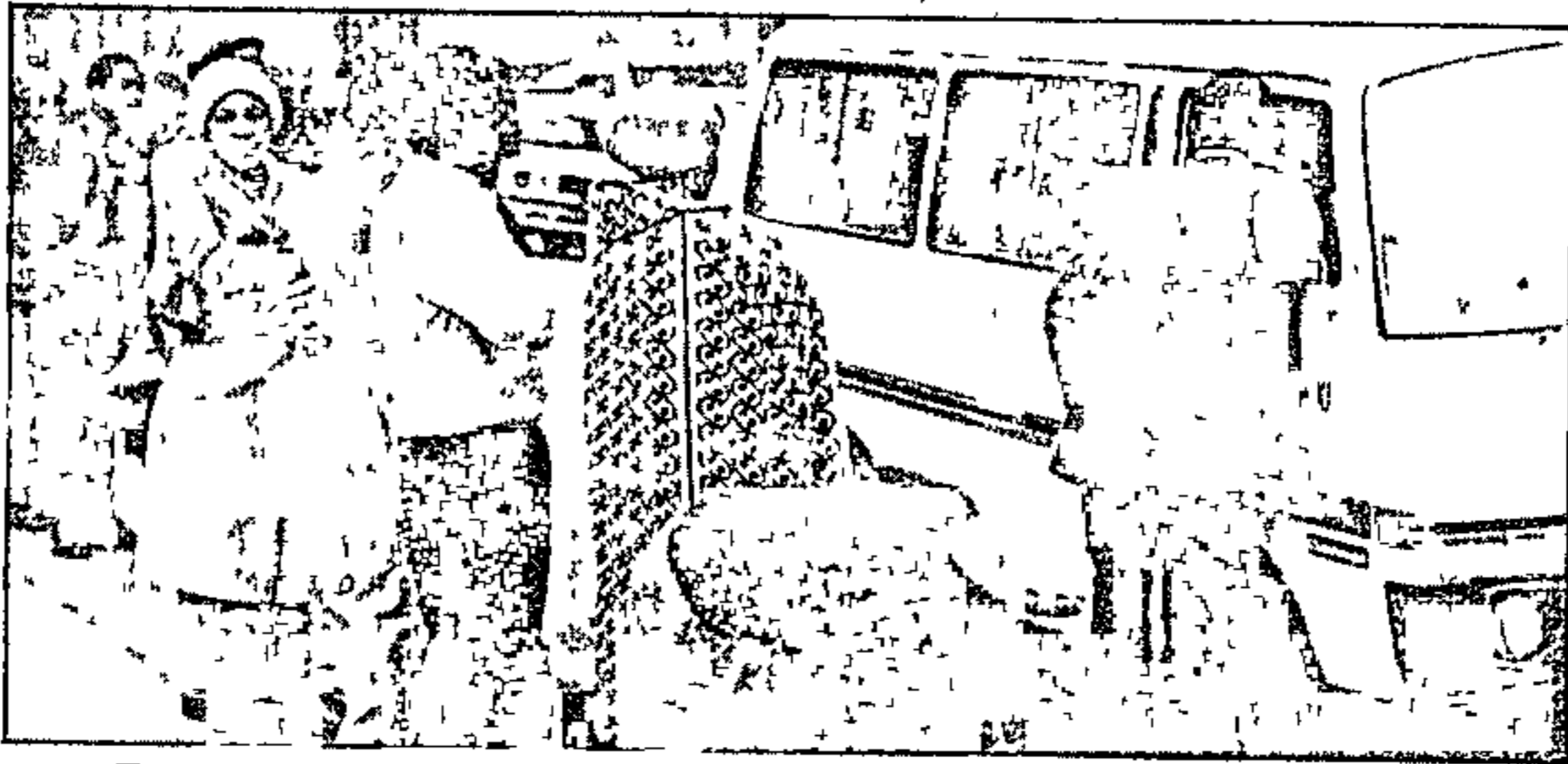
"This situation happened in the US a few years ago, when deregulation was introduced. A great many inexperienced and not too scrupulous operators came on to the scene in search of a fast buck, and the deterioration in standards of road safety and the safety of cargoes was deplorable."

US transport authorities, at first, refused to accept that this was the case. Two years ago, despite a public outcry, US Department of Transport (DoT) Secretary Elizabeth Dole was still adamant that there had not been serious post-deregulation deterioration in trucking safety.

And both the US administration and Congress denied that there was any need to register transporters of hazardous material, or introduce other controls.

But today the DoT is on the defensive in the US. Cover stories in Time and Newsweek, the CBS TV series on "Killer Trucks" and a series of articles in USA Today have all tied deregulation to a serious deterioration in road safety standards.

"Added to this have been campaigns in newspapers, and the be-



□ PROVIDING A NEEDED SERVICE : but at what price to safety of all road users?

Deregulation on a hazardous road

Transport deregulation is coming to SA — and with it the possibility of a backlash if road safety suffers as unscrupulous truckers and taxi-drivers go for profits. MICK COLLINS examines the public outcry which followed deregulation in the United States

ginnings of organised public concern

As a result, four major pieces of transport legislation are pending in the US

Three of these contain a registration programme with stringent conditions before registration will be accepted. They impose tough technical standards, and provide for full consultation on routing.

The DoT's public posture of two years ago has been completely discredited, and Secretary Dole has admitted to Congress that US\$50m is urgently needed to fund "enforcement programmes"

"In other words, the pendulum has swung back, and truckers in America who in the past had almost no regulations to worry about, will now almost certainly have too many," says Erasmus.

"With hindsight, it is easy to see where the Americans went wrong, even if for the best motives — for instance, a strong belief that there should be as little interference as possible with private enterprise.

"We could probably do with more of that feeling here. But on the other hand, the American experience proves that sensible and reasonable controls are necessary

from the outset and operators can not simply be left to do their own thing in an area as important and complex as modern transportation," Erasmus says.

"We should take this lesson to heart, and see that the same mistakes are not made here."

Ample lip service has been paid to the need for control following the first of the deregulation moves in SA, but doubt remains whether government realises how serious the problem is, say formal sector sources.

In thinking about deregulation, people envisage the same number of haulage contractors as at present, the same standards of behaviour and performance, but with the red tape removed," says a leading industry spokesman.

"Perhaps a few extra traffic police to deal with a few newcomers who don't play the game — but these, they will tell you quietly, are very much the exception.

"Unfortunately, it isn't quite so simple. We need to look at what is happening in other countries — for instance, the US — and at what is happening here in SA, where black

taxi operators are working under virtual deregulation."

According to statistics published in SA by the National Road Safety Council, 18 715 accidents involving mini-buses in the six months to June 1987 — more than 3 000 a month — have been recorded.

"Time is money. The faster the drivers complete one journey, the quicker the next one can begin. And the more journeys, the more money they make."

The result has been a massive 24 800 prosecutions against black taxi owners in the past 10 months for a variety of moving offences — representing only a fraction of the offences actually committed.

The number of registered black taxis — which have to obtain Certificates of Fitness every six months — is already about 40 000, and is expected to rise to more than double that figure in the next few years.

But the number of unregistered taxis is even higher. There is no real control over them and, as things stand, not much prospect of any. Reliable estimates put the present figure at 45 000 — and rising.

"So we have overloaded vehicles, unroadworthy vehicles,

appalling drivers and generally poor road behaviour great danger to other members of the travelling public a lot of accidents and a lot of deaths."

The situation Erasmus says, is totally unsatisfactory and is costing millions of rands in damaged vehicles and human lives.

"The situation could have been avoided if proper consideration had been given in advance to the probable consequences of throwing off all restraints — however desirable it might have seemed to improve trading prospects for black taxi owners."

In fact it was desirable to free black taxis from unreasonable restraints and to let them work in the vast market that cries out for their services. There is no argument on that score," says Erasmus.

But by not ensuring that essential minimum standards were met, that drivers and owners understood this, and that the requirements could be effectively enforced, government has created a difficult problem, he says.

"To try and reverse the process now would be next to impossible. Taxi operators are earning good money and are providing an important service. To drive them off the road would create enormous resentment, not only amongst operators but their clients, too."

Yet the authorities, in the interests of all road users, will have to exercise closer control of operators. At this stage, with many bad habits ingrained, it will be harder than it would have been if controls had been a part of the starting process.

The problem would have been a great deal worse, Erasmus argues, if the deregulation of black taxis had been a general deregulation applying across the board to all operators and all types of cargoes.

That is the danger that must be kept in the forefront of everyone's mind as the deregulation exercise lumbers towards an ill prepared launch.

Most existing haulage companies employ only experienced drivers and maintain high standards. Most ensure that their vehicles are roadworthy and see to it that they are not overloaded.

"And for the most part, they do their best to ensure that their vehicles are driven in a responsible manner," Erasmus says.

What has to be looked at is the type of post deregulation unscrupulous activity that threatens to spoil a move that would bring sanity to the jungle that is transport in SA.

Perhaps the answer is to slip the tiger gradually from its leash.

250 5PM
17/12/87

Controls in new Bill would have 'disciplining effect' over militant trade unions — Minister

Collapse of labour relations feared

The year 1988 could mark an important turning point in the history of South African labour relations if the Government effects its plans to gain tighter control over the fast-growing and increasingly militant black labour movement.

Central to the Government's clampdown is the Labour Relations Amendment Bill, which provides for a ban on sympathy strikes and intermittent strikes, as well as industrial dispute-related consumer boycotts.

It also seeks to abolish the majoritarian principle in collective bargaining and to render unions and their officials liable to be sued for damages in the event of illegal strike action.

Provision for employers to make civil claims against unions, would, in the words of the Manpower Minister, Mr Pietre du Plessis, hang "like a sword over their (unions) heads" and have a "disciplining effect".

While promising a respite for employers and the State by restraining union activity, the Bill has been criticised by organised black labour and some liberal employers for its potential to reverse some of the gains made in the industrial relations field since Wiehahn.

The Congress of SA Trade Unions (Cosatu) has warned that if it becomes law the Bill could lead to the collapse of the industrial relations system.

While the past 12 months have seen some of the most dramatic strikes in South African labour relations history, affecting crucial sectors such as mining, the railways and the public service, 1988 could be the year in which the State's post-Wiehahn labour reforms are reversed, writes Labour Reporter MIKE SILLUMA.

Of particular concern to black labour is that the abolition of majoritarianism would fly in the face of present moves to form industrially based, stronger unions — an arrangement favoured by a substantial number of employers. Unions see this as an attempt to weaken them by encouraging the emergence of numerous small, and necessarily weak, unions.

A ban on sympathy strikes would hit at the very heart of economy-wide solidarity among unions, symbolised by the union slogan "An injury to one is an injury to all".

But the Government has made it clear that restricting black union activity on the factory floor is just one side of the coin. It has, especially since the railway strike, expressed concern at the politicisation of black trade unions, claiming it is part of a revolutionary onslaught against the State.

This month, the head of the security police, Lieutenant-General Johan van der Merwe, mentioned Cosatu, together with the United Democratic Front (UDF), as one of the "radical" organisations that were allegedly trying to incite the masses. He said authorities were considering acting against such organisations.

While the new Bill is meant to enforce industrial peace (a possibility doubted by most observers), the State can be expected to step up the use of detention under emergency and other security legislation, more open police intervention during illegal strikes, the seizure of union publications and the banning of union meetings.

Unions might also be cut off from foreign funding.

Both Cosatu and the National Council of Trade Unions (Nactu) have been exposed to police action during strikes.

Scores of union officials have remained in detention under emergency or security laws over the past year, while Cosatu meetings to launch its "living wage" campaign were banned.

The perceived need to fetter the black union movement occurs against a background of heightened worker militancy and more overt political activism, exemplified by the adoption by Cosatu of the Freedom Charter and its open co-operation with political organ-

isations such as the UDF and the National Education Crisis Committee.

It also follows the biggest political stayaway on May 5 and May 6 in protest against the white elections and State action against Cosatu.

While the Government sees such a development as a political threat, unions see political activism as being inseparable from the fight for better wages and working conditions.

This contradiction can be traced to the State's intentions in legalising black unions after 1979 — to depoliticise and co-opt them into a democratic industrial relations system while denying the same workers political rights.

Any attempt to emasculate black trade unions while denying blacks the vote will, therefore, signify the failure of the State's strategy to co-opt black labour.

In any case it is doubtful whether any black union can confine itself to narrow economism (as required by the State) and retain its credibility in the present political climate.

Besides the State's planned crackdown on black worker militance, violence on and outside the factory floor is expected to remain a major area of concern to industrial relations practitioners next year.

In 1987 such violence entailed the killing of workers and attacks on property.

Examples were

- The killing of railway workers during the transport services strike, allegedly for refusing to join the rail strike
- The death of workers during the miners' strike in August, some allegedly for defying the strike, others in clashes with mine security and SA Police
- The May bombing of Cosatu House, home to more than 10 industrial unions and numerous attacks on the homes of union officials
- The killing of an SA Chemical Workers' Union worker during the recent Sasol strike in Sasolburg and a Chemical Workers' Industrial Union member in a dispute at Sasol's Secunda operation
- Arson attacks and burglaries into offices belonging to both Cosatu and Nactu affiliates throughout the country
- In the mining industry in particular, the violence led to joint attempts by Anglo American and the National Union of Mineworkers to find ways of stamping out industrial violence

While union and business leaders have deplored violence in and out of the workplace, the union movement and a small number of employers have expressed concern at the State's apparent failure thus far to bring to book perpetrators of attacks on union leaders and property.

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Vice-Admiral goes 'too far' on spending

THE SADF's Chief of Staff Finance, went too far when he equated state spending with "stimulation of economic growth", the latest issue of Taxgram said.

It said Vice-Admiral Bekker had claimed in a November Finansies & Tegniek article that every R1 spent by the SADF generated the sum of R2,30

Taxgram said it could be conceded that defence spending over the years appeared to have followed a reasonable

pattern. And, even if it had not, the blame for steadily increasing state expenditures could not be laid at the door of the military

"But Vice-Admiral Bekker goes too far when, like so many other employees of the state, he equates state spending with 'stimulation of economic growth' "

Taxgram said the state would eventually have to grasp that there was evidence "from all over the world and all

over the history of the past 200 years, that taxpayers spend their own money to greater effect than their governments do

"As has so tirelessly been pointed out again and again by so many commentators, the rand that government spends is visible, but the rand that the taxpayer might otherwise have spent is invisible, lost, together with its unconceived progeny, in the world of might-have-been"