

PUBLIC SECTOR - COUT. - STATE ENTERPRISE

1993

JUNE - JULY

Star 16/93

Zimbabwe likely to buy more SA power

260 222 55

HARARE — Zimbabwe can expect to import more electricity from South Africa by year-end, Eskom chief executive Ian McRae said in Victoria Falls at the weekend.

Addressing delegates at the 54th congress of Zimbabwe's Chamber of Mines, McRae said the survey for the construction of the 400 megaWatt line using the Matimba-Bulawayo link had reached an advanced stage.

Zimbabwe already imports a small amount of electricity from South Africa following its severe energy crisis last year when hydro-electric generation was scaled back because of the drought and problems were experienced at its thermal power stations.

"However, you should not be reliant on anything that comes from outside because you have

the ability to generate enough power to meet your own needs," McRae said.

He said there were considerable primary energy resources in Southern African which could be used for economic development individually and collectively, Ziana news agency reports.

He said all countries in the region should work towards establishing common grids to help each other with power deficits.

South Africa, by far the largest and most industrialised economy in the region, is expected to have exhausted its current power supplies by the turn of the century.

Eskom has led the formation of a Southern African power grid, which should enable SA to import power from its potentially energy-rich neighbours — Sapa.

Star 11b193

Lack of right-wing representation a problem — Schutte

A flaw of the new SABC board is that it has no apparent right-wing representation, Home Affairs Minister Danie Schutte said in Pretoria yesterday.

He said a number of conservative individuals had not been

prepared to be interviewed because of the way in which the interviews at Kempton Park had been conducted.

The selection panel — which consisted of four judges, two magistrates and an advocate —

subjected rightwing and pro-National Party candidates to tough questioning relating to their past political beliefs and their membership of the Broederbond.

Schutte said the board would be in office from today "until

further notice"

Two journalists were eliminated from the board after President de Klerk refused to ratify the board's initial selection

Initially selected to serve on the board were Allister Sparks and K. Mkhize — Sapa.

FW in

SABC

Sowetan 11/6/93

wrangle

DR FRIDRIK VAN ZYL SLABBERT last night rejected his appointment as chairman on the SABC Board as earlier announced by State President FW de Klerk

Van Zyl Slabbert said he found himself "deeply embarrassed" at being elected chairman of the SABC board

A figure at the centre of the row over the new SABC board is Professor Njabulo Simakahle Ndebele. Ndebele was originally selected to chair the board, but was relegated to ordinary member after De Klerk vetoed the selection panel's original selection.

De Klerk eventually accepted Van Zyl Slabbert as chairman.

Slabbert said "I find myself in a deeply embarrassing situation as I have not had time to discuss this with anybody and what the implications are of such a position."

He said he had no problem serving on the board, but had "great difficulty" accepting the chairmanship as he was already "deeply committed" as chairman of the Central Witwatersrand Metropolitan Chamber.

He said he would not like to do anything that would jeopardise the chairmanship either of the chamber or of the SABC board "particularly as in this case I cannot see myself being available as chairman of the SABC board unless the full implications are clearly spelt out and I can see whether it is humanly possible to do both."

He said it was doubtful whether it would be possible to chair both bodies.

According to De Klerk's announcement, Dr I Matsepe-Casaburri had been appointed vice chairman.

Former SABC chairman Professor Christo Viljoen was appointed as an ordinary member.

Members include Mr H Bailey, Miss B Bam, Advocate F Bam, Mr LP Bartell, Mrs A Boshoff, Dr G Cilliers, Professor R de Beer, Dr Antome

Gildenhuys, Mr C Hickling, Ms T Khumbane, Mr E Mabuza, Professor Fatima Meer, Mr B Modise, Bishop N Ndungane, Professor A Nkabinde, Dominee P Potgieter, Dr G Sibiyi, Ms S Sisulu, Dr F Sonn, Dr R Tomaselli, and Professor A Thembela.

The Congress of South African Trade Unions criticised De Klerk for interfering in the appointment of board members.

It was reacting to reports that De Klerk had told the panel to rethink its selection.

The Conservative Party has reacted with "shock and dismay" at the board's composition.

CP chief spokesman for broadcasting Dr Pieter Mulder said the Afrikaans language and Afrikaner interests would suffer "great damage".

The African National Congress also rejected the announced board, accusing De Klerk of meddling with the original list of appointees.

ANC information chief Dr Pallo Jordan said seven people included on the original list of nominees submitted to the President were replaced after De Klerk twice rejected the panel's choice.

"The ANC calls on those board members appointed through De Klerk's intervention to decline on principle."

It also called on Van Zyl Slabbert to reject his appointment as he had not been proposed for this position on the original list.

Last night observers said De Klerk might have been unhappy with the fact that Ndebele was principal and vice chancellor of the University of the North — where ANC president Nelson Mandela is chancellor.

Ndebele previously headed the Department of African Literature at the University of the Witwatersrand.

Asked whether he could explain why Ndebele had not been acceptable as chairman, ANC spokesman Mr Carl Niehaus said "No I can't and I am going to speculate on it."

Parastatals capex begins to rise

Buss. Day 116193
TIM MARSLAND

CAPITAL spending by parastatals is starting to pick up again after sharp real declines during the recession.

Eskom had budgeted for a 25% increase in capex at R4,5bn against R3,61bn for 1992/93, a spokesman for the electricity supplier said (260)

This was against an expected inflation rate of about 12% for the year

More than R500m of Eskom's capex formed part of the organisation's R3bn electrification plans. (261)

Telkom is to spend R2,2bn for 1993/94 up 7% from a previous R2,05bn. This would be spent on projects such as upgrading client services (262)

Transnet, under which SAA falls, has

budgeted for capex of R1,1bn in the current year against a previous R1,5bn

A spokesman said Transnet's capex varied extensively from year to year because of the high cost of capital goods it required. However, the aircraft purchased by SAA were bought under operating leases and so were not part of capex

One economist noted the parastatals had cut capex sharply in the previous year and the latest figures could indicate the trend was flattening out. This could also be an early sign of economic recovery

Spokesmen for the organisations said at

□ To Page 2

Capex

Buss. Day 116193

□ From Page 1

the weekend most of the capital market funding needed for this year had already been raised. "Our needs have been dwarfed this year by the government's requirements," one treasurer said

An Eskom spokesman said funding had been completed for the current year, adding that the entire requirement of R590m for its electrification bond had been raised. However, he said the electricity supplier could pre-fund for the next financial year if interest rates justified this (260)

A Transnet spokesman said about R600m had still to be raised from the domestic markets (261)

Telkom treasury manager Wille Land-

man said very little was needed from the domestic market because of an unexpected improvement in cash flows. About R100m could still be raised, depending on whether cash flows continued to improve. However, Telkom would look at the commercial paper market to fulfil this need

The Land Bank did not require any funds from the capital market this year, a spokesman said. However, it could look at raising R1,2bn from the money market, depending on the wheat crop (262)

Development Bank GM Nick Christodoulou said at this stage there was no need for funds from the market

SABC panel row

A POLITICAL row erupted within hours of the new SABC board being named yesterday.

The first blow came when President F.W. de Klerk's appointee as chairman, Dr Van Zyl Slabbert, refused the position.

Both Cosatu and the ANC also called on new board members to refuse to take their seats after Mr De Klerk's rejection of the initial list forwarded by the selection panel last week.

ANC public relations chief Dr Pallo Jordan said last night the appointment of a publicly accountable new SABC board had been part of the process of leveling the political playing field in the run-up to elections.

"(Mr) De Klerk's meddling seriously compromises this and as such will negatively impact on the entire process," Dr Jordan said.

The Conservative Party also reacted with "shock and dismay" at the composition of the new board, saying the Afrikaans language would suffer.

Announcing the new board yesterday — which includes Peace Secretariat chairman Dr Antonie Gilderhays, activist and sociologist Professor Fatima Meer and incumbent chairman Professor Christo Viljoen — Mr De Klerk said he still had reservations "concerning aspects of the composition, such as the under-representation of the arts

Slabbert rejects chairmanship

chairmanship

and entertainment and the inadequate continuity."

"However, on balance, I am satisfied that the board which I have now appointed substantially meets most of the criteria in the guidelines and that consequently it can achieve the confidence of a broad spectrum of our society," he said.

Last night Dr Slabbert said that while he had no problem with serving as a board member, he was already deeply committed as Central Witwatersrand Metropolitan chairman and could not chair both bodies.

Education Development Trust executive director Dr Ivy Malsepe-Casaburri was selected as vice-chairman.

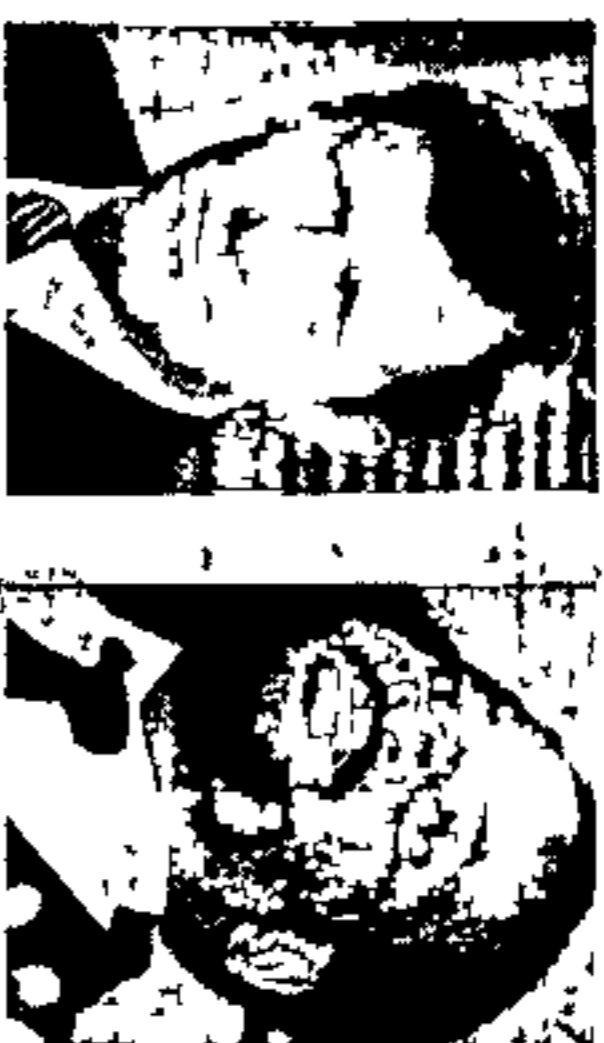
Dr Jordan said Mr De Klerk's "interference" with an independent se-

lection process would set a precedent for intervention in other transitional institutions.

It was clear from the original list of nominees that Mr De Klerk had vetoed the recommended appointment as board chairman of Professor Njabulo Ndebele, principal of the University of the North

West. Emphasising that the ANC's objections were not aimed at the members of the board, Dr Jordan said the credibility of the board would now always be in question.

Cosatu said last night Mr De Klerk's "blatant interference" made a mockery of the selection process, and set a dangerous precedent for future appointments independent of the government of the



NO TO POST
Dr Van Zyl Slabbert



INTERFERENCE
Mr Pallo Jordan

It called on members to refuse to take their seats "in principle".

"I said the remaining nominees should also refuse to take their seats unless those excluded by Mr De Klerk's intervention were reinstated."

'Illegitimacy'

The newly appointed SABC board had been discredited before taking office, Campaign for Independent Broadcasting spokesman Mr Allan Sparks said yesterday. Mr Sparks was one of seven people nominated by the panel of jurors but replaced after Mr De Klerk's intervention.

Mr De Klerk's interference with the new board had permeated the "illegitimacy" of the SABC, said Mr Sparks.

political beliefs and their membership of the Broederbond. Dr Frankun Sonn said that at this stage he would decline his appointment to the SABC board because of the changes made to the original list.

Axed

Board members who were not on the original list are Rural Foundation public relations head Mr Herman Bailey, Sahlam director Mr Leonard Bartell, University of Port Elizabeth social work lecturer Ms Gertrina Celliers, Potchefstroom University communication department head Mr Arnold de Beer, incumbent board member Mr Colin Hieklung, former Kasengwane Chief Minister Mr Enos Mabaza, electrical engineer Mr Gordon Sibya and Dr Sonn.

Besides Mr Sparks, former Rand Daily Mail editor, another journalist axed from the original list was Natal Witness deputy editor Mr Khaba Mkhize. Also dropped were UWC rector Professor Jakes Gerwel, Mr John Ertzenzer, Mr Moeleisi Mbeki and Mr William Rowland — Staff Reporter, Own Correspondent, Sapa.

The president's chosen people

Staff Reporter 11/6/93

THE disputed 25-member board announced by President F.W. de Klerk had political facilitator and former Parliamentary Opposition leader Dr Fredrick van Zyl Slabbert as chairman.

Dr Ivy Florence Malsepe-Casaburri, who was appointed vice-chairman, lives in Germiston and has a PhD in English and History. She is the executive director of the Education Development Trust and has been employed by the United Nations Institute for Namibia in Lusaka, Zambia. She serves on various other bodies.

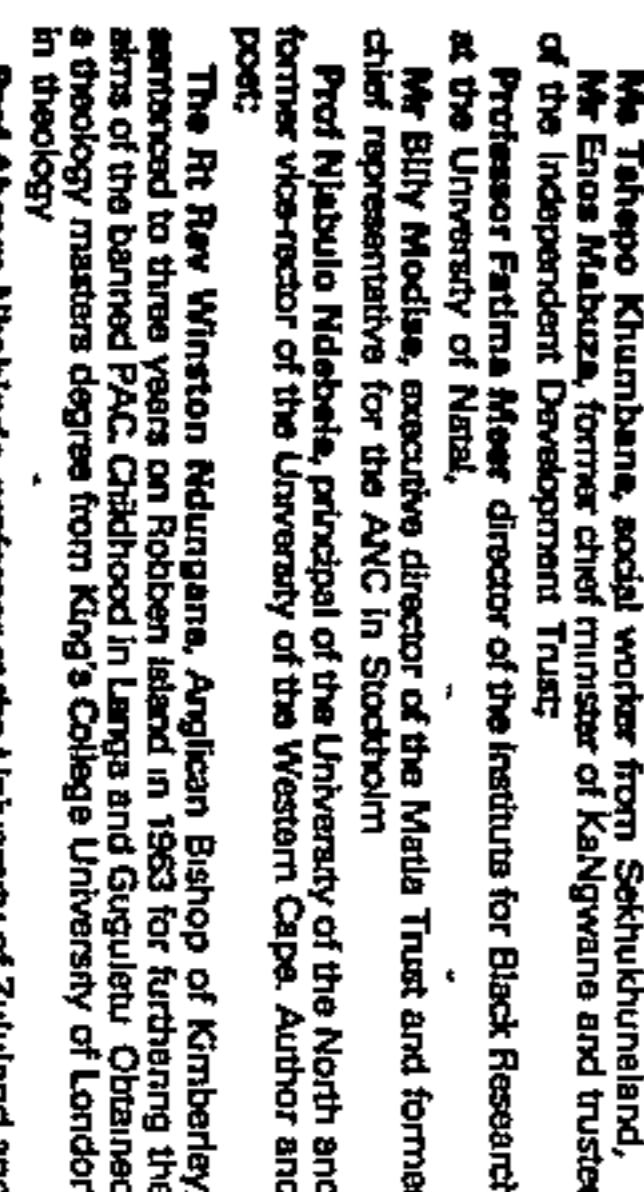
Former SABC chairman Professor Christo Viljoen was appointed to the board as an ordinary member.

The other 22 board members are Mrs Brigalle Bam of the Eastern Province, Deputy General Secretary of the SA Council of Churches, Advocate Filie Bam, a member of the Port Elizabeth Society of Advocates and the Goldstone Commission. Served 10 years on Robben Island after sabotage conviction. Mrs Anna Boshoff resident in Pretoria, public relations manager of the Dairy Service Organisation, and serving on various other bodies.

Mr Herman Bailey of Wellington, of the Rural Foundation, Mr Leonard Bartell of Bloemfontein, chartered accountant and director of Inter alia Sahlam, Council member of Vista University



IN Prof Fatima Meer



IN Prof A Nkabinde

Dr Gertrina Celliers a social welfare lecturer at Port Elizabeth University.

Mr Arnold de Beer, head of the Communications Department at Potchefstroom University.

Mr Antonie Gilderhays, practicing attorney and chairman of the National Peace Secretariat.

Mr Colin Hieklung, former SABC board member, former mayor of Bloemfontein and managing director of Bloemfontein's Board of Executors.

Mr Tshapo Khumane, social worker from Sekhukhune, Mr Enos Mabaza, former chief minister of KwaZulu and trustee of the Independent Development Trust.

Professor Fatima Meer, director of the Institute for Black Research at the University of Natal.

Mr Billy Moeleisi, executive director of the Media Trust and former chair representative for the ANC in Stockholm.

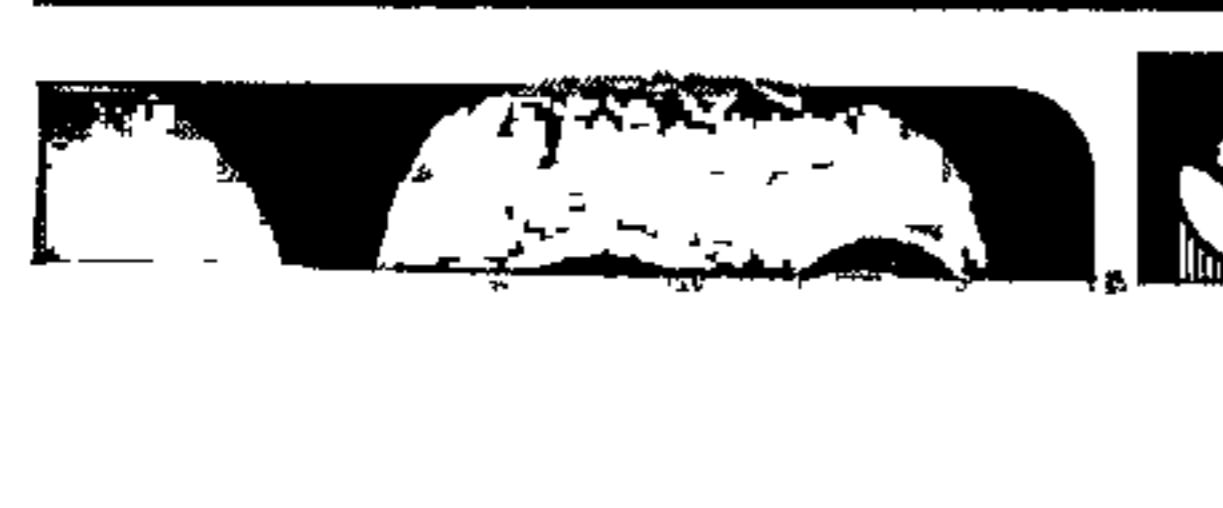
Prof Njabulo Ndebele, principal of the University of the North and former vice-rector of the University of the Western Cape. Author and poet.

The Rt Rev Winston Ndlovu, Anglican Bishop of Kimberley, appointed to three years on Robben Island in 1983 for furthering the aims of the banned PAC. Chaired in Langas and Guguletu. Obtained a theology masters degree from King's College University of London in 1965.

Prof Abraham Nkabinde, professor at the University of Zululand and in 1977 was appointed as the second black rector of a SA university. Prof Pletzer Potgieter of Bloemfontein, dean of the theology faculty at the University of the Orange Free State.

Dr Gordon Sibya, of KwaZulu, an electrical consulting and project engineer serving on various professional bodies.

Ms Shwella Sibulu, chairwoman of the Education Committee of the ANC (P.W.V. regional branch). She is the daughter-in-law of ANC deputy president Mr Walter Sisulu.



Dr Frankun Sonn, rector of the Cape Peninsula Technikon, deputy president Mr Walter Sisulu, Dr Ruth Tsembe, media and sociology lecturer from Durban Prof Alex Thembela, University of Zululand vice-rector

GET A FAIR DEAL

"My claim was finalised within 24 hours"

I should like to express my extreme satisfaction concerning the way your company dealt with my claim. Within 24 hours the matter had been dealt with and finalised. No forms to fill in, no running around to ask for quotations just plain prompt action to resolve the matter. Everybody whom I dealt with was not only efficient but also most pleasant. I shall most certainly recommend your company to my friends.

Dr F R H

Viewing data delayed

Business day 11/6/93
KELVIN BROWN
POLITICAL violence and the non-payment of tele-
phone bills were the main reasons for the delay in the
release of data from AMPs meters in black house-
holds, said SA Advertising Research Foundation tech-
nical director Piet Stem. (260) (239)

AMPs meters, used to estimate TV viewing figures,
have previously been placed in 440 white, Asian and
coloured households. They provided information to a
central computer, via a modem on a toll free number.

The meters had not been placed in black households
because of a shortage of telephone lines in black
areas, but recently Ibis had developed a system based
on radio waves to overcome this problem.

Although 320 meters had already been installed,
only about 260 households were reporting in daily. The
main reason was the cutting off of phone services as a
result of unpaid bills.

The foundation had applied for 200 telephone lines
for black households, Stein said. These would not have
handsets and would be used exclusively to convey the
AMPS meter information. However, the unrest had
delayed the installation of the lines and meters, Stein
said.

Despite the wave of accusations of interference in the board's selection, the Government stood firm in its insistence that the process had been entirely independent.

● To Page 3

● From Page 1 (260)

Spokesman for the Office of the State President Dave Steward said last night that the appointments were the unbridged choices of the selection panel in its second list presented after a list which had not met agreed criteria.

Steward said in a statement late last night De Klerk had taken notice of Slabbert's reaction and subsequently had "an initial telephone discussion" with Slabbert in this regard.

Other Government sources said the first list was "clearly dominated by ANC-alliance sympathisers"

One of the reasons given by Home Affairs Minister Danie Schutte at a press conference for De Klerk's suggested revision was that it was felt there were "too many people with a high political profile"

There were also geographical imbalances and it was felt that people with necessary business and technical acumen were under-represented

Schutte indicated that journalists on the original list, including columnist Allister Sparks, were not represented because of a "perceived clash of interests between the SABC and newspapers"

ANC head of information Dr Pallo Jordan said last night that De Klerk had "clearly exceeded his powers" by knocking out seven members initially appointed, adding that the move undermined the whole legitimate process that led to the selection of the new board.

'Dismay'

The Conservative Party reacted with "shock and dismay", saying the Afrikaans language and Afrikaner interests would suffer "great damage" in future as a result.

The Democratic Party, however, welcomed the announcement, "in spite of interference" by De Klerk.

DP MP Peter Soal said the board appeared to reflect the nature of South African society

Two present incumbents on the SABC board, Professor Christo Viljoen and Colin Hickling, were re-appointed, while eight women, including vice-president of the SA Vroue Landbou-unie and daughter of Dr HF Verwoerd, Anna Boshoff, and University of Natal academic Professor Fatima Meer, were also appointed.

Unexpected as vice-chairman was Dr Ivy Matsepe-Casaburri, executive director of the Education Development Trust.

She is also an employee of the UN Institute for Namibia.

By Helen Grange and Phil Molefe

The new SABC board announced last night by President de Klerk was thrown into disarray within minutes when Dr Frederik Van Zyl Slabbert rejected his appointment as chairman.

Further rejections from nominees are expected to follow after the ANC slated what it called De Klerk's interference in the selection procedure.

Two board members, Dr Gordon Sibuya and Dr Franklin Sonn, indicated last night that they would probably also turn down their appointments after the ANC's call to

● More reports — Pages 7 and 8

eight members to decline their seats because of De Klerk's intervention

The board was originally selected by a board of jurists after public hearings

De Klerk rejected the first list submitted to him

The second list — accepted by De Klerk — included seven names which did not appear on the first list.

Slabbert said last night that he would "definitely turn down" his appointment, which he was "deeply embarrassed" about

His rejection followed the ANC's appeal to him last night to decline assuming chairmanship on the grounds that he had not been proposed for this position on the original list of candidates submitted by the independent selection panel

Other members the ANC has called on to reject their appointments on the same grounds are Herman Bailey of the Rural Foundation, chartered accountant Leonard Bartell; social work lecturer Gertina Cilliers, Professor Arnold de Beer of Potchefstroom University, former KaNgwane Chief Minister Enos Mabuza, Sibuya and Sonn

A figure at the centre of the row is Professor Njabulo Ndebele, who was originally selected to chair the board but was relegated to ordinary member in the panel's second list

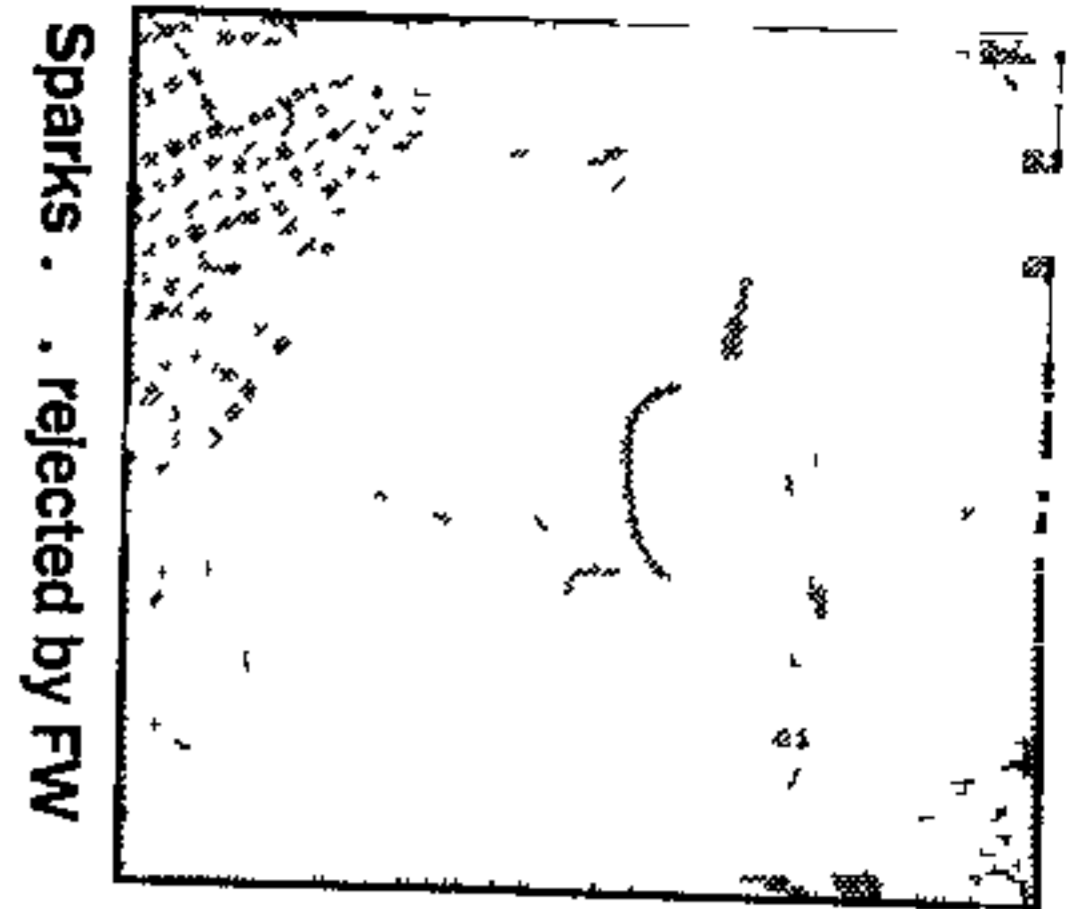
It is believed that De Klerk was unhappy with the fact that Ndebele is principal and vice-chancellor of the University of the North — where ANC president Nelson Mandela is chancellor

Slabbert expressed disapproval over the way the appointments had been handled, saying that the board chairman should also have been approved by the board members

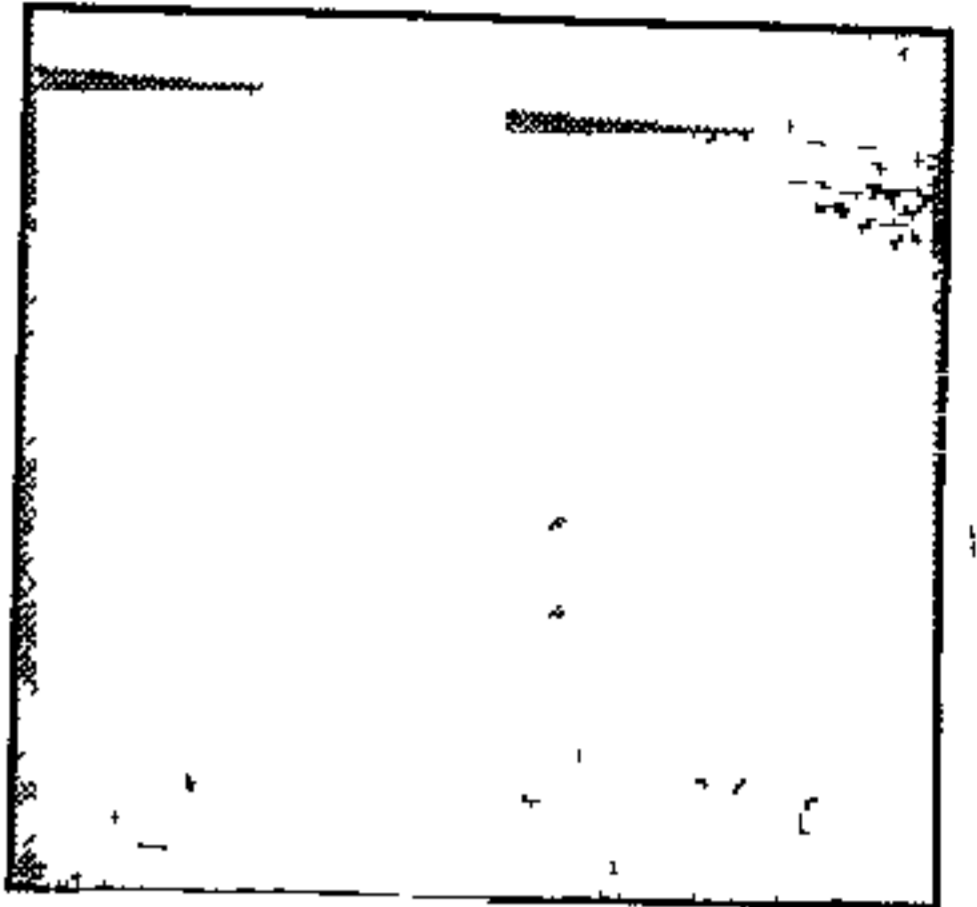
SABC board rejects appointment as chairman

Star 11/6/93

(260)



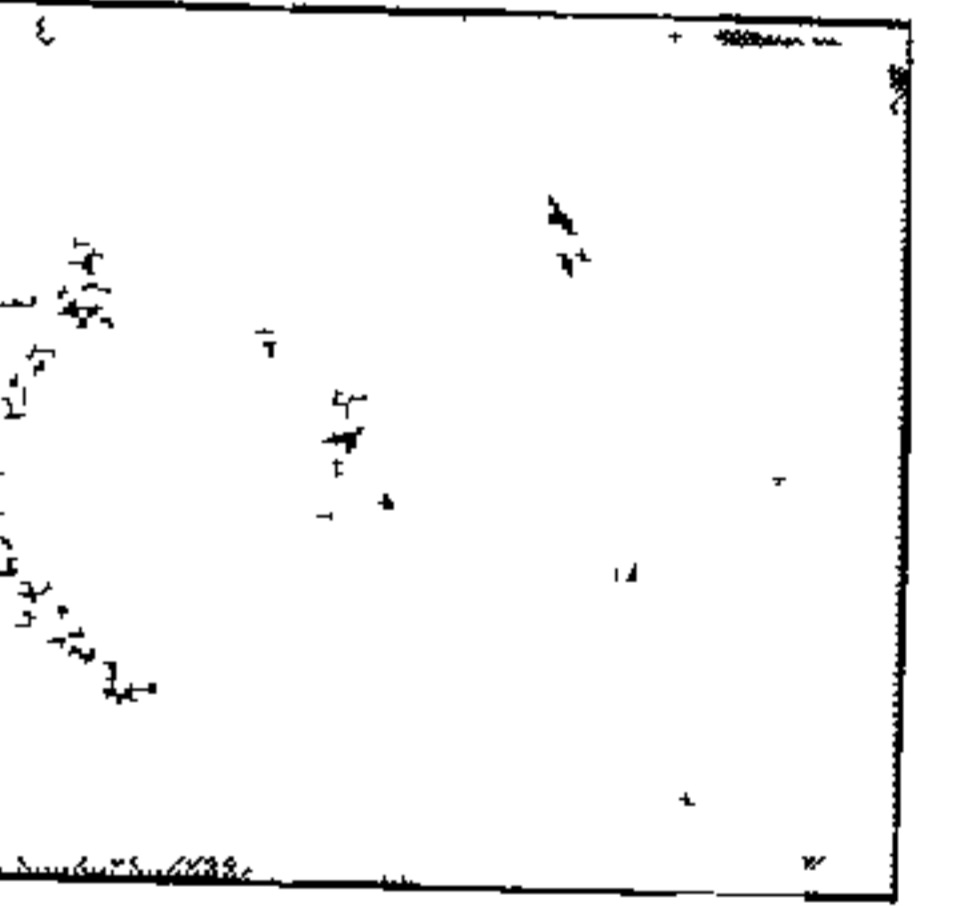
Sparks . . . rejected by FW



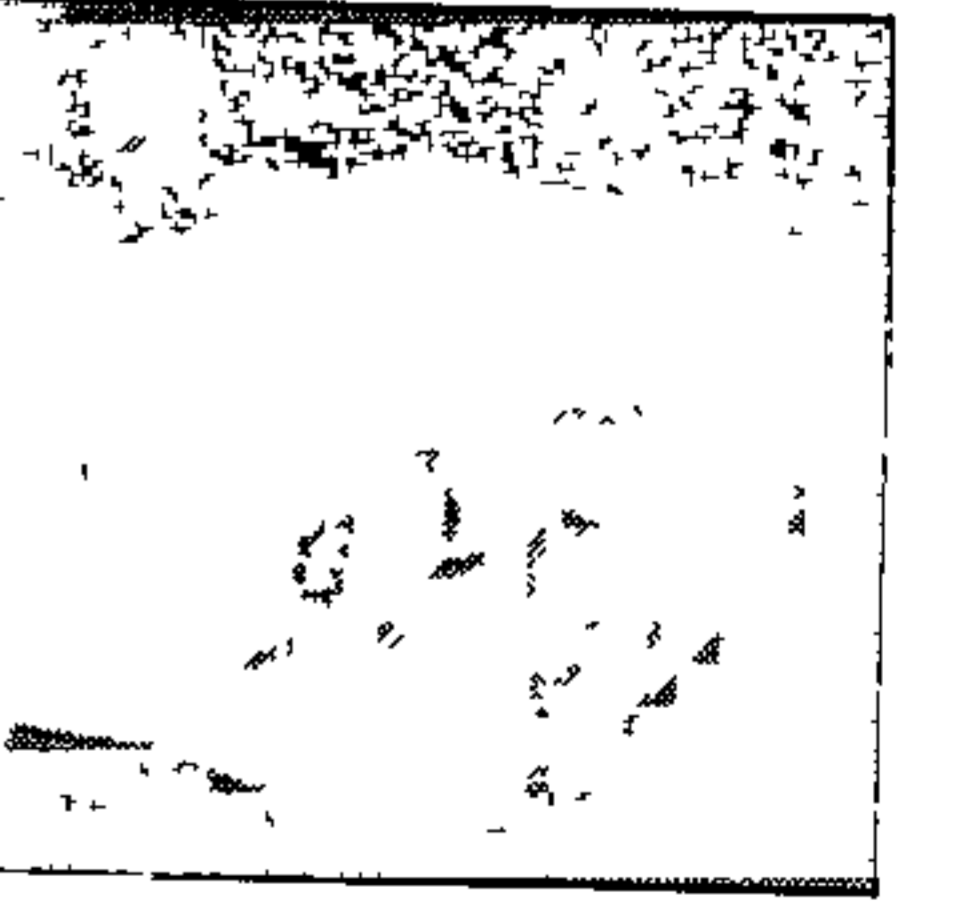
Gildenhuys . . . peace broker



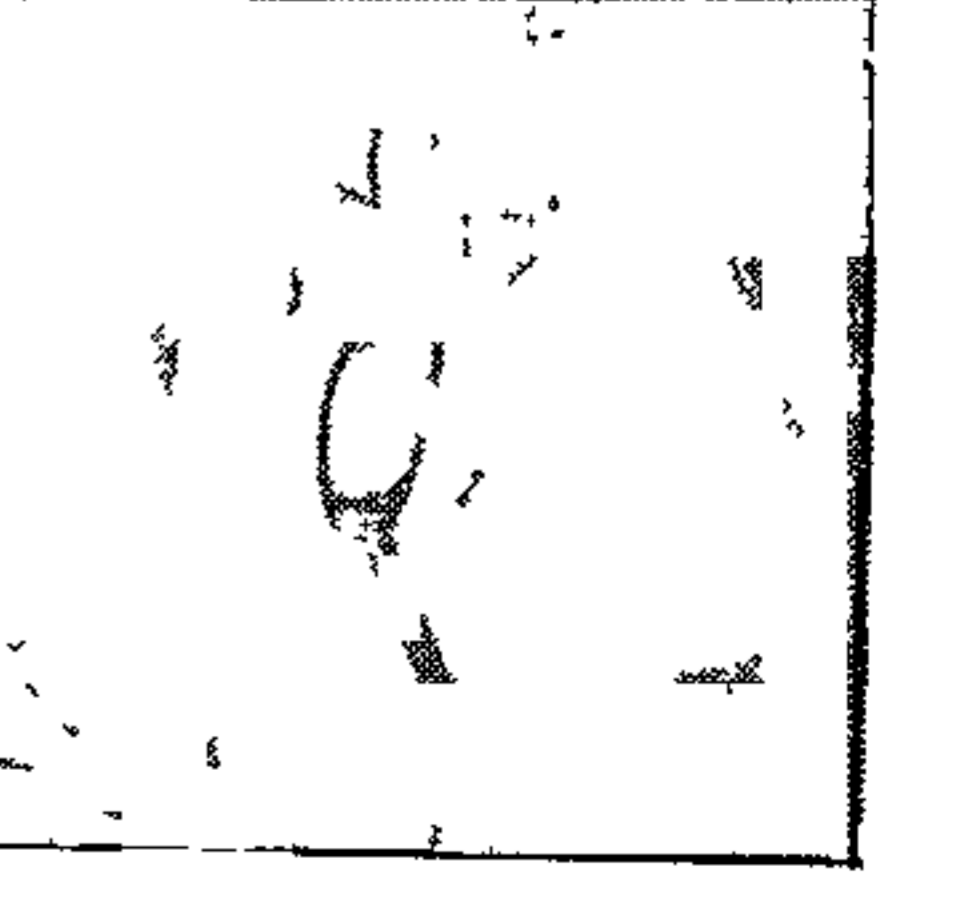
Mabuza . . . businessman



Viljoen . . . ex-chairman



Meer . . . academic



Slabbert . . . declined post

BROADCASTING

The new SABC



NOMINATED
TO SABC
BOARD:
ADVANCE
TWO
SQUARES

PRESIDENT
INTERVENES:
GO BACK TO
SQUARE 1

NEW
CHAIRMAN
RESIGNS: GO
BACK TWO
SPACES

De Klerk 'meddling' — ANC rejects list

Argus Correspondent PHIL MOLEFE and Sapa

THE ANC has rejected the new SABC board and called on those board members who were selected through President De Klerk's intervention to reject their appointments.

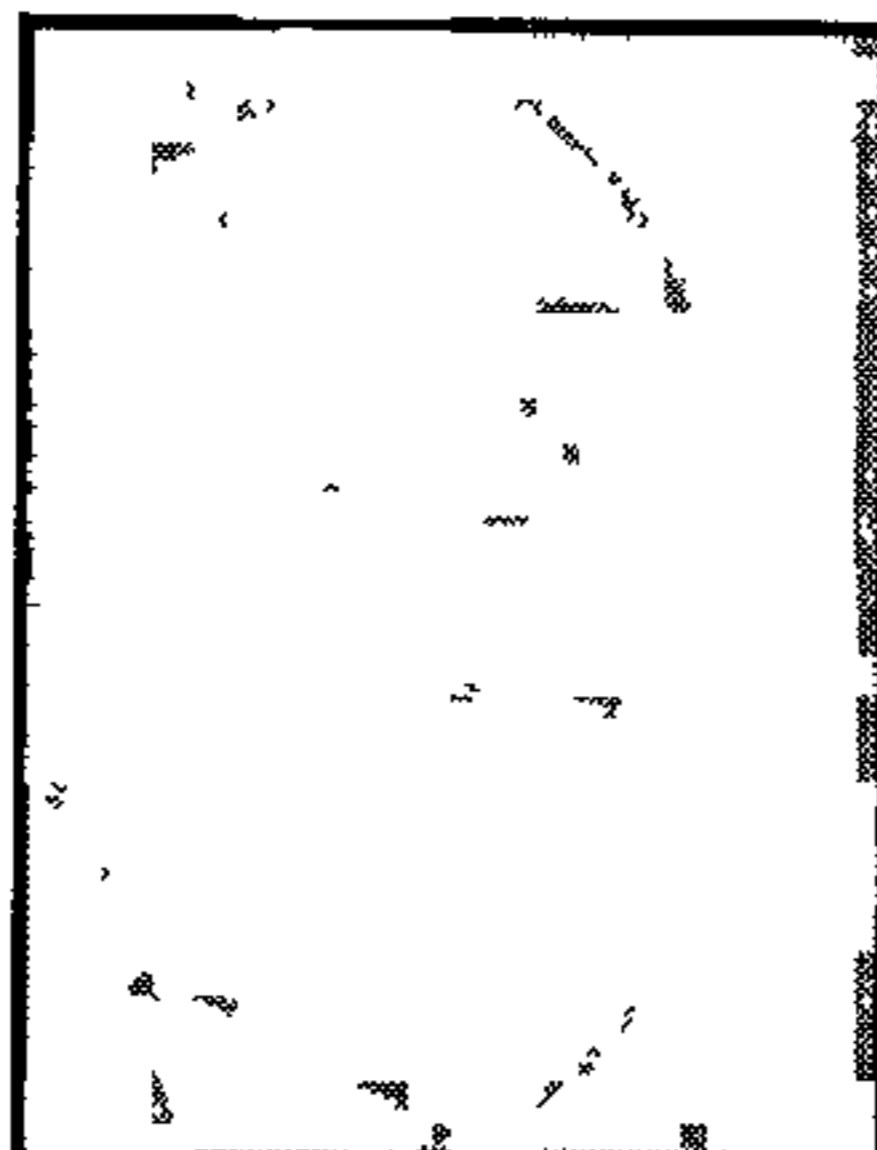
ANC head of information Dr Pallo Jordan said Mr De Klerk had clearly exceeded his powers by "knocking out" seven members appointed by the panel of jurists. The move undermined the whole legitimate process that led to the selection of the new board.

He said the ANC's position was that Dr Frederick van Zyl Slabbert, who was appointed chairman through De Klerk's intervention, should decline to take his seat as chairman of the board.

Dr Slabbert last night rejected the job.

Dr Jordan said "The ANC is particularly concerned that if the State President is permitted to interfere with an independent selection process in the instance of the SABC, this will set a precedent for future interventions in other institutions that will be created to steer our country through this transition."

He said the ANC recognised the legitimacy of the original board chosen by the



Dr Pallo Jordan: Mr De Klerk has undermined the legitimate process.

Criticism has mounted following Mr de Klerk's reported rejection of the independent panel's initial list given to him on May 21.

"The panel has thus far been seen to be open, independent and public in its functioning. For Mr De Klerk to intervene in this way is to undermine the integrity of a panel which has trail-blazed a new path for public accountability," Cosatu spokesman Neil Coleman said.

He warned that if Mr De Klerk persisted in implementing changes to the list, Cosatu would call on all new

whether they would serve on the new board.

Their rejection of President De Klerk's "meddling" in the appointment of board members could mean victory for the ANC which denounced the board within minutes of its announcement and urged appointees who were not in the original list of the panel of jurists to decline to assume their seats.

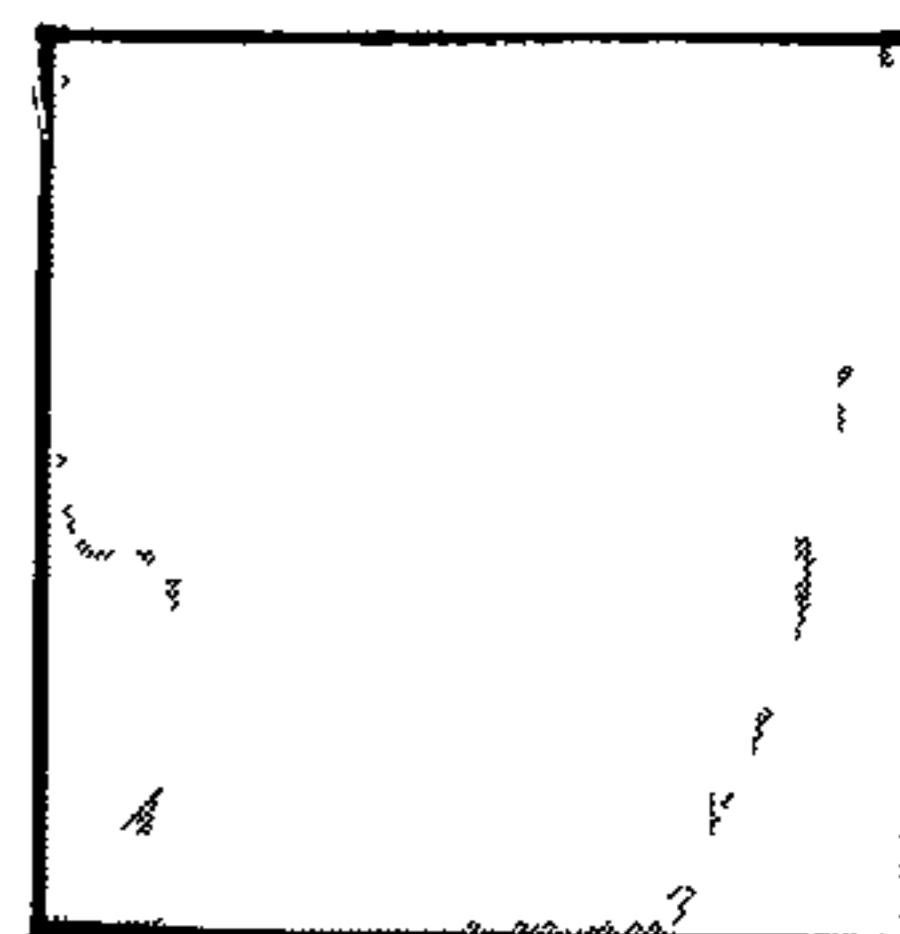
Dr Sibuya, of the Science and Engineering Academy of South Africa, said he would "probably turn down the appointment" because of the manner in which President De Klerk dealt with the matter.

"I think it is not right for De Klerk to have changed that list so significantly and it is unlikely that I will serve on this board," said Dr Sibuya.

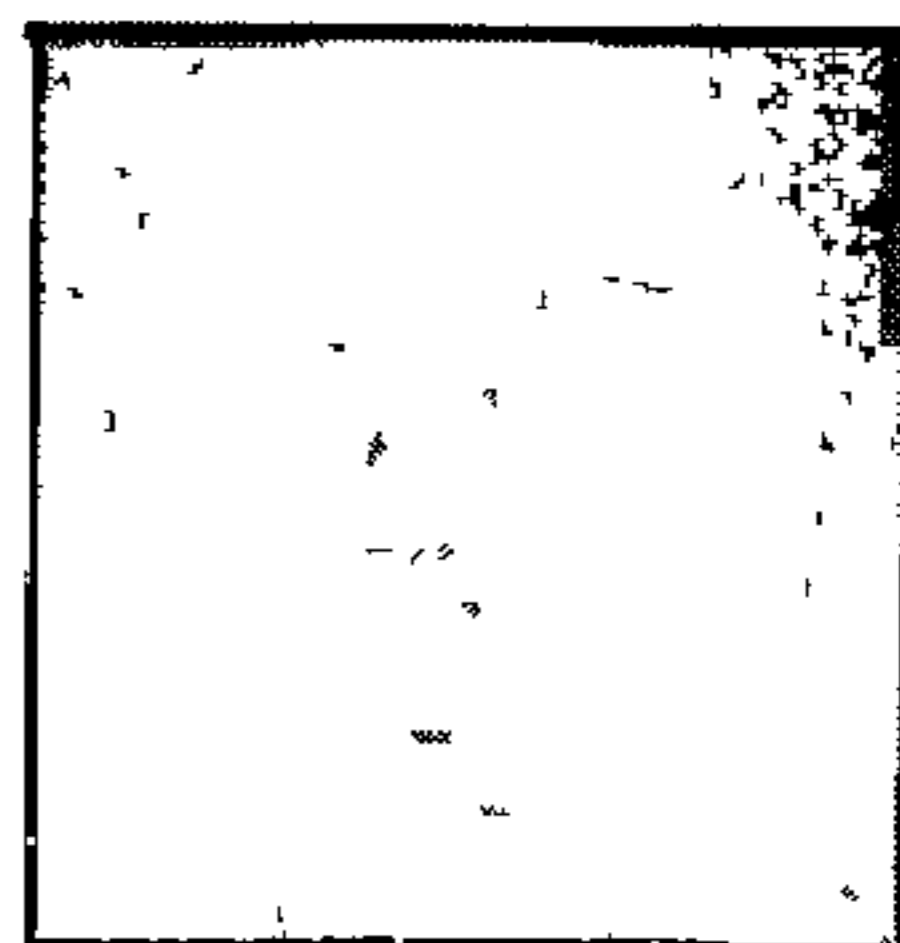
He said he would have understood if the President had brought new names for the sake of continuity.

Dr Sonn said he was not "happy" at the manner in which President De Klerk dealt with the matter and cast doubt over whether he would be able to accept the position.

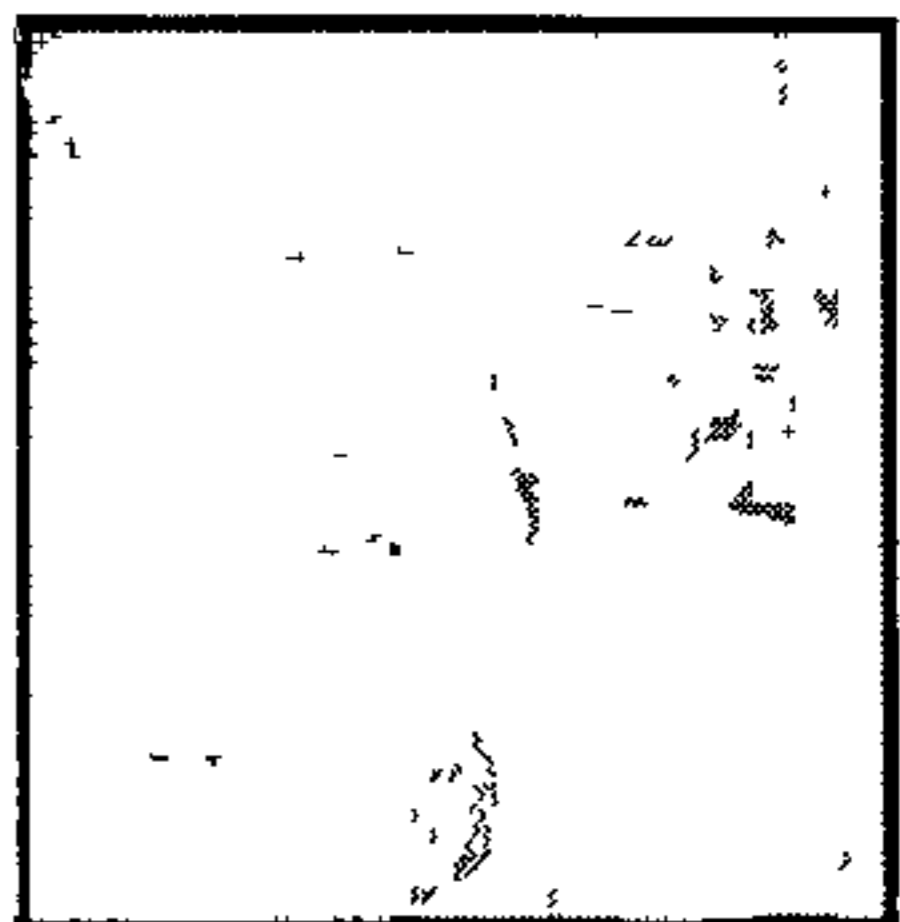
"I will be consulting people who nominated me but I still



Dr Frederik Van Zyl Slabbert



Bishop Winston Ndungane



Professor Christo Viljoen



board game

**ADVANCE
TO
AUCKLAND
PARK**

**EYE STRAIN
AFTER
WATCHING
EROTIC TV
VIDEO**

**CUT MOVIES
BY 30 MINS
FOR MORE
ADS: THROW
AGAIN**

Dinner date
with Jane
Warden:
Move on 2
squares



The list of 25 approved by FW

PRESIDENT De Klerk's nominees for the SABC board

Dr Frederik van Zyl Slabbert (chairman), political consultant and Metropolitan Chamber president,

Dr Ivy Matsepe-Casaburri (vice-chairman), executive director of the Education Development Trust,

Professor Christo Viljoen, academic and former SABC board chairman,

Herman Bailey, public relations officer in charge of fund-raising for the Rural Foundation,

Brigalia Bam, South African Council of Churches assistant general secretary,

Fikile Bam, eastern Cape advocate,

Leonard Bartell, chartered accountant and director of companies,

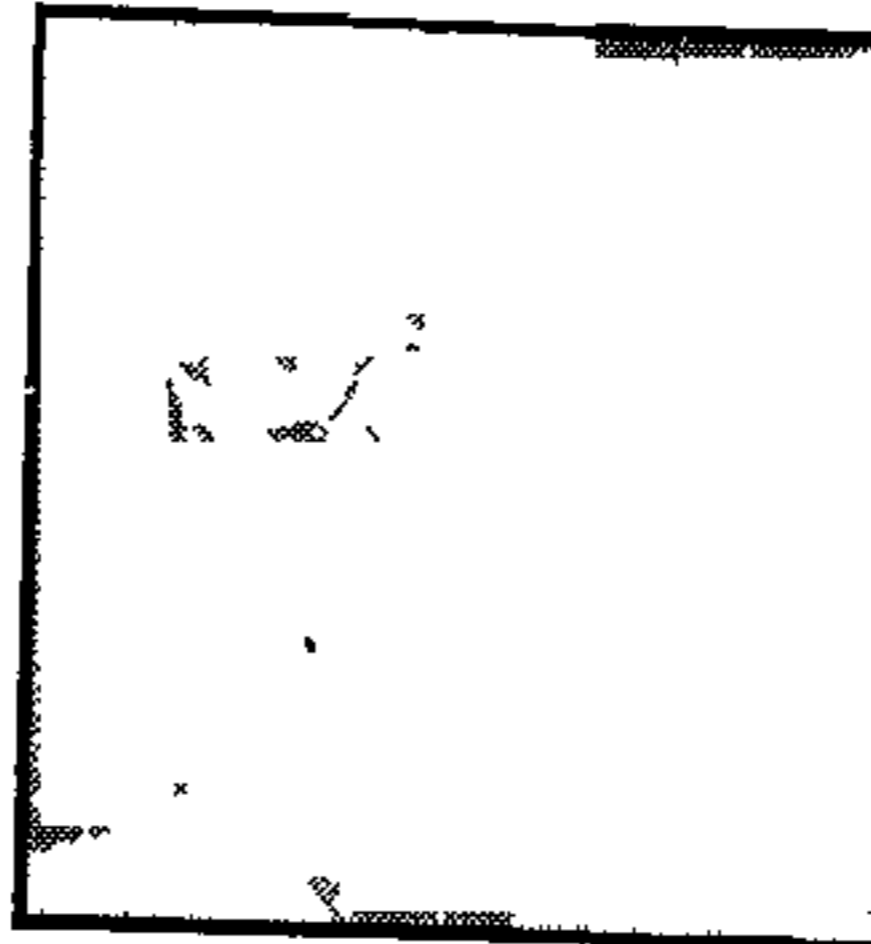
Anna Boshoff, SA Vroue Landbou-Unie vice-president,

Dr Gertina Cilliers, lecturer in social work at the University of Port Elizabeth,

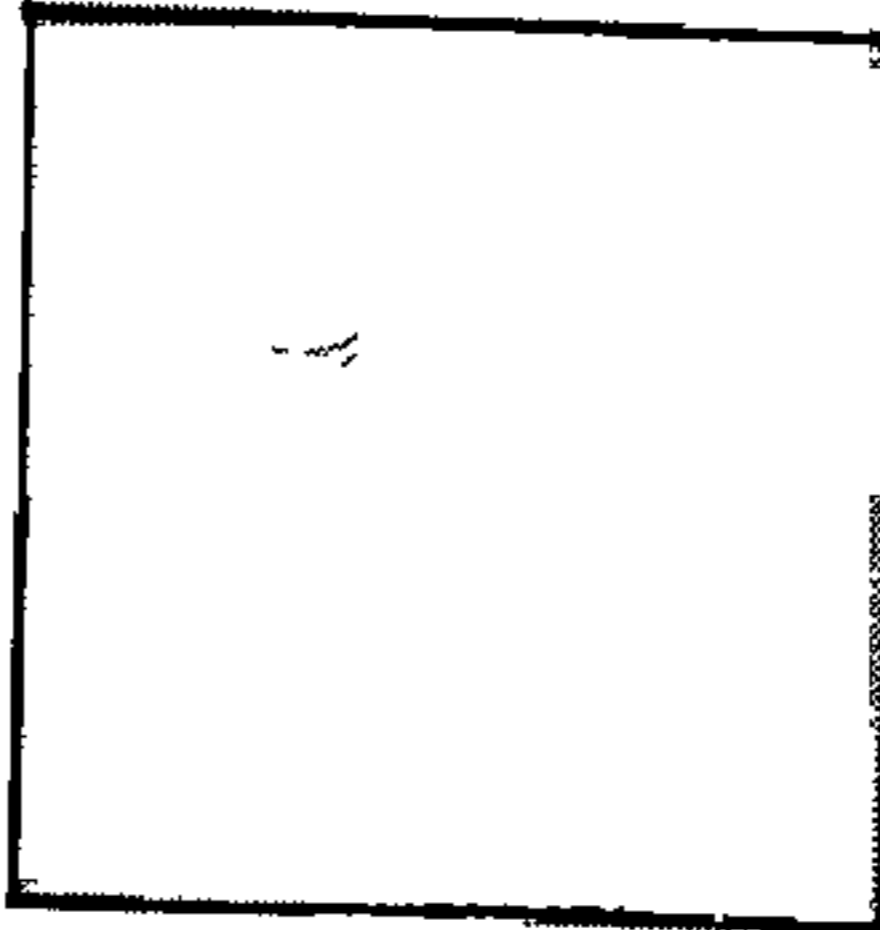
Professor Arnold de Beer, head of department of communications, Potchefstroom University,

Dr Antonie Gildenhuys, National Peace Secretariat chairman,

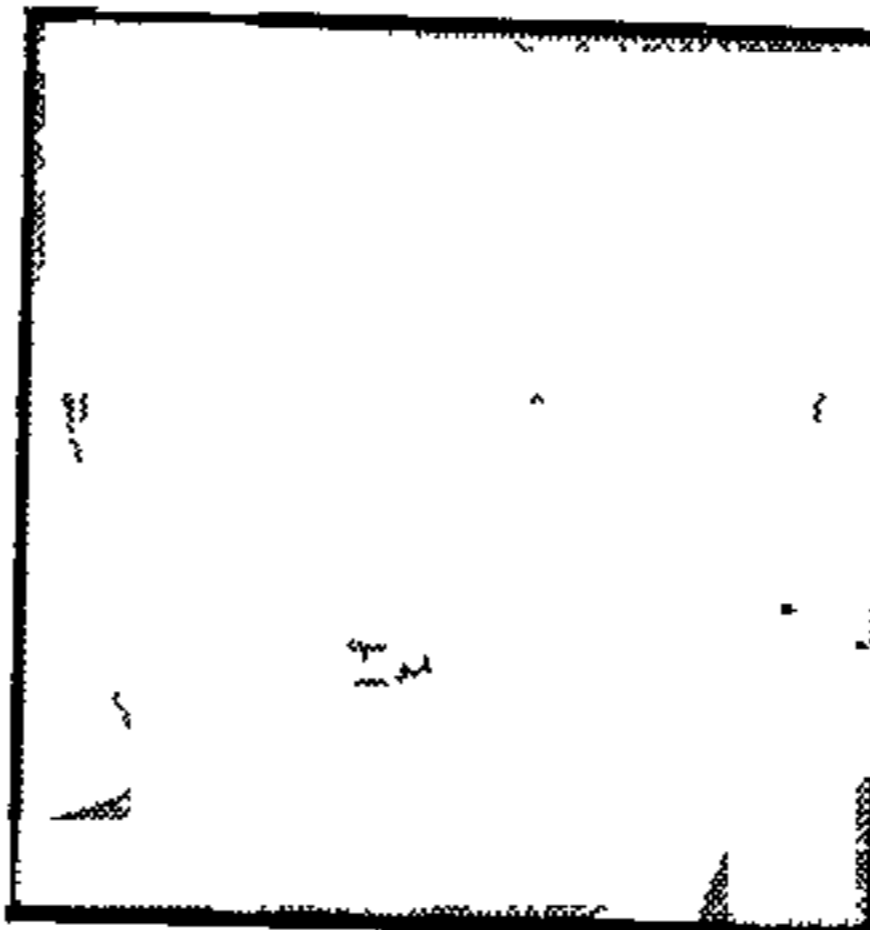
Colin Hickling, former SABC board member and man-



Dr Gordon Sibuya



Dr Franklin Sonn



Mr Colin Hickling



**LATE FOR
MEETING:
Demoted to
radio culture
committee**

Spend
morning
fiddling with
TV schedules

**This ONE's
not for you!
YOU HAVE
LOST THE
GAME**

John Bishop
shaves off
moustache:
Move on one
square

SABCSA

MICHAEL MORRIS and TOS WENTZEL
Political Staff

THE government is determined to stick to the controversial new SABC board — which takes office today — but is expecting further “critical” developments on the position of Dr Frederik van Zyl Slabbert.

Minister of Home Affairs Mr Danie Schutte insisted in an interview today that the second list of SABC board members was not the government's choice and had been chosen strictly in terms of rules agreed to by all the main parties in South Africa.

Panel judges keep mum

Political Staff

THE judges who co-chaired the selection panel which put candidates for the new SABC board through close public scrutiny, today refused to comment on the rumpus over the selection of the board

Approached about the controversy, Mr Justice Ismael Mahomed and Mr Justice Piet Schabert declined to comment in any way

“We will have to see what developments there are today on the question of the chairmanship, but the new board takes office today,” he said.

Sharply rebutting criticism by the ANC, Mr Schutte said the criteria and guidelines for the appointment of the board had been agreed by consensus between the major parties

Further, the selection panel had taken evidence on whether the criteria should be amended and had chosen not to do so.

“If the ANC had problems with the guidelines and the procedure, they should have objected beforehand

“The fact is that the rules of the game were laid down and the president followed them rigorously in appointing members of the board proposed by the panel.”

Mr Schutte said one of the crucial elements of procedure agreed by all the main parties beforehand was that the president was entitled to “interact” with the panel on the appointment of board members.

“This is what the president did,” he said

Mr Schutte also pointed out that Mr De Klerk in fact still

NEW SABC BOARD GAME — page 13

had reservations about the second list, but was nevertheless satisfied that it met most of the criteria and could achieve the confidence of the broad spectrum of society

“This emphasises the fact that the second list was not a government list — it was the panel's

Mr Schutte pointed out that the president's concerns with the first list were not political but concerned the extent to which it adequately reflected areas of interest, such as the arts, and failed to meet the criterion that there should be continuity

Several of the new members now have reservations about serving on the board after the appointed chairman, Dr Frederik van Zyl Slabbert, refused to accept the position

Dr Franklin Sonn, rector of the Peninsula Technikon, said he was reconsidering his position and consulting colleagues who had also been nominated.

He said he was doubtful now about serving after the way in which the affair had been handled and suggestions of interference by the government.

A government spokesman said President De Klerk had acted strictly in accordance with the procedures and guidelines which had been accepted after wide consultation

Government set on new board, but Slabbert's position unresolved

220
11/6/82

SABC RETURN

Sasol tops league of oil refiners

Star 21/6/93

By Stephen Cranston

Details of a report on the Government's involvement in the oil industry have been confirmed by Department of Mineral and Energy Affairs spokesman Harald Bielfeld. (260)

The report, published by ~~aid~~ yesterday, details the capacity of SA's refineries and the market share enjoyed by oil companies.

Sasol has the largest production capacity, with 150 000 barrels a day. (260)

Natref, which refines for Sasol and Total, is responsible for a further 85 000 barrels a day.

The largest conventional refinery is Sapref with a capacity of 120 000 barrels a day. By 1996 it will overtake Sasol as the largest single source of petrol with a capacity of 165 000 barrels. It produces for BP and Shell.

Engen's Genref refinery will increase its capacity from 65 000 barrels in 1991 to 90 000 in 1996.

Mossgas

Mossgas (capacity 45 000 barrels), will provide 6,9 percent of national requirements by 1996.

Shell has the largest share of the retail petrol market (18,2 percent) and 19,5 percent of the diesel market. Caltex has the same share of the petrol market, but a lower share of diesel (17,5 percent).

Engen has 17 percent of petrol and 15,7 percent of diesel. But Engen also owns Trek and Sonap.

If all three brands are combined, they take 25,8 percent of petrol and 26,5 percent of diesel.

BP is the fourth-largest retailer with 15,3 percent of petrol and 15,7 percent of diesel.

Total takes 12,2 percent of petrol and 15,5 percent of diesel. Zenex, formerly Esso, has 2,6 percent of petrol and 4,2 percent of diesel.

The oil industry is worth R23 billion, equal to seven percent of gross domestic product.

Who's the boss? For a while, it was Ndebele

Star 216193

(260)

Profile

LIFE will have gone full circle for esteemed academic, author and intellectual, Professor Njabulo Ndebele, when he takes up his appointment as a member of the new SABC board, announced by President de Klerk on Monday.

From being refused a permit to work in his native land to the loft heights of the Piet Meyer Building at Auckland Park is a huge leap for the internationally acclaimed writer, who was in self-exile for more than 20 years.

Ndebele was born in Johannesburg's old Western Native Township. He later moved to Charterston location at Nigel before his family was uprooted, by government decree to Duduza.

Ndebele left South Africa in the late '60s, but returned to Africa to become deputy vice-chancellor of the University of Lesotho from where he had obtained a BA degree. He holds a masters degree from Cambridge University and a PhD from the University of Denver (Colorado). He also studied at Harvard University.

Attempting to return home, he was rebuffed in 1989 by the Department of Home Affairs when applying from Lesotho for a work permit to take up a position at the University of the Western Cape. It took the combined efforts of UWC and other interested parties to have the decision reversed.

The author of *Fools and Other Stories* — based on his memories of South Africa — he was in 1990 appointed Professor of African Literature at the University of the Witwatersrand. He became vice-rector of UWC in 1992.

Now he can add a new bow to his string — helping to shape the future, of both radio and television, of the oft-ridiculed and politically sensitive South African

Professor Njabulo Ndebele is a highly regarded academic and intellectual who was given the job of chairman of the new SABC board by the selection panel. Now he has been down-graded to an ordinary board member by President F W de Klerk. NORMAN CHANDLER looks at his background.



Njabulo Ndebele . . . named as SABC chairman, then downgraded.

Broadcasting Corporation.

It may have been no accident that he was originally nominated by the selection committee as the new chairman of the board — but in the style of current South African politics, De Klerk decided Ndebele's appointment was possibly too sensitive and therefore he was "down-graded" to that of a board member.

Friends say it is, however, only a matter of time before this outstanding scholar and intellectual is given the opportunity to chart new waters

As president of the Congress of South African Writers — established "to reflect solidarity with the democratic movement" — Ndebele is in an ideal position to contribute positively to turning around the attitudes of the SABC to one more in line with an emerging new South Africa.

Ndebele is known never to have minced his words when it comes to South African writing, the arts, education or culture and has over the years advocated improved dissemination of information, particularly education

Particularly critical of South African writers, Ndebele observes that "white writers still write like whites in Africa".

He says this is because "white social consciousness rests on the foundation that this is a European country in Africa, though they make statements to the contrary. It's a version of the consciousness of the invader — there isn't a feeling of 'this is where we are'."

There are two pointers to what could be in store for future broadcasting contained in his published views on South Africa.

One is that, as chairman of the steering committee of the National Arts Initiative, he seeks to help in "recontextualising and reconstructing cultural policies and practices".

The second is from a 1987 address at the Senate Special Lectures at the University of the Witwatersrand, when he went on record as saying that "the hegemony of apartheid culture is extensive and complex: even those who would otherwise disavow it become its unwitting servants".

Perhaps unintentionally looking to the future now facing the SABC, he added that European culture in South Africa ignored the reality of our society □

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Hansard

†Mr J H HOON Mr Chairman, further arising out of the hon the Deputy Minister's reply that there was a need for the appointment of directors, I would like to ask him whether there was not a greater need for more teachers at the schools

†The DEPUTY MINISTER Mr Chairman, the fact remains that, if one takes the total number, there is also an over-supply of teachers in certain categories. I would just like to state once more that the reduction of teachers really did not adversely affect efficacy at the classroom level. It was not affected and therefore I am satisfied with this adjustment. I would just like to repeat that what the Cape is doing now is in any case being done in all three of the other provinces

†Mr J H HOON Mr Chairman, further arising out of the hon the Deputy Minister's reply concerning efficacy, I would like to ask whether efficacy in the corps of officials on the level of director was not up to standard, seeing that he has now had to appoint more of them.

†The DEPUTY MINISTER Mr Chairman, was that not the fifth question? [Interjections]

†The CHAIRMAN OF THE HOUSE Order! It was. The hon the Deputy Minister may proceed

†The DEPUTY MINISTER Mr Chairman, no. This in fact relates to the reply I gave right at the outset. There was a real need for such posts in the education category. Just as the appointment of directors does not adversely affect other departments, so it does not adversely affect

fact pupils in the education department. [Interjections]

For written reply.
General Affairs

National Peace Accord: expenditure

193. Mr W U NEEL asked the Minister of Home Affairs:

Whether he will furnish information on all moneys spent by his Department up to 31 December 1992 in respect of (a) the implementation of the structures envisaged under Chapter 7 of the National Peace Accord and (b) operational costs of such structures at national, regional and local levels with regard to (i) infrastructure, (ii) secretariat and (bb) contract personnel and (iii) any other specified items; if not, why not, if so, what are the relevant particulars? B438E

The MINISTER OF HOME AFFAIRS:

(a) The latest available expenditure figure for the 1992-93 financial year, from 1 April 1992 up to 31 March 1993, as calculated on 24 April 1993, is R5 156 817,00. During the 1991-92 financial year a total amount of R866 538,00 was spent for the period 1 November 1991 up to 31 March 1992

(b) Particulars regarding the operational costs for the period 1 April 1992 up to 31 March 1993 that were available on 24 April 1993 are as follows:

Level	Infrastructure	Staff Remuneration	Other# Expenditure
National	331 797,00	1 018 948,00	1 544 488,00
Regional	387 860,00	687 791,00	969 397,00
Local	6 886,00	100 041,00	109 609,00
Total	726 543,00	1 806 780,00	2 623 494,00

* (aa) Remuneration Directorate Inter-national Peace Institutions (Including salaries, pension, housing subsidies and medical and contributions)

R768 423,00

(bb) Seasonal allowances and transport and subsistence expenses, national Peace Secretariat

R250 525,00

Hansard

Hansard

** (aa) Remuneration Administrative personnel

R416 744,00

(bb) Remuneration Personnel appointed in terms of section 9 (2) of the Inter-national Peace Institutions Act, 1992

R271 047,00

*** (aa) Remuneration Personnel appointed in terms of section 9 (2) of the Inter-national Peace Institutions Act, 1992 (Including personnel at local committees and operational centres)

R100 041,00

Other expenditure includes:

(i) Administrative services such as transport, telephone services, etc.;

(ii) Stock such as stationery, etc.; and

(iii) Professional services such as facilitation fees, to the amount of R349 120,95 and training to the amount of R96 452,45

Industrial Development Corporation: purchase of business concern

309 Mr R V CARLISLE asked the Minister of Trade and Industry:

(1) Whether a certain business concern, the name of which has been furnished to the Minister's Department for the purpose of his reply, was purchased from the Industrial Development Corporation; if so, (a) on what date, (b) what is the name of this business concern, (c) what was the (i) net asset value and (ii) realizable value of this concern at the date of purchase and (d) (i) what purchase price and other considerations were paid in total to the Corporation by the shareholders of this concern and (ii) how many shares in it were (aa) issued and (bb) taken up,

(2) whether any (a) corporate and/or (b) individual shareholders purchased more than 40 000 shares, if so, (i) which shareholders and (ii) how many were purchased in each case? B705E

The MINISTER OF TRADE AND INDUSTRY

(1) Prior to July 1990 the assets and liabilities of the National Sorghum Beer Breweries were kept in trust and were managed by the Industrial Development Corporation of South Africa Limited (IDC) on behalf of the State. With effect from 1 July 1990 the assets and liabilities of the industry were transferred to National Sorghum Breweries Limited. The IDC therefore did not sell the assets and liabilities.

The net asset value on that date amounted to R130 515 000 and the purchasing price of the interest, based on earnings, brought in R44 million for the State. This amount was not determined by the IDC, but by the Privatisation Unit, based on the advice of the relevant acceptance banks

The shares were sold in accordance with a prospectus, which closed on 19 June 1991. Since that date the State received R44 million from the sale of its shareholding in National Sorghum Breweries Limited. No other considerations were paid by the new shareholders to the State. A total amount of 44 million shares were issued on 1 July 1991

(2) The composition of the shares issued is as follows

Distributors	5,5%
Consumers	20,6%
General public	34,6%
Employees' Share Trust	30,1%
Underwriter Industrial Development Corporation of South Africa Ltd	9,2%

The Employees' Share Trust was financed by means of a loan from the State. This loan has been paid back to the State since 1 July 1991 and the shares which were taken up by the IDC in terms of the underwriting agreement, were sold off to members of the public at the purchase price

On 1 July 1991 more than 40 000 shares were obtained by 42 shareholders. Because National Sorghum Breweries Limited is a public company, its shares are traded regularly and the composition of its shareholders is there-

fore subject to fluctuation Mercantile Registrars Limited is the transfer secretary and the register of shareholders is available for inspection at that company if the present shareholder composition needs to be established

In terms of the prospectus, no shareholder may, with the exception of the Employees' Share Trust, own more than 10% (4,4 million shares) of National Sorghum Breweries Limited. The transfer secretary has confirmed that no single shareholder owns more than 10% (260)

Funeral of Chris Hani: special trains

341 Mr J CHIOLE asked the Minister of Transport:

- (1) Whether any assistance in the form of (a) special tariffs, (b) special trains and/or (c) subsidized services was rendered by the South African Rail Commuter Corporation to persons who attended the funeral of Mr Chris Hani recently, if so, what was the (i) (aa) nature and (bb) extent of, and (ii) cost involved in, this assistance,
- (2) whether any persons attending the funeral caused damage to property of the Corporation, if so, what was the (a) (i) nature and (ii) extent of this damage and (b) total cost involved in repairs to the damaged property? B798E

The MINISTER OF TRANSPORT

The Managing Director of the South African Rail Commuter Corporation informed me as follows:

- (1) (a) Yes
- (b) No
- (c) No
- (i) (aa) The cost of a ticket was R2,00 per passenger per return journey
- (bb) 44 such tickets were sold
- (ii) None
- (2) Certain damage was caused but not necessarily by "persons attending the funeral"
- (a) (i) Arson and vandalism

(ii) One first-class motor coach was destroyed by fire at Grasmere. A Nasrec ticket office was destroyed by fire and a public-address system was damaged and stolen

(b) Approximately R615 000

Bus companies: State subsidies

345 Mr M J ELLIS asked the Minister of Transport:

Whether he will furnish the name and address of each of the bus companies in the Republic currently receiving State subsidies, if not, why not, if so, (a) what are their (i) names and (ii) addresses, (b) what total amount was paid to each in 1992, (c) (i) what is the longest subsidized route and (ii) what amount was paid per kilometer on this route and (d) what amounts have been awarded to contractors to operate bus services other than school bus services? B785E

The MINISTER OF TRANSPORT.

- (a) (i) and (ii)
 - Algoa Bus Company
 - PO Box 225
 - Port Elizabeth
 - 6000
 - Bahwaduba Bus Services (Pty) Ltd
 - PO Box 1505
 - Pietersburg
 - 0070
 - Bratvedt Bros
 - T/a Washesha Bus Service
 - PO Box 118
 - Eshowe
 - 3815
 - Boland Passenger Transport
 - PO Box 1795
 - Cape Town
 - 8000
 - Bophuthatswana Transport Holdings (Pty) Ltd
 - PO Box 16719
 - Pretoria North
 - 0116
 - Darnall Motor Transport
 - PO Box 97
 - Mandim
 - 4450

Durban Transport Management Board
PO Box 1746
Durban
4000
EAJ Transport Services (Pty) Ltd
PO Box 1666
Vryheid
3100
Eastern Bus Lanes (Pty) Ltd
PO Box 79
Witbank
1035
Estate Late K H Maraj
T/a Doornkop Bus Service
PO Box 105
Stanger
4450
GaZankulu Transport (Pty) Ltd
Private Bag X4048
Tzaneen
0805
Golden Arrows Bus Service (Pty) Ltd
PO Box 1795
Cape Town
8000
G Phadzuri & Sons
PO Box 301
Louis Trichardt
1760
Ikageng Bus Service (Pty) Ltd
PO Box 6532
Baullepark
2526
Impendhle Bus Service (Pty) Ltd
PO Box 26
Howick
3290
Interstate Bus Lanes (Pty) Ltd
PO Box 1343
Bloemfontein
9300
Kaysna Bus Service
PO Box 438
Kaysna
6570
KwaZulu Transport (Pty) Ltd
PO Box 427
Pietermaritzburg
3200

(Handwritten signature)

Laeveld Bus Service
PO Box 413
Elizras
0555
Lebowa Transport (Pty) Ltd
PO Box 1839
Pietersburg
0700
Mabrimusa Bus Service
PO Box 50
Louis Trichardt
0920
Matstrans (Pty) Ltd
PO Box 1319
Nelspruit
1200
Maphumulo Mail Service (Pty) Ltd
PO Box 105
Stanger
4450
Marupne Bus Service (Pty) Ltd
PO Box 386
Pinetown
3600
Maybuye Transport Corporation
PO Box 1392
Bisho
Midland Bus Service CC
Poste Restante
Paulpietersburg
3180
Northern Cape Bus Service
PO Box 593
Kimberley
8300
Putco Ltd
Private Bag X3
Wendywood
2144
OwaQwa Bus Service (Pty) Ltd
PO Box 13141
Witsieshoek
9870
Rasaba Bus Service
PO Box 96
Letstetele
0885
South Coast Bus Service
PO Box 23025
Isipingo
4110

New Sasol firm to handle oil refining

Buss. day 21/6/93

260 (S) 183

LINDA ENSOR
and EDWARD WEST

SASOL planned to split its existing operations and form a separate — and possibly listed — company for its oil refining activities, MD Paul Kruger said yesterday.

The new company, which would be split from the group's synfuels and petrochemical operations, would be responsible for refining and marketing product through its own retail outlets, he said.

A Sasol spokesman said further details were not available as the group was negotiating the move with other oil companies. However, he said the new company would go a long way towards alleviating a perception that Sasol was cross-subsidising its operations with tariff protection it received as a synthetic fuel producer.

The plan to acquire service stations and retail crude oil-based fuel recently invoked criticism from other oil companies which questioned how Sasol could compete on an equal basis in the retail sector when it was receiving tariff protection based on a floor price of \$23 a barrel.

Sasol refines crude oil at its Natref refinery, which has a capacity of 85 000 barrels a day. The refinery was being expand-

ed at a cost of R370m and its capacity was expected to increase to 95 000 barrels a day by 1996, the Mineral and Energy Affairs Department said.

Tariff protection for Sasol's synfuels production — with capacity at 150 000 barrels a day — currently amounted to 10,8c a litre and had averaged 12,5% since 1979. All refineries, including the new Sasol company, would still have to buy synthetic fuel from Sasol, the spokesman said.

Oil companies received R1,267bn from government to compensate them for refining margin losses they suffered when they took over the synthetic fuel produced by Sasol, Mineral and Energy Affairs Minister George Bartlett said in his budget vote on Friday.

The sale of large volumes of synthetic fuel decreased the requirement for fuel refined from crude oil and resulted in a loss of refining margin which had been made good by means of a synthetic levy.

□ To Page 2

Sasol

Buss. day 11/6/93

□ From Page 1

Bartlett expected these payments to be unnecessary by 1995 (260)

Lifting a veil of secrecy over oil production in SA for the first time, Bartlett disclosed that the industry sold refined product with a wholesale value of R23bn in 1992, representing 7% of GDP (S)

The design capacity of SA's four fuel refineries would increase to 450 000 barrels a day in 1995 from 330 000 on completion of expansions. Mossgas's capacity was

fixed at 45 000 barrels a day.

Sasol supplied 39% of SA's fuel requirements, selling 5 700 megalitres of fuel to the value of R7bn in 1992. Mossgas planned to sell 1 900 megalitres a year valued at R2bn at 1992 values (S)

The oil industry saved SA about R7,5bn in foreign exchange a year (oil refiners R1,8bn in 1992), while Sasol's synthetic fuel and chemical operations saved more than R4bn in foreign exchange annually.

Slabbert regrets 'dog fight' over new board

Star 2/6/93

By Helen Grange,
Phil Zoio and Sapa

260

Dr Van Zyl Slabbert, who on Monday rejected his appointment as chairman of the new SABC board, last night agreed to chair the board's first meeting, after talks with President de Klerk.

Later, on TV1's *Agenda* programme, he said the announcement of the new board was now "steeped in controversy and the politicians are making a dog-fight out of it"

De Klerk rejected the first list of members presented to him by a panel of jurists, but accepted a second in which seven changes had been made.

Slabbert said the newly elected board would have to face the problem and find a solution. He

has called a board meeting for 2 pm tomorrow

He said that while he was prepared to serve on the board as a member, he could not accept the chairmanship because of his involvement with the Metropolitan Chamber

The position of SABC board chairman was an "enormously responsible" task that required full-time involvement, he said

After their meeting, De Klerk said he respected Slabbert's decision and he would seriously consider a third recommendation for a chairman.

He said the selection panel's first choice, Professor Njabulo Ndebele, was not acceptable as he was considered too openly in favour of the ANC.

De Klerk said he was fully satisfied that he had not breached any of the guidelines for the board's selection process.

"I am absolutely sure that the way in which I acted was proper and that I did not unduly interfere with the discretion the panel had," he said.

Campaign for Independent Broadcasting co-chairman Raymond Louw last night called for the seven candidates who did not appear on the panel's original list to decline to take their positions on the board

He also called for the other members to take the same action in support of the reinstatement of the original list.

A special debate on the issue will be held in Parliament today, according to Democratic Party media spokesman Peter Soal.

Soal said last night the DP had requested parliamentary Speaker Eli Louw to allow the debate and he had agreed to the request.

Slabbert's offer eases crisis over appointments to SABC board

Buss. day 21/6/93

CAPE TOWN — Van Zyl Slabbert brought temporary relief to the crisis surrounding the new SABC board last night by agreeing to act as chairman until the board's first meeting.

After discussions with President F W de Klerk, Slabbert said he would act as chairman in calling the board's first meeting, where he would raise the fact that he would be unable to remain in the position. Although it was "unfortunate" he had not been consulted before his appointment, Slabbert said it was clear there was no suggestion that De Klerk had not followed the

correct procedure. He was thus officially chairman and to constitute the board, would act as chairman at the first meeting tomorrow afternoon.

A crisis would exist should other members decide not to take up their seats, as proposed by the ANC and the Campaign for Independent Broadcasting (CIB). The board would have to discuss this.

Two members of the revised board — electrical engineering consultant Gordon Sibiya, and Peninsula Technikon rector Franklin Sonn — have so far indicated that they will not take up their positions.

TIM COHEN

But De Klerk said he was not aware that any members had officially resigned. Should a crisis arise with members not accepting their nominations, the selection panel might have to be called in again. Slabbert said his problems with being chairman did not just arise out of the current crisis, and he could not prescribe to the board how it should deal with them. He, like other members of the board, had signed a document agreeing to sit on the board, and he was still prepared to be an

ordinary member

Slabbert said on the SABC's Agenda programme last night that he did not take his cue from De Klerk, the ANC or the CIB. De Klerk denied that he had "interfered" with the composition of the board, saying it was agreed from the start that he would receive recommendations from the panel and he would be entitled to interact with it. He had not been bound to rubber-stamp the panel's recommendations. He had felt the first list contained "too many people with a high political profile" and he was not entirely satisfied with the com-

SABC board

Buss. day 21/6/93 From Page 1

in which the first list was deficient. However, many of his suggestions were not upheld by the panel, and in one instance it had made a change he had not suggested.

LLOYD COULTTS reports that a source on the selection panel said yesterday the panel had been forced to reconsider its appointments because of De Klerk's right of veto. He said De Klerk had raised the specified criteria and guidelines after the panel had submitted its original list, and had questioned the regional and business representativeness of the proposed board.

De Klerk had had reservations about the appointment of University of the Western Cape vice-rector Nyabulo Ndebele as chairman. "It was merely a question of ideas that he had on language," the source said, but did not elaborate.

The issue of non-partisanship had been raised in connection with former Rand Daily Mail editor Allister Sparks, while

Natal Witness assistant editor Khaba Mkhize had been dropped off the list because of regional considerations.

One board member whose name did not appear on the original list, Port Elizabeth social worker Erra Gilliers, said yesterday she had participated in the panel hearings on the understanding that the panel would submit a longer list of names for selection by De Klerk. She thus found the current controversy "strange" and would take up her position.

SA National Council for the Blind chairman William Rowland described his exclusion from the board after his initial selection as a "wounding insult".

Sapa reports that the Speaker has agreed to a DP request for a special parliamentary debate today on the SABC board appointments.

● Comment: Page 8

position of the final list as some institutions were underrepresented. This also applied to some categories of expertise, including business skills.

De Klerk confirmed that he had been encouraged by ANC president Nelson Mandela not to announce the revised list, but he had asked Mandela not to turn the issue into a political football.

De Klerk said he had specified individual members of the first list with whom he had problems, and suggested who should replace them. He had also identified areas

□ To Page 2

Luxavia to challenge SAA on Munich route

STEPHANE BOTHMA (269)

IN ONE of the most important changes in 40 years of operation, SA carrier Luxavia announced yesterday it would compete with SAA on the popular Munich route.

Luxavia MD Jan Blake said yesterday Luxavia, which operated a twice-weekly return service between Johannesburg and Luxembourg, would include a stop in Munich from late September.

On August 13 last year SAA started flying to Munich — a destination described by an airline spokesman as popular and lucrative.

From June 30 SAA will extend its Munich flight to Hamburg in northern Germany.

Blake said Luxavia's decision to include Munich was based on two positive factors. These were increased passenger demand for direct access to Munich and permission received several months ago from the National Transport Commission to operate scheduled weekly flights to Germany, in compliance with government's policy of airline deregulation. 8/10/93

Details of fares, schedules and booking procedures would be announced by Luxavia shortly, he said. 2/6/93

PEOPLE'S LIVES Eat your heart out, Mrs Malaprop, as the real masters display their talents

Sowetan 2/6/93

Bams join new SABC board

TWO members of the Bam family have made it on to the new SABC board

They are advocate Mr Fikile Bam and his eldest sister, Miss Brigalia Bam, who works for the SA Council of Churches in Johannesburg

Mr Bam, who was born in Tsolo in Transkei, founded the Legal Resources Centre in Port Elizabeth in 1986 and was the first black man to sit as an assessor in the Supreme Court in the Eastern Cape

He had a long and bitter fight to

Advocate and sister take up new executive posts:

attain his goal

In 1963, while studying for the finals of his BA (Law) degree in Cape Town with a B Proc from Unisa, he was convicted of conspiring to commit sabotage and sent to Robben Island for 10 years

There he met and became close friends with Mr Nelson Mandela, even borrowing his Cambridge law books

After his release in 1974, he served

articles in Idutya before moving to Johannesburg

He was later deported to Transkei. He was admitted to the Transkei Supreme Court in 1977. As a "prohibited person" he battled to get an identity document and a group areas permit to practise in South Africa.

He recently sat on the Goldstone Commission hearing in Port Elizabeth into the activities of the Azanian People's Liberation Army

2/6

NEWS De Klerk slammed over appointments

Storm over SABC board

Sowetan 2/6/93

By Ismail Lagardien
Political Correspondent

(260)

■ Frederik Van Zyl Slabbert says he will chair the board's first meeting:

THE storm over the appointment of the new SABC board continued to rage yesterday as political parties and organisations condemned President FW de Klerk's alleged intervention in its composition.

The African National Congress, the South African Union of Journalists and the Media Workers Association of South Africa all condemned De Klerk's "fiddling" with the initial recommendations of the selection panel.

The Inkatha Freedom Party and the Pan Africanist Congress were concerned primarily with the fact that no one aligned with either of them was appointed to the new board.

Dr Frederik Van Zyl Slabbert, who was appointed the new board's chairman, last night said he would convene and chair the first meeting where he would explain his reasons for abdicating.

Slabbert said he would have been seen as a lackey of the National Party if he had accepted the appointment. He also

said he would be seen as capitulating to the ANC if he were to turn it down.

In Cape Town, De Klerk confirmed he had had urgent talks with Slabbert. Earlier in the day, ANC president Mr Nelson Mandela tried to convince the State President to accept the original list.

De Klerk, however, said according to the agreed procedures for the appointment of the new board, he had the right to make his own appointments and changes.

"I am not prepared to be anybody's rubber stamp," De Klerk said.

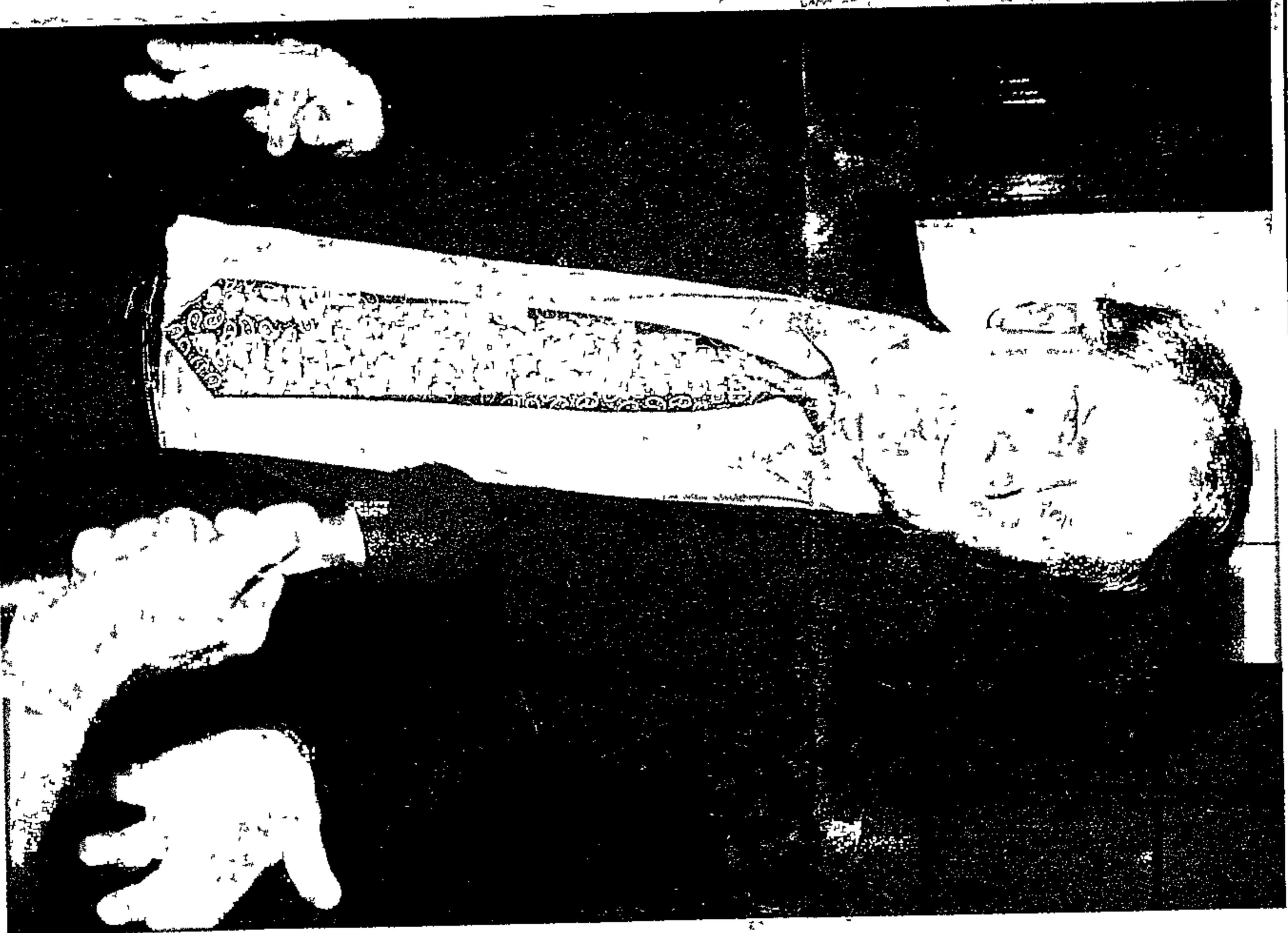
Minister of Home Affairs Mr Danie Schütte said if anyone had any objections to De Klerk's prerogative to make his own recommendations, "they should have objected beforehand".

"The fact is that the rules of the game were laid down and the President followed them rigorously in appointing members of the board proposed by the panel," said Schutte.

Slabbert OKS SABC post — temporarily

CT 2/6/93

(260)



TEMPORARY CHAIRMAN . Dr Van Zyl Slabbert, who has decided to chair the new SABC board until its first meeting, explains his position to reporters outside Tuynhuys last night

Picture BENNY GOOL

By BARRY STREEK
Political Staff

THE crisis over the new SABC board was temporarily defused last night when Dr Van Zyl Slabbert agreed to act as its chairman until its first meeting.

After urgent discussions with President F W de Klerk, Dr Slabbert said he would call the first board meeting tomorrow. The newly-selected board is mired in controversy after President De Klerk rejected the original list of board members submitted to him by the selection panel.

Seven names were added and seven retracted from the list for final approval by the President. The move was criticised by the ANC and its allies as political "interference."

Dr Slabbert said last night the board would discuss "the issues facing us and make a collective decision" on whether to continue as a board.

Speaking on SABC-TV last night, Mr Raymond Louw of the Campaign for Independent Broadcasting said his organisation would approach new board members and ask them not to serve. Dr Slabbert said if board members were persuaded not to serve, "we would be facing a crisis."

At a press conference after meeting Dr Slabbert, Mr De Klerk said none of the members appointed had resigned and the board was now functioning as a statutory body in terms of the law.

While criticism mounted yesterday from political and media organisations over the rejection of the first list of nominees, Mr De Klerk emphatically

denied he had deviated from any of the agreed procedures. He also denied he had interfered in the agreed process and emphasised that the second list, with which he was "not happy", had been compiled by the interviewing panel of four judges and three lawyers.

It seems likely that all the new members will wait until the board's first meeting before making a decision about their positions.

However, at last night's press conference, Mr De Klerk said he would review the situation if the new board became too politicised.

After his discussions with Mr De Klerk, Dr Slabbert said he had agreed to act as SABC chairman in calling the first meeting of the board, where he would raise the question of his inability to serve as chairman.

Mr De Klerk said he appreciated Dr Slabbert's being prepared to play a constructive role in ensuring that an all-important instrument was not turned into a political football.

"From my side I am fully satisfied that the guidelines were applied in full," he said. "I am not happy with the second list because there are still institutions that are under-represented," Mr De Klerk said.

The situation is to be debated in Parliament today in a special 90-minute debate.

● The South African Union of Journalists yesterday rejected the changed board and demanded it be replaced by the original nominees.

FW well within his rights

One of the most puzzling questions about the furore over the appointment of the SABC board is why the ANC agreed to — and even welcomed — procedural guidelines it now finds so offensive. Political Correspondent MICHAEL MORRIS reports. (260) ARG 2/6/93

HOWEVER politically indelicate Mr De Klerk's response to the initial list of SABC board nominees might have been, there can be little doubt that he stuck rigidly to the procedure drawn up by consensus by all the major parties

Ironically, had the ANC or anyone else objected to the President's right — plainly conferred by the agreed guidelines — to refer an initial list back to the panel of selectors for reconsideration, it would have been possible to remove it

But nobody objected.

The guidelines published on April 7 are divided into two sections under the headings "general principles" and "implementation"

Both are germane to the row.

The general principles say the board should be, and be seen to be, a non-partisan body committed to the interests of the broader society, and should have the trust and confidence of society, and that to achieve these things, it should be chosen through a process independent of the government of the day and open to public scrutiny and participation

The next section names the eight-person panel whose task was "to nominate persons for appointment to the new SABC board by the State President"

This is immediately followed by the qualification "In the event of one or more of the nominees being found not to comply with the guidelines

mentioned herein below, the State President will refer the matter back to the panel."

After outlining various deadlines and procedures for calling and announcing the full list of nominees, the criteria — against which Mr De Klerk says he measured the names on the list — are given.

They are

- Board members should be "respected South Africans who reflect the broad spectrum of the South African society and have a balanced sense of judgment",

- The board should "broadly reflect the racial, gender, language, geographic, demographic, regional and social composition" of the society,

- The board should have at least one member "who has experience and expertise in the field of business and finance and at least one member with experience of and expertise in broadcasting technology",

- Board members should be "committed to openness and accountability in public life, the right to equality of opportunity and of access, peace and democracy, freedom of expression, a free and unrestricted flow of information and high ethical and moral standards",

- "For the sake of retaining experience, without derogating from the other criteria, it is essential that a degree of continuity should be maintained"

Furthermore, the guidelines are specific about who should not be eligible for appointment

These categories are

- People with a direct financial interest in the SABC or in any other broadcasting or telecommunications enterprise, or people with any other involvement in the SABC or other telecommunications enterprise "which may conflict" with his or her membership of the board, except if they declare their financial interest and agree to divest themselves of it to the selection panel's satisfaction,

- People "who hold office in any political party/organisation or with a high political profile of a partisan nature" except they declare it and agree to end it to the panel's satisfaction,

- Civil servants or people who are employed on contract by the State — where this contract conflicts with membership of the board — unless they declare it and agree to resign; and

- Employees of State-owned corporations or enterprises — where their positions conflict with membership of the board — unless they declare it and agree to resign

But one of the most critical features of the document published on April 7 was the clause giving the panel the option to call public hearings on, and to alter, not only the procedure, but also the criteria

The ANC, the government, the IFP, several other parliamentary parties, all six self-governing States, the Campaign for Independent Broadcasting and others all approved of this clause and none of them used it to change a word of the guidelines

ARC 2/6/93 (260)

Slabbert to call first meeting of the board

TOS WENTZEL and MICHAEL MORRIS of The Argus Political Staff

THE new SABC board is to meet as soon as possible under the acting chairmanship of Dr Frederik Van Zyl Slabbert to decide its own future.

Dr Slabbert agreed to serve as acting chairman of the board's first meeting after talks with President De Klerk last night, but is adamant that he will not be chairman.

Speaking after a meeting with President De Klerk at Tuynhuys, Dr Slabbert said he accepted the "statutory" position was that the new board had been legally appointed and had to meet to decide its next move.

If other board members refused to meet, "you then have a crisis".

He added "We all signed a form saying we were prepared to serve on the board. I accept that and I am still prepared to serve, but others may feel more strongly about it.

"The fact is the board cannot hang in the air. I have now agreed to call the board together and it can then decide to disband or whatever, but we must have the opportunity to deliberate on this situation and advise the President."

Dr Slabbert said "It basically boils down to the fact that the

board is in existence in a statutory sense.

"I am prepared to be on the board, but I explained why I am not prepared to be chairman.

"We agreed that, as acting chairman, I would call the first meeting and the board would then discuss its position."

He said he would not "prescribe" to the board how to resolve the dilemma, but would explain to them too why he was not prepared to be chairman.

He would wish to call the meeting within the next week. He would arrange for invitations to be sent immediately.

"Some may not come, but the fact is that they are all statutory members of the board."

Reacting to the furore over the appointment procedure, Dr Slabbert said "I will have to find out to what extent there was not agreement on the procedure, but it seems that between the panel and the President, there was agreement, otherwise the panel would have expressed dissatisfaction."

He added that he was not satisfied with the way he had been appointed chairman.

At a separate Press conference Mr De Klerk again explained that it had not been pos-

sible to contact Dr Slabbert on Monday before the announcement was made. He regretted the political controversy which had arisen over the new board.

He was not playing politics and his objective remained a truly impartial board. He had acted within the rules and guidelines laid down for the appointment of the board.

He had not interfered, but he finally had to make the appointments and was not just going to be a rubber stamp.

He had the right to query some of the appointments because the board was not well balanced. There had been too many appointments with a high political profile, with a lack of representation for the rural areas and, even in the new board, not enough business expertise.

The revised list of board members had finally been decided upon by the selection panel itself.

All political parties now had to allow the new board to do its work to ensure that all people were properly informed.

■ Parliament will turn its attention on the SABC board saga today in a snap debate called by the Democratic Party.

Access gained to top research

US TECHNOLOGY researcher Forrester Research Inc has appointed SA-based Client-Server SA its local business partner, making possible local access to authoritative research on business and technology issues

Client-Server SA director Nick Orton says. "The reports are useful for decisions relating to areas like downsizing, distributed computing, databases, image systems and many other 'new world' technologies which affect the way firms compete"

Forrester has more than 8,000 clients. It uses the research of the US Fortune 1 000 companies, analysing relationships between computing, network and software technologies and their effects on business

In a recent report, Forrester examined the effect of the delay in introducing Windows NT. it bought time for Novell and would leave Digital Equipment Corporation "strung out There will be no turnaround in Maynard without NT. The company needs the product to drive volume shipments of its Alpha AXP systems Also, IBM's OS/2 wins a reprieve. . it gives IBM another crack at positioning OS/2 for client/server, something the company has failed to accomplish to date"

8/10/93 3/6/93

Symposium set for July

THE critical role of telecommunications under an interim government will be the subject of a symposium scheduled for July

The symposium will be hosted by the Centre for the Development of Information and Telecommunications Policy *Buss-day*

The centre plans to formulate recommendations which will be forwarded to the negotiating council's technical committee dealing with telecommunications regulations.

The centre believes access to telecommunications is a prerequisite for socio-economic growth and technological development. *(260)*

It says access to telecommunications is a "basic human right and an important condition for freedom of speech and democracy

"At present more than 60% of the population is hampered in its participation in the economy by being denied such access."

A source from this centre says it is essential for all interested parties to work together towards a common regulatory environment which will cater for the needs of all sectors of the community. *3/6/93*

International trends in telecommunications regulations will be discussed by international regulators, foreign telecommunications union members and members of the Southern African Transport and Communications Commission.

Sponsored by First National Bank, the symposium will run in Sandton from July 28-30.

R55m mainframe installed at Eskom

ESKOM has installed a mainframe computer valued at about R55m from Large Scale Systems. The Amdahl 5995M Model 5670 machine is believed to be the largest commercial mainframe computer in the southern hemisphere. *(260)*

Eskom IT production manager Andre Hofer said the system would replace six of Eskom's existing main-

frames and supplement another two mainframes. *Buss-day*

It had one gigabyte of main storage, 512 megabytes of expanded storage, 160 channels and weighed 27 tons. *3/6/93*

Some of Eskom's existing mainframes were seven years old, and maintenance costs tended to increase with the age of the machines, he said

'Shock at extent of FW's interference'

Full statement by the Campaign for Independent Broadcasting in reaction to the statement by the co-chairmen of the SABC selection panel

250 Acc 3/6/93

THE Campaign for Independent Broadcasting (CIB) is shocked by the statement by the co-chairpersons of the judicial panel appointed to select a new SABC board

The statement outlines the extent of President F W de Klerk's interference in the process of selecting a new SABC board, and provides overwhelming proof that President De Klerk exceeded his authority and directly interfered with the selection process in his interactions with the panel on May 26 and 28

The guidelines for the panel require that the selection process be "independent of the government of the day and of party political interests and be credible and open to public scrutiny". The guidelines granted the State President only limited authority in the following terms "In the event of one or more of the nominees being found not to comply with the guidelines... the State President will refer the matter back to the panel"

Instead, President De Klerk twice summoned the panel members to Cape Town, threw out their carefully considered proposals and offered nominations of his own

The guidelines do not grant him the power to do so

In a further breach of the guidelines, President De Klerk prevailed on the panel members to change their nominations for chairperson and vice-chairperson. The guidelines do not grant President De Klerk the right to engage with the panel in any way with regard to the identity of the chair and vice-chair

His authority is limited to those nominations which do not comply with the criteria outlined. As no specific criteria are outlined with regard to the chair and vice-chair, the State President has no rights in this regard

President De Klerk's action raises the presumption that he objected to the panel's choice of chair, Professor Njabulo Ndebele, on instigative and purely racial grounds

The CIB understands that, in addition to interfering improperly, President De Klerk adopted an almost dictatorial approach to members of the selection panel, four of whom are judges and all of whom were appointed for their stature in the legal community.

In interfering in the way he did, President De Klerk has seriously undermined the credibility of the entire judiciary, and has placed members of the panel in an extremely embarrassing position

Equally seriously, President de Klerk demonstrated complete disregard for the integrity of the selection process and for his commitments to the panel.

Before the start of the selection process, he had agreed to refer nominations back to the panel only if he had grounds for believing the panel had seriously misdirected itself

And, during his May 28 meeting with the panel, President De Klerk agreed to release the revised list of nomi-

nees only after consultation with leaders of various parties. He engaged in no such consultation — instead he simply informed them of the 25 appointments

In acting as he did, President De Klerk has demonstrated complete failure to comprehend the concept of independence of transparency. He has undermined the country's first attempt at openness and transparency in public institutions.

He has seriously damaged the prospect of achieving a broadly accepted, credible and legitimate SABC board

And he has humiliated and embarrassed all 12 of the panel's nominees — both those he rejected and those appointed as a result of his intervention

Given this, there can now be no question that all nominees excluded through President De Klerk's intervention should be reinstated immediately

And President de Klerk must undertake to refrain from any further meddling in the affairs of the SABC



Eskom chairman John Maree at a meeting of the utility's stakeholders in Johannesburg yesterday. Maree said Eskom had detected early signs of a possible economic upswing. Picture: ROBERT BOTHA

Electricity demand 'indicates upswing'

ELECTRICITY demand had grown 4% in the first five months of the year in an early indication of an economic upswing, Eskom CE-designate Allen Morgan said last night.

He said Eskom had projected an increased demand for the year of 2,7% and that power demand generally outpaced economic growth by about 2%.

Morgan was speaking at a meeting of Eskom stakeholders including customers, suppliers, bankers and lenders at which the new

PETER DELMAR

Electricity Council, which includes township and black consumer representatives, was introduced.

Eskom chairman John Maree said early indications of a pickup in economic activity experienced by the utility had been borne out by discussions he had had with Transnet chairman Anton Moolman.

Introducing Morgan publicly for the first time, Maree said the CE-designate's background in customer services and sales

presented a fresh alternative to the engineering backgrounds of the previous two incumbents.

Morgan was a surprise choice to succeed CE Ian McRae, who was to retire in April next year.

The new Electricity Council, Maree said, was more in harmony with the changing situation in SA.

It was likely that a future government would "revisit the makeup of Eskom" and possibly make further changes to the council.

It was likely that there

would be even greater pressure to speed up Eskom's household electrification drive, he said. Morgan also said the number of customers in arrears had climbed to more than 500 000.

The worst was in Kattleng, with 67 000 households in arrears, followed by Tembisa with 58 000.

What the judges say . . .

^{FILED 3/16/92} This is the full statement made by the co-chairmen ^{FILED} Mr Justice Ismail Mahomed and Mr Justice Piet Schabert — on behalf of the panel for the appointment of the SABC board

THE relevant facts pertaining to the appointment of the board are as follows

The panel appointed by the State President for the selection of the board of the SABC, was given a written document containing certain guidelines pertaining to the criteria for the appointment of members of the board and the procedures to be followed in doing so.

It received this document when it convened for the first time in Pretoria on April 16 at a meeting at the offices of the Minister of Constitutional Development, which was also attended by the Minister of Home Affairs, the Minister of Constitutional Development, Mr Cyril Ramaphosa and members of the panel's secretariat

It was made clear in this document that "in the event of one or more of the nominees being found not to comply with the guidelines, the State President will refer the matter back to the panel".

The panel received some 700 nominations with supporting documents running into 23 volumes which it carefully studied before publishing a



Mr Justice Ismail Mahomed

short list of 86 candidates. Those candidates prepared to do so were individually and publicly interviewed. Those not prepared to do so, were not considered for appointment.

After very extensive deliberations between the members of the panel, a list of 25 names was determined, including the names of the proposed chairman and vice-chairman. In determining this list, the

panel sought at all times to apply the guidelines set out in their mandate and was satisfied that it had done so. The list was made available to the State President on May 21.

Members of the panel were thereafter invited to discuss the matter with the State President in Cape Town on May 25.

This meeting lasted for some time. The State President made it clear to the panel that he was not a rubber stamp and that he had several objections to the list.

He expressed the view that in his opinion the list did not comply with the guidelines in all respects.

He was unhappy with the panel's nomination of the proposed chairman and also mentioned a number of other names which were unacceptable to him. He suggested alternatives to replace these names.

The panel appreciated that the list submitted to the State President would not be accepted by him and suggested some changes in order to compile a list which did meet his objections. The matter was, however, not finally resolved on that day.

A further meeting then took place with the Minister of Home Affairs in Pretoria on May 27. He repeated a number of objections which the State President had to the list, and the debate was resolved.

The panel then met the State President at Union Buildings on May 28.

The State President again objected to various names and suggested others. The panel did not agree with all these suggestions.

Its suggestions to meet the problem were also not all acceptable to the State President.

Eventually, after considerable debate, a new list was drawn up which was acceptable to the State President.

He agreed to publish this list after consultation with certain parties.

● A government statement welcomed the jurists' statement.

"It is trusted this confirmation will deal, once and for all, with the false perception that the President acted irregularly or interfered unduly in his interaction with the panel" — Sapa

New board to discuss 'meddling' by FW

TWENTY-two of the 25 people elected to the new SABC board were to attend today's inaugural board meeting in Johannesburg, a corporation spokesman said last night.

The urgent meeting was called by appointed chairman Van Zyl Slabbert to discuss alleged interference in the selection process by President F W de Klerk, the replacement of seven names on an original list of appointees and Slabbert's refusal to assume the chairmanship.

SABC media officer Eric van der Merwe said three board members were unable to attend because of other commitments.

Meanwhile, the panel which elected the board said yesterday a revised list of nominees had been hammered out at a meeting between the panel and De Klerk at the Union Buildings on May 28 after two earlier meetings with government.

At the May 28 meeting, De Klerk had objected to "various names" and had suggested others.

Buss. day
316143
LLOYD COUTTS

"The panel did not agree with all these suggestions. Its suggestions to meet the problem were also not all acceptable to the State President (260)

"Eventually, after considerable debate a new list was drawn up, which was acceptable to the State President. He agreed to publish this list after consultation with certain parties," a panel statement said.

The panel — which was headed by judges Ismail Mahomed and Piet Schabert — first met De Klerk to discuss their list of 25 names on May 25.

"This meeting lasted for some time. The State President made it clear to the panel that he was not a rubber stamp and that he had several objections to the list.

"He expressed the view that in his opinion the list did not comply with the guidelines in all respects. He was unhappy with the panel's nomination of the proposed

chairman (Prof Njabulo Ndebele) and also mentioned a number of other names which were unacceptable to him.

"He suggested alternatives to replace these names. The panel appreciated that the list submitted to the State President would not be accepted by him and suggested some changes in order to compile a list which did meet his objections."

The matter was not resolved on that day, however, and a second meeting took place with Home Affairs Minister Danie Schutte on May 27. Schutte repeated a number of objections to the revised list, and the debate remained unresolved until the meeting at the Union Buildings.

MARCIA KLEIN reports the Association of Advertising Agencies said yesterday it was dismayed that the appointed SABC board had excluded the nominated representatives of the marketing communications industry.

SABC board: First meeting today

TWENTY-TWO of the 25 people elected to the new SABC board are to attend its inaugural meeting today.

An SABC spokesman said three members were unable to attend because of other commitments.

The meeting will discuss President F W de Klerk's alleged interference, the replacement of seven names on the original list and Dr Van Zyl Slabbert's refusal to accept the chairmanship.

Meanwhile, the selection panel said in a statement yesterday that the final list had been jointly redrafted by Mr De Klerk and the panel.

The panel noted that in the original document of criteria it was made clear that "in the event of one or more of the nominees being found not to comply with the guidelines, the State President will refer the matter back to the panel".

The panel said it first met with Mr De Klerk to discuss its list on May 25.

Mr De Klerk had expressed the view that in his opinion the list did not comply with the guidelines in all respects.

"He was unhappy with the panel's nomination of the proposed chairman (Professor Njabulo Ndebele) and also mentioned a number of other

names which were unacceptable to him."

The panel had "suggested some changes".

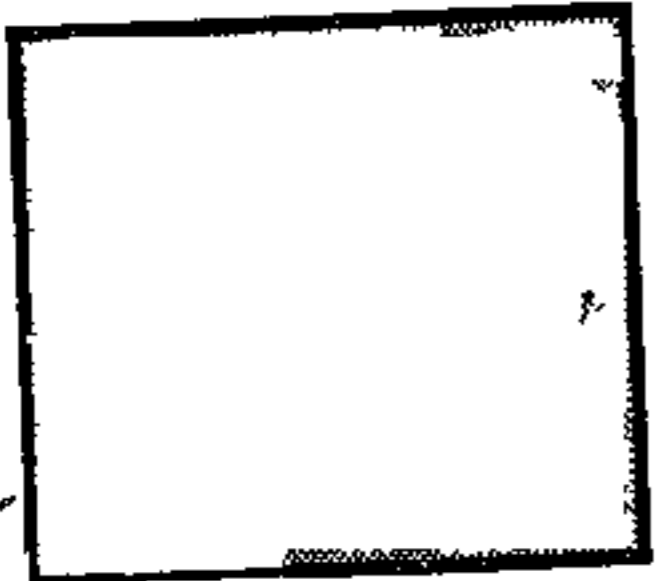
In a second meeting on May 28 Mr De Klerk had objected to "various names" and suggested others.

"The panel did not agree with all these suggestions. Its suggestions to meet the problem were also not all acceptable to the State President. Eventually, after consideration

of a new list was drawn up, which was acceptable to the State President."

The government noted that the guidelines for board selection were outlined at an April 16 meeting attended by Minister of Home Affairs Mr Danie Schutte, Minister of Constitutional Development Mr Roelf Meyer and ANC secretary-general Mr Cyril Ramaphosa. — Own Correspondent, Sapa

21 members to attend meeting of new body



Mr Mabuza



Dr Sonn

TWO QUIT BOARD

ARLT 3/5/93

(260)

TOS WENTZEL and MICHAEL MORRIS, Political Staff
TWO members of the new SABC board have quit before its first meeting.

They are Dr Franklin Sonn, rector of the Peninsula Technikon, and Mr Enos Mabuza, former Chief Minister of Kangwane and trustee of the Independent Development Trust.

They have told President De Klerk they are not available to serve on the new board

Confirming this today, Mr Sonn said the whole process for choosing the new board had come unstuck and should begin anew after all members had resigned.

He said he and Mr Mabuza had sent copies of their letters to Dr Frederik van Zyl Slabbert, who will chair the first meeting of the board in Johannesburg this afternoon

And Dr Slabbert today stressed that he would chair only the first meeting, which would have a completely open-ended agenda

Members could decide to resign or continue to serve. They could also recommend a new chairman to President De Klerk

He said he understood 21 of the 25 members would attend

Apart from Dr Sonn and Mr Mabuza, two members had indicated they could not attend owing to other engagements

One was Professor Njabulo Ndebele, rector of the University of the North.

"Basically we are meeting to consider the controversial circumstances in which the board has come about, and to decide on the road ahead," Dr Slabbert said

"Although the process by which the board has been constituted is far more open than anything that has happened before, it still has not succeeded in removing the board from political controversy

"This is, I believe, the crucial issue board members will have to discuss

"They find themselves in a crisis not of their own making, and yet have declared themselves willing to serve the interests of the SABC

"It is intolerable that the SABC must continue to operate in these political circumstances, given the crucial role it will have to play in providing reliable information during the transitional process," Dr Slabbert said

In a snap debate called by the Democratic Party in parliament late last night, President De Klerk angrily rebutted suggestions that he had "interfered" in the selection process, or was prompted by party interests

He said it was a pity Mr Mandela was determined to "fight" the appointment of the new board, and warned the ANC "not to make politics out of such a serious issue"

"The board is there to protect the SABC from pressure from political groupings, and I appeal to it to resist calls from the ANC and other quarters to resign"

● There was no legal requirement to fill the two vacancies on the SABC board created by the resignations of Dr Sonn and Mr Mabuza, government spokesman Mr Dave Steward said today

He said the Act stipulated that there should be a minimum of 21 board members and there was therefore no legal requirement to fill the vacancies as only two people had resigned

"The President has indicated that if he is required to fill the vacancies he could consider proposals made by the board or he may consult the panel again. There are also other options he could consider" — Sapa.

● See pages 7 and 17.

Cosatu calls for boycott of stores

■ Strike is over recognition agreement:

By Ike Motsapi

THE Congress of South African Trade Unions has called for a consumer boycott of Checkers-Shoprite stores in support of workers who are on strike over a terminated recognition agreement. *Sawetani 4/6/93*

More than 10 000 workers at Checkers-Shoprite stores have been on strike since May 8 this year.

Management has informed the union that it will be lodging an urgent application in the Rand Supreme Court to declare the strike illegal. *(Sawetani 4/6/93)*

The grounds for the action has been cited as the contravention of Section 65 of the Labour Relations Act with regard to balloting for the strike.

Mr Jeremy Daphne, a co-ordinator of the Checkers-Shoprite strike, said the union viewed management's actions as "posturing instead of coming to reality and solving the problem".

The Cosatu call, which came into effect yesterday, will affect all companies which are subsidiaries of Pepkor, the holding company of Checkers-Shoprite stores. These companies include Pep Stores, Cashbuild, Smart Centres, Stuttafords, Greatermans, Garlicks and Kappa. Mr Zwelinzuma Vavi, Cosatu's national organising secretary, said they had informed all their affiliates and regions of the dispute and would be requesting them to back the struggle of Shoprite-Checkers workers for basic human and trade union rights.

Slabbert accepts post, just for now

Sawetani 4/6/93

By Mzimasi Ngudle

(260)

DR Frederik Van Zyl Slabbert will continue as chairman of the new SABC board until the end of July.

Announcing his acceptance of the controversial position after the first meeting of the board at the SABC's headquarters yesterday, Slabbert said he would steer the board through its initial stages.

"Those present (members of the new board) unanimously prevailed on me to continue as chairman until the end of July.

"During this period the State President and other interested parties should pay attention to the current vacancies and the impending vacancy of the chairperson," he said.

Slabbert said all other board members, except former KaNgwane Chief Minister Mr Enos Mabuza and Mr Franklin Sonn, principal of the Cape Peninsula Technikon, had indicated they would take part in the new board.

Mabuza and Sonn, who were not on the original list proposed by the panel but were appointed when President FW de Klerk's intervened, resigned from the board before its first meeting.

Slabbert said the board would continue as presently constituted and called on interested groups to direct their objections to those responsible for the crisis.

"Give us a break so that we can get on with the job and test us by our results," Slabbert said.

The new board's first meeting had agreed that it was elected constitutionally and appointments had followed guidelines agreed upon, he said.

He blamed political intervention and ineptitude for the controversy surrounding appointments and the composition of the board.

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ANNOUNCEMENT

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MISS 102

**Britain's
immemorate
chancellor**



John Major humiliates
Norman Lamont and appoints
a chancellor who knows
nothing much about the
subtleties of monetary policy
PAGES 3 and 19

**The untold tale
of Coca-Cola**

The sugary brew that became a symbol for America



PAGE 18

The SABCO horse-trade

WMM wil 4/6-10/6/93.

ESPIE the much-publicised
"openness" of the SABCO board
selection process, neither the
government nor the selection
panel will discuss their hours of
intense horse-trading.

But *The Weekly Mail* has been able to
reconstruct the behind-the-scenes disputes
and counter-proposals, from which it emerges

260

**Wam Bam
Madam**

WMM wil 4/6-10/6/93.
the right way to
resist a rapist,

[Handwritten signature]

● President FW de Klerk rejected Professor Njabulo Ndebele as board chairman because he does not speak Afrikaans.

● The panel was so divided over the president's rejection of Ndebele and the compromise to substitute Frederik van Zyl Slabbert, that a vote was needed to decide.

● De Klerk was not the only person to "interact" with the panel — Home Affairs Minister Danie Schutte also did so at a secret meeting with them on May 27.

● See PAGE 2

ANC probe fingers Modise

MAN who says he once worked as batman to ANC military commander Joe Modise claims that his ex-boss was the architect of the Umkhonto weSizwe prisons.

The man also told the ANC's own human rights inquiry this week that guerrillas were infiltrated into South Africa to buy expensive clothes and shoes for Modise in Johannesburg.

● See PAGE 3

PER Review

Think small. Think fast

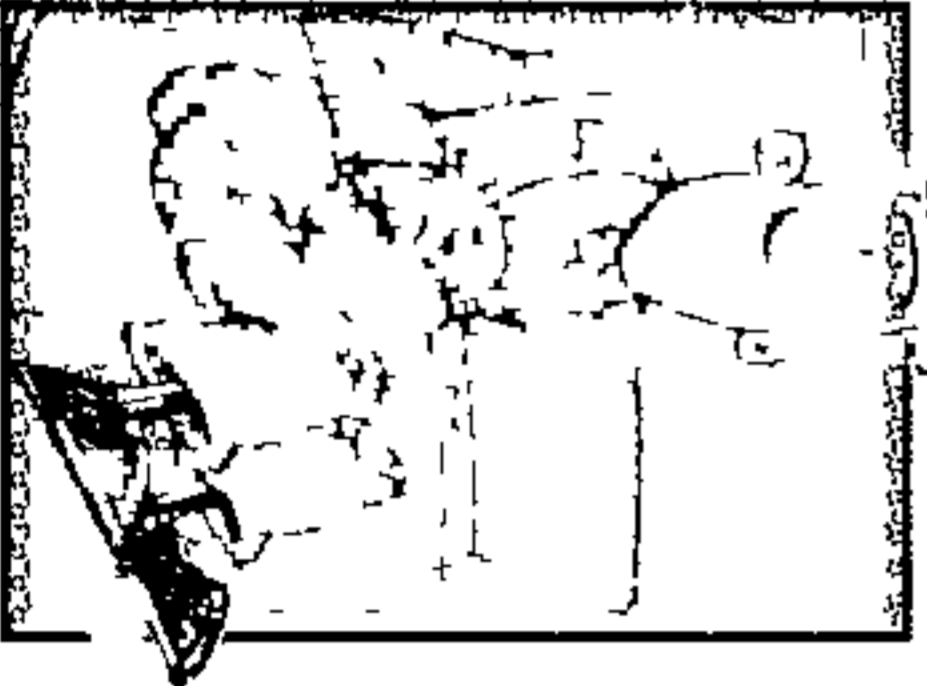
A beginner's guide to buying a laptop

Sir Arthur slays a dwarf

Back to the future in a suburban garage

The PC for non-typists

The keyboard meets its nemesis: the pen



Does the NIP believe in democracy?

DOES the government really believe in democracy? Close reading of its constitutional proposals to the peace talks reveals that it plans to entrench "power sharing" — forever.

It also plans to strip a future state president — sure to be an African National Congress leader — of almost all executive powers.

This will ensure that the National Party continues to have an effective say in the governing of the country, without winning majority backing.

● See PAGE 4

Adlib with John Farquhar



JOHN FARQUHAR was the marketing industry's most outspoken critic for two decades ... until last month when he was "retired" amid fierce controversy.

The industry's loss is *The Weekly Mail's* gain: from this week, he will write for us a regular column on marketing, media and business

● See PAGE 14

White masters do the maid bit

TWO men play at being maids, one spinsterish and one frumpish; and one (balding) man plays the larger-than-life madam. But this twist on Jean Genet's classic *The Maids* is rather more than drag queen boobs and wigs stuff.

● See PAGE 25

Queen of Comrades

IN a back room at Comrades House, amid the nerves and chaos, an enthusiastic team quietly go about making it all work

● See PAGE 23

the ground is with suitable aggression. Let him get in close. Then grab the fiend's neck and twist it — until it snaps. He deserves no less. The lady self-defence expert is no feminist. She's a member of the far-right World Apartheid Movement which held a fête in Verwoerdburg on Republic Day to interest the public in its activities.

Some of these activities, like the self-defence demonstrations, could have been seen at almost any fête. But there were other, more disquieting aspects ...

Photo: KEVIN CARTER

● See PAGE 9

The tussles at the SABC

Warrant 416-10/6/93

(260)

●From PAGE 2

But did De Klerk overextend this right through the horse-trading sessions that ensued? There is nothing which allows him to challenge recommendations for chairman if the appointee meets the guidelines.

While he claims to have vetoed the first list precisely to "depoliticise" it, the ANC counters that, "by his unilateral action", he has "violated a cardinal principle that underpinned this entire process—that it be free of government or political party influence".

ANC president Nelson Mandela has said: "If we lose the fight, the National Party will go on the rampage." And this, ultimately, is the reason for the ANC's fury: De Klerk chose not to "rubber-stamp", as he put it, the indepen-

dent panel's choice. What does this say about the role he intends playing in the transition? Will he use his executive powers to veto all decisions emanating from the World Trade Centre?

Sparks notes that "De Klerk's stand is in line with the government's new *kragdadigheid*. The NP is terrified of a massive haemorrhage to the right, and so it is showing that it is the boss. Hence the Pan Africanist Congress raids last week, and hence this SABC fracas."

A government source very close to De Klerk rejects this entirely, however: "Just look at the first list," he urges. "It was clearly lacking. And it was the president's duty to do something about this. And the fact that the panel generally agreed with him shows that even they felt his criticism to be valid."

260

W/m aif 4/16 - 10/16/93

LABOUR BRIEFS

SABC strike

■ A SALARY dispute involving over 1 600 SABC employees continued this week. Members of the South African Broadcasting Staff Association (Sabsa) stopped a transmission of *Madame Butterfly* when they walked out mid-aria, and disturbed transmission of the *Comrades Marathon* on Monday.

Talks broke down when the SABC refused to change its offer of a 7,5 percent wage increase this year. Sabsa has reduced its demand from 10,5 percent to nine percent.

SABC human resources general manager Christo Pretorius this week said the corporation was pulling out of negotiations until Sabsa came into negotiations with proper mandates.

The SABC horse-trade

W/M 4/6-10/6/93

DESPITE the much-publicised "openness" of the SABC board selection process, neither the government nor the selection panel will discuss their hours of intense horse-trading.

But *The Weekly Mail* has been able to reconstruct the behind-the-scenes disputes and counter-proposals, from which it emerges that:

- President FW de Klerk rejected Professor Njabulo Ndebele as board chairman because he does not speak Afrikaans.
- The panel was so divided over the president's rejection of Ndebele and the compromise to substitute Frederik van Zyl Slabbert, that a vote was needed to decide.
- De Klerk was not the only person to "interact" with the panel — Home Affairs Minister Damie Schutte also did so at a secret meeting with them on May 27.
- See **PAGE 2**



Wam Bam Madam

W/M 4/6-10/6/93

The right way to resist a rapist, explains the woman lying on the ground, is with suitable aggression. Let him get in close. Then grab the fiend's neck and twist it — until it snaps. He deserves no less. The lady self-defence expert is no feminist. She's a member of the far-right World Apartheid Movement which held a fête in Verwoerdburg on Republic Day to interest the public in its activities.



Natref refinery gears up for shift to unleaded fuel

Buss Day 4/6/93

SA IS due to start the move towards unleaded petrol in 1995 and Sasol is already set to cope with demand from its Natref oil refinery.

Sasol Oil MD Dame de Villiers says the company is in the position of being able to shift to unleaded fuel production immediately, though capacity is currently limited.

Although lead is toxic, it appears that air-borne lead emissions in dense traffic areas are not as hazardous as previously thought, says De Villiers.

Environmental lead is attributable to many other sources such as the natural quantities found in soil and water

However, petrol engine emissions contain a variety of noxious ingredients: unburnt hydrocarbons, carbon monoxide, acidic compounds of sulphur and nitrogen oxides.

Carbon monoxide is toxic and other emissions can contribute to acid rain and can, in sunlight, help to form photochemical smog, which is hazardous to health and aesthetically unpleasant.

Convert

Says De Villiers: "The best way to remove these substances from automotive tail gas is to convert them over an exhaust system catalyst."

"A three-way catalytic converter reduces unburnt hydrocarbons, carbon monoxide and nitrogen oxides. Unfortunately, the catalyst would be rendered inactive if a nominal lead content remains in the petrol."

The converter, according to one motor manufacturer, features a ceramic honeycomb coated with three precious metals — platinum, palladium and rhodium — which are renowned for their catalytic abilities.

As the unleaded fuel emissions enter the converter at about 300C, the metals convert the nitrogen oxides, unburnt hydrocarbons and carbon monoxide into compounds that proliferate in the atmosphere, namely, nitrogen, water and carbon dioxide.

The lead in petrol in the form of tetramethyl lead or tetraethyl lead has been the most cost-effective compound for enhancing octane rating and, as a consequence, an engine's efficiency

Promote

Current lead in petrol levels are around 0,4g a litre, down from 0,836g/l

SA's move towards unleaded fuel is not without its financial cost, but government plans to levy lower taxes on unleaded petrol and promote its use.

Existing motor vehicles would require modification to use unleaded fuel.

THE SABC BOARD

FM 4/6/93

A tale of sound and fury

260

The real reason for the fuss following the appointment of the new SABC board this week remained clouded as the *FM* went to press. At the time President FW de Klerk was expected to have met newly appointed chairman Frederik Van Zyl Slabbert, whose rejection of the post plunged what was always a sensitive issue into crisis.

From government's point of view the selection process was entirely in line with the set of guidelines that had been accepted by all interested parties. But when De Klerk revealed the 25 names on Monday, Slabbert declined the post, the ANC accused De Klerk of manipulating the choices and some new board members said they were reassessing their appointments.

Home Affairs Minister Danie Schutte says government was shocked by what happened. It believed the agreed procedure had been followed — nobody has been able to refute this — and could not understand the adverse reaction.

The row centred on two issues: the appointment of Slabbert without consulting him, and De Klerk's request to the selection panel to reconsider certain names on the first list presented to him for approval.

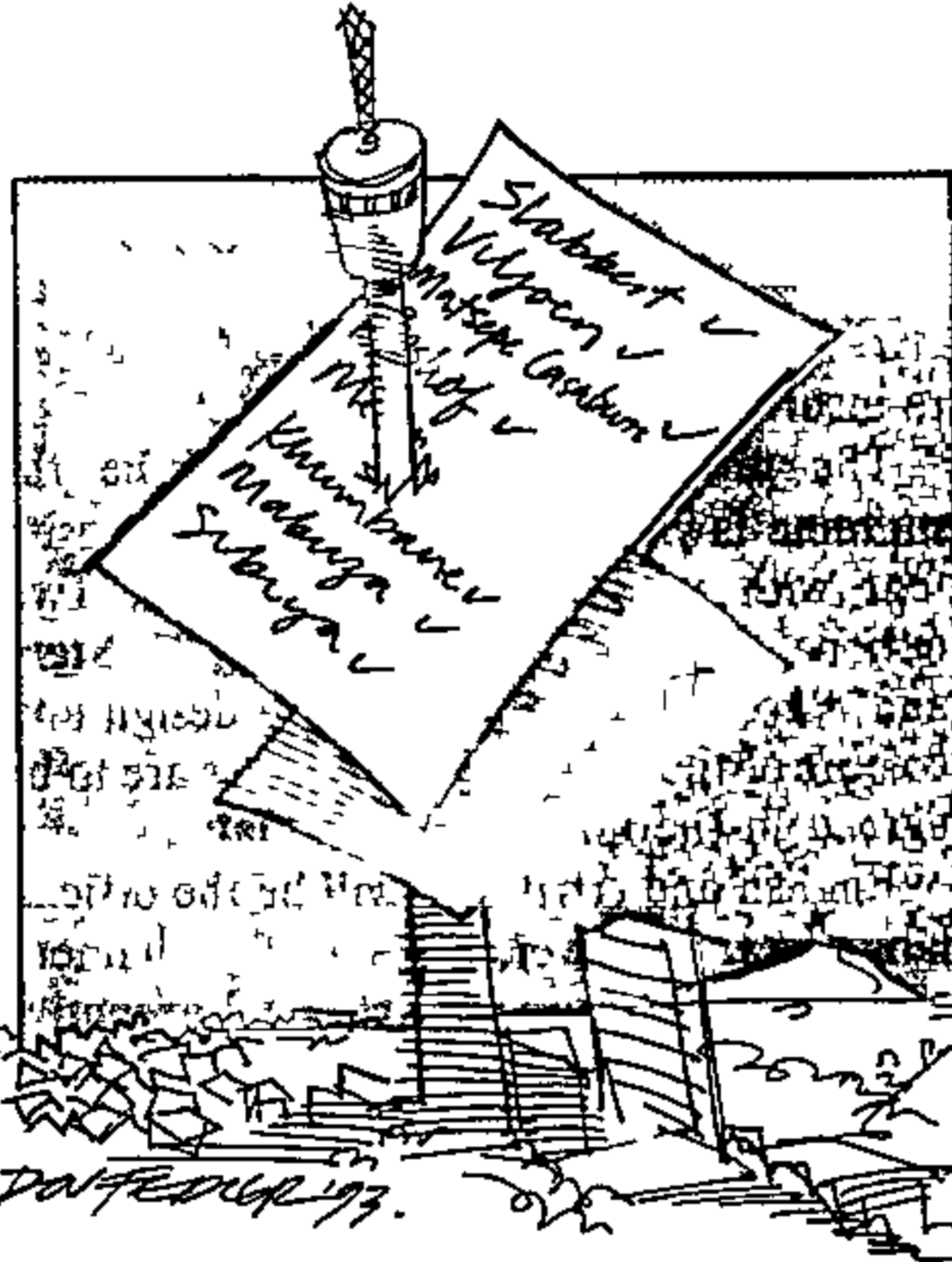
In terms of the guidelines under which the selection panel of eminent legal men operated, the final list and the suggested chairman and vice-chairman were to have been presented to De Klerk by May 17. If De Klerk was not satisfied that all the candidates met criteria laid down in the guidelines, or that the board was not sufficiently representative of society, he had the right to ask the panel to reconsider its selection and to submit an amended list.

De Klerk did so and, according to government sources, the panel complied without complaint. In fact, panel members were said to have welcomed the interaction with De Klerk. Schutte says De Klerk neither prescribed to the panel nor interfered in the selection process. This seems to be supported by the unwillingness of the panel to be drawn into the row — though on Tuesday De Klerk must have been finding their judicial silence distinctly unhelpful. On the other hand, the panel's silence in itself validated De Klerk's actions, they could have denounced him.

The panel's revised list proposed Slabbert as chairman in place of University of the North rector Njabulo Ndebele. The vice-chairman's post went to Ivy Matsepe-Casa-

burri, executive director of the Education Development Trust. Slabbert had been suggested as vice-chairman in the first list.

Seven names on the first list were re-



moved, including University of the Western Cape rector Jakes Gerwel and former *Rand Daily Mail* editor Allister Sparks. The replacements were provided by the panel and were taken from the shortlist drawn up after interviews last month.

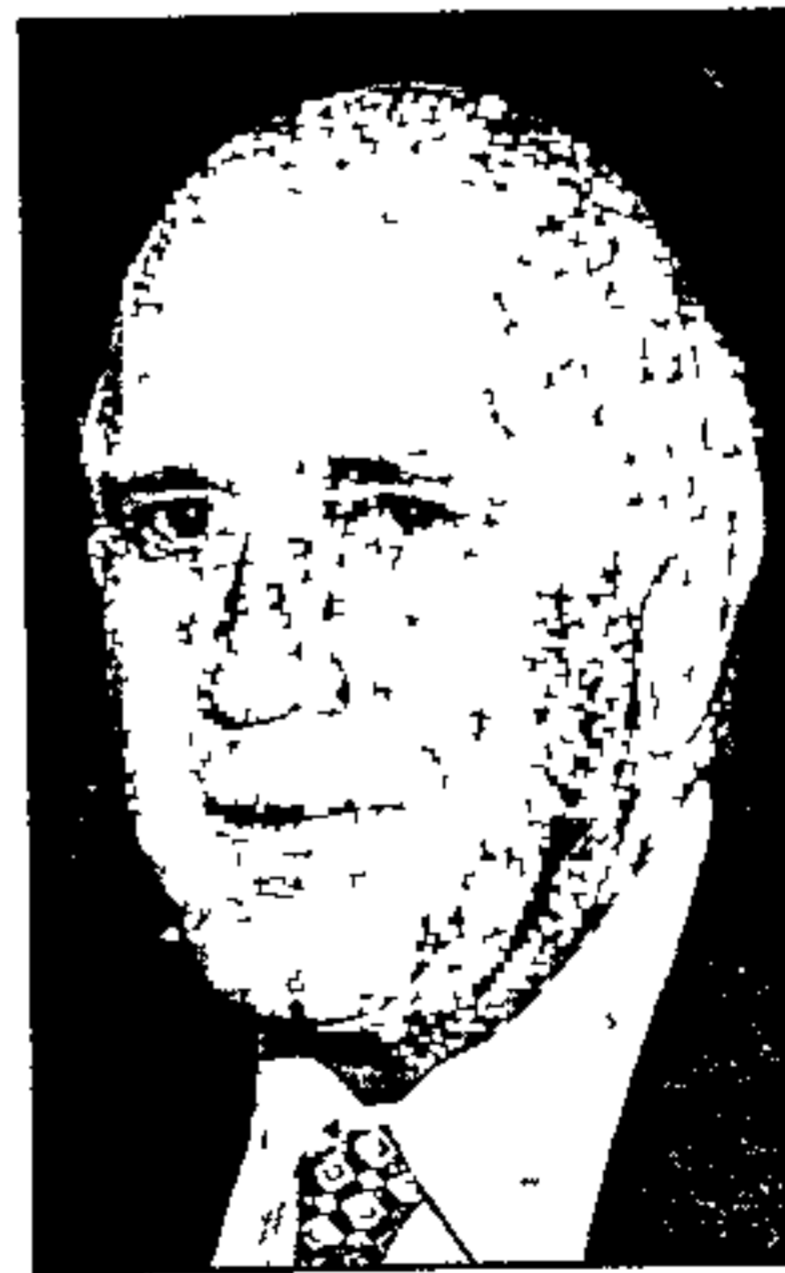
In spite of the changes, the new board remains weighted towards the Left, with very little recognisable rightwing representation. Only two former board members were

reappointed: former chairman Christo Viljoen and Bloemfontein businessman Colin Hickling.

Slabbert reportedly rejected the chairmanship on the grounds that he had not been consulted before the announcement was made and because of his heavy work schedule in other areas. Schutte says De Klerk did try to contact Slabbert before the announcement on Monday, but he was



Slabbert



De Klerk

en route from Swaziland. The need to make the announcement was considered too urgent to wait a few hours or even until Tuesday, the day on which the new board took office.

Slabbert apparently also believes the new board itself should have a role in selecting a chairman and vice-chairman. It seems that

the first he heard of his appointment was on a radio broadcast in his motor car on Monday afternoon.

On Tuesday morning, before he was expected to meet De Klerk in Cape Town, Slabbert was apparently seen at the SABC's Auckland Park head office, where he had a meeting with CE Wynand Harmse. Harmse was not available for comment and Slabbert could not be contacted.

While the guidelines state clearly that the panel would suggest the chairman and vice-chairman — and Slabbert indicated during his interview with the panel that he would be available to serve as chairman — no provision was made for the proposed chairman and vice-chairman to be consulted before the announcement was made.

In retrospect this was probably a serious omission. Availability in principle for such an important job is one thing; to be offered it in practice is another.

It was not immediately clear to what extent Slabbert's decision was influenced by De Klerk's dissatisfaction with the first list and particularly Ndebele's nomination as chairman. Slabbert may have been embarrassed by the development. Perhaps De Klerk was naive in agreeing to such a degree of transparency; he might instead have reserved the right to keep his changes confidential. After all, the offer to make public his objections was made on his own initiative.

The outcry from the ANC and Cosatu was seen largely as political opportunism. They were aware of the process and could have raised objections to it long before the announcement.

By Tuesday afternoon none of the newly appointed board members had formally resigned. It is understood that the selection panel has provided the names of additional members to fill vacancies if necessary.

Some of the surprise names omitted from the panel's first list were: World Council of Churches general secretary Frank Chikane and former NGK moderator Johan Heyns.

Former Broederbonders Hendrik Sloet (Saambou chairman and vice-chairman of the previous board) and Willem de Klerk (the president's brother) also did not make the first selection.

Sloet, a close crony of former President P.W. Botha, obviously had no chance despite

P.T.O.

CURRENT AFFAIRS

FM 4/6/93
his announcement that he had resigned as a Broeder. It was also expected that De Klerk would in any case have vetoed his elder brother's nomination (260)

De Klerk's objection to the nomination of Council of the Blind executive William Rowland could perhaps be explained by Rowland's link to Viva Trust, one of the main players in the welfare community which stands to gain from the proceeds of a national lottery. Such a lottery will enjoy big coverage on TV, as is now the case with the Ithuba "scratch 'n win" competition.

A similar objection might have applied to SA Chamber of Business chief Raymond Parsons, if he had been nominated by the panel. Parsons is chairman of the Ithuba Trust. Parsons had reportedly been under fire during the questioning when it was disclosed that, though he supported affirmative action, he had neither a black nor a woman on Sacob's 45-member executive.

The surprise omission from the first list, however, was that of Campaign for Open Media co-chairman Raymond Louw.

It is not hard to see why De Klerk must have been distressed at Slabbert's immediate rejection of the chairmanship. It is a vital position given the disparate elements on the board, the chairman should ideally be a powerful personality, as well as respected and experienced in the community at large. Slabbert is one of the very few well-known figures in SA who also has fairly impeccable nonpartisan connections.

In the fuss, nobody seemed to notice that the SABC board now has a majority of members who are not white. ■

around the Sasol plants and Sasolburg and Secunda.
Buss Day 4/16/93

Sasol Oil leads drive for 'friendly' fuels

SASOL Oil — SA's oil-from-coal producer — is one of the leaders in the drive to develop fuels less hazardous to the environment.

MD Dame de Villiers says Sasol Oil's fuels are far more environment-friendly than is usually appreciated.

Says De Villiers: "We have achieved several major fuel formulation breakthroughs in recent years."

"People are often unaware that the Sasol processes used to produce diesel and petrol offer major environmental advantages over conventional fuels. We have one of the most advanced fuel laboratories in the world in which we develop and test new formulations."

He says the trend in First World countries is towards making reformulated or environment-friendly fuels by reducing aromatics, olefins and sulphur content, lowering vapour pressure limit, lead omission and adding of alcohol and other fuel oxygenates

De Villiers says: "Our fuel-making process has major advantages over the traditional crude-oil fuels. Apart from olefin and lead levels, says Sasol's output

already conforms to most US reformulated fuel specifications. (260)

"The impetus came from within Sasol, where we are keen to make whatever cost-justified refinements we can to our fuels and their impact on the environment. This forms a part of our overall corporate commitment to environment-friendly products and processes."

Sasol advances include:

- Removal of sulphur compounds, eliminating sulphur exhaust emissions and reducing harmful effects in motor vehicle engines;
- Reduction of aromatics such as benzene;
- An effective deposit-control additive package;
- Increasing amounts of oxygen-containing alcohols to improve the combustion process, while reducing noxious carbon monoxide and hydrocarbons in exhaust gases and;
- Reducing vapour pressure for lower evaporative emissions during vehicle refilling.

In terms of sulphur and aromatics content, diesel produced from coal by Sasol more than complies with the US's proposed diesel formulation for 1995.

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World Environment Day

Star 4/6/93

Slabbert to stay on at SABC

(260)

Staff Reporters

Dr Van Zyl Slabbert had agreed to chair the controversial new SABC board until the end of July and it would remain as constituted, the board announced last night after its first meeting.

Slabbert, reading a prepared statement, said after the meeting at SABC headquarters in Auckland Park that although there was controversy over the appointment of the board, the process was more transparent and acceptable than any previous appointments.

Twenty-two of the 25 board members attended the four-hour meeting. Two board members resigned yesterday — Dr Franklin Sonn, rector of the Cape Peninsula Technikon, and Enos Mabuza, former Chief

Minister of KaNgwane and trustee of the Independent Development Trust

A third, Professor Njabulo Ndebele, who was originally picked to chair the board, sent his apologies. It is not yet known whether he will take up his position.

Sonn said he was not resigning in an "angry, truculent or solemn way" but because "In the interest of the country a new attempt should be made to reconstitute the board."

"We have taken the initiative to step aside and hope others will do the same."

Mabuza and Sonn were not among the original 25 proposed by the panel of jurists which selected the board. They were appointed after intervention by President de Klerk.

Answering questions from

the media, Slabbert said the board had considered a number of options, including resigning en masse, but if all board members resigned they could not prescribe to political parties on how to act in the vacuum.

He said De Klerk would then be within his statutory right to appoint a new board without consultation.

Slabbert said he hoped to set policy guidelines and to see effective unbiased news coverage, which was so important during a political transition.

He suggested that interest groups who objected to the board should direct their energies to those responsible for the controversy and not to the board.

"Give us a break so that we can get on with the job and test us by our results."

He said the President should pay attention to current vacancies on the board and the pending vacancy of chairman.

The procedure, composition and the appointment of future boards should be an issue referred to the multi-party negotiations to avoid political controversy with the appointment of future boards, Slabbert said.

He added that he did not intend banning soap operas.

● The SABC will take disciplinary action against *Radio Today* announcer Christopher Bennett for an on-air refusal to clear all news reports on the board with management. Radio SA manager Jack Mullen said Bennett had "arrived late for work in a state, having overslept, and had misinterpreted the memo."

SABC's new board gets down to business

Buss. Day 4/16/93
(260)

THE SABC finally got its new board yesterday when 22 of the 25 members appointed by President F W de Klerk agreed to take up their positions.

The board will be under Van Zyl Slabbert's chairmanship until the end of July

Slabbert made the announcement last night after a four-hour crisis meeting of the board at SABC headquarters in Auckland Park. "The board believes the time has come to ask South Africans of all political persuasions to allow the SABC to become a reliable and credible source of information," he said.

LLOYD COUTTS

He said De Klerk would still have to consider the appointment of a new chairman, and the replacement of two board members who resigned yesterday.

The man originally selected to head the board, University of the Western Cape vice-rector Njabulo Ndebele, did not attend yesterday's meeting, but Slabbert said he had sent his apologies to the board.

Peninsula Technikon rector Franklin Sonn and former KaNgwane chief minister Enos Mabuza — both appointed after De

Klerk's intervention — also did not attend after announcing their resignation

The board agreed that the perceived involvement of De Klerk was a matter of serious concern within its ranks, and among the public. It called on De Klerk and other interested parties to refer the issue of procedure, composition and appointment of future boards of the SABC to a technical task team at the multiparty forum. It also called on De Klerk to resolve vacancies "in such a manner that the current crisis of legitimacy and credibility is

□ To Page 2

SABC board

Buss. Day 4/16/93 From Page 1

not repeated"

The board resolved to do everything in its power to demonstrate the impartiality and effectiveness of the SABC. To provide an unbiased, credible and technically sound broadcasting environment, the board committed itself to raising with the public on these issues (260)

Slabbert said the board had discussed resigning en masse, but had rejected this as unfeasible. Asked how he felt about staying on as chairman, Slabbert said that while his chairmanship of the Witwatersrand Metropolitan Chamber kept him very busy, he believed the SABC would have a critical role to play in SA's transition to democracy

"Anybody who wants this job at this time needs to have his head read; it's a tough job."

□ The SABC is to take disciplinary action against Radio Today announcer Christopher Bennett for an on-air refusal to clear all news reports on the board with the corporation's management. During a broadcast yesterday, Bennett said staff members would ignore a memorandum calling for reports on the board to be vetted by management.

An SABC spokesman would not elaborate on the form of the disciplinary action, but said the memo had been issued to ensure balanced and objective reporting on the board appointment.

Our Cape Town correspondent reports that Radio SA manager Jack Mullen said Bennett had arrived late for work "in a state", having overslept, and had "misinterpreted" the memo.

Buss. Day 4/16/93

Defeat snatched from jaws of victory in SABC board saga

REVIEW/TELEVISION

260

SO THERE we have it! Defeat snatched from the jaws of victory. Or old-style kragdadigheid snatched from the jaws of democracy. Instead of a SABC board selected in circumstances of utter transparency, we have a muddled mess which is probably beyond redemption.

There is one issue around which the whole confusion revolves — the question of state intervention in the framework of the public broadcasting corporation, both now and in the future.

What the Campaign for Independent Broadcasting (CIB) fought for was the independence of the SABC board, and concomitantly of the whole SABC radio and television structure, from state interference. That is why the CIB fought so hard for the setting up of a panel of eminent jurists to undertake the selection process. This was achieved in spite of strenuous opposition from government, who initially objected to judges Ismail Mahomed and Piet Schabert.

When the CIB persisted, government reluctantly agreed. Presumably there was a collective grinding of state teeth when the panel cross-examined Prof Christo Viljoen fairly sharply. Insofar as he did represent the sordid track record of the SABC he deserved all he got. After all, if the chairman of the board cannot be held responsible, who can?

On the other hand, he was virtually single-handedly responsible for the report of the Task Group on Broadcasting which came at the wrong time, involved the wrong people, ignored democratic processes of consultation, yet contained some acceptable guidelines for a new broadcasting dispensation. It was generally thought that

Viljoen had seen the subtitles on the wall and was ensuring his place on a new board.

What his report lacked was transparency and accountability. That is precisely what the activities of this selection panel possessed. No matter how much different parties complain that the board contains a preponderance of members that are sympathetic to one party or another, the members were selected in open forum with due regard to the structure of the country in terms of gender, culture and expertise.

According to those criteria a board was selected with Professor Njabulo Ndebele as chairman.

Then it all fell apart. With potentially disastrous consequences. President F W de Klerk's direct personal intervention opens the way for any future government to follow suit. His statements "In my opinion the list did not comply with the guidelines", and, "In my opinion there could have been an even better list", show the mark of the petty tyrant who cannot let go. Sadly, such tyrants spawn further tyrants.

It is rumoured that by giving Van Zyl Slabbert the job of chairman, De Klerk was cunningly eliminating him from a transitional executive council, thereby ending his political career. If true, it is a manoeuvre that will cost us dearly.

This situation now calls into question the status of the future Independent Broadcast Authority (IBA). Will the members of the IBA be chosen in the same laborious way? Will the IBA have real teeth and thereby marginalise the SABC board, leaving them to enjoy their R25 000 a year plus a couple of slap-up meals? Perhaps that is the only way out. An IBA with great expertise in broadcasting, education, culture and technology to whom the SABC will be accountable.

JOHN VAN ZYL

Disabled in demo at the SABC

Sewatun 4/6/93

■ **Protesters demand reinstatement of Rowland on board:**

By **Mzimasi Ngudle** (260)

A GROUP of disabled protesters yesterday demanded the reinstatement of Dr William Rowland, chairman of the National Council for the Blind, who was removed from the new SABC board by State President FW de Klerk.

The protesters, in wheelchairs and with walking sticks, arrived at Auckland Park an hour before the first meeting of the new SABC board.

They dispersed peacefully after "one-off" board chairman Dr Frederick Van Zyl Slabbeit interrupted his schedule to personally accept their memorandum. He told the placard-waving protesters the issue would be put on the agenda.

Mr Friday Mavuso, deputy chairman of the Disabled People of South Africa, said the "DPSA salutes the selection panel for putting forward Dr Rowland as one of their first choices of suitably qualified South Africans to serve on the new SABC board."

"We take this act as a denial of the right of disabled people to represent themselves," he said. Mavuso said the SABC and the public have been denied the benefit of Rowland's "broad experience and his advocacy for the rights of the disabled."

SABC board breakthrough

(260) CT4/6/93

Own Correspondent

JOHANNESBURG. — In a dramatic breakthrough last night 22 of the 25 members of the new SABC board appointed by President FW de Klerk unanimously agreed to take up their positions under the temporary chairmanship of Dr Frederik van Zyl Slabbert

This was announced by Dr Slabbert after a four-hour crisis meeting of the board at SABC headquarters.

Dr Slabbert said the board had considered resigning en masse, but had rejected this as unfeasible

"The board believes the time has come to ask South Africans of all political persuasions to allow the SABC to become a reliable and credible source of information," he said.

"Give us a break so we can get on

with the job, and test us by our results," he told a news conference

The board's decision to stay on came in the face of criticism from the ANC and the Campaign for Independent Broadcasting.

Dr Slabbert said although he had been persuaded to stay on until the end of July, Mr De Klerk would still have to consider the appointment of a new chairman, and the replacement of the two board members who resigned yesterday.

The board resolved to do all in its power to demonstrate the impartiality and effectiveness of the SABC.

To provide an unbiased, credible and technically sound broadcasting environment, the board committed itself to liaising with the public

The man originally appointed to head the board, principal of the University of the North Professor Njabulo Ndebele, did not attend yesterday's meeting but sent his apologies.

Peninsula Technikon rector Dr Franklin Sonn and former KaNgwane chief minister Dr Enos Mabuza — both appointed to the board after intervention by Mr De Klerk — yesterday announced their resignation and did not attend the meeting

Dr Slabbert said although the board regretted that the process calculated to remove it from political controversy did not succeed, members had agreed it had been duly constituted

'Tough job'

The board called on Mr De Klerk to resolve vacancies on the board "in such a manner that the current crisis of legitimacy and credibility is not repeated".

It also called on him and other interested parties to refer the whole issue of procedure, composition and appointment of future boards of the SABC to a technical task team at the multi-party forum.

"Anybody who wants this job at this time needs to have his head read, it's a tough job," Dr Slabbert said.

Bennett in trouble for blowing his top

CT4/6/93 Staff Reporter (260)

THE SABC is to take disciplinary action against Radio Today announcer Christopher Bennett for an on-air refusal to clear all news reports on the SABC board with the corporation's management.

Mr Bennett "blew his top" on a Radio SA news bulletin yesterday morning.

Introducing a report on the SABC Board row on the 6am news bulletin, Mr Bennett told listeners he would ignore a directive "from our beloved masters" to refer all reports on the matter "upstairs".

However, Radio SA manager Mr Jack Mullen later defended Mr Bennett, saying he had overslept and had "misinterpreted" the directive.

An SABC spokesman said the directive stated that all reports on the board should be referred to the executive editor of the radio or TV newsrooms and was issued to ensure that "all relevant viewpoints were reflected and reporting was balanced".

Slabbert to chair SABC board until July 31

(260)
ARCT 4/6/93

□ Quitting en masse would give De Klerk the ball

The Argus Correspondent

JOHANNESBURG — Dr Frederik van Zyl Slabbert has agreed to chair the controversial new SABC board until the end of July, and it will remain as constituted, the board said in a statement after its first meeting.

Dr Slabbert read from the statement after the meeting at SABC headquarters in Auckland Park that although there was controversy over the appointment of the board, the process was more transparent and acceptable than any previous appointments.

Two board members, Dr Franklin Sonn, rector of the Cape Peninsula Technikon, and Mr Enos Mabuza, former Chief Minister of KwaZulu and trustee of the Independent Development Trust, resigned yesterday.

Dr Sonn said he was not resigning in an "angry, truculent or solemn way" but because "in the interest of the country a new attempt should be made to reconstitute the board."

"We have taken the initiative to step aside and hope others will do the same," he said.

Mr Mabuza and Dr Sonn were not among the original 25

proposed by the panel of jurists that selected the board.

They were appointed by President De Klerk.

Dr Slabbert said the board had considered a number of options, including resigning en masse.

But he said if all board members resigned they could not prescribe to political parties on how to act in the vacuum.

He added that Mr De Klerk would then be within his statutory right to appoint a new board without consultation.

"That just puts it back in the political arena," he said.

Dr Slabbert said he hoped to set policy guidelines and to see effective unbiased news coverage, which was so important during a political transition.

The first efforts to remove the SABC board from controversy had not achieved that aim. But he emphasised that the controversy centred on the process by which board members had been appointed, rather than on the members of the board themselves.

He said interest groups who objected to the board should direct their energies to those responsible for the controversy and not to the board.

He said "Give us a break so that we can get on with the job, and test us by our results."

He said the State President should pay attention to current vacancies in the board, and the pending vacancy of chairman.

There should be consultation, particularly with the board, as to who should fill those vacancies and who would serve as chairman.

It also said the procedure, composition and the appointment of future boards should be an issue referred to the multi-party negotiations, to avoid political controversy with the appointment of future boards.

Dr Slabbert said he did not intend banning soap operas. If those programmes were popular and filled the corporation's coffers he would not object to them, he said.

"I don't like them, but I don't pass moral judgment on those who watch them."

Shop owners kill radio station

By Bulelwa Payi

GRAHAMSTOWN'S Community Radio has been closed. Not because the government has refused it a licence, but because business sees it as "too political".

The small radio station joined other radio stations around the country when they "switched on" on May 1 and started broadcasting from the Market Square shopping centre.

The station has broadcast community-related issues.

About 90 percent of the broadcasts were in Xhosa. (260)

The station had allowed a member of the South African Commercial Catering and Allied Workers' Union to "explain" a strike at a supermarket which has a branch at the centre.

Radio station member Ms Geobisa Toko said the management had also been asked to present their side, but had declined.

Pike denied that the ban was linked to this incident but confirmed that the objections were raised after last week's broadcast.

He said: "I have asked them not to come along any more because I had objections from some of my tenants. They felt the radio had been too political and they were interfering in domestic affairs".

He said tenants felt people were saying political things.

Rhodes University lecturer Mr Don Pinnock, who helped set up the radio station, has criticised the shut-down and called it "censorship" by big business.

He said the station would now broadcast "anywhere, wherever there are people". ANA

SABC nominees refuse to serve

By Christelle Terreblanche
and Rafiq Rohan

AT LEAST two members of the SABC Board "substituted" by President FW de Klerk had no plans to attend the board's first controversial meeting in Johannesburg on Thursday.

The two were included after De Klerk objected to the original list drafted by the panel of eight jurists who were charged with selecting the board.

Dr Franklin Sonn, rector of Peninsula Technikon, and Mr Enos Mabuza, a trustee of the Independent Development Trust, informed De Klerk of their objections on Wednesday and sent a similar letter to Dr Frederik van Zyl Slabbert, who agreed to convene the meeting.

"It would be in the interest of democracy that they start the whole process from the beginning," Sonn told SOUTH.

"We are all learning the demands of democracy, and some, like the National Party, are way behind in this process."

Sonn replaced University of



FATIMA MEER

the Western Cape rector Professor Jakes Gerwel on the second list, accepted by De Klerk.

Sonn and Mabuza are believed to have decided not to attend the board meeting after discussions with ANC President Mr Nelson Mandela on Wednesday.

Their main objection concerns the panellists failing to stand their ground against De Klerk's demands.

"They are spineless, while all of us have placed our credibility

on the line believing they would stick to their guns," Sonn said.

De Klerk said the panel had given him several additional names, should some of the appointed members be unable or unwilling to serve. This means that he is unlikely to heed a call for the process to be repeated.

Meanwhile, at least one of the people who survived De Klerk's scrutiny, Professor Fatima Meer of the University of Natal, has indicated that she will attend the meeting, but called for reinstatement of the original board.

"De Klerk had no business to interfere after giving the panel their guidelines," Meer said

Mandela also echoed her demand: "We want to go back to the original list. If De Klerk does not do this he will have a fight on his hands.

"We cannot accept that the president should decide to undermine the choice of an independent panel.

"If we lose this fight the Nats will go on the rampage and want to decide every step. We must fight this fight and win it."

De Klerk's actions 'a mockery'

FW DE KLERK is sticking to his interpretation of the selection process of the SABC Board, saying he was mandated to "interact" with the jurists.

Observers this week noted he had the right to do so, but that this was unwise in the context of De Klerk's insistence on "power-sharing through consensus".

They also question the way he covertly pressurised the panel twice to change the list, which led

NEWS ANALYSIS

to seven of the 25 being replaced. "Considering that the name of the game was transparency, these meetings with De Klerk make a mockery of the process," one observer said.

The jurists said De Klerk objected to individuals on their list, something he earlier denied.

The biggest criticism against the final list is the exclusion of

trade unionists and journalists from the board. Mr John Erntzen of the South African Municipal Workers Union and former editor Mr Allister Sparks were axed.

The question is whether the board will remain intact and if so, how it will regain credibility.

Some feel the seven axed should be reappointed. Others think the process should be scrapped and decided by the Transitional Executive Council.

Slabbert's TV Star 5/6/93 talkshow axed

MANDY JEAN WOODS

THE popular television current affairs talk-show *Slabbert on Sunday*, hosted by Dr Van Zyl Slabbert, is to be cancelled following his appointment to the SABC board of directors. (260)

"When Dr Slabbert was nominated as a member of the board, it was mutually agreed that the programme would be discontinued if he was elected to the board," an SABC statement said. "The last two programmes of *Slabbert on Sunday* were recorded this week as planned."

Slabbert was originally nominated as the board's vice-chairman but, with the shuffling of the list following talks between the selection panel and President de Klerk, Slabbert was nominated as chairman of the board. He has declined the position, saying he was prepared to serve as a board member but not as chairman due to his "incredibly busy" workload.

He has, however, agreed to serve as chairman only in a caretaker capacity until the end of July.

Government's oily evasions

51 Times (Buss) 6/6/93

AFTER the price of money, the most important price in the economy is that of fuel. It also affects every other price in the economy, including labour.

Apartheid — the World Bank reportedly estimates — has placed SA workers an average 37 kilometres from their work.

No other country in the world houses its labour force so far from the workplace.

Prices have to be competitive if a country is to be competitive. But South Africans have in recent years begun to forget the meaning of the word competitive.

So the leading trade authority, the General Agreement on Tariffs and Trade, reported this week that SA slipped from being the world's 16th largest exporter to 30th between 1980 and 1991.

Gatt says the solution is for SA to follow market-related policies.

The Government recognises that the economy has been largely structured around the needs of apartheid and that a democracy will require new policy objectives.

It has tabled the normative economic model (NEM) which stresses that the economy will be revitalised only through improved competitiveness.

NEM insists that evils, such as retail price maintenance (RPM) where cartels are able to fix prices and then bill the consumer, should be outlawed.

Thus, of course, is common practice in many countries. SA has the powers on the statute books to do the same.

But the Government last week published its first major policy report since tabling the NEM. The

THE Government now has two policies — one for the oil industry and one for the rest of the economy. Comment by KEVIN DAVIE:

report about its involvement in the oil industry admits that RPM is a cornerstone of the tightly regulated oil cartel.

Collusion, import control, market sharing, price fixing, barriers to market entry, guaranteed profits, subsidies and kickbacks will remain.

If Raymond Ackerman cuts prices, he will go to jail.

The Government uses a myriad hackneyed excuses, rationalisation and obfuscation to justify rejecting its own principles as embodied in the NEM.

It claims that petrol attendants will lose their jobs in a deregulated market. But regulation has limited the growth of service stations to 10% since 1960 and volumes sold have grown by 300%.

The report acknowledges that in major towns such as Pretoria there have been floods of applications to open service stations, but they have been refused because of the infamous Ratplan, the cartel agreement which controls fuel distribution.

Petrol stations may close in small towns, the Government says, ignoring the fact that cartel members have been refusing to supply low-volume garages so that they can switch their Ratplan allocations to more lucrative sites.

Where markets are ignored, distortions occur. Hard-pressed consumers are already subsidising exports to Africa to ease an oversupply of fuel as the R11-billion waste of money known as Moss gas comes on stream.

The industry is investing billions on the promise of further profits guaranteed by the Government.

The Government's continuing commitment to a regulated fuel industry in the face of its support for competition in the rest of the economy is not easy to fathom.

But it does have a contract with Sasol, which produces 150 000 barrels a day of synthetic fuel at a floor price of \$23 a barrel while crude prices are languishing at \$16.

The contract, a Sasol document says, is an undertaking from the Government to ensure that the company will be profitable.

The Government accordingly ensures that Sasol sells all its fuel at inflated prices and then tips in hundreds of millions in additional subsidies annually.

Last year one of its subsidies amounted to R600-million, enough to cut company tax for every company in SA by four percentage points from 40% to 36% (a NEM goal is to lower company taxes to improve the investment climate).

Sasol is ranked the world's most profitable corporation in its sector by the Fortune 500. Yet some analysts say Sasol would battle to show a profit in a competitive market.

Could this be the truth is the Government wedded to regulation to save this world-class performer from the embarrassment of battling to earn its living?

STimes (Russ) 6/6/93

Open airwaves could slash SABC revenue

(260)

OPENING the airwaves to competition could halve SABC advertising revenue

The SABC, which made a R64-million profit last year, could lose between R300-million and R500-million a year in advertising revenue once broadcasting is deregulated and new licences are issued

The Government may have to make up the shortfall, forcing the SABC to become a public-service broadcaster

Damage

Applications for more than 100 broadcast licences await consideration by a new licensing authority. Most are for community radio services. Several applications for national and regional TV services are also pending

SABC chief executive Wynand Harmse says 30 new radio services would cost the corporation between R150-million and R200-million in revenue. A national TV entertainment channel would deprive it of a further R300-million in advertising revenue

"If the licensing authority grants licences to one or two

By CIARAN RYAN

subscription services, such as M-Net, the damage would be less serious," says Mr Harmse

"But if open TV licences are issued, even on a regional basis, we stand to lose a large slice of our advertising revenue"

Other sources of funding are being investigated. One of the more controversial proposals is to take a percentage of advertising revenue from competitors

Mr Harmse says this is the practice in some countries

"If other broadcasters are required to pay, say, 10% of their advertising revenue to the SABC, this would be nowhere near enough to cover the shortfall"

Other suggestions include selling the SABC's profitable Radio Metro, Radio 5 or Radio Zulu. Unprofitable services could also be sold

TV1, the SABC flagship, is profitable. But it is under pressure to carry more SA drama, documentary educational and information programmes

Broadcasters will probably have to pay for licences which are currently free

There is limited scope for increasing TV licence fees for viewers, says Mr Harmse.

Jack van der Merwe, administrative secretary for broadcasting at the Department of Home Affairs, says "We have to look at the financial structure of the SABC in a deregulated environment"

"The playing field will not be level if competitors are allowed to take advertising revenue from the SABC without assuming any of the responsibilities of public broadcasting services"

"Cross-subsidisation allows the SABC to continue with important educational services such as TSS and certain community radio stations"

Mr van der Merwe estimates that more than R100-million in licence fees is lost each year to pirate viewers

The SABC's annual revenue of about R1-billion is 75% from advertising and 25% from licences

A consortium of businessmen has applied for a TV licence in the Johannesburg area. Consortium member Gavin Kennedy says financial backing of R8-million has been secured for a six-week trial

"We applied for a temporary licence, but were turned down by the Department of Home Affairs because of a moratorium. We will have to wait for the licensing board to be appointed"

Mr Kennedy says the Department of Home Affairs has continued to issue temporary broadcast licences in spite of the moratorium agreed to by the Government and the Multi-Party Forum

Draft

Showtime Music Radio, Wits Radio, Grahamstown Arts Festival and Rand Easter Show were issued with temporary radio licences this year

"The moratorium applies only to permanent licences," says Mr van der Merwe. "These licences were issued for one to three weeks for special events. None of them was a commercial undertaking"

The technical committee of the Multi-Party Forum at the World Trade Centre in Kempton Park is expected to publish draft legislation outlining the powers of an independent licensing authority

A week of turmoil for blind leader

S/Times 6/6/93

THE past week has been a roller coaster ride for Dr William Rowland, executive director of the National Council for the Blind, who was dumped from his post on the new SABC board.

A confused and bewildered Dr Rowland, who lost his sight in an accident when he was four years old, said he had been unaware that his name had been removed from the first appointees list until newspapers phoned him for comment

Rival

He was on the initial list of SABC board members but was dropped after the names had been submitted to President FW de Klerk, who objected to several appointees

Dr Rowland, the founder of the Viva Trust scratchcard lottery, said he found it "worrisome" that there was speculation that his removal from the board was related to his involvement with Viva — a rival to the SABC-supported Ithuba fund.

He has an intimate knowledge of health and welfare matters and his career with the South African National Council for the Blind has spanned over 27 years. During this time he helped found

Sunday Times Reporters

the Disabled People For South Africa.

He also enjoys international recognition and next week will represent the World Blind Union at the World Conference on Human Rights in Vienna

On Thursday this week over 150 disabled people gathered outside the SABC in protest against Dr Rowland's removal from the board

He was replaced by Dr Gertina Cilliers, a University of Port Elizabeth doctor in social work who was suggested by Mr de Klerk

Dr Rowland questioned her ability to represent the disabled

"It makes a mockery of self-representation," he said.

Meanwhile, Dr Frederick van Zyl Slabbert rejected his appointment as the board's chairman soon after the announcement was made. But within days he eased the crisis by agreeing to remain in office until the end of July

Dr Ivy Matsepe-Casaburri, executive director of the Education Development Trust sat as vice-chairman at the board's inaugural meeting on Thursday.

When Dr Slabbert relinquishes his chairmanship Dr Matsepe-Casaburri may well be the first black chairman of the SABC board.

Peninsula Technikon rector Franklin Sonn and former Kangwane Chief Minister

Enos Mabuza decided not to take their positions on the board as a result of the row over Mr de Klerk's intervention in the appointment process.

● Radio Today announcer Christopher Bennett has apologised to the SABC for an on-the-air refusal to clear all reports on the new board with management.

On Thursday morning, Mr Bennett told listeners that staff on the morning show would ignore the instruction, contained in a memo.

He said yesterday he had misinterpreted the memo after arriving 25 minutes late for the show

Radio news director Malan Otto said Mr Bennett had been reprimanded

260

Ndebele undecided on SABC post

By SEKOLA SELLO *C/Press*
6/6/93

ONE of the key figures in the SABC Board controversy, Professor Njabulo Ndebele, is said to be undecided about taking part in the new body.

This is according to sources inside the Campaign for Independent Broadcasting who have been fighting a relentless battle to have the SABC "democratised". The CIB has come out against the new board headed by Frederick van Zyl Slabbert

Ndebele was initially appointed chairman of the board by a panel of several judges. However, his nomination as chairman and that of six others was rejected by State President FW de Klerk.

Slabbert, was subsequently nominated and Ndebele, the new

rector of Turfloop University, was made an ordinary member of the board. However, he failed to attend the board's inaugural meeting this week and sent an apology (260)

According to a source inside the CIB, it seems Ndebele has not made up his mind about participating in the new board

Several organisations - including the ANC, PAC, Media Workers Association of SA and the SA Union of Journalists - have called upon those nominated to withdraw from the board until Ndebele is reinstated as chairman and the other members who were rejected by De Klerk are taken back

Two nominees, Franklin Sonn and Enos Mabuza, have already heeded the call and this week

announced their withdrawal

In a joint statement, Mabuza and Sonn said they took the decision "in the interest of the corporation and of our country at large"

"The building of democracy within SABC and its board is a very important exercise and personal sacrifices and big heartedness are crucial.

"It has become clear to us that the circumstances surrounding our selection, while no doubt well intended, may delay this vital process," the statement said

De Klerk has denied tampering with the nominations submitted to him by the panel. "The impression that I interfered is absolutely incorrect I did what

everybody expected me to do in the first place I am not a rubber stamp and am not prepared to be anybody's rubber stamp," he said at a press conference at Tuynhuys, Cape Town

Slabbert initially expressed reluctance to serve as chairman owing to other commitments. However, after discussions with De Klerk, he agreed to act as chairman temporarily

The CIB, which is spearheading the opposition to the new board, meets tomorrow to decide on what form of action to take against the board. According to CIB spokesman Raymond Louw, this will include demonstrations, protests and that the monitoring of the corporation will be stepped up

Eskom to supply townships directly

Buss. Day 7/6/93
PETER DELMAR

ESKOM is set to supply power directly to millions of residents in virtually all PWV townships. This is despite Eskom's mounting arrears bills which have exceeded R500m for the first time.

Eskom sales and customer services GM John Bradbury said at the weekend the utility was negotiating with virtually all Witwatersrand and Vaal Triangle local authorities where it did not already have supply rights.

Eskom had already taken over supplies to the whole of Soweto, Kagiso and Bekkersdal. Agreements were recently signed for supply in Lekoa township in the Vaal Triangle, which includes Sebokeng, Sharpeville, Boipatong and Bofalong.

Eskom had already assumed distribution in Daveyton, Wattville, Vosloorus and Tsakane on the East Rand.

Bradbury said negotiations to take over supply in Katlehong would be finalised within weeks.

In Tembisa, the local civic body and council had agreed to discussions, but Eskom's representatives had been unable to pursue these because of unrest.

It is also believed that the Pretoria City Council is anxious for Eskom to take over supply in the townships of Mamelodi and Atteridgeville, for which it is responsible.

Bradbury said none of the townships where Eskom did not have supply rights was currently paying its bills.

To Page 2

Eskom

Buss. Day 7/6/93 From Page 1

In the past few months account payments in Soweto had dropped from more than 70% to less than 50%, which translated into a loss of income of more than R1m a month in Soweto alone. Bradbury said the main reason appeared to be heightened unrest in the area.

Until September 1990 the Transvaal Provincial Administration ensured that Eskom was paid for its electricity supply to townships through the provision of bridging finance.

Since then, however, bridging finance had been pegged at levels which meant that there was money for sewage, water, refuse removal and council wages, but which left Eskom as the "tail-end Char-

lies" with virtually nothing.

Most township civic associations have insisted that Eskom assume power supply to residents from the often-discredited black municipalities.

In most cases Eskom has taken over the councils' distribution infrastructure at a significant discount to replacement costs. In the case of Soweto, infrastructure with a book value of about R400m was acquired for the cost of the electricity arrears - R208m.

The agreements also provided for the supply rights to revert back to the townships on condition that all arrear debt to Eskom was addressed and all capital expenditure by Eskom redeemed.

Equity reviews TV ban on SA

From IAN HOBBS
LONDON — The ban on British television programmes being screened in South Africa could be lifted within weeks of the appointment of an "acceptable" new SABC board and independent broadcasting watchdog body

CT 7/6/93
British actors' union Equity yesterday said terms for lifting

the ban were also being reviewed in the light of the announcement of April 27, 1994 as a date for non-racial elections

The hardline union's previous position was that the ban, imposed on January 5, 1976 should stay until interim rule was achieved

Equity general secretary Mr Ian McGarry said Equity would

consult ANC president Mr Nelson Mandela and other opposition leaders for guidance

If they supported the new position, the recommendation would almost certainly be put to Equity's ruling council without delay

A postal referendum of the union's estimated 45 000 members would then be carried out. A 75% majority would be required

Star 7/16/93

Plan to normalise power supplies

"Electricity wardens" will form a cornerstone of a pilot scheme by Eskom and Greater Soweto residents to normalise electricity services that have been on the brink of collapse in the townships. (260)

Working closely with the Soweto Civic Association, Eskom will this week call for nominations from residents for people to represent the inter-

ests of the estimated 150 000 consumers, Paul Mare, Eskom's sales and customer service manager, said last week. (25)

The training of the wardens is part of an 11-point plan that flowed from discussions between Eskom and the civic association when the supplier took over from the local municipality in March last year. (25)

Eskom will pay and train the

wardens to fix basic faults for residents, respond to inquiries and check on meter readings.

A pilot scheme of 20 block representatives will be tried for six months, with each representing between 200 and 300 consumers. If it succeeds, and the scheme is applied throughout Greater Soweto, between 350 and 450 block wardens will be required. — Staff Reporter.

focus on SABC BOARD

THE CONTROVERSY over the appointment of the SABC board last week demonstrates again how precarious the process of change is. What had been hailed as a significant step in bringing transparency into Government operations turned out to be a fiasco that has left many a liberal cursing Mr Frederik Van Zyl Slabbert, the new SABC chairman.

"Super Van", the darling of liberals who saw the ANC in Lusaka when it was still treasonable to do so, was used by State President F W de Klerk as a substitute for Mr Njabulo Ndebele, a long-time opponent of the Government, as chairman.

Starting off by saying he would not take up the post, later to agreeing to chair only one meeting, and eventually accepting the post for two months only, Slabbert went against the grain of the liberal thinking that had wanted him to decline and thus render the new board inoperative. But, as he says, he owes his position on the board to no one and does not answer to any organisation.

And so, in a nutshell, Slabbert was saying to Mr Raymond Louw and his Campaign for Independent Broadcasting (CIB), "go to hell".

Many observers however see the controversy as a culmination of a process that could only end that way. By law, De Klerk alone has the power to appoint members of the board.

After protests, delegations and threats, he agreed that his appointment of the board would be preceded by a panel of eminent persons who would select and recommend to him.

But at all times De Klerk left it to himself to decide finally who goes in and who does not.

He was not going to be anyone's rubber stamp, he said. What his criteria for doing so would be immaterial. The CIB and all the other groupings in support of the move accepted that the panelists would send their names to De Klerk, who would announce the new board.

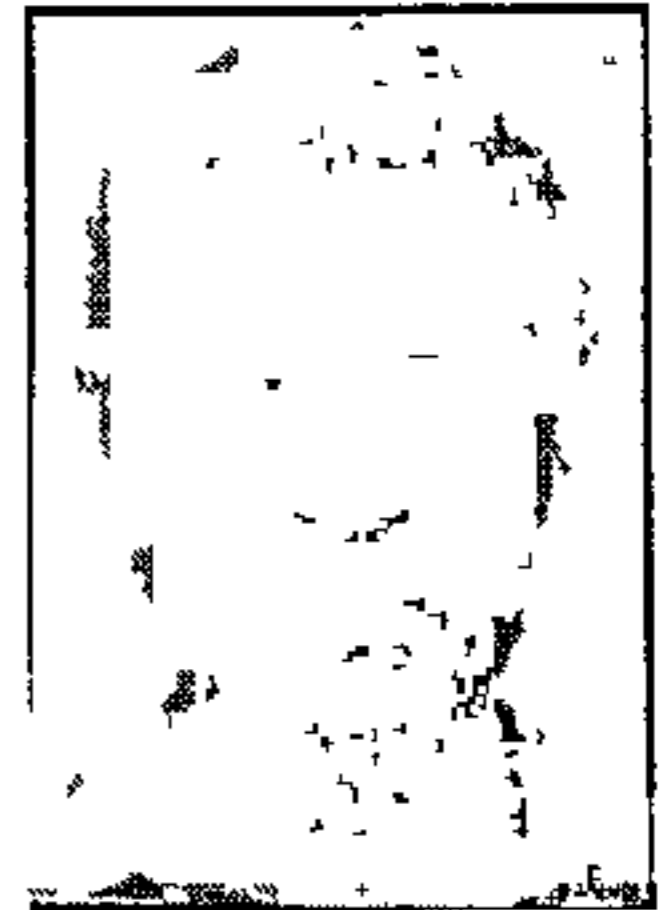
And so, when the panel sent him a list that included several names of known political activists belonging to his major opponent organisation, the ANC, De Klerk kicked them out and asked the panel to bring new names.

After several meetings, a new list was agreed to by both panelists and De Klerk and a new board was announced.

Why did De Klerk do this and provoke a fight in the open?

The SABC has been a major instrument of political power for the National Party. From the moment they took over in 1948, they ensured that this propaganda tool was firmly in their hands. The SABC radio service not only helped keep white support behind the NP, it also tried, albeit to a large extent unsuccessfully, to keep blacks in check. There is an election coming within a year and De Klerk is not going to hand

Super Van, darling of the liberals, has shown his mettle by once again proving he is his own man and answerable to no one, as was made evident when the new SABC board was announced. **Mathatha Tsedu**, *Sowetan 7/16/93* Investigations Editor, reports.



Frederik Van Zyl Slabbert

the major propaganda tool in the country to his opposition or even relinquish his hold. With his party's fortunes sagging by the day in the face of defections to Inkatha and the Conservative Party, the need for a hold on the SABC has never been greater for the Nats.

The mechanism proposed to appoint board members was expressly to take this initiative away. This was spelt out by the CIB and was understood as such by De Klerk, who resisted the move. He only gave in when he was able to retain the right to veto the panel.

De Klerk's rejection of Ndebele as chairman also made it obvious that, as far as the Nats were concerned, the white man is still "baas".

The CIB has cried foul over De Klerk's move, but it was naive to expect De Klerk to behave otherwise.

Many say the forces fighting for change at the SABC should have ensured at the outset that De Klerk's veto was removed by insisting that the provision of the law that gives him the right to appoint was either repealed or suspended.

Mwasa secretary-general Mr Sthembele Khala, who sits on the CIB, said in response to inquiries that his union had made the same point but had been overruled by others in the CIB who felt that the panel's nominations would be appointed by De Klerk without change.

After Thursday's meeting of the board, and its decision to plod on despite protests, the

major question is how relations between Slabbert, in particular, and the democratic movement will be as he has simply told them "Give us a break".

New SABC board

- Dr Frederik Van Zyl Slabbert
(Chairman)
- DR Ivy Matsepe-Casaburri
(vice-chairman)
- Professor Christo Viljoen
- Herman Bailey
- Brigalia Bam
- Fikile Bam
- Leonard Bartell
- Anna Boshoff
- Dr Gertina Cilliers
- Professor Arnold de Beer
- Dr Antonie Gildenhuys
- Colin Hickling
- Tsepo Khumbane
- Professor Fatima Meer
- Billy Modise
- Professor Njabulo Ndebele
- Bishop Canon Ndungane
- Professor Abram Nkabinde
- The Rev Pieter Potgieter
- Gordon Sibiyi
- Sheila Sisulu
- Dr Ruth Tomaselli
- Professor Alex Thembe

SABC wage dispute settled

27 7 1983
JOHANNESBURG —
The SABC and the SA
Broadcasting Staff Asso-
ciation have resolved
their wage dispute.

The corporation an-
nounced on Friday night
a settlement had been
reached in terms of
which employees will re-
ceive an 8,25% rise, plus
a "small" cash bonus.

Sapa

260

Star 8/16/93

(2600)

Casting about for a new direction

If and when the dust finally settles over the appointment of the new SABC board, the incumbents will have to get down to formulating broadcast policy.

JACQUELINE MYBURGH and PETER DAVIES report on what lies ahead.

TOMORROW and on Thursday, the new board of the SABC will attend a crash course in broadcasting

Top management, led by group chief executive Wynand Harnse, will explain to the 23 men and women appointed at the beginning of this month exactly what makes the organisation tick

For most of the educationists, religious leaders and businessmen now serving on the board, it may be the first time they have seen the inside of a radio studio or read a broadcast accountant's balance sheet.

"These people don't know anything about the SABC, so they must be informed," said SABC media spokesman Willie Visagie

To the observer this raises the question Should people who know so little about broadcasting, be formulating policy for our national broadcaster, with an annual turnover of more

Professor Gavin Stewart, head of the Department of Journalism and Media Studies at Rhodes University, says it is not necessarily an unhealthy nation "It can be dangerous to have too many people who see themselves as journalistic broadcast experts because they will constantly be looking over the shoulders of the people doing the job"

What board members needed to do was to formulate broadly for the SABC, keep a close eye on the accounts and keep out of everyone's hair, Stewart said

He expressed some scepticism over the number of educators on the board — there are eight — saying they might tend to concentrate on moral and ethical issues

"The idea that they (educators) have some brilliant

A question of knowledge

answer to the world out there is nonsense

"Morality comes after you've spoken to the bookkeeper," said Stewart

"You need people to understand the essential compromise between what is economically viable and what is socially desirable"

Stewart warned the board "TVI and Radio Zulu are the only services that are substantially profitable — you tamper with those things at your peril"

Similarly, soap operas like *Loving* and *Santa Barbara* were popular and attracted advertising, and the board would

disabled people protesting outside SABC headquarters against their exclusion from the board

be ill-advised to tamper with those

Stewart warned against overestimating the usefulness of education via the SABC

Previously banned political organisations and ANC leader Nelson Mandela had emerged from the wilderness as the most powerful political forces in the country without the influence of broadcasting while they were banned, Stewart said

He added he would like to have seen some scientists on the board

Scientists were able to read a research report, see what made money, and act on the conclusion, Stewart said

Campaign for Independent Broadcasting chairman

Raymond Louw said the most important job for the board was ensuring independent, fair and impartial broadcasting

The specific skills of some of the board members could be "counter-productive because they will not look at the broader interest of the public"

Of the eight educationists, Louw said none of them had any expertise in "education as conducted in television and radio services

Therefore, the board cannot deal with education except in broad policy directives."

Picture: AFP

As it was currently constituted, the board should be dedicated to the public interest in the broadest sense, he added

"The outrageous intervention of the State President has eliminated two professional media people with no replacement

The board is going to have to grapple with that area of operation with little expertise"

Louw said he thought the board would have to appoint technical subcommittees to advise them on issues relating to language, religion and the arts.

"The technical side of things is reasonably adequately covered by technical staff themselves," he said

Louw has called for the seven board members appointed by President de Klerk to resign.

Exercising his right to refer nominees back to the selection panel if they failed to match the qualifying criteria, De Klerk objected to at least 10 of the original names.

Seven were replaced, but the panel insisted on the inclusion of three others: sociologist Fatima Meer (the only Indian on the board), Matia Trust head Billy Modise and educationist Sheila Sisulu

The board's second meeting is scheduled for July 15, when members will have to get down to planning future policy for the

national broadcaster

Their first meeting on June 3 was devoted largely to dealing with the controversy surrounding their appointment

Sources said they did touch on religious broadcasting and issues relating to the arts □

sector to the private sector, from 2.5% to 3.5% to 4.5% to 5.5%

Both the corporate and household sectors are consolidating their debt exposures — the latter

Corporate, ABSA Bank International Banking and ABSA Merchant Bank Significant savings have already been achieved through restructuring and rationalisation

taxation and for ABSA this year amounts to

grossly inequitable that banks should be subjected to the financial services levy, which in reality, is

to which will

estimated losses available to Bankorp, which will

reduced as tax losses are utilised

Department SA Police and Transport
services for groups active on Saturday

SABC pay row settled

8/6/93
LOYD CUTTS

A SALARY dispute between the SABC and its staff association has been settled, but the corporation's management said yesterday it was still investigating alleged sabotage of live television broadcasts during industrial action by staff members.

A joint statement released by SABC management and the SA Broadcasting Staff Association (Sabsa) said both parties had agreed on Friday night to an 8,25% salary increase.

"The agreement reached includes an increase of 8,25% for the period April 1 1993 to February 28 1994... All industrial action will cease forthwith," their brief statement said.

Pretorius said the issue of the alleged disruption of the Super 10 rugby final and an opera would still be taken up by management.

Former sergeant faces 'Norwood rapist' charges

8/6/93
SUSAN RUSSELL

FORMER policeman Jacobus Petrus Geldenhuys, 26, who allegedly committed a series of murders and rapes attributed to the so-called "Norwood rapist" during November-December 1991, went on trial in the Rand Supreme Court yesterday.

Geldenhuys, who faces 15 charges, including five counts of murder and four of rape, was not asked to plead and the case was adjourned until today.

The former police sergeant, who lived in SAP single quarters in Norwood, allegedly raped two women in the suburb on November 6 and 26 1991.

One of the women was 68 years old at the time.

Geldenhuys is alleged to have murdered his next victim, Julia Hitge, in her home on December 16-17 before he raped and murdered Jennifer Matfield

two weeks later.

According to the indictment Geldenhuys claimed his first victim in Benoni on May 12 1989, when he allegedly murdered Franswa Rachel Tundzi.

The woman, who was a neighbour of Geldenhuys's parents, was allegedly strangled and set alight in her room by the former policeman. Cause of death was given as asphyxia and extensive burns.

Geldenhuys is also on trial for the murder of two women in Brakpan and Benoni last year.

He allegedly murdered Susanna Elizabeth Wandrag in Larrendale, Brakpan, on May 7-8 last year. The State alleges Geldenhuys also murdered and attempted to rape Veronica Kay Taylor in Benoni two months later on July 15.

Municipal polls postponed

8/6/93
ADRIAN HADLAND

PRETORIA — Municipal elections scheduled for October next year would be postponed until further progress had been made in national negotiations, Local Government Minister Tertius Delpport said yesterday.

Speaking at the 32nd conference of the Institute of SA Town Clerks, Delpport said legislation tabled in the current parliamentary session was aimed at suspending nationwide local government elections for the second time since 1988.

The postponement would prevent wastage of money and energy by local authorities. A new date would be set "as soon as the necessary progress in the negotiations makes it possible".

Sapa reports from Cape Town that a Bill providing for the temporary postponement of local government elections was published in Parliament yesterday.

A memorandum to the Local Government Affairs Second Amendment Bill said the Local Government Minister would also be empowered to make regulations re-

garding wards and polling districts, qualifications for voters and office bearers, election procedures and expenses and illegal practices during elections.

At the conference Delpport warned the amalgamation of black and white local authorities would make great demands on town clerks across SA.

He hinted it might be considered necessary to transfer clerks from one area to another to assist in the running of newly formed local administrations. "In the interests of the country it is necessary for town clerks to place opportunities and necessities above their own comfort."

Delpport said the training of new administrators was vital to the success of local government's transition.

Institute president Paul Botha said town clerks had a significant role to play in encouraging constitutional debate, promoting participative management and being sensitive to community needs.

FW comes under fire again for board selection

SABC vice-chairman Ivy Masepe-Casaburri yesterday criticised President F W de Klerk's handling of the new board's selection, stressing that the process lacked transparency.

On the rejection of Prof Njabulo Ndebele as chairman in favour of Van Zyl Slabbert, she questioned De Klerk's reasoning that the independent selection panel's choice as chair could not speak Afrikaans.

"Mr de Klerk's criteria on bilingualism in appointing a chairperson is absolutely shocking, especially given the multilingualism of some of the board members who are proficient in English, Afrikaans, Sotho, Zulu and one or two other indigenous languages."

On the news of her appointment, Masepe-Casaburri said she, like Slabbert, first heard about her

position while driving home. "Unlike Dr Slabbert I was not inaccessible. I am forced to conclude that Mr de Klerk did not find it important to communicate with me."

Masepe-Casaburri said the controversy surrounding the selection affected her personally.

"Information is lacking on the process by which my appointment was made. This lack of transparency is most disconcerting."

"The reasons given by Mr de Klerk justifying his intervention in the process of choosing a new SABC board are not convincing and one can only conclude that he has violated the spirit that set the process in motion."

She did not say whether she would serve on the board or reject the nomination — Sapa

Telkom under fire in townships

PRETORIA — Unrest in black residential areas was costing Telkom thousands of rands a month and hampering the provision of services in the affected areas, Telkom acting MD Keith Prins said yesterday.

He said that in the past two months one employee had been killed, 19 injured — five of them seriously — and about 90 vehicles either hijacked, damaged or destroyed.

The threat to Telkom personnel meant maintenance work on lines and equipment could not be carried out. Teams of black staff were threatened and attacked even while being escorted by police.

In the western Cape, an average of 10 Telkom vehicles a week were damaged or destroyed in unrest-related incidents between April 10 and May 17. Losses amounted to R200 000. During the same period, 13 vehicles were stolen, four set alight and 50 damaged on the Witwatersrand.

In the Witwatersrand area, 13 infrastructure projects had been delayed in the past two months and in Natal more than 3 000 applicants were waiting for services.

GERALD RILEY

Telkom was negotiating with community leaders to obtain their cooperation in protecting Telkom staff and equipment, Prins said.

Meanwhile, Sapa reports police arrested 16 people on various charges ranging from possession of illegal weapons, ammunition and explosives to possession of dagga in a pre-dawn raid on the Mandela Park and Holomisa Park squatter camps near Thokoza on the East Rand yesterday.

Fifty illegal immigrants were arrested in the raid. Attacks on the East Rand continued at the weekend. A man was killed at his Vosloorus home and the bodies of three other unidentified men were discovered, police said yesterday.

Arnstong Nkosi, 41, was shot on Sunday night when four men entered his house in Vosloorus Ext 10. The motive for the attack is not known.

In Phuthaditjhaba, two QwaQwa police murder and robbery unit members died after being shot by a gang at a shopping centre on Saturday.

In the Free state, three people were shot dead and three wounded.

Police said Desmond Pearce, 49, and his daughter Diwona, 19, were killed when a man opened fire on their house in the Heidedal district near Bloemfontein.

In Sasolburg a petrol attendant was killed and another wounded when a man opened fire on them.

Police reported yesterday that at least nine people had died in Natal townships at the weekend.

Yesterday one man was killed and another seriously injured in an attack on a minibus at Wembesi near Estcourt in Natal's Midlands, Inkatha spokesman Ed Tillet said.

In Cape Town a meeting of government representatives has set up a working committee to examine safety on the N2 between Cape Town and Somerset West.

It was agreed at the meeting that the committee would be made up of representatives of the CPA roads and traffic administration and community services branches, the Transport Department, SA Police and the Defence Force.

Radio audiences growing — Amps

Buss Day 8/6/93
MARCIA KLEIN

RADIO's total weekday average daytime audience has grown significantly to 17,6-million, according to the latest Amps diary report

The report to end-March includes rural black listenership and more reliable audience figures for smaller stations

(260)
Radio Active executive sales and marketing manager Rob Hayne said this made comparisons with previous periods difficult, particularly for SABC Radio's African language services. Nevertheless, he said, figures translated to a 77,6% penetration of the total population.

Radio Metro's audience had soared to 2,6-million listeners on an average day, making it the second largest SABC station after Radio Zulu Stereo, which had 4,6-million listeners. Hayne said Radio Metro had significantly increased its white, coloured and Indian audience, which now accounted for 18,1% of total listenership.

The figures generally showed that radio had made strong growth and continued to maintain audiences nationwide. Radio 2000, Highveld Stereo, RPN Stereo, Jacaranda Stereo and Radio Lotus were among the stations to expand their audiences.

Radio 5 said it had reversed a downward trend during the past three years. Amps figures showed that 83,6% of its listeners were A- or B-income earners, and its morning and afternoon drive-time show audiences had grown by 24% and 22%, respectively.

Radio 702 said it had increased its weekly listenership by 5%, to 663 000, with its average daily audience at about 331 000. According to 702, Amps showed there was a large increase in black listenership and a smaller decline in white, coloured and Indian listenership. About 40% of its listeners were black.

SABC's No 2 criticises FW

JOHANNESBURG — SABC vice-chairman Dr Ivy Matsepe-Casaburri yesterday criticised President F W de Klerk's handling of the new board's selection

On the rejection of Professor Njabulo Ndebele as chairman in favour of Dr Van Zyl Slabbert, she questioned Mr De Klerk's reasoning that the independent selection panel's first-choice chairman could not speak Afrikaans

"Mr De Klerk's criterion on bilingualism in appointing a chairperson is absolutely shocking, especially given the multilingualism of some of the board members who are proficient in English, Afrikaans, Sotho, Zulu and one or two other indigenous languages," she said

On the news of her appointment, Dr Matsepe-Casaburri said she, like Dr Slabbert, first heard of her position while driving home "Unlike Dr Slabbert I was

not inaccessible I am forced to conclude that Mr De Klerk did not find it important to communicate with me"

Dr Matsepe-Casaburri did not say if she would serve on the board or reject her nomination

And in Durban yesterday board member Professor Fatima Meer said she would "review" her membership once "certain considerations" had been resolved — Sapa, Own Correspondent

CT 8/6/93 (260)

CSIR provides access to global information

THE CSIR's information services launched its Worldnet Gateway service last month, providing electronic access to a global information network

The system uses an IBM RISC System/6000 from Computer Associated to provide access to many databases worldwide.

A range of options are provided, allowing high-speed access for a range of users. The system also allows X.25

connectivity to remote destinations via value added network company Trafex.

Worldnet Gateway manager Ed Evans says the system provides direct links for experienced searchers, a menu mode for new or infrequent searchers, and a command mode for advanced searchers.

"Apart from being responsive to user needs, the service provides affordable communications and a wide spread of local and international databases"

81073

OPERA is the domain of tragedy. But sometimes the tragedy takes place off-stage, as Capab and SABC members recently learned.

The story began in April when Capab announced it would not renew the contracts of permanent members of its opera company. This decision was taken as a result of the \$4m loss sustained by the arts council during the previous year.

Massive cuts in state subsidies to the arts have undoubtedly contributed to this loss. It seems sport has far greater potential in the shoring up of failing regimes and the forging of new alliances at much the same time as Capab was forced to give up its opera company, government announced it would contribute R17m to the one-day Kyalami Grand Prix.

And so, under the threat of extinction, Capab opera prepared for its last production. With the aid of SAA, a new and brilliant production of

Tragedy on stage and off

Ed Day 9/16/93

MARY RÖRICH

Puccini's famous essay in tragedy, *Madama Butterfly*, opened on May 15 and was scheduled for live transmission on TSS on May 28.

The screening of live opera is a costly and complex business, one which SABC television producer Raymond Sargent has made his own. He has been responsible for all live transmissions of opera and ballet in SA to date, including Peter Klatzow and Veronica Paepers' *Hamlet*, which won a well-deserved 1992 Arts award. A trial run of the final dress rehearsal of *Madama Butterfly* suggested it would stand alongside the best of Sargent's work. But *Butterfly* was destined to become a target of two bully boys.

The first was the SABC itself, whose board and senior management have, over the years, exercised a tyrannous *baasskap* styled on the government that bred and controlled it.

But, for the SABC, time is running out, as it is for its master. Strikes by Mwasa and, more recently, the SA Broadcasting Staff Association (Sabsa) indicate the bitterness of most SABC employees.

Sadly, in its choice of target and style of action, Sabsa has shown that it is scarcely more caring of its

members than is the SABC. Its interpretation of selective strike action has split its members' loyalties and in several cases damaged working relations within production teams.

The *Madama Butterfly* crew were aware that they might well be asked to strike. However, as the curtain went up, they assumed their project had been spared. Thirty-three minutes into the first act, western Cape Sabsa members were called upon to "withhold their services". Within seconds, the production was immobilised. Sargent is himself a member of Sabsa, as are most other crew members. None had any knowledge of the impending strike action. Those called out by the union were visibly

distressed as they saw their work of many days come to naught.

When subsequently told of Capab's plight regarding opera and the boost a television screening would have given it, Sabsa was genuinely sympathetic. But it was too late.

In SA art is the coward's target — many opera lovers countrywide felt deprived and angry, but not nearly as many as would have jammed the SABC switchboard had the rugby match screened the following day been interrupted by strike action.

And so what might well be Capab's last production has neither been documented nor the fate of its company debated. It's a sad story, with an ironic ring of *Madama Butterfly* about it. Remember the little geisha girl whose American "husband" contracts a marriage with her "for 999 years, with a month's notice"?

□ Rörich reviews *Madama Butterfly* on Page 18.

CT 1916 193
Commission
aims to curb
govt waste

By ARI JACOBSON

THE independent Audit Commission which was set up in April expects to curb uncontrolled government spending, said chairman Dr Francois Jacobs yesterday

Speaking at a press conference after the R136,7m auditor-general's budget vote which includes a R4,7m provision for the Audit Commission, Dr Jacobs said "for the first time" three members overseeing the budget would come from the private sector. The eight other members are parliamentarians.

The three from the private sector members are JSE chairman Mr Roy Andersen and two executives from accounting firms, Mr JJ Njeke from Price Waterhouse and Mr Hanke Scheepers from Coopers and Lybrand.

Dr Jacobs said the aim of the Audit Commission was to reduce state expenditure.

Star 9/6/93
Board angers

SABC's Meer

Human rights activist and new SABC board member Professor Fatima Meer is reviewing her membership (2b)

She criticised her board colleagues for their concluding statement made after she left the first board meeting. The statement ignored her demand that the board reconsider the rejection of seven members by President de Klerk

His influence had been evident throughout discussions, she said. — Staff Reporter

Sale of govt businesses 'crucial'

ADRIAN HADLAND

PRETORIA — The large-scale privatisation of public sector business enterprises and assets was crucial to SA's economic survival, AHI chief economist Nick Barnardt said this week.

Speaking at a conference in Midrand on commercialisation and privatisation, Barnardt said privatisation would provide "billions of rands in cash" for development programmes while simultaneously relieving balance of payments (BoP) and fiscal pressures.

Any resource suitable for increasing spending on job-creation, infrastructure, community development and upliftment could not be ignored, he said.

The economic recovery predicted to begin next year could actually lead to a deepening of the BoP deficit and an early end to the upswing, Barnardt said.

Every cyclical economic recovery of the past three decades had been characterised by falling foreign reserves, a sharply depreciating exchange rate, rising inflation and higher interest rates.

"Macroeconometric analysis indicates that an upswing getting under way in early 1994, and accelerating into 1995, would be no exception," he said.

Competition Board chairman Pierre Brooks said commercialising public sector activities would require an "uncompromising" attitude from shareholders and directors.

"Excess capacity may have to be sold, leased or mothballed, personnel, regrettably, retrenched and directors and managers dismissed," he said.

'Plenty of capital for privatisation'

5/Day 10/6/93

ADRIAN HADLAND

PRETORIA — Local institutions would have little difficulty absorbing privatised public sector enterprises, said Frankel, Pollak, Vinderine director Simon Oliver yesterday

Oliver told a commercialisation and privatisation conference that doubts had been expressed as to whether local investors had the resources to finance the privatisation process.

Local institutions had a net cash flow of about R25bn a year available for investment, he said. "Only a portion should be enough to absorb investments made available by the state"

Certain safeguards were, however, required to ensure success, he said. These included starting the commercialisation process in public companies several years before privatisation

to establish a track record, credible forecasts, a pricing policy to reflect investor confidence and a limit on foreign investor shares

Price Waterhouse Meyernel corporate finance CE Pieter van Huyssteen told the conference earlier this week that in theory "every government enterprise should be a target for reform", including Transnet, SAA, Autonet, Denel and shipping ports

Adam Smith Institute international director Peter Young said electricity generation and supply and telecommunications should be examined with a view to introducing a more competitive environment

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SABC in

row over

Star 10/6/93

voting

By Thabo Leshilo

The SABC has been plunged into yet another controversy — this time over voter education — just days after it was embroiled in a row over its newly appointed board (260)

Yesterday the Independent Forum for Electoral Education (IFEE), which has been negotiating with the SABC about using it as a medium to educate voters, accused the corporation of setting up an opposition body to the IFEE.

IFEE media commission convener Barry Gilder accused the SABC of negotiating in bad faith and showed the media a copy of an attendance list of a workshop the corporation held with the Alternative Free Forum on Monday.

The meeting on voter education was attended by a number of organisations, including the SA Chamber of Business.

Gilder also disclosed the contents of a letter he had sent to SABC chief executive Wynand Harmse.

"It is clear to us, from this document, as well as other information at our disposal, that the SABC has gone ahead with its attempts to create an 'alternative' forum to the IFEE," said Gilder in the letter to Harmse.

Gilder told Harmse the IFEE was suspending negotiations with the SABC's present management.

The IFEE intended to pursue the question of voter education with the newly appointed SABC board, Gilder added.

SABC 'stabbed' forum

THE recently formed Independent Forum for Electoral Education, which aims to promote voter education, yesterday accused the SABC of backstabbing and called off a meeting with SABC CE Wynand Harmse, scheduled for tomorrow.

(260)
The forum's Barry Gilder told journalists in Johannesburg that the meeting between himself and Harmse, which had already been postponed twice, was to have dealt with proposals for a joint committee to oversee voter education broadcast projects.

Gilder said the first meeting with the SABC took place in April, when it was agreed to set up a working group. This had met twice.

Gilder said the SABC had expressed reservations about the representativeness of the forum. The corporation had questioned

WILSON ZWANE

the absence of organisations such as Nafcoc.

The forum undertook to consult other interested parties.

Gilder said it had become clear that the SABC perceived the IFEE as "unfriendly" and had gone ahead with attempts to create an "alternative forum".

"We have therefore decided to suspend negotiations with the SABC management on the issue of voter education. Instead, we will pursue this matter further with the SABC board," Gilder said.

He said the organisation would meet negotiators at the World Trade Centre next Tuesday to brief them on its work.

Its members included the SA Council of Churches, the Black Sash, Idasa and Matla Trust.

The right's sip in the air

By **JAN TALJAARD** 11/6-17/6/93

THE far rightwing has started setting up its own radio station for political broadcasts, which will include transmitters and sophisticated equipment to the tune of R5-million.

Far rightwingers are planning to launch their own radio station. All it needs is a licence.

By JAN TALJAARD

Largely inspired by the Afrikaner Volkstaat, the project is linked to the drive for a *volksstaat*. It is envisaged that funding for it will partly be raised through a boycott of individual TV licence fees, which will be deposited in a radio trust.

part of a campaign of civil disobedience. The money is to be deposited into the trust instead.

Planning is at an advanced stage with the 102,5 MHz frequency on FM earmarked as the most likely channel. A large part of the equipment has already been acquired.

The composition of the newly appointed SABC board served as the final impetus for organisations such as the Volkseenhidskomitee (Vekom), the AVF and the Conservative Party to throw their weight behind the project. It was pointed out that no rightwingers were appointed and that the "voice of the volk" will therefore not be heard.

Originally envisaged as a "cultural" service akin to the old-style SABC Afrikaans channel, the project has become politicised since the formation of the AVF and recent political developments, including the appointment of a new SABC board.

The aim is now for the station to develop into the official broadcasting service of an independent volksstaat. Rightwing strategists also see it as a cost-effective means of acquiring a public platform for propaganda purposes.

Transmitters will be based in Pretoria with boosters eventually being set up to cover the northern and eastern Transvaal.

Due to various circumstances, mostly having to do with insufficient funds, the right has traditionally lacked effective public platforms.

At recent meetings of rightwing think-tanks connected to the AVF, it was proposed that rightwingers should stop paying TV licences as

They see an own radio transmitter as having the same kind of impact as a national paper at 10 per cent of the cost. The project originated with the Afrikaner Kultuurbond, an ostensibly cultural organisation under the leadership of well-known CP member Rev Mossie van den Bergh.

A close corporation, Pretoria Mediadiensle BK (Pretoria Media Services CC) was established with the sole purpose of getting the project off the ground. According to well-informed sources, individuals inside the SABC are also involved.

The planners are also looking at the SABC's Weavind Park facilities in Pretoria as a possible future centre of operations. Indications are that the SABC is scaling down its activities at Weavind Park and the rightwingers are hoping that they will be able to inherit the infrastructure.

While an application for broadcasting rights has already been formulated, it has not yet been put to the government. Nor has any official help been sought from the SABC. The rightwingers are instead quietly biding their time, waiting to see if other political interest groups are given broadcasting rights, which they will then use as a lever.



RADIO FAR RIGHT

Volksfront funds a propaganda station

W/Manat 11/16-17/16/93

(260)

THE far right is planning its own radio station, intended to be a "voice of the folk". It has already bought much of the equipment, which will cost about R5-million. All the conservatives need now is a licence.

The station, intended to broadcast right-wing political messages, will be funded in part by persuading supporters to boycott SABC licences and pay the fees to a conservative "radio trust" instead.

Although rightwingers have talked about their own radio station for some time, the appointment last week of the new, independent SABC board has galvanised a wide range of conservatives behind the project.

See PAGE 3 **Comment: PAGE 16**



ANC spy in the AWB

A WARMBATHS antiques dealer describes how he infiltrated the Afrikaner Weerstandsbeweging — on behalf of the African National Congress.

See PAGE 10



Hans Smith to take over as Iscor MD

FORMER Samancor MD Hans Smith, 52, had been appointed Iscor MD from September 1, the steel group said yesterday.

Ischor chairman Marius de Waal said the management team under the leadership of Smith would continue to contribute to the group's progress.

Smith said he was excited at the prospect of taking over the reins from Willem van Wyk, who retires at the end of August.

He believed Iscor had good growth potential as long as one was not single-minded about the growth of steel operations only. He cited Australian group BHP, which had grown from a steel-making operation smaller than Iscor, into the world's largest mineral resource group.

EDWARD WEST

Smith said he believed the steel market would recover in time as international prices were firming slightly and producers overseas were taking steps to curb production and market share.

"There is not much one can do about world steel demand except watch economic indicators. Iscor is sensitive to local and world economies as well as the rand dollar exchange rate, all of which impact substantially on the bottom line."

The group was well poised to take advantage of any economic improvement following the completion of a massive capital expenditure programme, he said.

81/08/93 11/6/93

(260) (184)

Stormy seas lie ahead for the SABC board's members

w/mail 11/6-17/6/93
260

BEING a member of the new SABC board is a daunting task. In an atmosphere of intense media coverage and heated discussion surrounding the controversial selection of the board, the members now on the board, and those who still have to fill the vacancies, will have a tough time ahead.

I have no mandate to speak on behalf of the board. But, for the sake of transparency, it would perhaps not be a bad idea if members could put their own case on how they see their role instead of reading the media's versions thereof.

Personally I will have to deal with my own appointment, which came under fire from certain organisations and individuals, and which, in a certain sense, left me embarrassed. Even so, I see my appointment as part of what acting chairman Frederik Van Zyl Slabbert described as a more transparent and acceptable selection process than was the case with any of the previous boards.

I am committed to the idea of a new democratic dispensation, freed from the shackles of apartheid, and the need to have an open, free and credible broadcasting system in this country.

Each and every member of the new board brings to it unique and necessary attributes. My own background is that of a former, and practising freelance journalist in both radio and print media, while I have devoted my time and energy over the past two decades to research and publications on the issue of mass media (including the electronic media) and its role in society.

I hope to continue my research interest in this field (for example, news issues, aspects such as "objectivity" and news flow) and bring to the board whatever knowledge is functionally needed.

It seems to me that much more realism is needed in the public debate on the task and the work of board itself. Perceptions of the board's task range, for instance, from having little power in or influence over the daily running of the SABC to the opposite end of the scale.

The SABC is no Mickey Mouse outfit. Its size and activities necessitate commitment and responsibility in the application of expert knowledge and skills. In the financial year of 1991/92 its total operating income was R1 088,3-million, its total operating expenditure R1 038,2-million, and its total assets amounted to more than R1 000-million. Some 6 000 full-time employees and thousands of freelance people work for the corporation.

Every day some eight million people watch SABC-TV, and millions more listen to its 22 radio services broadcasting on FM,



*No one said it was going to be plain sailing being a part of the new SABC board, but one is humbled by the enormity and complex nature of broadcasting in this country, writes board member **ARRIE DE BEER***

AM and short wave, and to its external radio services. Apart from other factors, this is all done within the context of highly sophisticated technical expertise and facilities.

Many critics of the present structure of the SABC demand immediate and drastic changes to the organisation. One only has to browse through the SABC booklet with the face, names and positions of top and senior personnel at the SABC to realise that proponents of affirmative action, among others,

have a serious argument to make.

Also, a large number of research projects and numerous critical articles in the mass media tell the story of the lack of credibility, one-sidedness in news reports, etc, that almost became the hallmark of the SABC over many years.

On the other hand, it would also not be realistic, neither fair, to aver that no positive changes towards a more enlightened and democratic broadcast style developed and came into practice over the last few years.

Presently, by many accounts, morale at the SABC is not what it should be, especially viewed against the short time span left before the first democratic elections in this country to be held in 1994. As Professor Gavin Stewart, head of the Department of Journalism and Media Studies at Rhodes University, stated in a recent Sunday newspaper report: "Major staff purges could seriously wreck morale at the SABC which has made a real attempt over the past three years to achieve political balance after decades of pro-apartheid propaganda."

Much of what has been said over the past few months about the way the SABC is conducting its business was focused on news and actuality programmes. This is understandable, because there is indeed much one could say about it. The SABC has, for instance, a set of guidelines "for the handling of violence on television". As a member of the SABC board one could, or rather should, have a serious look at this aspect.

But the reams of paper written and almost countless number of words spoken on news presentation by the SABC overshadowed the need to have a close look at the many other aspects of the corporation's activities — be it sport, music, dramas, sitcoms and other forms of entertainment, as well as the important aspect of educational programmes.

Then there are also crucial aspects ranging from strict technical, financial and professional broadcasting matters to abstract elements such as the perceptions people have of the SABC and the corporation's own research and communication activities.

To mention but one further aspect, little was said about the interaction between the SABC and advertising industry, the latter being the present financial lifeline of the corporation. The organised advertising industry has made its point about this aspect in clear language over the past few weeks. This, also, has to be taken into account.

●Arrie de Beer is professor of communications at Potchefstroom University.

Sasol plans own petrol stations

Star 12/6/98

SYNTHETIC fuel and chemical giant Sasol intends setting up its own petrol stations to compete with other oil companies, a company spokesman confirmed yesterday.

Negotiations with the oil companies were already in progress, for Sasol to set up a marketing infrastructure after the separation into two companies of its crude oil refining and marketing activities, and its synthetic operations. The proposed Sasol

Crude Oil Refining and Marketing Company would establish its own petrol stations to sell Sasol-branded fuel.

But, like all other oil companies, it would have to buy a pro rata share of Sasol synthetic fuel and be subject to existing tariff protection, said Sasol spokesman Jan Krynanuw. The crude oil refinery was co-owned by Sasol and Total, and it was hoped to list the proposed company on the Johannesburg Stock Ex-

AFTER talks with other oil companies, South Africa's fuel giant Sasol-branded petrol through its own outlets.

change. It would not receive government assistance, he said.

The separation of the Sasol operations was announced by Mineral and Energy Affairs Minister

George Bartlett in Parliament on May 28

He said the liquid fuel industry should remain regulated to protect small businesses, and the synthetic and oil industry, but the secrecy surrounding it should be lifted to allow informed debate.

The uncoupling of Sasol's activities would result in greater transparency, Bartlett said.

Sasol sells the bulk of its liquid transport fuel production, manufactured from coal and crude oil, to the rest of the oil industry in terms of a supply agreement whereby each company buys Sasol fuel according to its national market share. In exchange, Sasol's right to market specifically defined petroleum products directly to the consumer is limited.

Restricted marketing of Sasol-branded petrol at oil industry-owned petrol service stations is allowed under the Blue Pump Agreement

The company said yesterday. "In a deregulated environment, Sasol's synthetic and crude oil-derived fuel production should be marketed separately. Because of the large contribution to the local economy and the foreign exchange savings created by the synthetic fuel industry, it would be in the national interest for all marketers to purchase and market a proportionate share of the synthetic fuel produced in the country.

"The sale of Sasol's fuel production from crude oil will only be effectively secured through Sasol's own marketing infrastructure."

Sasol's contribution to the South African economy is claimed to be R4 billion a year

Krynanuw said the move would ensure that all stakeholders would have a say in the future of the local oil industry — Sapa.

FW silent

~~of 11/19/93~~
PRESIDENT F W de
Klerk refused to disclose any details about the government's secret funds yesterday

Mr Willem Botha (CP, Uitenhage) asked him to furnish information on secret funds spent since 1982/3 ~~(204)~~

Mr De Klerk said by virtue of the Secret Services Act of 1978 this information could not be made public ~~(260)~~

Grillings at SABC board hearings land Judge Mahomed in hot water

By CARMEL RICKARD

THE wisdom of appointing judges to chair committees and commissions outside their duties on the Bench has come under the spotlight in Parliament.

The issue was raised by Justice Minister Kobie Coetsee this week, who said it might be time to draw up guidelines for such appointments.

He was glad judges were so often asked for help because this would promote a rights culture. However, the country's Judges-President had expressed disquiet, saying such appointments put judges in a difficult situation.

13/6/93
Critical

Mr Coetsee praised Bethal MP Christiaan de Jager for an apparent critical reference to Mr Justice Ismail Mahomed.

The judge, co-chairman of the SABC board selection panel, has been criticised by National Party members for his questioning style, particularly when cross-examining former board chairman Christo Viljoen.

The minister said everyone should heed Mr de Jager's comments that judges should remember they were judges, regard-



MR JUSTICE MAHOMED
His style criticised

less of the capacity in which they acted. When judges chaired commissions, they should carry the culture of the Bench with them and act with dignity

and independence.

Mr Coetsee said the Judges-President raised the problem that judges appointed to head commissions were not protected by the privilege of the court and were exposed like anyone else to risks, challenges and provocation.

Political 260

When Mr de Jager interjected that judges should not be used to "solve political problems", the minister said that perhaps the time had come to draw up guidelines to help those who relied on judges to give status to certain situations.

SITimes [Buss] 13/6/93
260

Bop TV going for the jugular

By CIARAN RYAN

BOP TV is preparing to challenge the SABC and M-Net stranglehold. It plans to apply for a national TV licence when broadcasting is deregulated this year.

If the licence is granted, the SABC stands to lose up to R300-million in advertising revenue. Under its existing licensing agreement, a remnant of apartheid, the Bop TV signal may be broadcast to 44 black townships in SA. The SA Government ordered the prevention of signal spillage to white areas. As a result, Bop TV is limited to a small area, including Soweto.

Bop Broadcasting hopes to receive licences to broadcast its four TV services throughout SA. Bop TV, Mmabatho TV, a public information service, Edutel, an educational channel, and a music channel.

"The Bophuthatswana Government is taking the matter to arbitration with the SA Government," says Bop TV's managing director, Jonathan Procter, 33, who has trebled the station's income to R30-million since taking control more than three years ago.

"If 44 transmitters had to be installed to prevent spillage into 'white' areas and Bop Broadcasting had to pay for them, then the SABC should be subject

to the same licence conditions so that its signal does not spill into areas not covered by its licence, such as Bophuthatswana."

The SABC claims this spillage is unavoidable, an argument Mr Procter says should apply equally to Bop TV so that all viewers between the 44 townships can also pick up the signal. This would allow Bop TV to cover its licence area with two transmitters.

Bop broadcasts 48 hours of TV daily from Mmabatho compared with six hours when Mr Procter joined.

Bop Broadcasting receives subsidies of R120-million a year. If granted a SA national TV licence, this could result in savings for SA taxpayers.

Perhaps the biggest loser if Bop TV broadcast throughout SA would be M-Net. Bop TV competes head-on with its market, offering films as well as documentaries and news.

Mr Procter says: "The only point of view available to TV viewers in SA is from the SABC. M-Net does not have a point of view. We could offer a vital counterpoint to the SABC."

M-Net is facing competition from Bop TV in Africa, where it is trying to expand its network. Because programme costs are levied according to viewership, Bop TV — a daily audience of under 200 000 according to Amps — can undercut M-Net with its 780 000 decoders and more than a million viewers.

Mr Procter questions the Amps figures. "Our sample shows an audience of 350 000 for Mmabatho TV. With all the other services combined, our viewership is probably over a million, but advertisers get the benefit of cheaper tariffs as a result of the Amps figures."

The station includes three radio services: Radio Bop, in competition with SABC's Radio Metro; Sunshine Radio, broadcasting gospel services; and Radio Mmabatho, a cultural service aimed at local listeners. Bop TV, Radio Bop and Sunshine Radio are profitable.

SABC chief Wynand Harmse warns that a self-funding SABC may have to be subsidised if a fraction of the radio and TV licence applications pending are granted.

No new licences will be issued until an independent issuing authority has been appointed.

City Press
13/6/93
260



**FW de Klerk has
chosen
Frederik van Zyl
Slabbert as the
SABC's new
board
chairman.
BRUCE
STEPHENS
assesses
Slabbert's
chances of
surviving this
mixed
blessing.
Ironically, this
veteran
opposition
party politician
fits the profile
the National
Party created
for the job
during its 45
years of rule:
like his
predecessors
Slabbert is
white, male and
Afrikaans-
speaking.**

GOOD politicians are survivors and Frederick van Zyl Slabbert has weathered 20 years of hostility from the National Party

He turned John Vorster's rough anger in the 1970s and PW Botha's imperial wrath in the 1980s to his advantage, gaining influence and stature all the while

But today, at the pinnacle of his political career, he is facing his most serious challenge from the National Party

He is facing its approval

And against that he appears to have no defence

The approval took the form of his appointment last week by President FW de Klerk as chairman of the new board of the South African Broadcasting Corporation (SABC)

Slabbert wasn't the first choice of the seven-member judicial panel appointed in April to select what was to have been the first SABC board in history chosen in a process independent of the white government

That honour, went to Prof Njabulo Ndebele, rector designate of the University of the North and an internationally renowned author

A slight, unassuming figure, back in the country for just two years, Ndebele is a powerful intellect, speaking English, Sotho, Tswana, Xhosa and Zulu fluently, able to read both French and German, and with "some" Afrikaans

He would have been the first black chairman of the SABC board in history - and the first in the 45 years of National Party rule who was not a white, Afrikaans-speaking male

The panel also recorded a number of other historical firsts in its first selection of the 25-member SABC board

Of the 25 board members, a narrow but absolute majority of the were black (13) with one Indian and two coloured

No single language dominated among the 25 but, in line with the position among SA's 40-million people, there were seven first-language Zulu-speakers, the biggest single group on the board

Just nine of the 25 board members were white

As another historical first, only a minority of the board members were sympathetic to the government. And just two individuals survived from previous boards

For the first time too, the initial board included two internationally renowned journalists, Allister Sparks and Khaba Mkhize of the *Natal Witness*. This was appropriate, given the urgent need to transform the SABC's traditional news bias towards the National Party government, entrenched by four decades of pro-government appointments to senior SABC jobs

The list also included the South African Media Workers' Union's John Erentsien, and a blind person, William Rowland, nominated to the panel by the disabled people's movement, DPSA.

In the broad mandate given to the panel, the 25 new board members were "broadly representative of the racial, gender, social and demographic composition of South

WILL SLABBERT SURVIVE

FW DE KLERK'S

C/Press 18/6/93

KISSES OF DEATH?

But it was not to be

In the same week that he received the list of nominations from the panel - four judges, one of them a member of the National Party, and three lawyers - De Klerk and his negotiators in the multi-party talks at the World Trade Centre were fiercely resisting majority rule and arguing instead for an entrenched political and racial balance in a future constitution

De Klerk used the SABC board to demonstrate what he meant by "balance". He objected to a string of the panel's choices, and offered several of his own

A bitter tug of war ensued, starting, according to one member of the judicial panel, with De Klerk tossing the panel's list across his desk at them, and telling them flatly, "This is not acceptable"

He was, reportedly, so rude that Judge Ismail Mohamed, joint chairman of the panel, walked out

Rightwing Home Affairs Minister Danie Schutte also intervened, criticising the nomination of nine "ultra-leftists" - among them apparently Sparks, who had by coincidence just won the annual award as Britain's top foreign correspondent.

The dispute went on for three days. When it was over De Klerk's intervention had decisively changed the look of the new board.

The black majority on the board had disappeared, black appointees remained the biggest single group, but their majority was gone

The journalists had vanished without trace. So had the disabled candidate and the trade unionist

In their place the number of white appointees had jumped to 10 - more than double the 15 percent they were entitled to under the requirement that the board be "broadly representative" of SA's racial make-up.

And first-language Afrikaans-speakers had increased to 10, making them the biggest single language group. The number of Zulu-speakers was slashed to five in the name, De Klerk claimed, of "regional



TAAL TALE ... FW rejected the learned Professor Njabulo Ndebele for not being "bilingual".

But De Klerk's most visible intervention came with the chairman. De Klerk demanded that Ndebele be removed because he was not "bilingual" - which he is, more than three times over. What De Klerk really meant was that Ndebele wasn't fluent in Afrikaans

Slabbert was, and De Klerk chose him instead.

After 44 years of National Party-appointed white, Afrikaans-speaking men in the SABC board chair, De Klerk had intervened to ensure that the first SABC board in the "new South Africa" also had a white Afrikaans-speaking man at its head

Equally importantly, De Klerk had succeeded in placing on the board a major bloc of government sympathisers, solidly opposed to changing the tone of "his master's voice".

Led by former SABC board chairman Christo Viljoen - who effectively acknowledged, in his interview with the panel, his willingness to toe the Nationalist line. This bloc, has already begun working closely with the senior SABC executives to protect the

At their first meeting last week, board members say they had clearly already worked out their strategy with Wynand Harmse, SABC's most senior executive, and with Sakke Burger, the SABC's leading political strategist

Burger's brother, for the record, goes by the name of Staal, and has been identified as among the most senior officers of the SADF's covert Civil Co-operation Bureau. For Slabbert, the chair was a mixed blessing. He'd been expecting it, because so many white newspapers had been predicting it (no doubt through inspired leaks from government sources). But he'd been expecting it from the panel, not as a result of De Klerk's intervention.

His first reaction was that he couldn't take it, he couldn't afford the embarrassment of being "De Klerk's man"

Franklin Sonn and Enos Mabuza, pushed on to the board by De Klerk's intervention, felt the same way and did the logical thing, they quit

Slabbert didn't. After meeting De Klerk he agreed to chair the board's first meeting

With an explosion of outrage greeting news of De Klerk's intervention, Slabbert's decision saved De Klerk from a damaging political crisis

His decision, at the first meeting of the board - and with some prodding from the pro-government bloc - to stay on in the chair until July further eased De Klerk's problems

Slabbert's argument is that, while De Klerk's intervention was unfortunate, someone had to change the SABC, so he and the board should be left alone "to get on with the job"

But there may have been other reasons Slabbert's pride had been hurt by hearing about his appointment for the first time on his car radio.

And at the first board meeting, Slabbert indicated some unhappiness that the ANC had at the start of the selection process urged Ndebele, rather than himself, to make himself available for the chair. How

place by telephone and was never publicised) is unclear

But Slabbert's belief in his ability to change the SABC has not taken account of the pro-government bloc created by De Klerk's intervention and by the entrenched bureaucracy which runs the SABC and includes both Broederbonders and former ranking officers of SADF military intelligence units

Nor has it taken account of the massive influence of the SABC bureaucracy on the board - this influence extends to deciding the agendas for board meetings. And the SABC bureaucracy is hardly neutral: it is the result of four decades of pro-government appointments

SABC is not uniformly pro-government. Many - perhaps most - of the working journalists and broadcasters have been eager to work with a new board to tarnish the corporation's tarnished, propagandist image

But Slabbert believes in "change from above", and has so far limited his contact to senior executives - the very people responsible for maintaining the SABC as a National Party mouthpiece

Slabbert's demand to be "left alone" is being ignored even within the board. Three board members, including his vice-chairperson, Ivy Motsepe, have issued public statements questioning his view that De Klerk's dabbling had not tainted the board's credibility sufficiently to require any changes, and that it should be left alone to "get on with the job"

And there are signs of further opposition from those on the board who survived De Klerk's dabbling. They are unhappy at the idea of being passive window dressing for an attempt by the pro-government bloc to retain the status quo

The Campaign for Independent Broadcasting (CIB), which formulated the independent selection process in the first place, is unwilling to trust the future of public broadcasting to Slabbert's good intentions. They are demanding reinstatement of the seven nominees axed by De Klerk's intervention. And they want Ndebele back in the chair.

The ANC and other opposition formations are beginning to voice their criticisms of De Klerk's intervention and, by inference, of Slabbert's decision to accept the chair which should have gone to Ndebele. In its current form, dominated by the Viljoen-led bloc, the board is in for a rough time. It lacks the credibility and legitimacy the independent selection process should have given it.

Slabbert has been in opposition for nearly 20 years. He joined as the "tide was turning" against apartheid and has ridden the crest ever since. He has little expertise on the other side - being subject to support from the National Party and criticism from the broad democratic movement which once hailed him.

Slabbert says he can do the job despite this. But he has much to prove in the two months until the end of July. When, he says, he will step down as chair. It remains to be seen whether he can

SABC 'still favours NP'

JOHANNESBURG — TV1 news coverage over the past week continued to favour the National Party, says the Broadcast Monitoring Project (BMP)

"While recent newspaper headlines have consistently referred to an alleged crisis in the National Party, TV1 has chosen to practically ignore this issue," BMP said on Saturday

On Constitutional Development Minister Mr Roelf Meyer's announcement in Parliament that a Transitional Executive Council could be installed without legislation, the BMP said the opinions of other negotiating parties were "all but ignored"

Broadcasts generally were giving excessive coverage to

government statements on negotiations, investment and the violence, the statement added

"SABC affords the government an authority status which few other news media acknowledge. Its continued dependence on government authority casts its public service obligations in a questionable light."

Sapa (260) CT 14/6/93

NOT INTEREST PAID FOR 14% IN 1993

MONEY MARKETS by Tim Marsland

B/DAY 14/1/93

Foreign signs of confidence

FOREIGN buying crept into the capital market again this week, helping rates to continue their downward trend.

Dealers report that foreigners were seen in the medium area, taking out smallish parcels of stock.

Rumour also has it that foreigners took out a parcel of long-dated Eskom 168 stock. Some dealers put the amount at more than R100m. Most see this as a sign of renewed foreign confidence in the country.

The financial rand also has something to do with the foreign interest. The unit has been hanging around the R4,60 level for some time, and any break above that point has been short-lived.

Foreign buying has also been seen in the Elfi market, apparently with some vigour. JSE figures confirm the trend, showing a net outflow of capital market stock since March 15.

Politically, the atmosphere appears — to foreigners at least — to be on a better

footing. Many analysts believe that the key to a prosperous future lies in the hands of the foreigners. That is also true for the capital market, the danger being that an unexpected nasty event in SA could prompt a quick sell-off from foreign funds.

Some think the foreign activity of the past few weeks, although speculative, is the beginning of a flood of foreign investment that will arrive in SA about the middle of next year.

Meanwhile, institutions spent the week switching out of short-dated bonds into the long area. Dealers are at odds as to whether this is a wise move.

Interest rate bears think the decision is premature, while the bulls are convinced the timing is spot on.

The bulls point out that the yield curve is steepening, meaning better profits are to be had in the long area. However, the bears are by far in the minority, and the market is convinced a rate cut is on the cards in the next few months.

Satellite will fill in TV gaps

#CT 14/6/93
260

Staff Reporter

SOUTH AFRICA will have a direct-to-home satellite TV service from 1995 — enabling viewers across the country to receive all four channels perfectly

In a joint statement at the weekend M-Net and Sentech announced that the SABC and M-Net have signed agreements with a US satellite company, PanAmSat, for the rental of transponders on a satellite in a geostationary orbit over the equator, south-west of India

The satellite, named PAS-4, has yet to be built by the Hughes Aerospace Corporation in the US. It is expected to be launched atop a French Ariane space rocket from French Guyana

According to the statement, 76% of South Africans can receive TV1, 72% receive CCV, 66% receive M-Net and only 56% receive TSS

"This (the satellite service) will allow every South African with access to a small direct-to-home satellite dish to receive these channels," the statement said

"The satellite services will be particularly welcomed by those who live in rural areas not reached now, or in those pockets in the existing service areas where reception is poor"

Viewers who already receive good TV signals will not need to buy a satellite dish, as "the established terrestrial transmission networks will continue to broadcast in tandem with the satellite services"

The satellite dishes required, which operate on the Ku-band frequency, have a diameter of 0,9m and — with all necessary accessories — are expected to cost viewers less than R2 000

'Spillover'

Professor Manfred Reineck of the Department of Electrical Engineering at UCT, who has been researching the Ku-band, said yesterday he estimated such a system would cost "about R1 200 or R1 300" in two years' time

Prof Reineck, who has been able to tune in to 12 European channels using a 2,8m dish, said viewers who used the small dish would not be able to pick up "spillover" satellite transmissions from Europe, but those with a bigger dish would be able to receive both overseas and local transmissions

He added that viewers who already receive good TV signals would not benefit, but rather those in "outlying areas" and in poor-reception pockets

Sasol, AECI in R400-m venture

Star 15/6/93

By Derek Tommey

Sasol and AECI, the country's two chemical giants, are planning to launch a joint venture to produce low-cost PVC, which will sell at competitive prices locally and overseas.

Provided negotiations are successfully concluded, the new company should become effective on July 1. (260)

The two companies say the move is in line with developments overseas where production overcapacity and weak markets have led international outfits to combine forces to increase their competitive position.

It is planned to start work on the joint venture as soon as possible, with production expected to begin at the end of 1995.

It will require an investment of R400 million. It will have an annual turnover of more than R2,5 billion

Funding

At this stage it is intended to finance the project from cash flows, but outside funding may also be sought.

The operation may be listed on the JSE at an appropriate time

The venture will have its own management team and board of directors.

It will not be controlled by either Sasol or AECI.



Paul Kruger . . . logical step in Sasol's strategy

Initial indications are that Sasol will hold 60 percent of the venture's shares and AECI the remaining 40 percent.

The venture will take over Sasol's ethylene, propylene and polypropylene operations, and AECI's chlor-alkali, PVC, polyethylene, cyanide and associated downstream converting companies

The merger will enable the new company to switch from AECI's carbide feedstock to Sasol's lower-cost ethylene feedstock.

This should lead to a reduction of about \$200 a ton in the cost of PVC.

AECI managing director Mike Sander said at a press briefing yesterday that he could see no negatives in the proposal.

"It is good for us, for our customers and for South Africa," he said



Mike Sander . . . no negatives in the proposal

Sasol managing director Paul Kruger said the venture was a logical step in Sasol's strategy of adding value to its considerable feedstock strength by expanding its interests in its polymer business.

Sander announced that the British chemical giant ICI, which has a 20 percent interest in AECI, had advised AECI that now that its demerger process was complete, it was reviewing its portfolio, particularly in businesses around the world which were not in its target areas.

ICI's approach has been that it would like to be a shareholder in those parts of AECI's business that make sense to it as far as international strategy is concerned.

Discussions are likely over the next few months aimed at aligning ICI's interests in AECI more closely with its international business strategy.

New company could seek listing

Sasol, AECI plan R2,5bn joint venture

B/Day 15/6/93

SASOL and AECI plan to launch a petrochemical and plastics joint venture with a turnover of more than R2,5bn a year. (260) (188)

The company would be formed through the merger of the groups' petrochemical and plastics interests and could eventually be listed separately on the JSE, Sasol and AECI said at a news conference yesterday. Sasol would hold 60% of the as yet unnamed company and AECI 40%. The proposed merger would mean the new company could embark on a R400m project to convert AECI's PVC from carbide feedstock to ethylene feedstock. (260) (188)

The merged business would include Sasol's ethylene, propylene and polypropylene operations and AECI's chlor-alkali, PVC, polyethylene, cyanide and associated downstream converting companies.

Describing the rationale for the deal, the groups said production overcapacity and weak world petrochemical markets resulted in companies having to combine forces, rationalise activities and become increasingly focused.

AECI MD Mike Sander said the venture, which had been under negotiation for the past five months, would benefit AECI as it used the competitive advantages of Sasol feedstock to create a fully integrated world-class business.

AECI's PVC manufacturing facilities were currently operating from a cost base that was too high to compete effectively internationally. The restructuring of these facilities through the joint venture would reverse this situation.

Sander estimated that — depending on

EDWARD WEST

variable raw material costs — savings of up to \$200 a ton could be achieved for some polymers through the joint venture.

Sasol MD Paul Kruger said the venture was a logical step in group strategy to add value to its feedstock strength by expanding into the polymer business. Sasol would also have access to an attractive project and a market for additional ethylene.

Furthermore, like the announcement to form a separate oil and petrol retail company, the venture with AECI was a step towards dividing Sasol's activities into separate business entities, said Kruger.

The R400m PVC conversion project was intended to be funded from cash flow generated by the joint venture, but outside funding might also be sought, the companies said.

Management for the new company would be appointed from outside AECI and Sasol and would operate independently.

The new company would have the designed capacity to produce about 600 000 tons of polymers a year.

AECI planned to supply about 450 000 tons of capacity to the merger — including 160 000 tons of its PVC production capacity — while Sasol would provide about 130 000 tons of capacity. Commissioning of the PVC conversion project was expected late in 1995, said Sander.

Discussions with Sasol customers Sentrachem and Hoechst were under way to secure their access to ethylene and propylene. The deal was subject to Competition

□ To Page 2

Sasol, AECI B/Day 15/6/93

Board approval, said Kruger.

Provided the discussions were successfully concluded, the proposed merger would become effective on July 1.

□ Sander also said yesterday that discussions were under way between AECI and the UK-based Imperial Chemical Industries (ICI) following the completion of the ICI de-merger and the establishment of Zeneca as an independent entity specialising in biochemicals. (260) (188)

The purpose of the discussions was to review ICI's position in the businesses operated by AECI with a view to aligning ICI's interest in AECI more closely with ICI's international business strategy. ICI holds 38% of AECI. (235)

Sander said the talks, which would be completed within the next four months, were intended to change the structure and involvement of ICI in AECI rather than have it a reluctant shareholder.

Slabbert 'happily' resigns as SABC Board chairman

ARG 5/6/73 (260)



The Argus Correspondent

JOHANNESBURG — Dr Frederik van Zyl Slabbert has resigned as chairman of the SABC Board, deepening the crisis that has surrounded it since inception three weeks ago

Deputy chairman Dr Ivy Matsepe-Casaburri, director of the Education and Development Trust, was immediately appointed by the board as acting chairman last night

Dr Slabbert's sudden resignation comes after intense speculation that he was being pressed from various quarters to reconsider his appointment. He will remain a member of the board

In a statement after an extraordinary five-hour meeting of the board, Dr Slabbert said he had

never sought the appointment that he had first heard about on his car radio

Since the first board meeting it had been suggested that he was "(President) De Klerk's man", he said

"A view has taken hold that even my temporary occupation of the position of chairperson is a major obstacle to solving the current crisis of legitimacy of the board," he said

"Under these circumstances I, not reluctantly but happily, resign"

Dr Slabbert said the appointment of a chairman and his or her deputy was the prerogative of the board itself and should not be changed by anybody, including the State President

Opposition growing to 'illegitimate' SABC board

By Lloyd Butts
15/6/93

OPPOSITION to the revised SABC board grew yesterday with the announcement by Cosatu and the SA National Civic Organisation (Sanco) of their intention to intensify campaigns against President F W de Klerk's intervention in the election process.

Cosatu's executive committee slammed De Klerk's "unscrupulous and manipulative" intervention in the board's appointment, and said it did not recognise the board as legitimate or duly constituted.

In a statement, the committee demanded the resignation of temporary chairman Van Zyl Slabbert, and demanded the reinstatement of University of the Western Cape vice-rector Njabulo Ndebele.

Ndebele was appointed by a panel of jurists last month to head the new board, but was ousted when the board was revised by De Klerk to exclude seven nominees. Cosatu also demanded the reinstatement of the other nominees.

The statement said Cosatu took exception to the appointment of four businessmen through De Klerk's intervention, while the only trade unionist originally selected — John Ernstzen — was excluded.

"Cosatu will be intensifying its campaign locally and internationally for the democratisation of the SABC, and the introduction of an accountable and independent public broadcaster, the statement said.

Sanco's southern Transvaal chairman Winnie Mandela said yesterday her organisation rejected Slabbert's appointment as chairman, and called the new board "illegitimate".

"Van Zyl Slabbert has no authority and blessing to convene any board meeting except that which has been given by De Klerk. We call on Slabbert not to convene any board at all." Mandela said demonstrations against the new board would be held on July 12.

BUSINESS DAY, Wednesday, June 16 1993

Sasol and AECI 'set to benefit' from joint plan

EDWARD WEST

SASOL and AECI's plan to establish a joint venture with their petrochemical and plastics interests should improve both companies' long-term earnings potential, stock market analysts said yesterday.

Sasol would benefit on a number of fronts, mainly in the taking up of excess ethylene capacity which would be used as feedstock to produce polymers for the new company. (260)

Sasol produces about 400 000 tons of ethylene a year from its petrol-from-coal production processes. The new joint venture would consume about 40 000 tons a year leaving sufficient surplus capacity for SA's future growth requirements, Sasol spokesmen said yesterday.

The venture could allow Sasol to access latest technological developments

through AECI's association with UK-based chemical conglomerate ICI.

The use of surplus ethylene would come into its own once the R400m project to restructure AECI's PVC feedstock plant was commissioned in 1995. This involved the installation of an oxychlorination unit which AECI MD Mike Sander said was adaptable to AECI's assets.

AECI's PVC plant, which used a carbide feedstock, was established based on a forecast oil price of about \$60 a barrel. Most PVC producers in the world had since switched to ethylene feedstock, analysts said.

Management would be drawn from Sasol and AECI and not, as reported yesterday, from outside the two groups.

ANC criticises appointment

MICHAEL MORRIS
Political Correspondent

ALL political organisations should commit themselves to a code of conduct to prevent taxpayers' money being used to fight elections, says the African National Congress. **AG 16/6/93**

Responding to the appointment of National Party MP Mr Chris Fischmer as parliamentary and political assistant to President De Klerk, the ANC said the NP clearly felt "totally justified in appropriating the taxpayers' money for its own purposes".

The ANC said it was "safe to say that Mr Fischmer will be actively promoting NP policy in the run-up to the elections, and will primarily serve President De Klerk in his capacity as leader of the NP." **(260)**

"All of this will be done while he draws a substantial salary as a senior 'civil servant'."

metro

Coloureds, Indians for Vaal council

By Melody McDougall
Vereeniging Bureau

The majority of the Vereeniging Town Council has voted in favour of dissolving the present council and reconstituting it with the inclusion of four new councillors — two each from the local Indian and coloured communities.

This recommendation was approved by the council during a special meeting on Monday night — with the result that a "new" town council could be a reality within weeks. Management committee chairman Mario Milani yesterday confirmed that an application to declare the townships of Roshnee and Rust-ter-Vaal as fully fledged municipal wards had been forwarded to the TPA for approval.

According to Milani, this was the first phase of the council's moves towards a nonracial town council.

He said the council, represented by the management committee, and the management committees of both Roshnee and Rust-ter-Vaal had signed an agreement

260 after negotiations were completed on June 8. The second phase would involve negotiations with non-statutory bodies, such as neighbouring Sharpeville.

Milani gave the assurance that the inclusion of the four new councillors would not jeopardise Vereeniging's assets and investments. He explained it was the council's moral duty to enable those who paid rates to it to be represented.

The four new councillors are Babu Saley, Essop Kajee, Bennie McEwan and Barra da Sousa.

● The Vanderbijlpark municipal budget will be delivered under a cloud today after the town's deputy mayor and another councillor walked out of a special meeting on Monday.

Deputy mayor Nic Bohme and councillor Tinus Taute left the council chamber after making their speeches.

Taute claimed he had walked out because he was not allowed to finish speaking. Bohme gave no reason.

At the start of Monday night's meeting, NP caucus leader Johan Kilian stressed that the intention of the motion was not to "air dirty laundry in public".

2091 *Howard* WEDNESDAY, 16 JUNE 1993 *Howard*. 2092

HOUSE OF DELEGATES

QUESTIONS

Indicates translated version

For oral reply

General Affairs

Chatsworth/Pinetown. transporting of fellow-

workers

*1 Mr A RAJBANSI asked the Minister of Transport

- (1) Whether any persons have been prosecuted for providing transport to fellow-workers between Chatsworth and Pinetown during the latest specified period of 12 months for which information is available, if so, how many,

- (2) whether he will allow persons to provide such transport to fellow-workers, if not, why not, if so, for what reasons,

- (3) whether any such fellow-workers may be charged a fee covering the cost of transporting them; if not, why not; if so, what are the relevant details,

- (4) whether he will make a statement on the matter? D312E

The MINISTER OF TRANSPORT

- (1) No Because of complaints received law enforcement actions were launched in Pinetown during May 1993 During these law enforcement actions approximately 22 private taxis were charged and found guilty under Article 31 (1) (a) of the Road Traffic Act, 1977 (Act No 74 of 1977)

- (2) Yes In accordance with Article 1 (2) (b) of the Road Traffic Act, 1977 (Act No 74 of 1977) allowance is made for lift clubs It is however important to note that the definition of lift clubs only allows for
—clubs of which every member takes a turn to transport members of the club by car to or from a certain place for a specific purpose, or
—clubs of which each member is the owner of a car and of which one or some members transport the members of that club to a certain place for a

HOUSE OF DELEGATES

specific purpose in a car or cars owned by himself or the members

- (3) No
(4) No

Mr N SINGH Mr Chairman, arising out of the hon the Minister's reply, is his Department contemplating the abolition of public road carrier permits for the conveyance of passengers?

The MINISTER: No, Mr Chairman

Westville prison: conditions/gangs

*2 Mr M RAJAB asked the Minister of Correctional Services

- (1) Whether an investigator was recently undertaken by his Department into (a) conditions, and (b) the activities of prison gangs, at Westville Prison; if so, when,

- (2) whether this investigation has been completed, if not, why not, if so, what were the findings,

- (3) whether he will make a statement on the matter? D313E

The MINISTER OF TRANSPORT (for the Minister of Correctional Services)

- (1) (a) and (b) No specific investigation regarding the incidence of prison gangs at Durban (at Westville) has been undertaken recently However, I presume that the honourable member is referring to recent press reports regarding allegations of criminal activity between members of the department and prisoners at the Durban Prison These allegations came to light during 1992 and the Department immediately commenced with an internal investigation Evidence at that stage suggested that criminal elements could be involved and the matter was also handed over to the South African Police for investigation Consequently, the Attorney-General also recently commenced with his own investigation into this matter

- (2) The Departmental investigation which was primarily aimed at identifying shortcomings in and contraventions of Regulations and other Departmental orders, resulted in departmental steps being

2093 *Howard* WEDNESDAY, 16 JUNE 1993 *Howard*. 2094

taken against various members These steps included departmental charges in terms of Correctional Services Regulation 71, written reprimands and transfers to other sections/posts In the process control measures at the specific prison were also stepped up

The investigations by the South African Police and the Attorney-General have not yet been finalized Depending on the results of these investigations, further actions which may include criminal prosecution as well as further Departmental action against the members and prisoners involved, will follow

- (3) No, except to stress that my Department places a high premium on effective management and sound administration as well as professional conduct by all its members Criminal conduct and irresponsible actions by members and prisoners alike, will not be tolerated and will be dealt with within the ambit of the Law

Board of SABC: Indians as candidates

*3 Mr A RAJBANSI asked the Minister of Home Affairs

- (1) Whether any members of the Indian community applied to be considered for appointment to the new South African Broadcasting Corporation Board, if so, (a) how many and (b) what are their names;

- (2) whether any of these persons' names appeared on the short list of recommended candidates drawn up by the selection panel, if so, (a) how many and (b) what are their names? D318E

The MINISTER OF HOME AFFAIRS.

- (1) Yes
(a) and (b) The information as required by the honourable member is not readily available The list of 566 persons who have been nominated and who indicated themselves available to serve on the SABC Board was released by the Panel for general information but does not contain an indication of the population groups of the nominees The full list is obtainable from my office

- (2) Yes
(a) and (b) The short list of 86 persons which was released by the Panel does similarly not contain any indication of the population groups of the nominees and is also obtainable from my office

Own Affairs

Shopping centres' sale by public tender

*1 Mr A RAJBANSI asked the Minister of Housing

- (1) Whether it is his or his Department's policy to sell shopping centres by public tender, if not, why not, if so why,

- (2) whether any shopping centres were offered for sale by public tender in the Transvaal recently, if so, what are the relevant details,

- (3) whether he will make a statement on the matter? D317E

The MINISTER OF HOUSING

- (1) No The shopping centres are first offered to the existing tenants

- (2) Yes The Housing Development Board, as the legal owner of such properties had decided, after extensive and protracted, but unsuccessful negotiations with its tenants in the Coligny complex, to advertise the sale of the complex by public tender

- (3) Yes I have immediately upon receipt of information and representations from inter alia, an Honorable Member of this House, on 27 May 1993, recommended to the Board to reconsider its decision to sell the complex by public tender and to enter into fresh negotiations on the selling price with the tenants I have also requested the Housing Development Board to ensure that, in future, the implementation of any decisions of this nature, is made subject to my prior concurrence

†Mr M RAJAB: Mr Chairman, arising out of the hon the Minister's reply, will he give this House the commitment that he will not allow the sale of this particular shopping centre by public tender until and unless he has thoroughly investigated and resolved this entire matter?

The MINISTER Mr Chairman, in the circumstances I must make sure that I use the right

HOUSE OF DELEGATES

Move would boost electrification

Eskom plans to 'unbundle' power supply

ESKOM was likely to be "unbundled" into a number of regional supply authorities following negotiations between itself, government, the ANC and civic associations, a spokesman said yesterday.

Senior GM Jan de Beer said the world's fourth biggest power seller would probably undergo drastic rationalisation arising from negotiations within the National Electricity Forum.

De Beer predicted rationalising electricity supply would raise the rate of electrification to 400 000 or 500 000 households a year — up to three times the number Eskom was connecting at present

Benefits of doubling the rate of electrification would be profound, with the potential to create tens of thousands of jobs

The electrification programme had also received formal approval by the World Bank. It was the first area of development most likely to benefit from foreign funding once a transitional executive authority was instituted or an election date set

At the moment Eskom enjoys supply rights to only a fraction of households without direct power. Union and civic association representatives on the forum are believed to be pushing hard for the distribution function — currently residing with Eskom, municipal, TBVC and homeland distributors — to accelerate electrifica-

tion. Several models for a restructured industry are understood to be on the table. De Beer said the most likely outcome would be one in which electricity supply would be "parcelled out" to a limited number of regional distributors

There is general agreement that new, regional structures should be subject to a strong regulatory body, the nucleus of which could be supplied by the Electricity Council, which administers Eskom only

De Beer said it was "doubtful" that any of the existing electricity distributors, including Eskom and some of the leading municipal suppliers, would continue in their present form. Sources say some parties to the forum have argued that Johannesburg, for example, should form a joint distribution authority with Soweto and other black areas

De Beer said it was generally acknowledged that Eskom's generation and transmission infrastructure made it a "natural monopoly". However, there was unanimous agreement that the need to reform the power supply industry was most acute in the area of distribution

Eskom has indicated it was negotiating to take over power supply to residents from the black P.W. municipalities.

PETER DELMAR

260
260
BIDAM 17/6/93

CP will not recognise an election or government'

□ Hartzenberg: 'A sign of surrender ideal for communists'

THE Conservative Party will not recognise the result of a one-man one-vote election, nor the government that it brings to power, the leader of the Conservative Party, Dr Ferdi Hartzenberg, said yesterday.

Speaking in debate on the second reading of the Budget, he said the National Party aimed to have the SADF, Apla, Umkhonto we Sizwe and the homeland armies integrated in one defence force by the time of the election next year.

After the election there would be one constituent assembly, which would also function as a parliament.

There was no greater sign of surrender than this, and it created an ideal situation for the communists.

"You are handing them the defence force on a plate so they can pursue violence," he said.

"We say we will not recognise the result of that election or that government."

He said there had been no consensus at the negotiating council on Tuesday on the deci-

sion to refer the April 27 election date to the negotiating forum for confirmation.

Sixteen of the 26 parties represented there had voted against it.

"You are moving in the direction of majority decisions at the negotiating table, and that is totally and utterly unacceptable," he said. "If you do this, you will be playing with fire along with the ANC and SACP, and you are looking for big problems in South Africa."

The fact was that so far there had been no negotiations in the negotiating process.

There had been no decision on violence or on constitutional principles, and no discussion on the shape of a future state or on self-determination.

If the NP and its ANC/SACP allies got their way in the definition of the regions, central government in the future South Africa would be controlled by the SACP, and most of the regions would be controlled by

the ANC/SACP alliance.

Most South Africans would therefore fall under two communist governments, and the rest under one communist and one alien government.

Because whites would have to make the greatest sacrifice in the establishment of final, enduring boundaries, it was of cardinal importance that they be consulted on ground level. The NP owed them a referendum — Sapa

De Klerk to get 4,5 percent

pay increase

Political Staff
PARLIAMENT has voted President De Klerk a 4,5 percent increase in his salary, and a five percent increase in his domestic allowance.

A motion allowing for this was passed by all three Houses of parliament yesterday. Only the Labour Party voted against the motion.

President De Klerk's new salary is expected to come into effect on July 1, when MPs get their five percent pay rise.

His salary rises from R194 000 a year to R202 734. His domestic allowance moves up from R60 000 a year to R63 000.

'Fat cat' MP's R130 000 overdraft

REVEALING that his "fortune" consisted of a R130 000 bank overdraft, a senior National Party MP said he objected to politicians being made out to be fat cats.

"I'm fat but I'm not a cat," said the sturdily proportioned Dr Johan Vilonel (NP Langlaagte) during debate on the second reading of the Budget.

"I'm a Nat but I'm not a rat. If anything I'm a very poor church mouse."

Dr Vilonel, who has indicated he is considering resigning

his seat to devote his time to a medical post with the SA Amateur Boxing Organisation, said he would deserve the gratuity he was in line for.

"And if it were quadrupled I would still deserve it."

Although he had not been forced into politics, one did not get rich by staying in parliament.

He had given up his medical practice after becoming an MP, and had lost a "beautiful home" as well as a small farm. Even if he were to receive a

R1 million gratuity, he would not come anywhere near what his former colleagues in medicine had made and spent over the same period.

Some of them paid more in tax than he earned as an MP.

Dr Vilonel also criticised those who engaged in "political bashing," and said that heart surgeon Professor Chris Barnard had done so.

He said that Professor Barnard "had more mouth than sense". — Sapa



Dr Johan Vilonel

Broadcast costs may rocket

SA's major broadcasters could face crippling increases in operating costs when their import rebates lapse towards the end of the year.

An industry source said the rebates allowed broadcasters to import equipment, spares and video material without paying customs and ad valorem duties. Only the surcharge and VAT had to be paid. The Customs and Excise rebate provision would lapse on December 19, and duties could increase some import costs by as much as 170%.

A Customs and Excise spokesman said the provision lapsing did not necessarily mean duties would be imposed. This depended on the Board on Tariffs and Trade, which would decide whether to impose the duties, provide again for

rebates or take other measures. The board was not available for comment yesterday.

A broadcasting source said he believed the board planned to impose the duties but other relief measures might be introduced.

Finance Week said the SABC and M-Net could be liable for a total effective duty of 85,6% — including ad valorem duty, supplements and a surcharge — on imported video material. It said M-Net's fees would need virtually to double to about R120 a month, and the landed cost of a sitcom would increase to about R780 (R400) a minute. It said M-Net and the SABC had petitioned the board to reduce the duty on imported video material to zero.

M-Net and SABC directors were not available for comment.

MARCIA KLEIN

Day 18/1/93

Broadcasting deregulation is delayed

CAPE TOWN — Broadcasting deregulation had been delayed to September, but independent radio stations could still be in place in time for the country's first nonracial elections, Home Affairs Minister Danie Schutte said yesterday.

Schutte said it was too late to legislate for freedom of the airwaves during the current session of Parliament, and the next opportunity would be during a short session in September.

"I am very sorry to say that the deregulation process has been delayed for three months." (26)

But he said passage of the proposed deregulation Bill in September could leave enough time for local radio stations to set up operations before the proposed elections in April.

Schutte said the delay had been caused by a slow response from a technical committee of the multi-party negotiating forum.

A government source said there was concern the committee was tending towards overregulation when most players wanted the most simple rules possible.

Radio 702 MD Stan Katz said he expected an independent broadcasting authority to be in place by September to manage the deregulation. (27)

"They could then start licensing stations, which could be set up very quickly. It is quite likely that local independent stations will be on air in time for the elections," he said. (28)

Katz said the National Association of Broadcasters was pressing for minimum regulation, mainly to cover frequency allocation.

Schutte said he expected that 30 to 40 new radio stations could go on air under a liberalised broadcasting regime. — Reuter.

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Radio 702 prepares for 'real SA'

Staff Reporter

News and talk radio station Radio 702 plans a number of programme changes but, according to deputy programme director Mike Wills, no one is being axed.

High-profile, early morning presenter John Berks is to get his own show — taking over the John Robbie slot

John Berks to get later slot from August

from 9 am to noon

In Berks's place will be Chris Gibbons, who is to team up with Berks's former partner, Gary Edwards, on the early morning show from 6 am until 9 am.

Wills said that, internally, the most popular personality held the mid-morning slot, and the station felt the Berks entertainment type of programme was more fitting to that slot.

He joked that Berks was looking forward to "no longer having to get up so early in the mornings".

Robbie, meanwhile, is to run the Newstalk programme — formerly anchored by Gibbons — from 4 to 6.30 pm, with Mike Mills's afternoon show as well as shows after 6.30 pm remaining unchanged.

Jennifer Crwys-Williams will have an hour-long pro-

gramme from midday every weekday

Managing director Stan Katz said the changes, due to take effect on August 2, were to "position 702 as the radio station for the real South Africa".

Wills said the station planned to place greater emphasis on news and information in its early morning shows. While the evening slots and weekend pro-

grammes would remain the same, they were being discussed and further announcements might be made before the changes were implemented.

"We are trying to position ourselves as strongly as possible in the format that we do best before other radio stations get on the air," Wills said. He added that the station had long been in favour of competition.

Stew 18/6/93

(260)

SASOL'S TEAM-MATES

Fm 18/6/93.
Sasol has again decided that teaming up with a chemical rival can be more profitable than squaring off in the marketplace. In March it joined a Sentrachem division to build an alkylamines plant. This week Sasol and AECI formed a new business that will combine elements of their petrochemical and plastic interests.

With more than R2,5bn in turnover, the new company will be no mere sideline. Expected to be 60% owned by Sasol and 40% by AECI, it might eventually be listed on the JSE. But neither the name nor the management has been chosen yet.

The move is in line with international trends. Production overcapacity and weak world petrochemical markets have led many companies to combine forces, rationalise activities and become more focused. *(260) (182)*

Unless there's a hitch in forming the joint venture, the new company will embark on a R400m project converting AECI's PVC-from-carbide feedstock to ethylene feedstock. Production is expected to start by the end of 1995. Discussions are underway with Sentrachem and Hoechst to gain access to the feed stocks

ANC cool on Eskom plans

B/Dey 18/6/93
ESKOM's proposed rationalisation of operations on a regional basis has received a cool reaction from the ANC.

The ANC said the electricity parastatal's plans for regional supply authorities, reported in Business Day yesterday, were premature and created the impression that a high level of agreement existed in the National Electricity Forum. *(210) (14)*

Eskom senior GM Jan de Beer had said the restructuring plan most likely to be agreed upon in the electricity forum would involve parcelling out electricity supply to regional distributors.

"Such statements, in the ANC's view, ignore the role of the relevant trade unions within the electrification forum, where the relationship between electricity distribution and local government is also to be examined," the ANC said in a statement.

However, the organisation, a member of the forum, expressed support for the rapid extension of electricity supply and rationalisation of Eskom's central operations. — Sapa.

State's drought relief programme criticised

B/Dey 18/6/93
PRETORIA — The Land Bank would continue subsidising long-term interest at 13% for another year to alleviate the financial obligations of farmers, Agriculture Minister Kraai van Niekerk said yesterday.

He said this would mitigate the far-reaching effects of drought.

Referring to calls on government to extend the subsidy on the interest rates of long-term loans at commercial banks, he said this was being considered. *(14) (14)*

However, government's drought and debt relief programme has been criticised by the Land and Agriculture Policy Centre, an ANC-aligned research organisation, Sapa reports.

The organisation aims to influence land, agriculture and rural policy by developing policy alternatives for a new democratic government.

The centre said yesterday the drought relief programme had hardly reduced the agricultural sector's vulnerability to future droughts. Debt relief had curbed the chance for an equitable land transfer programme.

It said R2 400m had been provided by government to write off short-

GERALD REILLY

term debt which farmers had accumulated since the early '80s.

"By repeatedly extending the scheme, government allowed the debt situation to grow to a critical level, thereby precipitating a crisis which required massive assistance."

Many co-operatives were still in financial difficulties, with the continued existence of 10 of the 60 major agricultural co-operatives in doubt.

The centre said the carry-over debt subsidy had done nothing to promote the efficient use of scarce agricultural resources.

It said the programme was harmful because it had contributed to artificially high land prices which inhibited the acquisition of land by poorer farmers; and the carry-over debt subsidy had been targeted exclusively at the white, commercial sector. Drought relief for the homeland areas had been insufficient.

The scheme was financed from borrowing and left a future government in a weaker financial position without addressing long-term problems in the sector.

Delay over new-look TV, radio

APR 18/6/93 (260)

MICHAEL MORRIS
Political Correspondent

FAR-REACHING legislation to broaden access to the airwaves and clear the way for scores of new radio and TV stations will be delayed for more than three months because of disagreement at the multiparty talks.

Deregulating the airwaves will now probably be dealt with during a short session of parliament in September, according to Minister of Home Affairs Dame Schutte.

Only broad consensus on the proposed legislation had been reached in a technical committee at the multiparty forum.

The government had already received about 100 applications for new radio and TV stations. It was expected between 30 and 40 of them would be accommodated within available frequencies.

Mr Schutte said a further delay could be expected after the Bill was passed because the Independent Broadcasting Authority would still have to produce a frequency plan before applications could be accepted, but new stations could still be set up before the April poll.

Reactor cuts Sasol's costs

By No. 4 18/6/93
EDWARD WEST

NEW technology recently developed at Sasol was expected to reduce operating costs significantly at its wax and synfuels production facilities, GM Jan Fourie said yesterday.

Sasol had commissioned a new slurry bed process reactor — which would replace eight tubular reactors — for wax production at Sasol I. The plant could also produce large volumes of middle distillates like diesel or kerosene (260)

Sasol planned to licence the new technology in areas with abundant natural gas such as the Far East. It hoped to take part in joint ventures with feedstock owners. Negotiations with a US firm were under way.

It would take about four years to recover the capital cost of the new technology.

The group's board was considering commissioning technologically improved synfuel reactors at Sasol II and III by the end of 1995.

Star 18/6/93

Eskom rationalisation 'merely a model'

By Jacqueline Myburgh

260

The ANC yesterday rejected reports that Eskom was likely to "unbundle" into regional supply authorities, saying the proposal was premature and had not yet been negotiated at the National Electrification Forum (NEF)

The organisation did want rapid "electrification, rationalisation and the deracialisation of the electricity sector as a whole" but this should be done only after a detailed investiga-

tion of all the policy options.

Clarifying Eskom's position, senior general manager Jan de Beer said yesterday that rationalisation was not a proposal, but rather one of the models being considered by the NEF.

"The wrong impression has been created — we fully realise that the thing needs to be discussed and ... we would not unilaterally decide this," he said

De Beer had earlier been quoted as saying Eskom would undergo drastic rationalisation arising from negotiations with

the Government, the ANC and civic associations

The move, approved by the World Bank, would triple the current rate of electrification, De Beer had said.

The ANC said Eskom had given the "misleading impression" that a high level of consensus already existed within the NEF.

"Such statements ... ignore the role of the relevant trade unions within the NEF, where the relationship between electricity distribution and local government is to be examined"

Disagreement delays opening of airwaves

Political Staff

CAPE TOWN — Far-reaching legislation to broaden access to the airwaves and clear the way for scores of new radio and television stations will be delayed for more than three months because of disagreement at the multiparty talks.

The Bill to deregulate the airwaves will now probably be dealt with during a short session of Parliament in September, according to Home Affairs Minister Danie Schutte.

This meant that the granting of permanent licences to new stations would be delayed.

Broad consensus on the proposed legislation had been reached in a technical committee at the multiparty forum, but some disagreement remained.

The Government had already received about 100 applications for new radio and television stations.

It was expected that between

30 and 40 of the stations could be accommodated within available frequencies.

Schutte said he was disappointed at the delay.

He said the Government, which was keen to give local stations a chance to establish themselves in time for the election campaign, had intended to deal with the legislation during the present session.

The passing of the Bill was necessary to formalise arrangements in a sector which involved investments of millions of rands.

Schutte said a further delay could be expected after the Bill was passed, because the Independent Broadcasting Authority would still have to produce a frequency plan before applications could be accepted.

Nevertheless, he was confident that if the Bill were passed in the September session of Parliament, new stations would be able to establish themselves before the election in April.

Free airwaves delayed

AN initiative to open the country's airwaves to scores of private radio stations ahead of the country's first non-racial election has been delayed until the end of the year.

The Minister of Home Affairs, Mr Danie Schutte, said yesterday the project had been set back several months because the technical committee on telecommunications had failed to finalise its proposals.

This means Parliament will not be

able to legalise the opening of the airwaves during the current session.

Legislation would only be dealt with during the September/October session, delaying the consideration of more than 100 licence applications by at least three months.

He said an independent broadcasting authority was expected to designate space on the airwaves for between 30 to 40 independent stations.

(260) CT 18/6/93

TV Voter education

The media and the election

South 1916 - 2316193

ONE OF the many aspects involved in preparing for a free and fair election is examining the role of the media in the country

Is the media impartial? Does it allow free and equal access to all political parties? Is any section of the media owned by one of the parties or the government contesting the election?

The answers to these questions have an impact on how free and fair an election will be.

Because parties attempt during an election campaign to persuade all citizens entitled to vote to support them, they need to reach them to get across their messages.

It is also vital that they be presented with objective information about the parties contending for their votes.

They must receive accurate, undistorted information about all options available to them in order to make the choice best suited to their own interests when casting their votes.

Voters also need to be educated about how the elections will be conducted. In South Africa, where millions of people will be voting for the first time, they need concerted voter education programmes.

Because the media is able to reach all sections of the population, its role as a medium facilitating voter education is crucial. This article is reaching you because it is presented in the media.

Because of the importance of the media in an election campaign,



FREE THE AIRWAVES: South African demonstrators outside the SABC offices

election monitoring and observing also includes monitoring and observing the role of the media from the pre-election period.

Currently in South Africa, there are many attempts to open the airwaves of the South African Broadcasting Corporation (SABC) to other parties that controlled by one of the parties that

will be a key contender in the election, it cannot be completely impartial.

Compounding this is the fact that the SABC is the only public radio and television network available to citizens of South Africa.

For this reason it is vital that the SABC is re-organised in such a way that it is not only impartial,

but also perceived to be impartial by the entire population of the country.

This needs to happen well before elections if the medium is to be effective in voter education programmes, because at present the SABC lacks credibility among large sections of the future electorate.

In the interim the SABC could

allow civic organisations with credibility to use the medium for voter education purposes.

Maria Trust had to suspend negotiations with the SABC for a time for voter education programmes on June 9 because it felt the SABC was not willing to facilitate the process in an impartial manner.

Slabbert calls Star 1916193 urgent board meeting

SABC board of directors interim chairman Dr Van Zyl Slabbert yesterday called an urgent special board meeting to discuss the legitimacy crisis facing the board (260)

The meeting is to be held on Thursday.

Developments since the board meeting on June 3 had created a difficult situation for the current board, and these matters should be addressed urgently, Slabbert said in a statement.

Credibility

An outcry by a number of political and other organisations erupted after President de Klerk rejected seven names from a list drawn up by an independent panel of jurists for a new SABC board.

More than 80 prospective board members were grilled by the panel of jurists in a public forum in an effort to rid the board of perceived bias towards the State and the National Party, and to give the board some credibility.

Rejection

But De Klerk's rejection of seven of the panel's recommendations led to many organisations declaring the new board illegitimate.

Thursday's board meeting will be closed to the press, but a news conference will be held immediately afterwards. — Sapa

'Stink': SABC says sorry to Mandela

By Quentin Wilson

SOUTH African Broadcasting Corporation (SABC) executives have apologised to ANC president Mr Nelson Mandela for their "bad taste" after trying to poke fun at him on Agenda.

Agenda presenter Mr Lester Venter ended last Thursday's programme with a frame of Mandela holding his nose (260)

Venter joked this was Mandela's reaction to the "stink" following his suggestion that 14-year-olds should be able to vote.

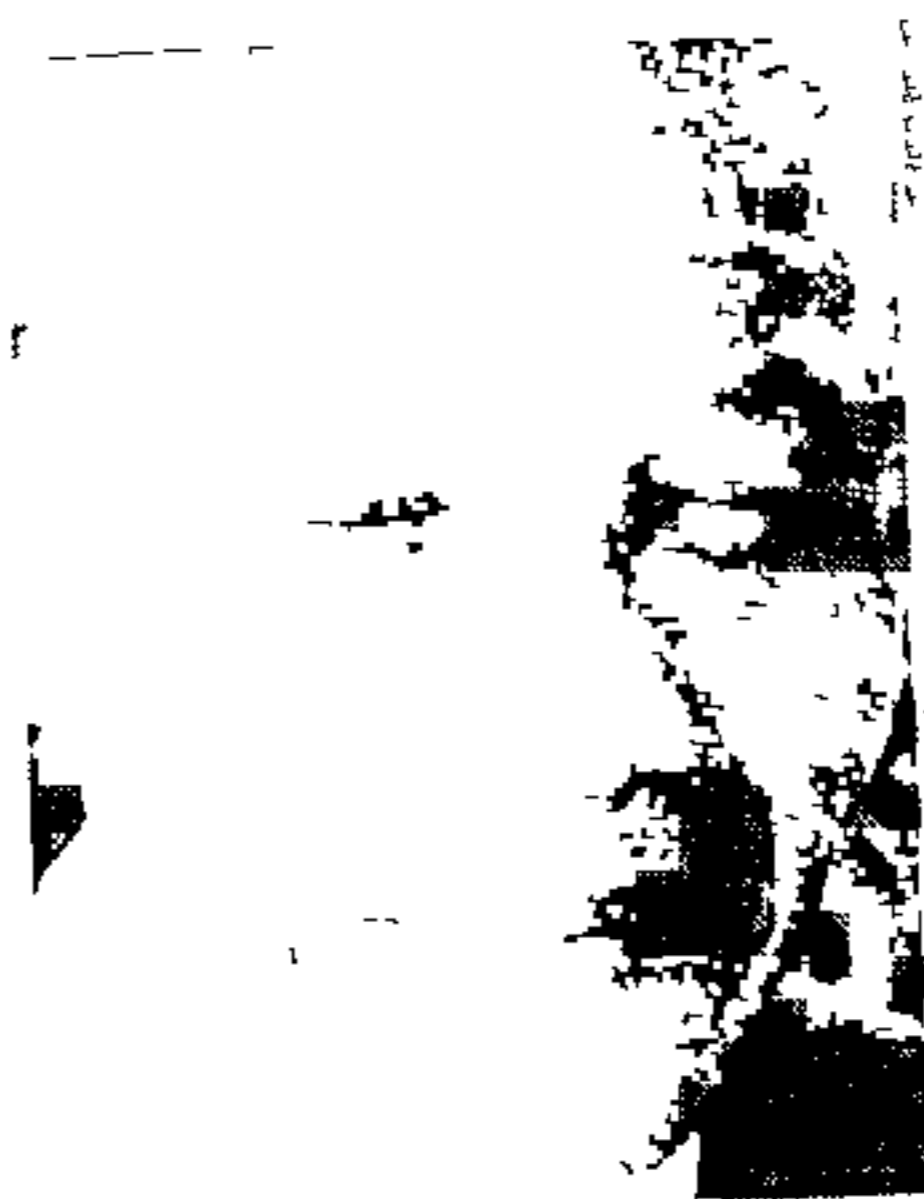
After repeating the frame several times, the image was of Mandela rubbing his nose — much to Venter's visible amusement.

A flood of criticism followed. While many saw it as "distasteful" and "stupid", questions were raised about the SABC's portrayal of ANC leadership as opposed to the allegedly favourable treatment of National Party counterparts.

ANC member Mrs Eunice van Eck said Venter's "character assassination" of South Africa's future president was in poor taste.

"I hope that these sorts of people in the SABC are wormed out once there is a new order, so we may view material of a higher standard — something Venter is incapable of producing," Van Eck said.

In the face of similar criticisms,



NELSON MANDELA

the SABC made no attempt to defend the incident.

Instead, they unreservedly admitted that the incident was a mistake and have apologised, in writing, to Mandela.

Mr Johan Pretorius, the head of the TV1 news department, explained that it was an effort to "inject a bit of lightheartedness" into the Agenda format.

Said Pretorius "The intention was to end the programme on a lighter note, but we realised straight away when we saw it that it went horribly wrong. It did not work at all."

"No malice was intended at all towards Mr Mandela. We are sorry at how it turned out and we regret the mistake."

Slabbert calls SABC crisis talks

JOHANNESBURG — SABC Board interim chairman Dr Frederik van Zyl Slabbert yesterday called an urgent special board meeting to discuss the legitimacy crisis facing the board.

The meeting is to be held next Thursday, June 24.

Developments since the board meeting on June 3 had

created a difficult situation for the current board and these matters should be addressed urgently, he said in a statement.

An outcry by a number of political and other organisations erupted after President F W De Klerk rejected seven names from a list drawn up by an inde-

pendent panel of jurists for the new SABC Board.

More than 80 prospective board members had been "grilled" by the panel of jurists in a public forum in an effort to rid the board of perceived bias towards the state and the National Party, and to give the board credibility.

But Mr De Klerk's rejection of the seven names led to the new board being declared illegitimate by many organisations.

Thursday's board meeting will be closed to the press, but a news conference will be held immediately afterwards. — Sapa

(260)CT 19/6/93

SABC
board
 2016/173
judge
 'target'
 of a
smear

By CARMEL RICKARD

PANELLISTS who served with Mr Justice Ismail Mahomed on the SABC board selection committee believe he is the target of a whispering campaign to question his integrity and keep him from the important, higher offices for which he has been tipped.

In an unprecedented move this week, four of his colleagues on the panel issued a statement challenging his critics and fully backing the way he questioned candidates in the recent hearings.

A number of other legal colleagues have also come to his defence after criticism from MPs and a National Party official.

The most recent criti-



JUDGE MAHOMED

cism came in a weekly magazine which reported that the Minister of Justice, Mr Koble Coetsee, had decided to "promote" Judge Mahomed to the Appellate Division because of his "performance" at the board hearings, which "drew severe reprimands from government".

However, the minister strongly denied the report yesterday, saying it was "ludicrous", that there had been no "severe reprimand" and that if the judge were promoted it would be on merit "of which he has plenty".

Perspective

In their statement, the judge's fellow-panellists backed him against the "politicians and others" who criticised him, particularly over his questioning of former board chairman Christo Viljoen.

They said judges holding office did not customarily respond to public criticism. However, members of the panel who were not subject to the same constraints wanted to put the issue in perspective.

They said the panel's job was to interview nominees to ensure they complied with the criteria. They also had to inform nominees of objections so that candidates could reply.

However, the panel had to do this on its own, it did not have the help of counsel to lead evidence or question the candidates.

To streamline interviews the panel had decided that the co-chairmen, Judge Mahomed and Judge

□ To Page 2

'Smeared'

□ From Page 1

SABC 2016/173

Piet Schabert, should accept "the main burden of interviewing nominees" and that the rest of the panel would ask supplementary questions.

"Both the co-chairmen discharged their functions with the thoroughness, vigour, fairness and dignity required by the process in determining the suitability or weaknesses of prospective candidates," the statement said.

The statement was signed by former Appeal Court judge John Tregrove; magistrates Nathan Erasmus and "King" Ndlovu, and Natal advocate Louis Skweyiya SC.

The fifth panellist, who is not a serving judge, former Appeal Court judge Gerrit Viljoen, was yesterday still considering whether to sign.

One of the many lawyers who backed the judge this week, attorney Dave Dison, a member of the technical committee on media and broadcasting at the World Trade Centre, said Judge Mahomed "did what had to be done, and did it competently and properly".

Mr Dison referred to the NP director of media relations, Mr Marthinus van Schalkwyk, who said his party objected to the judge's "hostile questioning", which amounted to an "inquisition".

Mr Dison said it was extraordinary that the minister had appointed a judge to a highly politicised task and then did nothing to defend him from attack.

Mr Coetsee, however, said he had neither read nor heard criticism of the judge and that he would never allow a judge to be "reprimanded" for his judicial work.

Individual panellists welcomed Mr Coetsee's comments, but said they believed the judge was the target of a campaign to question his integrity.

He was widely tipped for top office in the Appellate Division AD or a future constitutional court, and by questioning his integrity these unknown "campaigners" hoped to prevent such an appointment.

This week a range of lawyers and lawyers' organisations expressed their support for Judge Mahomed, saying the National Party was in no position to talk about the dignity and independence of judges after the way the NP had "used and manipulated the Bench over many years".

SABC wins a reprieve from video duties.

By **DON ROBERTSON**

THE SABC's fears that it and M-Net would "go out of business" if duties on imported video material were increased, have fallen on sympathetic ears at the Department of Finance. Jim Volkwyn, channel finance manager, says an official at the department told him on Friday that when the Customs and Excise rebate provision is revised on December 19, no additional duties will be levied.

The rebate provision al-

lows TV companies to import equipment, spares and video material without paying customs and ad valorem duties. Only a 15% surcharge and VAT is payable.

It was expected that if duties were increased — to as much as 85,6% including the surcharge — TV licence and M-Net cable fees would probably have to be at least doubled. It was reported that the

cost of screening videos would rise from R400 a minute to R780 a minute.

A spokesman for the SABC says that neither station has the profits to cover the increased costs associated with the removal of these rebates.

The Board on Tariffs and Trade was "very understanding" when the two broadcasters made a joint presentation on May 4, he says. The board undertook to investigate the matter and report back as soon as possible.

19/05/93
B/Daily 21/6/93
Low debt sales spark bull run

THE lack of government stock sales in May has set off a mini-bull run in long dated capital market stocks which may be testing key resistance levels around 14% in the next few weeks. Latest government figures show little stock was sold in the long area of the market in May, setting off a paper chase for that stock.

Only about R2bn in government debt was sold in May compared with April's R8,5bn when the market was awash with stock. The rates at which government funded in May were on average higher than those in April. This could mean government switched off the tap once the funding costs became punitive.

Government still has plenty of debt to sell this year, but it seems to be reluctant to

do this above the 15% level. The Bank hopes to end the year with an average funding cost of 14,2%.

Government needed to sell large amounts to debt early in the financial year to make up the revenue shortfall.

Nedcor Bank chief economist Edward Osborn said the deficit was R5,3bn in May. Government also repaid a loan of R2,5bn in that month and reduced its Treasury Bill liabilities by R3,1bn. The financing requirement was thus R10,9bn which was satisfied by stock issues of R6bn, borrowings of R1,4bn from the paymaster general account and running down the balance in the exchequer account to zero. This balance was R3,5bn at the end of April. The net result is to convince bulls that 14% on long rates is again within sight.

focus on the SABC

HAS DR FREDERIK van Zyl Slabbert reached the end of his road as chairman of the board of the South African Broadcasting Corporation?

This is the question on many people's minds as the board moves into a make or break session on Thursday, called by Slabbert, to deal with the question of legitimacy

Sowetan can today reveal that Slabbert, who three weeks ago told organisations calling for his removal to give him a break, has been shuttling between ANC president Mr Nelson Mandela and State President FW de Klerk, trying to get the two to agree that he should keep the post.

Making no progress with Mandela, who apparently told him the reinstatement of Professor Njabulo Ndebele as chairman was non-negotiable, and faced with internal dissent with some board members, Slabbert has now called the Thursday meeting, which may effectively be the last of the board as presently constituted, sources said

Thursday's meeting follows behind-the-scenes lobbying by the Campaign for Independent Broadcasting (CIB), the organisation which came up with the idea of open session to choose board members

CIB held a meeting last week, where several members of the board were present. The meeting came up with several proposals to defuse the situation, some of which are

- The original board appointed by the panel be reinstated, with Ndebele as chairman
- Ndebele be reappointed chairman and the board be broadened to 32 members so that De Klerk's appointees and the original seven he kicked out are all in; and
- Ndebele be reappointed chairman, and a joint sitting of the original board and De Klerk's appointees sit to choose who among them should serve

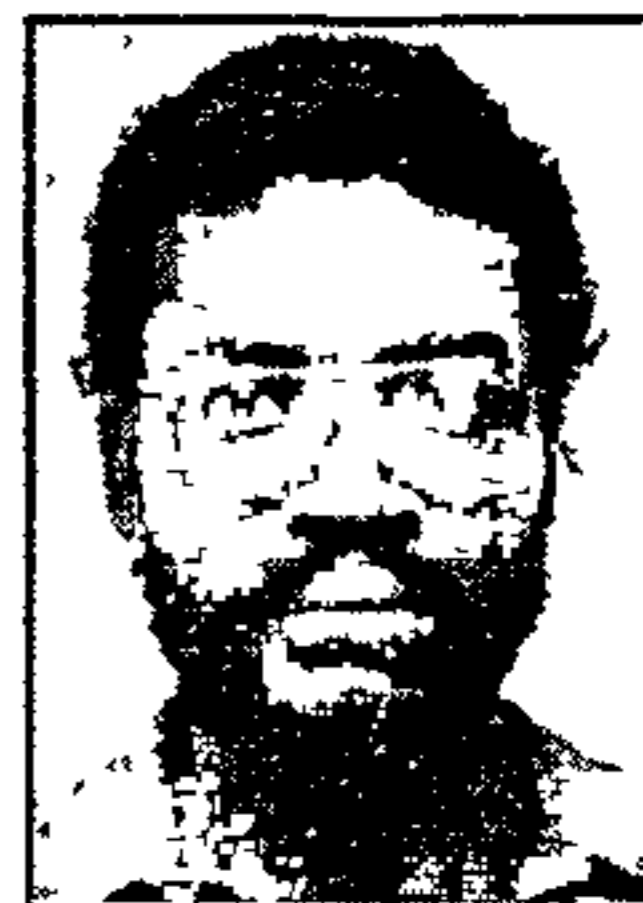
The bottom line, however, as far as the CIB is concerned, is that Slabbert should step down and Ndebele take over

Slabbert, on the other hand, is understood to have his own three options that he is to table at the Thursday meeting

- They are
- The board gives him a vote of confidence as chairman and lets him carry on, with the board as presently constituted
 - The board refers the issue to the multiparty forum for decision, and
 - The board resigns and thereby throws the ball in De Klerk's court

Sources within CIB said all three options were unacceptable. With the first option non-negotiable, the other two were rejected because the Multi-Party Conference would politicise the issue, a consideration that had led to the appointment of the panel in the first place

The furore surrounding the composition of the new SABC board is set to have its climax on Thursday when the board holds a crucial session. Investigations Editor **Mathatha Tsedu** traces the controversy:



Dr Frederik van Zyl Slabbert ... 'questions of legitimacy.

Also, to resign and refer the matter back to De Klerk would delay decisions, while the election coverage, in which the SABC is playing a crucial role, is starting.

Slabbert was appointed by De Klerk after the latter had rejected Ndebele because, according to De Klerk, Ndebele is too political and is not bilingual, this despite the fact that Ndebele speaks more than four languages, but very little Afrikaans

Slabbert, a former leader of the Progressive Federal Party, on the other hand, fits into De Klerk's model chairman for the SABC he is white, male and Afrikaans-speaking.

Slabbert at first said he would not take up the job. But after meeting De Klerk, he changed his mind and said he would only chair the first meeting

But after that meeting, a more defiant Slabbert said he would stay on for two months, and told those opposing him and his board to "give us a break"

The break has not come. Instead, his own credibility has gone down the drain as political,

trade union and civic organisations continue to lobby against the board

It is against this background that Slabbert goes into the Thursday meeting

While the CIB move would be welcomed by the ANC, the Pan Africanist Congress of Azania (PAC), which had pinned its hopes on a lone candidate who did not make it, has now called for the entire process to be scrapped.

The organisation argues that there are inherent flaws in the selection system

The Azaman People's Organisation (Azapo), which had no candidate, has said the furore was indicative of De Klerk's continued hold on power and his veto right on decisive issues

Azapo said this issue would not be resolved unless De Klerk was out of office and an international transitional authority in place.

The Inkatha Freedom Party (IFP), while decrying the absence of overt supporters of its cause, has however accepted the present board

The Conservative Party, which is the official Opposition in the House of Assembly, lamented what it called the imminent demise of Afrikaans through a board that includes people who have no command of the language

Slabbert, caught between these arguments, is no stranger to controversy

After Slabbert resigned from Parliament, the then State President PW Botha released tapes of a conversation between the two, in which Slabbert told Botha, after meeting the ANC in Lusaka, that the organisation was a "myth" and a "romantic picture for overseas people"

Slabbert told Botha he had a plan to cut the ANC down to size and asked that he be allowed to brief the intelligence service on the method

He said the ANC had no control over militant youths, whom he referred to in the derogatory term of "swartetjies"

The revelations made a dent in his image but Slabbert dusted himself off and set about working

Indecision has characterised Slabbert's life, as evidenced by being talked into entering politics, and now by De Klerk into taking the SABC appointment

He survived the others. Will he survive this one? Thursday will tell.

Duty hike unlikely for broadcasters

MAJOR broadcasters M-Net and the SABC were unlikely to be hit by a huge increase in duties when import rebates lapsed later this year, an M-Net spokesman said at the weekend.

Commenting on reports that rebates allowing broadcasters to import equipment, spares and video materials without paying customs and ad valorem duties would lapse on December 19, he said no additional duties would be charged from then.

He said broadcasters had been

aware of the lapsing of the rebate provision for some time. Their research had found that none of SA's trading partners included licence fees for customs duty purposes, and that a ruling to this effect would be contrary to GATT. (260) (260)

An official from the Finance Department had also confirmed that there would be no additional duties after December 19.

MARCIA KLEIN

MORE VIEWERS FURNISHING TO

Star 22/6/93

WHO says "public service" broadcasting is boring? Here's a viewer's perspective
"It's a chilly and dark 6 am and my household is struggling to cross the sleep barrier. My TV's not on GMSA. It's not on CNN. And my radio is not switched on for the latest depressing news."

"What we are waking our brains with is classical music playing on TSS."

From 2.30 in the afternoon, enthusiastic pre-school shrieks greet TSS's Teleschool with maths, science and biology made easy and interesting. "Mummy, can I have an electron microscope for Christmas? Does the school I'm going to have a science laboratory? Who makes the most money - doctors or scientists?" goes the afternoon conversation.

Is this household an anomaly? Not at all, judging by the growth in viewership that TSS's own research shows to March

93 over March 92, as well as research in South African rural communities by the Environmental Development Agency.

Viewers of TSS jumped from 1.2 million people who could say they'd watched it once in the course of a week, to 670 000 a day by this year.

This is the channel unfairly dubbed the "surplus sports" channel after its early beginnings at the end of 1991. Now it has a very comprehensive range of cultural, educational, religious, conservation, musical, community-specific programmes and in-depth chat shows that as station spokesman, Hulet Pretorius says, "aims to provide at least some-

thing for everyone."

Since this "temporary" station has no mandate to carry advertising at this stage, the audience numbers are not gathered for commercial purposes, but they are growing nevertheless, encouraging the idea that public service broadcasting need not necessarily be a drain on finances.

The EDA's research in one area showed 91 percent of respondents favoured programmes which "teach them about the world", 69 percent favoured a mix of religious, educational and news, and only 12 percent chose stories and drama. Not a representative "national" sample, but a reflection of just how much demand there will be among certain audiences for topics considered "public service."

Just what is the funding future of public-service broadcasting in a competitive environment, small audiences by world standards, and a limited pool of advertising expenditure? Hardus de Beer, CEO Public Service Radio at SABC agrees that it is possible for certain programmes within the "full-spectrum broadcasting" description to be linked commercially to sponsors, even advertising, but that there is a risk of "overcommercialising". He is a proponent of protecting airtime for "connoisseur" programmes such as artistic drama without broad appeal. But he acknowledges, it is vital to strike the right balance.

What about the highly popular area of nature and wildlife education and conservation into which many companies are eager to pour "social responsibility" funds? De Beer agrees that this is an example of profitable full spectrum programming and adds another: a major bank has just contracted to support a radio music talent competition.

"They will of course have to watch audience numbers and so will we. The point is, certain programmes we must carry

cannot draw large audiences and one must offer an advertiser value for money. That means we will have to pitch rates accordingly."

Reading between the lines, it seems likely that this could create new value-for-money opportunities for advertisers and more flexible rate structures. Commercialised public service broadcasting could be an excellent advertising vehicle for social responsibility funds - a way for major corporates to ally themselves with education, culture and development.

TSS is not the only channel in the SABC line-up to have a mandate for educational broadcasting. So does CCV. But TSS is

tipped to be a likely candidate to be a new broadcasting board's permanent public service TV channel and to get a new name. The station has become increasingly viable.

TSS will fill the slot vacated by *Slabbert on Sunday* with similar in-depth chat programmes with Television News Production, TNP producer, Felicia Mabusa-Suttle who has returned to South Africa from Atlanta specially for this show.

Among popular feature programmes is a revival of the 60s cinema newsreel, *Africa Mirror* from 7.15pm to 7.30pm on Sundays, and David Attenborough's *Living Planet*. A 13-episode conservation series *On*

Track, produced for TSS by SA production company Talking Pictures, began this month. Giving a platform to local artists and to local production companies is one of the channel's priorities.

Hulet Pretorius says, "Among our audiences are the passive viewers who may like to leave the TV on while they are doing other things. But when they are offered something with in-depth information, they'll put down their books and watch."

"We hope we will gain permanent status as a broadcaster, gain more funds to put into our programming, and if so, we would plan to cater to an even wider audience than we do now. I believe that in the future, TV audiences must grow as satellites widen signal reach, and expanded electricity supplies bring TV to a wider market."

TSS

DP in favour of SABC board

THE new SABC board should be allowed to proceed with its deliberations, the Democratic Party said yesterday, contradicting the Campaign for Independent Broadcasting, to which it is affiliated. (b)

A great deal of work needs to be done between now and the election and the sooner the SABC is able to get its house in order the better for all concerned," the DP's media spokesman, Mr Peter Soal, said

Electronic Media

With deregulation on the horizon, broadcasting focuses on a climate of change. SUSAN FANIELLE chronicles the reports with the help of sources in the industry. A Star Survey

RECENT press comment from SABC chief executive Wynand Harms, warning that full-scale run broadcasting competition from a new national TV channel could "halve" the SABC's advertising revenue, was more realistic than negative, said SABC publicity spokesmen Pietie Lotriet, Acting Chief Executive Commercial Radio, said. "Yes, we're confident that we occupy a high ground with many well-established TV and radio channels. But it is only realistic to say that if licences are granted to new contenders while the size of the advertising cake remains the same, there will be losses."

September is now the date expected for legislation appointing a new broadcasting authority with the power to decide on criteria for the granting of new broadcast licences, according to Jack van der Merwe, administrative secretary for broadcasting in the Department of Home Affairs. Since there is no longer any possibility of financing details of an Independent Broadcasting Authority (IBA) during this session of parliament, the technical committee appointed by the multiparty forum is to stand over until September.

Until then, the criteria that applicants will have to meet remain unknown. But more than 100 applications for broadcast licences have been received. Despite the multi-million-rand costs of establishing new broadcasting ventures according to Lotriet, "we know the money is there. Someone told me the other day he had R40 million just waiting for the go-ahead."

An example of a TV licence application is that by a consortium of Johannesburg businessmen with a secured funding amount of R8 million, according to their spokesman, Gavin Kennedy. The consortium wants to launch something called Channel 10, according to Van der Merwe. It sought a temporary licence, but this was not granted.

"We decided there is no point in pre-empting the new authority and complicating issues by granting any more temporary licences," he said. "Probably very few of the current applications will receive licences and it will have to be on merit, and seen against what our market size can bear. In other countries with perhaps 200 million viewers and bigger advertising revenues it is a different story - we can't afford that many new stations."

Cultural radio trends

CULTURAL radio programmes in a changing South Africa, even one characterised by deregulation, won't become commercialised, says Hardus de Beer, CE Public Service Radio, SABC. "Each station will retain its own character, and not lose its focus on providing material for its community." The changes won't come from competition from private radio so much as in the way the programming reflects changing tastes of the community. Drama for example, reflects its society.

"We will try to air material that reflects new expressed values, the changes within listener groups, and cater even to minority groups within audiences." He says a public-service station is far more expensive to run than the community, commercial or "format" radio station. "You need far more infrastructure and back up to provide the variety of programming for a wide public format, like Radio Today."

He believes public service broadcasting faces challenges in funding funds, just as overseas counterparts do, but with the added difficulty of relatively small audiences. "Our guys went to Europe last year and we found we are thinking and working along very similar lines. They all need funds, and face stiff competition from other media. But they have the advantage of a bigger audience base, and as much as 50 percent of their funds come from public sources and licensing."

IF THE TV and radio channels that currently occupy the "high ground" of audience popularity have their way and continue to do so after deregulation, the move to keep freedom of speech on the air will be achieved. That is because of the strong lobbies launched by the National Association of Broadcasters (NAB) and the Campaign for Open Media, for among other things, "self-regulation" rather than legislation governing what may be broadcast.

Stan Katz, chairman, NAB, says "So many South Africans don't have the advantage of literacy and depend on radio and television as their primary source of news, so there is a particular responsibility on the shoulders of those in the broadcasting industry."

TV, M-Net, Radio 702, SABC Radio & TV, Trinity Broadcasting Network, and on an associate basis the Association of Marketers, Go-Tell Communications, Radio Pulpit, SABC Broadcasting, SABC Radio Active, Sentech, Trans World Radio and internationally - the NAB of America.

In the interests of self-regulation, the NAB has a set of broadcasting principles which members voluntarily adhere to. It defines the responsibilities of the broadcast journalist, upheld by opposing ideas and views, the public's right to know, and sets principles on issues of race, tribe, gender and creed. Violence should be portrayed only in a "responsible" manner and should not be used exploitatively.

As regards depiction of both violence and crime, the NAB states that the consequences to victims and perpetrators, social and human effects should be conveyed at the same time. Katz points out there is a second string to this bow, in the form of enforceable self-regulation via a new organisation, the Broadcasting Complaints Commission of South Africa (BCCSA).

Pressure's on to keep airwaves democratic

AS WOULD-BE new radio broadcast licensees survey South Africa's radio services looking for gaps, it's unlikely they'll find it easy to do a me-too on 702.

The reason is that Radio 702, which has established a loyal listener base which is almost a community in itself ("702-land"), has collected a very unique and popular set of radio personalities, each with their own following.

This, believes Stan Katz, is what will ensure Radio 702 holds on to its listeners after deregulation. "We've been around for 13 years now and our identity is synonymous with the community we serve," says Katz.

"Another strength we've built up is a highly credible news service - something that really takes time and money to establish and not something I think any new competitor would find easy to compete with."

Like a number of other radio stations, Radio 702 carefully considered what audience niche it would concentrate on, realising that in a competitive market, no-one can be all things to all people. The station made the bold decision to take the chance of "relinquishing its teen market" in favour of adopting a format designed to appeal most to an "adult" 25-49 group. The result was that it in fact retained a good deal of its teenage audience who enjoyed the more adult approach. We looked at what opposition couldn't or wouldn't do. We decided to offer a programme focusing on a controversial talk format with audience participation.

The success of the same approach on Radio Metro shows just how much the public has responded to this opportunity. Katz believes that among the 702-land audience are the adult affluent and the growing black middle class.

Radio 702 still does not have a South African licence and is broadcasting on a frequency provided from Bophuthatswana.

702's strength lies in its range of personalities

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The BCCSA will be able to order the broadcast of a correction, publish its findings on adjudication or even impose a fine of up to R100 000.

It is likely that the new broadcasting authority will make this a priority in granting new licences.

Van der Merwe said, "SABC's existing 21 radio stations can't do the mammoth job of voter education."

He said the whole purpose of deregulation was to get more voices on our airwaves, particularly before the election run-up begins. But another important purpose is to improve communication and entertainment to more targeted niche markets and communities.

"People are more inclined to listen to their own community radio station. It's more credible. They feel they own it. They can express their views and they know they are part and parcel of it."

Competition spurs TV1 plans to 'be exciting'

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"At present there is a sense of distance between the SABC and its communities and closer ties are necessary in the whole electronic communication network. So, we are serious about getting deregulation off the ground," said Van der Merwe.

Pressure's on to keep airwaves democratic

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M-Net casts a magic spell

M-NET'S SUBSCRIBER base has just kept on growing. Its 11.5 percent growth in this year put it into 775 000 households - 19 000 of them outside of South Africa in 13 African countries. By now, the channel says its base is 800 000.

According to chairman Ton Vosloo, M-Net has expansion strategies of a "long-term" nature with Africa in mind.

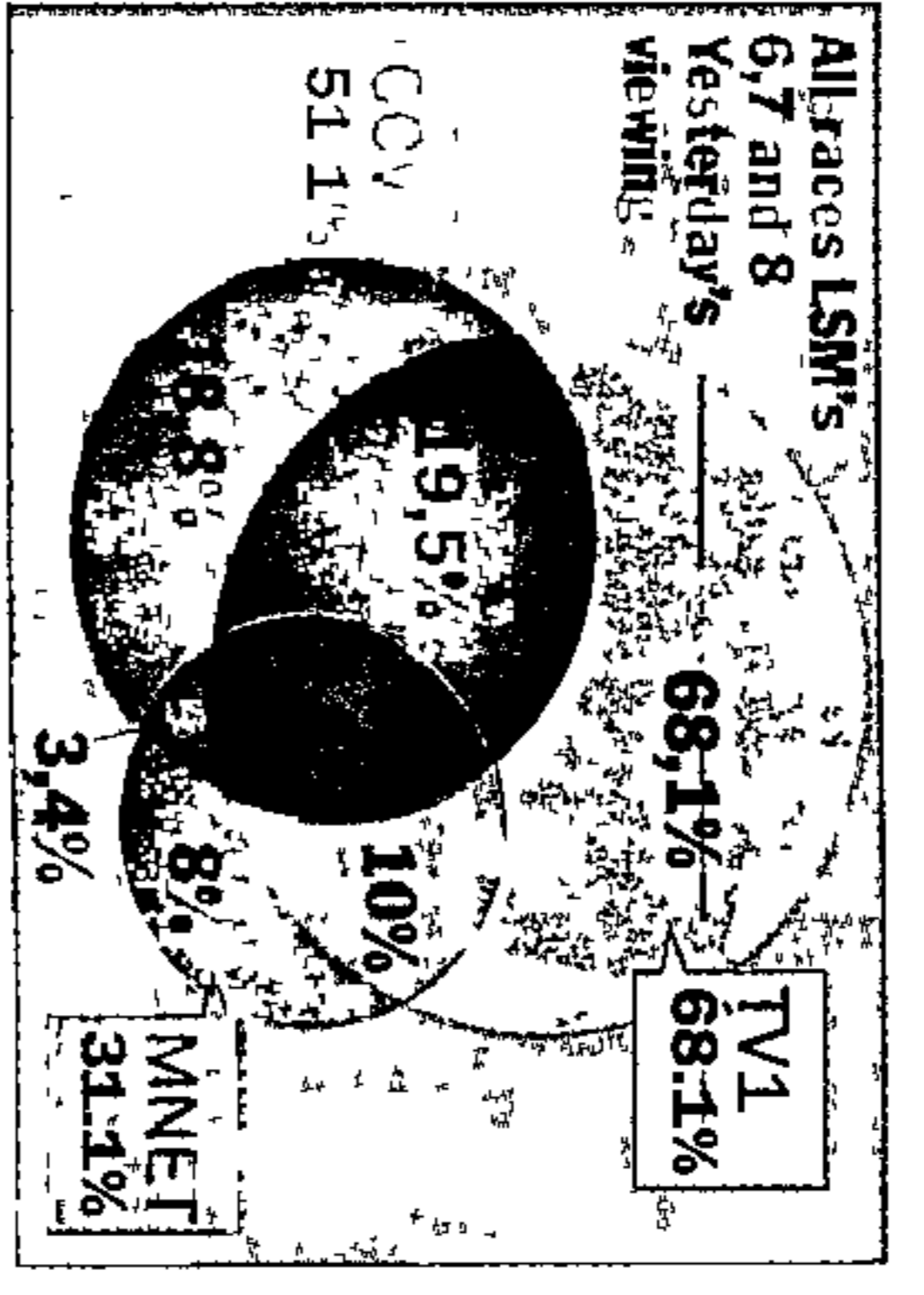
M-Net's 55 percent profit growth - to R108.7 million to March 1993 from R70 million the previous year - shows the "magic" is not losing its appeal. It has advertising pulling power too, judging by a few advertising anecdotes.

But possibly the biggest attraction M-Net offers advertisers is its "innovative" approach to creating new types of promotional programming - like its four-year success story, Price Busters, for Hyperama. The channel has also adopted a strategy of "branding" that creates "programme environments"

suitable for certain advertised product selections. It has also led the way in direct response commercial TV.

M-Net claims it dominates the tiny "affluent niche" of TV audiences with 85 percent of its subscriber base at levels 7 and 8 of the living standards measure (LSM). Together those levels make up just 21 percent of the country's total population.

Considering that most commercial broadcasting ventures, radio or TV, are in the main vying for that 21 percent, it suggests definite gaps available for new licensees. But whether they will be commercially viable or not is the question. LSM1 - in other words, the "deep" rural areas, often elderly and with low involvement in material goods - make up quite a substantial 17 percent of the total population. Combined with LSM 2, that rises to 30 percent of the population. M-Net only really comes into the picture at LSMs - a good way up the ladder.



Peoplemeter

TV1 is also eagerly awaiting the introduction of the All-Races Peoplemeter which it believes will do more justice to measurement of TV's "large black viewing public". Peoplemeters have, until now, gauged only white, Asian and coloured audiences.

The channel's own research project, called "MATCH", found that Good Morning South Africa's black viewers numbered between 30 percent and 45 percent of the total audience.

Media groups face curbs

Star 23/6/93

By Esther Waugh and Chris Whitfield

26

South Africa's major newspaper groups could be prevented from a significant stake in a new deregulated broadcasting system in terms of a draft Bill for the proposed independent broadcasting authority.

The Bill, drafted by the negotiations technical committee on the issue, places several limitations on "cross-media control of private broadcasting services" both radio and television.

In terms of the Bill, the authority would maintain an associated newspaper register which would contain names of newspapers with at least 50 per cent circulation "within the licence area of a private broadcasting licence".

Restrictions on control of a private licence in the draft Bill include:

• No person shall be a director of a company exercising control of newspapers with a circulation of more than 300 000 and a director of another company which has company interests in more than one private broadcasting service

• No person can be a director of a company — or two companies — with interests exceeding 35 percent in a private broadcasting licence and be director of another company in a position "to exercise control of a newspaper or newspapers whose combined or average circulation exceeds 300 000"

Political groups intending to take part in elections will also be prohibited from holding broadcasting licences.

The draft Bill will be discussed in the Negotiating Council in two weeks' time.

The majority of parties in the council yesterday agreed on the need for an independent media commission and an independent electoral commission to be established in the run-up to the first democratic elections

Bill to cut papers from radio and TV

ARC

23/6/93

260

28

Political Staff

JOHANNESBURG — South Africa's major newspaper groups could be prevented from gaining a significant stake in a new deregulated broadcasting system under a draft Bill for the proposed independent broadcasting authority.

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trol of newspapers with a circulation of over 300 000 and a director of another company which has company interests in more than one private broadcasting service.

- "No person can be a director of a company — or two companies — with interests exceeding 35 percent in a private broadcasting licence and be director of another company in a position to exercise control of a newspaper or newspapers whose combined or average circulation exceeds 300 000.

- "No person shall be a director of a company or companies that can control a private broadcasting licence and be in a position to exercise control of the newspapers that are associated with the licence area.

- "No person shall be in a position to exercise control of a licence and of the only newspaper or newspapers associated with the licence area."

SABC may sell some of its services

KELVIN BROWN

THE SABC would consider selling some of its commercially viable broadcasting services, if alternative sources of income could be found, SABC group chief executive Wynand Harmse said yesterday.

Speaking at a three-day broadcasting conference in Sandton, Harmse said the SABC could not continue as a public broadcaster in its present form when the industry was deregulated.

Estimates indicated that new commercial radio stations would take at least R100m out of the existing advertising cake (260)

Harmse said the SABC received 70% of its funding from commercial sources, with the bulk coming from advertising revenue.

The SABC predicted its radio services would be reduced from the current 22 to 17, with 34 new private sector radio stations starting after the industry was deregulated later this year.

Harmse doubted there was room for another TV channel in SA. The SABC would consider selling TV1, but only if alternative sources of income could be found. The same applied to other profitable business units like Radio 5.

Home Affairs Minister Danie Schutte acknowledged the SABC would face a serious problem with regard to income when the industry was deregulated. He warned SA would be done a great injustice if the restructuring of the SABC resulted in the loss of its abilities and expertise.

Inquiry into SABC film subsidy scam

By MARK GEVISSER

260
2516-117/93
A SCANDAL at the SABC, involving the "stealing" of state film subsidies, could land senior corporation officials in court.

The alleged impropriety of a deal brokered between SABC and the Leisureco film company is being investigated by the Justice Department's Office of Serious Economic Crimes (OSEO). The allegations also reveal the way in which the state film subsidy has been abused to the point of bankruptcy by local film producers with the connivance of the corporation.

At the centre of the scandal is Hennie Human, head of SABC's production house, Safritel, and Frnk Botha, head of the Leisureco Corporation. *The Weekly Mail* has documents alleging that in 1991, Human and Botha clinched a deal under which R800 000 paid to Leisureco for its TV serial, *Konings*, was disguised as payment for the right to broadcast *The Road to Mecca*. Leisureco is part of a consortium which owns the licensing rights to the latter film.

The SABC's chief legal adviser, Leander Gaum, has said that the deal "boils down to fraud". In an October 1991 memo to Human, appended to a confidential internal auditors' report in the possession of *The Weekly Mail*, Gaum wrote "It is obviously an effort, as far as I am concerned, to obtain, in an irregular manner, money as a state subsidy."

Gaum said he had written but not sent the memo. Instead, he went to see TV head Quentin Green "I told him I was worried and he told me to proceed and keep him informed."

What worried Gaum was that "it seemed as if we were using money which should have been paid directly to *Konings* to foot the bill on *Mecca*, thereby entitling the film to a subsidy. This had two objectives - to finance *Konings* while at the same time qualifying *Mecca* for a subsidy."

Under the state subsidy scheme, local producers could, until recently, get a 70 percent tax-free subsidy on box-office revenue and TV licences. By paying Leisureco R800 000 for the rights to broadcast *Mecca*, the SABC thus contrived to obtain R560 000 — 70 percent of R800 000 — in state funding for Leisureco.

The tacit agreement between Human and Botha was allegedly that most of this money would be used to fund *Konings*, which was way over budget.

Human and Botha also agreed that, in return for the R800 000 loan, Leisureco would pay Safritel R200 000 to be "introduced" to Safritel's international contacts and a further R500 000 for international licensing rights. In this way, most of the SABC's money would return to Safritel after having "earned" R560 000 for Leisureco.

The OSEO started investigating the deal after the Department of Home Affairs, which administers the state film subsidy, alerted it to the possibility of fraud. But documents in *The Weekly Mail*'s possession confirm that senior SABC officials are themselves unhappy with the procedure.

Safritel production director Cor Nortje wrote to his boss, Human, that he would not pay more than R150 000 for *Mecca*. Once the SABC's finance director, Steve Schubach, obtained the internal audit, he too objected. Schubach rescinded the original deal with Leisureco, and offered to pay R400 000 rather than R800 000 for *Mecca*. Leisureco had, however, already received a subsidy based on the R800 000 figure, but Frnk Botha told the *Financial Mail* last week that "I have since repaid the State R280 000 plus interest (of the original subsidy)". Nevertheless, the OSEO is still investigating the legality of this second deal.

The extent of Green's involvement is unclear. *The Weekly Mail* has a letter sent by Human to Green in September 1991, requesting him to approve the linking of the TV rights for *Mecca* with the payment of money for *Konings*. In a response, Green wrote: "goodgekeur soos afgespraak" (agreed as discussed). Green is abroad, and whether he understood the legal implications of the deal before Gaum contacted him in October is unclear.

In the internal audit, auditors George Harding and Chris Pretorius note that the deal did not receive the required approval from the SABC board. They also note that, "according to Mr L. Gaum, there are two more similar schemes in the pipeline". The OSEO has confirmed that it is investigating alleged impropriety regarding other subsidy allocations as well.

ELECTRICITY FM 25/6/93

Unbundling Eskom?

The ANC reacted with unusual alacrity to what it called premature reports that Eskom plans to unbundle SA's power supply into a number of regional authorities. Eskom officials, looking to do damage control, quickly pointed out that the utility has made no such plans, is not trying to impose its will and is merely one of the players discussing such matters at the National Electrification Forum.

The forum, which began work last month after nearly a year of negotiations, comprises representatives of the civic associations, trade unions, local authorities, political parties, as well as Eskom and the ANC.

Said the ANC "By referring to this as a likelihood, this statement may give the misleading impression that a high level of consensus already exists within the forum, where this issue is set to be negotiated."

"The ANC, as one of the initiators of the forum, wants rapid electrification rationalisation and the deracialisation of the electricity sector. But this should be done only after detailed investigation of all of the policy options to seek and identify solutions that best serve the long-term national interest."

Eskom senior GM Jan de Beer, who holds the electrification portfolio, agrees that the forum is the place for such negotiations. "We

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agree that this is not an Eskom decision. The decision will be taken at the forum. Obviously we are talking about a lot of models."

De Beer says restructuring Eskom and other electricity distributors into regional supply authorities is just one plan under consideration. For instance, he mentions that another scenario would see the creation of one centralised utility with generating, transmitting and distribution rights to all domestic and commercial customers, as in France. Eskom, which is now electrifying 200 000 homes a year, has the monopoly only for generation and transmission.

De Beer says that whatever the final plan is, the forum's decisions should carry weight "because everyone is there. It is very representative."

He adds that the forum will work because the goal is clear and shared by all participants. "We have got to get electricity out to the people who have not got it, though we may have different opinions on how to achieve this."

About 96% of whites have electrified homes but only 25%-30% of blacks. It's estimated that R9bn is needed to electrify SA.

"The forum still has a long way to go," De Beer adds. "It would be nice if it doesn't take too long. By this time next year, we might have something on the table."

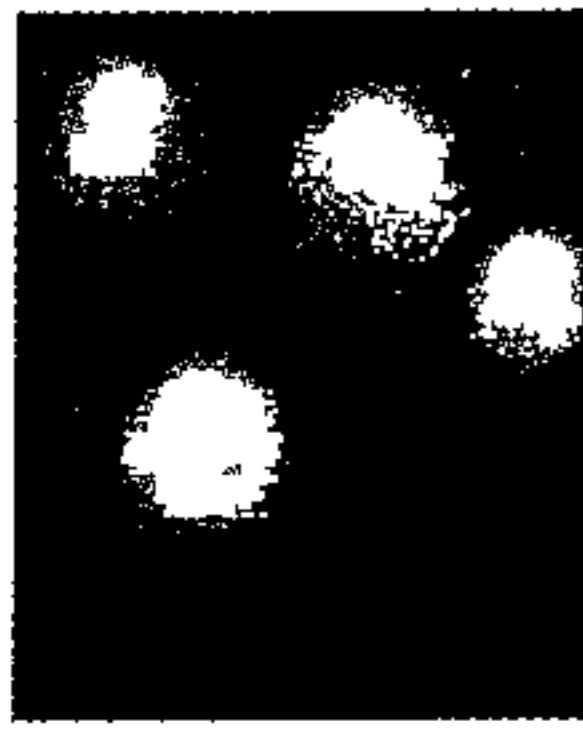
SASOL/AECI

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Better the devil you know

The chemistry seems good — but the formula isn't simple



Strange bedfellows emerge in tough economic times Sasol and AECI's proposed joint venture is hard to fault financially, but it is certainly a dangerous liaison and likely to be a controversial one If it

works, however, it could lead to major and fascinating realignments

AECI and Sasol have a long relationship as customer and supplier. But they are also fierce competitors, increasingly as Sasol has taken on AECI in areas long dominated by AECI's Modderfontein plant explosives for SA's huge mining industry, fertilisers and ammonia. And it's done so with relish.

The relationship now becomes even more ambivalent with the announcement that the two groups are to merge plant and resources in an as yet unnamed joint venture (JV), to produce PVC and other plastics at AECI's Midlands complex from Sasol's ethylene feedstock. There are wider implications as well, both for SA's interrelated plastics industry and for the shareholding structures of Sasol and AECI

The respective history and culture of the two suggest they have little in common In boom times, they're the type of competitors who would probably give no quarter

Sasol is a home-grown giant which assumed its strategic importance and dominance, with critical and material support from government, during the sanctions and oil crisis years Its listing in 1979 gained a wide shareholding and as the oil supply threat has waned Sasol — backed by an ambitious capex programme — moved successfully into related, downstream activities

AECI was a child of our imperial past. It dates back to 1924 when Nobel Industries, UK, and De Beers merged their explosive interests to form an SA group. The UK link remains through the 38% shareholding of Imperial Chemical Industries Plc (ICI) — 40% is held by Amic Latterly, ICI has been a reluctant shareholder, displaying a dog-in-the-manger attitude towards its SA interest,

refusing to invest badly needed capital but also not relinquishing its holding which in earlier years provided a useful stream of dividends

Differences aside, the JV announced last week looks compellingly attractive Simply put, it provides a home for Sasol's surplus ethylene, a feedstock that in turn brings the economics of AECI's PVC production operation in line with overseas producers

AECI's PVC-from-carbide conversion operation at Coalplex, Sasolburg, was not viable. Planned on an oil price about three times higher than the present \$17,50 a barrel, the operation was under constant threat from cheaper imports.

Sasol produces around 400 000 t/year of ethylene from coal at Sasol 2 and 3, but the local market absorbs only about half its capacity. Much of the rest is mixed back into the gasoline pool — a low margin exercise which realises half the profit Sasol could make from selling its ethylene. Combining the resources, say Sasol MD Paul Kruger and AECI MD Mike Sander, creates a business which should be internationally competitive in terms of production costs, as well as self-funding. As a result it will offer customers a more competitive product.

It is, however, a moot point how other

acetylene-from-coal process it now uses to make PVC AECI exports some 50 000 t of PVC each year, but Sander admits the margins are so thin as to be barely profitable.

For Sasol, the venture is another move downstream into higher margin polymers, using what is now surplus ethylene. It will also bring its integrated propylene and polypropylene production to the party This, with AECI's PVC conversion facilities and other value-added downstream businesses, will enable the JV to produce three other types of plastic, apart from PVC.

Though mutually beneficial, the merger offers a more immediate solution to one of AECI's problems. This is reflected in the share price, which gained about 15,5% to R11,25 within a week of the announcement

The fortunes of AECI's Chlor-Alkali and Plastics business — one of its six main operating companies and AECI's main contribution to the JV — have been in gradual decline since 1989 This trend correlates closely with the drop in international petrochemicals prices (see graphs)

It contributes about R1,5bn, or 28%, of AECI's turnover — the same as 1989 — but its net profit has slipped from R189m in 1990 to R110m in 1992 Operating profit as a percentage of turnover has nearly halved

over two years to a lacklustre 7%.

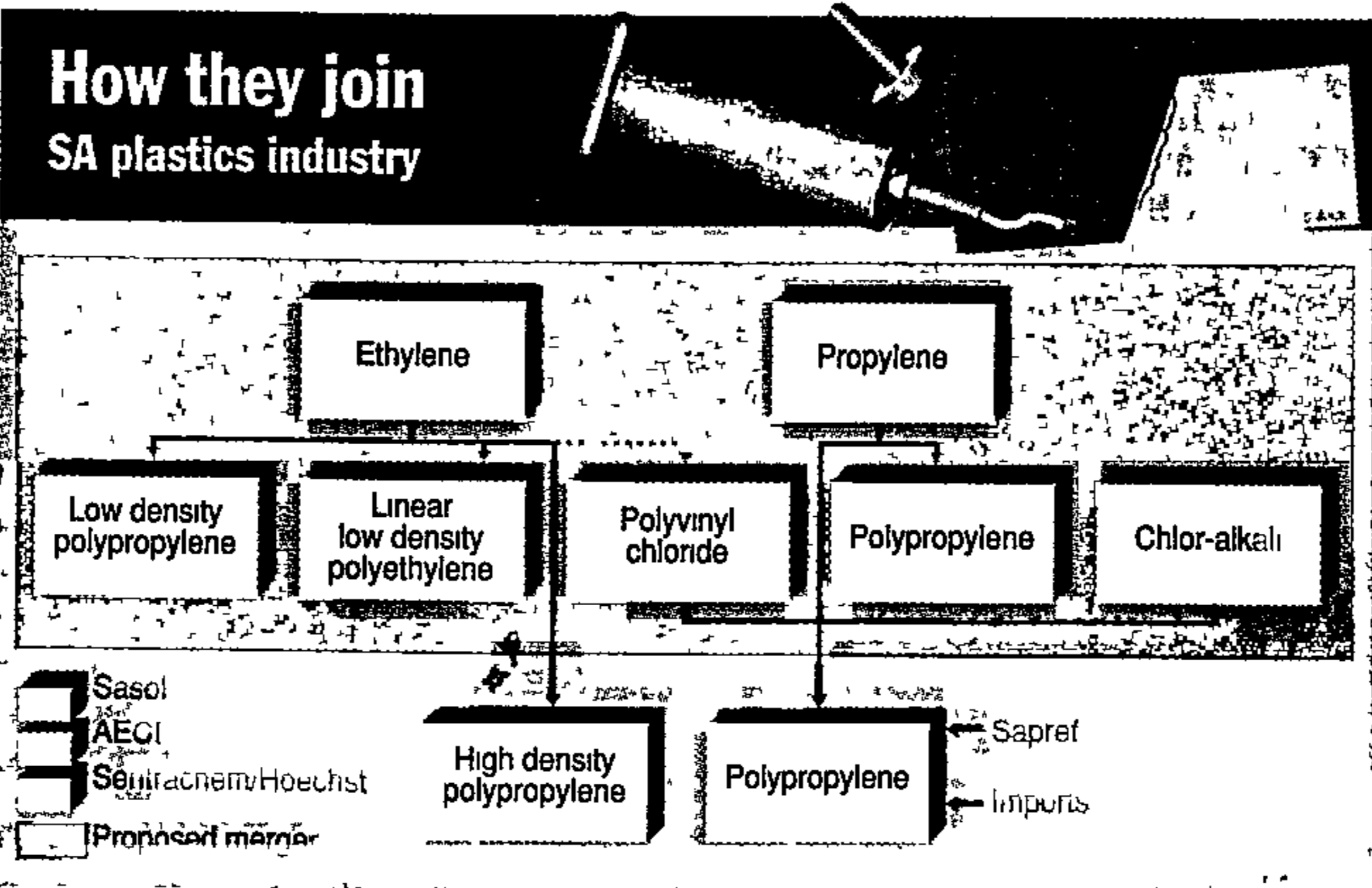
Fundamental to the problem, apart from the soft world market, has been outdated plant at the company's Midlands facility and the carbide-to-PVC conversion process. Foreign competitors abandoned this process in favour of ethylene feedstock in the last decade, when they felt oil prices were unlikely again to reach the levels of Opec's heyday

AECI found itself boxed in, not having the capital to upgrade equipment to interna-

tional standards and receiving no help from its UK shareholder — which was having problems itself. Last year ICI chairman Sir Denys Henderson separated the world's fourth largest chemicals maker into two companies

The JV should go a long way to resolving this problem area, and thus represents something of a lifeline for AECI Sasol stands to gain a lot from the project, but right now it's

How they join SA plastics industry



industry players, mainly Sentrachem and Hoechst, feel about the JV There could yet be complaints For his part, Kruger says: "The merger will make the PVC business more competitive — an area, like most others of the JV, in which Sentrachem and Hoechst do not compete"

In the context of the plastics industry, with the JV AECI will be moving upstream into ethylene in contrast to the unprofitable

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Soft market, softer prices

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more important to AECI Replacing carbide feedstock with ethylene will dramatically reduce production costs of PVC Martin & Co analyst Philippe Tison estimates a reduction in Coalplex's production cost per ton of 15%-20%, a saving of about R80m

"All we are really doing," says Sander, "is following slightly behind the world trend in the chemical industry, which has moved dramatically to restructure itself in the face of changing market conditions It has been seen particularly in the UK and America, where there have been mergers, acquisitions, rationalisation and, in the case of ICI, a split into two companies"

From a geographical standpoint, the merger is relatively easy and should offer savings AECI's contribution is largely centered at its Midlands complex at Sasolburg, comprising Coalplex and Poly 1 and 2 Sasol's ethylene comes from Secunda, but it is piped to related facilities at Sasolburg which will easily be merged with AECI's operations As Sander puts it, all that has to be done is to move the fence a bit

"We can immediately combine both our local and international marketing activities, and there will be substantial savings in sharing administration costs and overheads," says Kruger There appears to be scope to rationalise production facilities, probably with closure of some dated plant

Sander and Kruger are confident the JV will not require a capital investment from either side About R400m is needed over the next two years to fund the switch from carbide to ethylene feedstock With a projected turnover of R2,5bn, they feel the capital can be drawn from internal cash flows

The 60/40 shareholding gives the impression that Sasol will be the big brother in the JV, but Sander and Kruger are adamant it will be an independently run, standalone company with a joint management agreement "We jointly valued what each was bringing to the venture, and 60/40 was the way the cake crumbled," says Sander

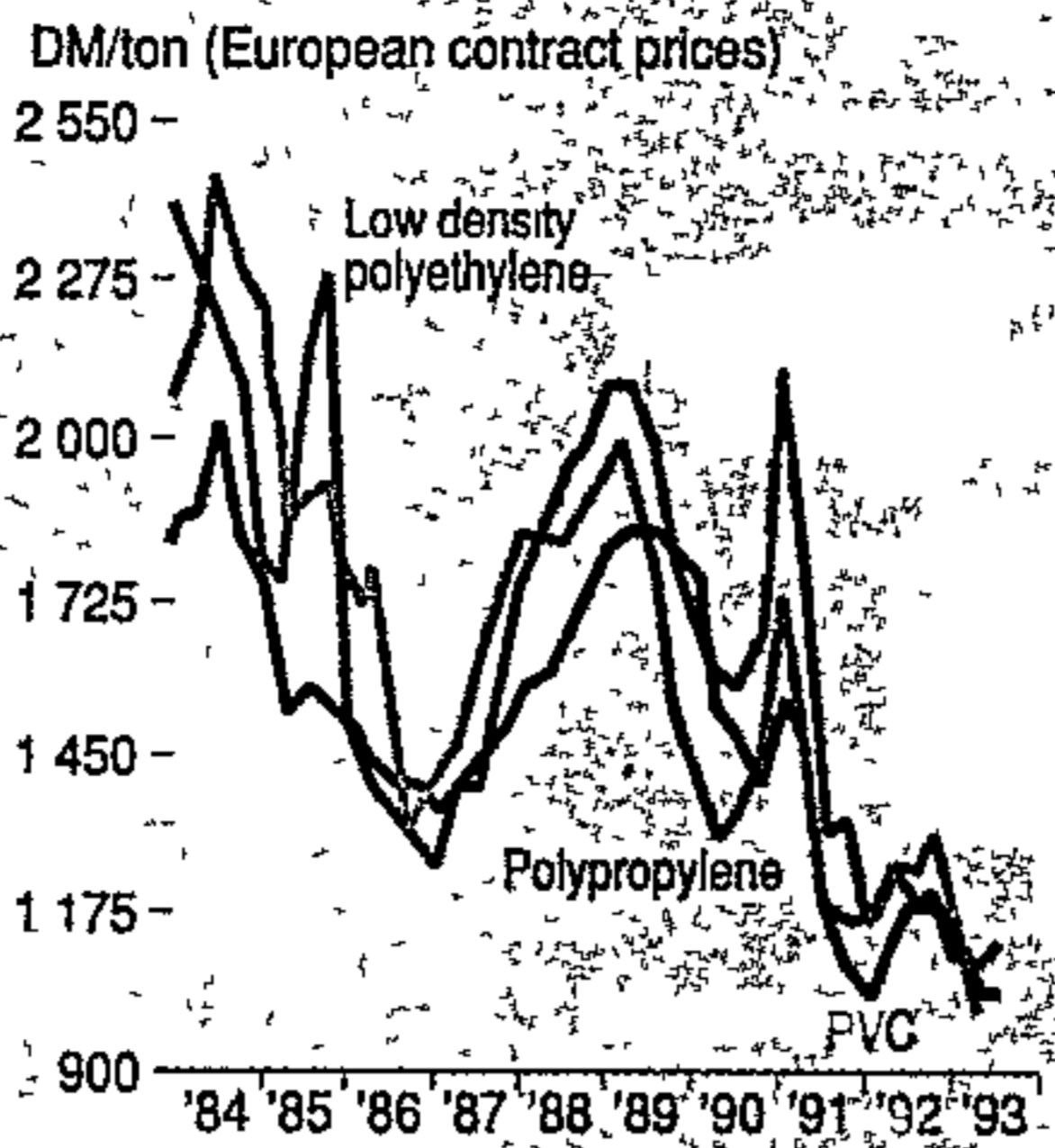
Management could be a sticky topic Once again both Sander and Kruger say the venture will be independently run, drawing on senior staff from both organisations, and outside if necessary "We have an idea of the sort of people needed, and Paul and I will choose an MD from a short list He will then choose his team to run the new business, from AECI or Sasol — if we will release the staff — or from outside," says Sander

Cultural diversity down the management structure has the potential to be problematic So it might be wise if at least the top management team were not to come from either of the partners

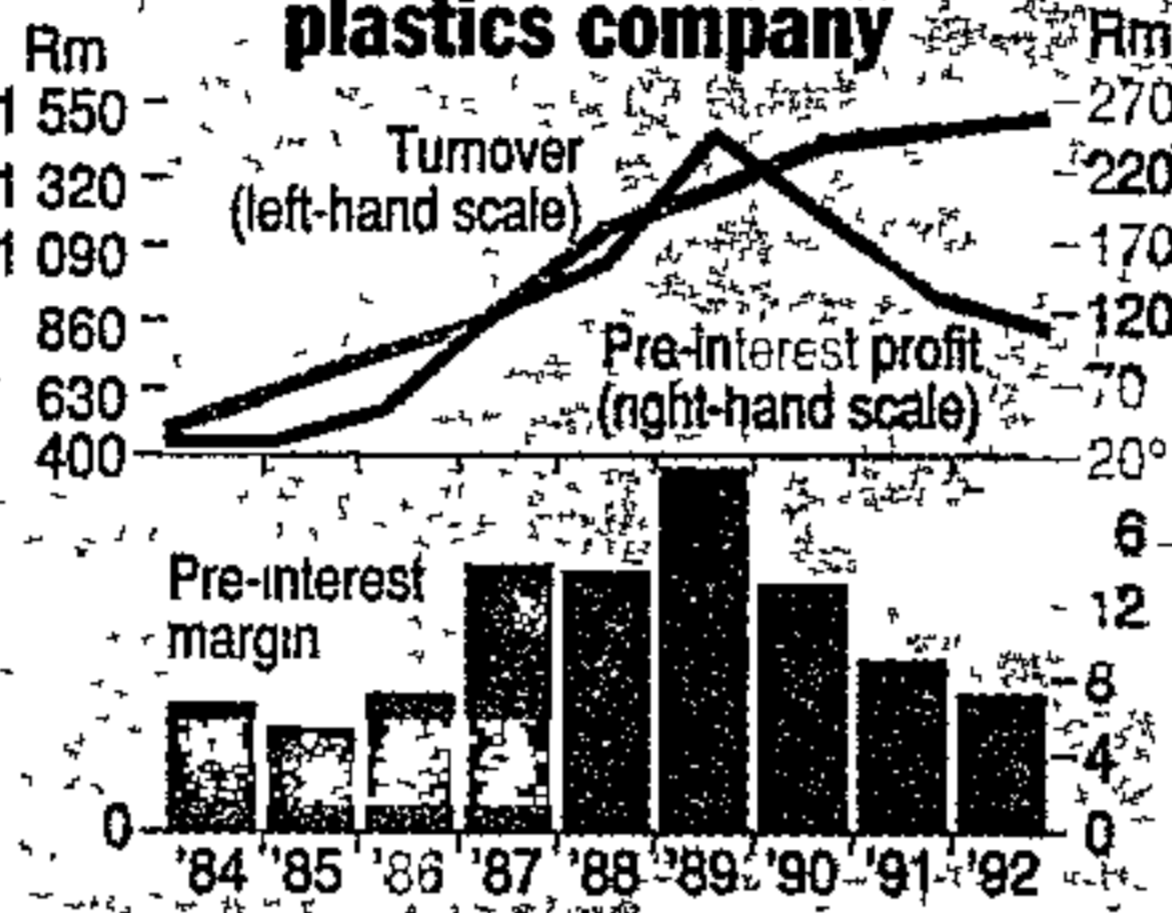
Once commissioned, probably towards the end of 1995, the JV will be capable of producing about 600 000 t/year of polymers, including about 200 000 t of PVC

According to projections by Sasol and AECI, that should coincide with the next upturn in world petrochemical prices and increased demand from the local market That's considered the most likely time for the

World petrochemical prices



AECI's chlor-alkali and plastics company



JV to be listed

"Prices are firming a bit, and though it's unlikely we'll again see the peaks on world markets witnessed in the early Eighties, the upturn should peak between 1995 and 1997 That was part of the thinking," says Sander

He also feels there is a pent-up demand for PVC on the local market, which could pick up strongly as economic conditions improve AECI, with a large client base in the construction industry, is traditionally one of the first businesses to move out of recession Once large-scale construction again gets under way — particularly low-cost housing, which uses PVC in several areas — the new conversion plant could provide attractive earnings Sander believes when PVC usage picks up, demand could grow by 20% a year

While the underlying reason is to make the JV internationally competitive in terms of production costs, it will not necessarily seek to increase its export mix

"About a third of capacity is now aimed at the export market, the rest at local consumers," says Sander "We would like to see direct exports decrease We are in some

value-added areas, but for every R1 we make on exporting PVC our clients can make R5-R10 exporting a beneficiated product It makes sense for exports to be led by clients, while we offer them PVC which competes favourably with imports"

Clients might not see things in exactly the same way Sentrachem MD John Job will not take calls on the merger, telling his media consultants he is involved in "sensitive negotiations" — presumably with Sasol, which is doubtless telling him his ethylene feedstock will not be affected

Sentrachem is not as dependent on Sasol for its raw materials as it used to be Much is sourced from imports or oil, rather than Sasol's coal cracker But the industry is so intertwined (see chart) that some interdependence is unavoidable A deal between the two main players in plastics must make Sentrachem and Hoechst feel uncomfortable Hoechst MD Reinhard Traub says his group is concerned, but that discussions are taking place with Sasol and AECI and "we have been assured of secure access to ethylene feedstock"

The merger also needs to get past the Competition Board Informal discussions have taken place and Kruger and Sander are confident the JV will get the board's approval But that's not yet cut and dried

Board chairman Pierre Brooks says he has received complaints from other players in the industry — he can't say from whom — as well as a trade union He must now decide, possibly this week, whether a formal investigation should be held If so, an official verdict could take months

On the broader canvas, the JV could have far-reaching implications for the shareholding structure of both AECI and Sasol Sander says AECI is holding discussions with ICI "with a view to aligning its interests in SA more closely to its international strategy" He will not elaborate, save to say this does not mean ICI wants to sell its holding

What all this seems to mean is that ICI wants to get out of those areas, like petrochemicals, in which it has limited interest and instead invest more directly in certain underlying AECI businesses The only way this seems possible is for other operating companies within the group to be hived off and listed separately

Sasol seems to be thinking similarly Kruger confirms his group is separating its different businesses — broadly into synfuels, crude refining and fuel marketing, speciality and other chemicals from Sasol 1, and coal — and there could be separate listings

The most obvious candidate for listing is refining and fuel marketing, especially now Sasol intends to sell branded petrol directly

"This offers greater transparency and unlocks value for shareholders," Kruger says It also gets the other businesses away from the stigma of protection, confined largely to Sasol's synfuel operations but permeating the image of the group Both Kruger and Sander emphasise the new plastics business will be internationally competitive without protec-

tion — Sasol clearly wants its other profit centres to be regarded the same way

It's likely that by distinguishing its main interests with greater clarity, more value could be placed on Sasol Separate listings should also prove attractive to investors

Earnings from the JV are not expected until the plant has been commissioned in about two years But they could be substantial, particularly if world markets and local

demand for PVC pick up

While the impact on Sasol will be less dramatic, it certainly improves its long-term earnings prospects For AECI, it should make a major operating company viable again It should also improve perceptions of the two groups AECI can be seen to be doing something about one of its problem areas, while Sasol's move towards greater transparency will be welcomed

Already AECI's share is being rerated On a relatively undemanding yield of 4%, Sasol's share should offer greater long-term value to investors

Perhaps, for both AECI and Sasol, it's a case of better the devil you know But it remains to be seen whether Sasol, in particular, will ultimately be content with only the strategic foothold it has gained in these markets Its aspirations may be substantial

Shaun Harris

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Slabbert goes

JUST ONE OF THE BOYS . . .

SABC ⁽²⁶⁰⁾ CT25/6/93

board in disarray

IN a shock development last night Dr Frederik van Zyl Slabbert quit as chairman of the newly-appointed SABC Board, saying he had not sought the position and had not been consulted about it.

The move threw the fledgling board, which has been under fire since its inception, into disarray. Dr Slabbert had previously agreed to continue as chairman until the end of July to help the board find its feet.

However, he said yesterday that on reflection he might have been unwise in agreeing to this request.

Objection

At a five-hour emergency board meeting Education Development Trust director Ms Ivy Matsepe-Casaburri was voted in unanimously as interim chairman.

Dr Slabbert was appointed chairman after President FW de Klerk objected to the selection of Professor Njabulo Ndebele for the position by an independent panel.

Dr Slabbert said he still believed strongly that political organisations, as well as "a special interest lobby like the Campaign for Independent Broadcasting", should not be in a position to impose a chairman or deputy chairman on the board.

He said "I agreed to convene the first meeting of the board (at which I intended to resign), to give the board an opportunity to reflect on its dilemma. To my surprise, the board decided to carry on as constituted."

Dr Slabbert said he would not consider serving as chairman or deputy chairman until a situation "free from power struggles and manipulation" prevailed.

He would consider serving as chairman only if the position was decided on by the board alone and if he was able to do this on a part-time basis.

He would continue as an ordinary board member.

Ms Matsepe-Casaburri said the board had accepted Dr Slabbert's resignation with regret.

She said the board would work out a procedure for selecting a new chairman and ask Mr De Klerk to endorse the board's appointment.

'Nonsense'

Dr Slabbert said he had been misrepresented as being "swayed by Mr De Klerk's persuasive powers" to continue as chairman.

"Under normal circumstances I would let such puerile nonsense be overtaken by truth and drift away to richly deserved obscurity."

"However, a view has taken hold that even my temporary occupation of the position of chairman is a major obstacle to solving the current crisis of legitimacy of the board."

Media commentator Mr James McClurg said last night Dr Slabbert's resignation was "a very great blow" to the SABC as he was well-qualified for the job and would be hard to replace.

SABC spokesman Mr Willie Visagie said the SABC had no comment to make last night, but would issue a statement today.



CHEERS . . . Soccer housewife Lesley Kallis, 33, enjoys a beer with Tramway Club team-mate Gerald Pead. Midfield player Lesley will turn out in a match in an all-male league at Ottery tomorrow. Picture: BERNARD PEREZ

Wife scores soccer first

A CAPE TOWN housewife will set a precedent in Western Province senior soccer circles this weekend when she turns out for a men's team in an official league match.

Soccer fanatic Mrs Lesley Kallis, 33, has been included in the Tramways Club side to meet Ottery in a veterans' league fixture at Ottery on Saturday afternoon.

The solidly-built midfielder play-

er is no stranger to the game, having already had more than 20 seasons in women's inter-club competition.

"I feel the time is now ripe to show men that women can hold their own against them on the soccer pitch," she said.

Team-mates agree that from a player who represented South Africa in the women's mini-world cup competition in Sardinia in

1989, this is no idle claim.

Mrs Kallis, whose husband Michael will play in the same team on Saturday, developed an interest in soccer while still a schoolgirl and played for a woman's team when only 11 years old.

"My father — Dave Smiltneek — was manager-coach of the Pens-Goodwood side in the early '70s and I used to accompany him to all the practice sessions and matches," she said.

crack of dawn



When the tricameral parliament closes it will definitely mark the end of an error.

R3,7bn cash sent out of SA

JOHANNESBURG — South Africa lost a massive R3,7 billion in cash transfers out of the country in the first quarter of this year.

The Reserve Bank said the figure — more than twice the quarterly average in 1992 — reflected not only economic woes, but growing political and social uncertainty and was the reason for a R3,3bn fall in South Africa's net foreign exchange reserves in the first quarter.

Included in the figure are unrecorded transactions, widely regarded as indicating the trend of capital flight, or illegal exporting of capital out of the country.

● Full report — Page 11



SECURITY SCARE . . . Police keep an eye on the crowd and on Germany's Anke Huber at Wimbledon yesterday after she said she was being followed. ● Report — Page 3 Picture: AP

Slabbert

So wetan 25/6/93

quits chair

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THE NEWLY-APPOINTED SABC Board plunged into further crisis last night when its chairman Dr Frederik van Zyl Slabbert resigned his position

Van Zyl Slabbert gave two reasons for his resignation. He said the appointment of the chairman and deputy chairman of the board should be the prerogative of the board. He also said he would not be able to operate on a full-time basis.

"If the board wished to elect me as chairperson/deputy chairperson, I would be willing to consider it, provided we could have some clarity on the time and work load. I am not available full-time and if this is what the board desired, I would have

to decline," he said.

Van Zyl Slabbert stressed the two reasons were the only ones why he had immediately rejected his appointment when he heard it on May 31.

"I agreed to convene the first meeting of the board — at which I intended to formally resign — in order to give the board an opportunity to collectively reflect on its own dilemma.

"To my surprise, the board decided to carry on as constituted until the end of July. I reluctantly agreed." He said, however, that people believed even his temporary occupation of the position was a major obstacle to solving the current crisis of legitimacy of the board. — Sapa

Supan Mahana of Garankuwa is

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ates employees • Demand for workers' reinstatement

Sacked workers return to jobs

Sowetan 25/6/93

By Ike Motsapi

■ **NO MONEY** Council claims it has no funds to pay sacked staff:

ABOUT 413 members of the South African Municipal Workers Union and other employees who were sacked by the Dobsonville Council last year returned to their jobs this week

This follows a successful court application lodged by Samwu in the Rand Supreme Court last Friday to have the workers reinstated

According to the court order all workers are to be paid their salaries and benefits retrospective to the day when they were sacked.

The council opposed the application and has now said it does not have money to pay the workers their salaries

In a letter to Samwu, written by city treasurer Mr Chris van Zijl, the council said it would have to approach the Transvaal Provincial Administration for assistance

A special council meeting was held this week to discuss the problem. Van

Zijl promised to inform Samwu about the council's decision today

A TPA spokesman said the request had not as yet been forwarded to it

Mr Martin Sere, an official of Samwu, yesterday said all the workers who were sacked on November 2 after requesting the council to transfer them to other centres were back at work

They were employed near a hostel and feared for their lives

Union to march on Sasol

Sowetan 25/6/93

By Ike Motsapi

HUNDREDS of South African Chemical Workers Union members will march on Sasol's headquarters in Johannesburg at the weekend to demand the reinstatement of workers dismissed in 1987

Mr Cunningham Ngcukana, secretary-general of the National Council

of Trade Unions will be among those leading the march

Mr Joseph Maqhekeni, an organiser of Sacwu, said the march was part of an ongoing six-year battle by the union after the dismissal of about 100 employees — all members of Sacwu — by Sasol 1 when they campaigned for better pay and working conditions. Maqhekeni said: "The union won the case in the Industrial Court

but that victory was overturned by the Appellate Division of the Supreme Court following an appeal by the company. The dismissals led to a number of former employees losing houses and children being forced out of school because their parents could not afford to pay for them

"As a result we have a squatter camp near Zamdela because workers have no accommodation," said Maqhekeni

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Development Bank is poised to spend R2,8bn

B1 Day 25/6/93

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THE Development Bank of Southern Africa is poised to spend R2,8bn on new projects after a massive increase in the number of projects approved in the financial year ending March 1993

However, while project approval is proceeding rapidly, bottlenecks in the delivery system are preventing the funds from being paid out and are stopping projects from getting off the ground

The bank, which released its annual results yesterday, said only R448,6m of a budgeted R1bn had been spent in the past financial year. CE Andre la Grange ascribed the problem to the drawn out political settlement process, the violence and lack of implementation capacity (260)

Institutions with the capacity needed lacked legitimacy, while those with legitimacy were not yet in a position to deliver. The bank had expanded its focus to include non-governmental and community-based organisations. While these were closer to the communities it wanted to serve, they needed support to build capacity.

When foreign money started flowing into the country, the danger existed that it could be wasted because of institutional problems. He appealed to the international

GRETA STEYN

community to assist SA in building up its capacity to spend funds earmarked for development. SA's current implementation capacity did not exceed R2bn a year.

The amount of new commitments during the year increased more than fivefold to R1,8bn, bringing the cumulative total committed by the bank to 1 200 programmes and projects worth more than R7,4bn, of which about R2,8bn was still to be disbursed. The bank was highly liquid and ideally placed for its role in the transitional phase, La Grange said.

Board chairman Wiseman Nkuhlu said in his report a quantified "development vision" was needed that was based on priorities set through participation. He said yesterday that detailed projects and programmes acceptable to South Africans in general had to be put on the table. There should be a clear understanding of the role of the public and the private sectors, non-government organisations and other institutions.

The bank contained the increase in its operating expenditures to only 4,2% while its surplus of income over spending rose sharply to R105m from R34,9m in 1992

NOT READ BY THE EDITOR

Qualified welcome for new broadcasting Bill

Bill Day 25/6/93
(260)

THE Independent Broadcasting Authority Bill publicised by negotiators at the World Trade Centre on Wednesday, was yesterday welcomed by media lawyer Wend Wendland, who acts for the National Association of Broadcasters.

But Wendland cautioned that certain provisions of the Bill would cause problems for NAB members, which included M-Net, the SABC and Radio 702, and create confusion over the status of broadcasters in the TBVC states.

He said the Bill proposed to legislate the minimum amount of locally funded and produced programmes broadcast by SA radio and TV stations. Broadcasters currently relied on over-

RAY HARTLEY

seas programming which cost about R400 a minute.

Local programmes cost substantially more — about R4 000 a minute — because they had to recover all their costs from local broadcasters due to their limited international appeal, he said.

While the NAB was in favour of stimulating the local programming industry, it remained concerned about the financial implications of this, he said.

The Bill would lead to the automatic licensing of those currently broadcasting in SA, but it did not say whether or not this included broadcasters in the TBVC states, he said.

If this was not cleared up, broadcasters in the TBVC states could be left in a state of confusion and could even be expected to reapply for licences.

Another provision prohibiting cross-ownership of the print and broadcast media could pose problems for certain broadcasters, in-

cluding M-Net, which was owned by newspaper groups

He said the NAB and other interested parties had been given two weeks in which to comment on the Bill before it was finally drafted to appear before Parliament in September.

The haste with which the Bill was being finalised resulted from a desire to have it in place by elections in April next year, Wendland said.

The Bill, which was drafted by a technical committee at the multiparty talks, makes provision for an independent broadcasting authority to regulate equal access to the airwaves by political parties during the election.

It would in future be responsible for the allocation of frequencies and the licensing of broadcasters, he said.

The NAB supported provisions in the Bill which made the control of broadcasting independent from government, he said.

Doctors draft conduct code

GERALD REILLY

PRETORIA — Doctors were warned last night they might have to spend more time in lawyers' offices and courtrooms in SA's increasingly litigious society, a trend symptomatic of the erosion of trust in the medical profession.

In his inaugural address, newly appointed Medical Association of SA (Masa) president Johan Kruger said: "If you are unhappy you sue."

However limited the trend, it could not be denied that negligence and unethical conduct occurred in the profession.

"Our conduct should not feed the perception of being protective of errant members," he said.

Masa would do all it could to root out unethical behaviour. A code of conduct would go a long way as a guideline.

Masa's federal council yesterday adopted a credo to serve as a basis for drafting a code. It addressed areas of ethical concern — social responsibility, discrimination and doctor-patient rights and relations.

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ay 25/6/93

initiative, provided any information the investigating officers. "If you say so, it must be true," replied Snyman.

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head an ultrasonic... suspended for 1 month... read an ultrasonic...

Slabbert resigns 'unsought position' as SABC board chairman

VAN ZYL Slabbert yesterday handed in his resignation as SABC chairman to an emergency board meeting, saying he had not sought the position and had not been consulted about it.

Slabbert was appointed chairman after President F W de Klerk had objected to the selection of Njabulo Ndebele by an independent panel.

The marathon five-hour board meeting unanimously voted in Education Development Trust director Ivy Masepe-Casaburri as interim chairman.

"I agreed to convene the first meeting of the board (at which I intended to resign) in order to give the board an opportunity to reflect on its own dilemma. To my surprise, the board decided to carry on as constituted," Slabbert said.

He had then reluctantly agreed to continue as chairman until the end of July to help the board find its feet, he said. On reflection, he may have been unwise to concede to this request, he added.

He said he would not consider serving as chairman or deputy chairman until a situation "free from power struggles and manipulation" prevailed.

RAY HARTLEY

He would consider serving as chairman only if the appointment was decided by the board alone and if he was able to do this on a part-time basis.

Slabbert said he would continue as an ordinary board member.

Masepe-Casaburri, previously vice-chairman, said the board had accepted Slabbert's resignation with regret.

She said the board would work out a procedure for it to select a new chairman, and requested De Klerk to endorse the board's

25/6/93

Slabbert said he had been misrepresented as being "swayed by De Klerk's persuasive powers" to continue as chairman after he wanted to resign after his initial appointment.

"I am not unaccustomed to being a subject of public controversy and under normal circumstances I would let such puerile nonsense be overtaken by truth and drift away to richly deserved obscurity. However, a view has taken hold that even my temporary occupation of the position of chairperson is a major obstacle to solving

the current crisis of legitimacy of the board I just came to the conclusion that in a way, I was trapped in a no-win situation.

Slabbert said he still strongly believed that political organisations such as the NP and ANC as well as "a special interest job by like the Campaign for Independent Broadcasting", should not be in a position to impose a chairman or deputy chairman on the board.

□ The board refused to hear a submission from the CIB yesterday, but it agreed to hear the submission at its next meeting on July 4, Masepe-Casaburri said.

SABC: FW 31 Times 27/16/93 sees Mandela

By CHARIS PERKINS

PRESIDENT FW de Klerk and ANC president Nelson Mandela are locked in debate on how to solve the new SABC board's legitimacy crisis.

Dr Frederik van Zyl Slabbert said on Friday he had held separate discussions with Mr de Klerk and Mr Mandela to convey the board's suggestion that the crisis be referred to a technical committee at the multi-party forum.

"They were not keen on the idea and said they would talk to one another about the situation," Dr Slabbert said (260)

However, 20 minutes before the second board meeting on Friday, Dr Slabbert learnt the two leaders were still continuing discussions.

He denied a Campaign for Independent Broadcasting statement that he had sought Mr Mandela's approval to stay on as board chairman.

At the SABC board meeting this week, members decided to invite Dr Enos Mabuza and Mr Franklin Sonn to reconsider their decisions to stand down. Dr Mabuza and Mr Sonn refused to serve on the board because they were only nominated after Mr de Klerk's intervention.

Acting chairman Dr Ivy Matsepe-Casaburri said the board had not discussed the legitimacy crisis during Friday's meeting.

The CIB said it was "profoundly concerned" the board had not discussed this issue as requested by the CIB.

● See Page 21

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A transparent transparent

Solution to a

FREDERIK VAN ZYL SLABBERT explains why he quit as chairperson of the SABC board

transparent

SITimes 2-7-1993



IT WAS wrong from the outset. A group of well-intentioned, special-interest lobbies formed themselves into a Campaign for Independent Broadcasting.

They were determined that the new SABC board should be appointed in a "transparent" and "independent" manner. Eventually they, with other interested parties, negotiated a deal with the State President.

A set of guidelines was developed in terms of which a panel of judges would select a board that would be put to the State President for approval. That is exactly where things were bound to go wrong: a final political judgment was built into the process right from the beginning. It matters not one bit how much the CIB and its allies may howl with frustration and indignation: legal opinion, the panel of judges and the State President are clear about one thing — in exercising his prerogative to question certain persons nominated to the panel, the State President acted according to the agreed guidelines.

He may not have acted in terms of the "spirit" of the negotiations intended by the CIB and other parties, but he certainly did not act outside the formal understanding of the guidelines.

The sanctimonious self-righteousness of the CIB on

cing. Within its ranks it has some of the most seasoned journalists, politicians and negotiators in South Africa.

GIVEN their knowledge and experience of South African politics, do they really want us to believe that they had negotiated "a deal" with the State President and leader of the National Party where he was prepared to abdicate all final power in deciding on the appointment and composition of the SABCO board Commission?

At best they could work for a concession and a compromise, but not for capitulation. What is true for the multi-party forum is surely true for the appointment of the SABCO board.

Therefore, from the start the CIB, the panel of judges and the State President involved themselves in a process to select a board for the SABCO which, to the best of their combined abilities, it was hoped would remove political controversy and guarantee the board's independence.

This was certainly better than nothing, but for anybody who has the most rudimentary understanding of South African politics it must have been clear the process was also capable of compounding the problem it was intended to solve.

In all fairness to the nominees, they were mostly unaware of the process that had been decided upon, except perhaps that they were going to be subjected to a public hearing.

So the predictable hap-



FREDERIK VAN ZYL SLABBERT . . . 'That is exactly where things were bound to go wrong — a final political judgment was built into the process'

pened: the judges made their recommendations, the State President objected, the judges reconsidered, and eventually the judges and the President decided on a final list.

When this was made public, together with the list that was rejected, again the predictable happened: all hell broke loose. Nobody involved in bringing it about was prepared to accept the board that had been duly constituted.

The State President said it was not the board he would have liked, the judges said it was not the board they would have suggested, and the CIB and other parties said that the board as constituted was not the one they were pre-

pared to accept.

The process which was supposed to bring about a more transparent and independent SABCO board had collapsed into yet another dreary, old-fashioned South African power struggle.

A sideshow to this pathetic political pantomime concerned the position of the chairperson. The judges recommended Professor N Ndebele. The President objected.

The panel of judges reconsidered, and both the President and the judges agreed that I should be the chairperson. The most alarming thing about this appalling display of bad taste and racial insensitivity was the complete lack of appreciation for

the new style of politics that the country was moving into.

Surely it was not beyond the wit of competent people to consult, negotiate, compromise to deal with such a matter. I heard of my new position for the first time on my car radio. I immediately issued a statement rejecting the appointment.

AT no time did the CIB, the State President or the panel of judges appear to consider the most "transparent" and "independent" possibility that the board itself decide on the positions of chairperson and deputy chairperson.

After all, the board would have to work with and under

these persons, and far better that the board express its preferences in this regard than have somebody foisted upon it by De Klerk, the CIB or anybody.

On this issue, again, the CIB confuses by example. It does not accept that the board should have this right. Nor can the panel of judges any longer, because it now "lacks credibility" through its "interaction with De Klerk" on the whole process (The CIB's credibility is, of course, serenely intact.)

No. The board must accept the original choice of the panel of judges, otherwise the CIB will start a massive campaign mobilising forces within the SABCO, nationally and internationally. So much for

the independence and transparency of the board.

Thus we have a board that nobody wants and a chairperson who does not accept his appointment. A more telling comment on the process decided upon between the CIB, the State President and other parties is hard to imagine.

Given the process that unfolded, was there anything that could have been done to avoid the outcome? Of course there was.

● The CIB and other interested parties could have insisted that the State President give a demonstrable and clear commitment that he would ratify and not veto. They obviously did not.

● The panel of judges

could have refused to have its recommendations tampered with and voluntarily abandoned the process (Especially when Professor Ndebele was rejected not because of lack of bilingualism but because he could supposedly not speak Afrikaans. Extraordinary!) It obviously did not,

● The State President could have exercised some sense of political judgment and not have acted with such astounding political ineptitude. He obviously did not,

● The board members could all have resigned, especially those who the CIB felt were sympathetic "to its cause" and whom they called upon to do so. This would have thrown the whole issue back into the political arena where it originated. The board members clearly did not (with the exception of two)

So we're all in this together. And things have gone wrong. Obviously a time for scapegoating. The CIB loads everything onto De Klerk, including the removal of the disabled Mr Rowland, which De Klerk adamantly denies he was responsible for.

THE CIB is blamed for being a front for the ANC involved in a "takeover" of the board. The judges are blamed for being politically naive and compromising the process. And so on.

None of this helps to confront the simple fact that there is a duly constituted board trapped in its own confusion with a crisis of legitimacy not of its own making.

Is there nothing to be done to salvage this disaster? After all, the concept of establishing a process that would lead to a transparent and independent SABC board is a very good one.

If one accepts the politics of compromise and bargaining, then the process is decidedly a vast improvement on anything that preceded it. But how do we escape the farce parading as transparency, this struggle for "independence" which has dissolved into a struggle for control?

There is one slight chance of salvaging the process. The duly constituted board with all its flaws must be given the opportunity of making up its mind how to act under these all-but-impossible circumstances.

It is almost terminally trapped in the contradictions of its own selection, but there are only two choices over which the board itself has any control: it can resign as a board and throw the crisis back into the arena where it originated in the hope that the process which led to its resignation can be improved upon, or it can carry on as constituted, try to do its job and begin a precarious process of bargaining out a solution of some kind with other interested parties.

For example, the board may decide that the position of the 14 disputed members

should be reconsidered, together with that of the chairperson. However, the success of this decision does not depend on the board alone, but other outside parties — eg (especially), the State President.

At its first meeting the board decided on the latter course of action, much to my surprise. It also asked me to continue as chairperson for a short period while considering how to sort out the dilemma.

I agreed — and that was a mistake. Very soon rumours started circulating that I had been "persuaded by De Klerk" to carry on, that I "let him off the hook", that I was an agent of the NIS, which strategically intervened whenever the government was in trouble, even that I was desperate to get the job (Good heavens!)

Once people are determined to ignore the facts it is difficult to prevent transparent nonsense from becoming conventional wisdom.

Because this kind of rubbish had the potential to threaten even the fragile emerging independence of the board, I was more than happy to resign even earlier than I had promised.

But let me be quite frank. I like Professor Ndebele, even though I have met him only recently. To suggest that he is not fit to be a chairperson because he cannot speak Afrikaans is not only insulting but preposterous.

There have been chairpersons of the board before who have battled to speak English, never mind an indigenous language. To my shame, I can speak only Afrikaans and English.

I AM happy to serve under Professor Ndebele if that is what the board wants, and I have made that clear to him, President de Klerk and Mr Mandela.

But I would not have been happy to serve with a board where any chairperson was foisted upon it by anyone, be it the State President or CIB, particularly if it was me.

Therefore, the slim chance that remains is to respect the independence of this board that has come about more transparently and independently than any of its predecessors, even if that is still far from ideal.

If, in exercising its independence, the board wishes to consult the CIB and any other interested party before it makes up its mind on its chairperson, then it should be allowed to do so.

But, once the board has made up its mind, this should be respected. And if the decision of the board offends the CIB or any other interested party and a campaign to undo that decision is mobilised to declare it null and void, then the real hypocrisy of the process that the CIB, other interested parties, the panel of judges and the State President so expertly helped to mess up will be revealed in all its transparency.

...by parents. ...decided on in the near future.

Free airwaves could hurt small ad agencies

B/D Day 29/6/93

KELVIN BROWN

THE deregulation of broadcasting in SA could put small advertising agencies out of business, says SABC group finance GM Steven Schubach (260)

Speaking at the Sentech broadcasting conference last week, he said agencies would have to spend much more on research and media planning with more local and regional radio and TV stations on the cards. (260)

SABC research had indicated the number of new private radio stations could be as high as 34

"Smaller ad agencies won't be able to afford these higher costs and will be forced out of business, or to merge with other ad agencies," said Schubach

Deregulation would also cause a fierce advertising rates war, as the advertising cake was unlikely to grow in the current economic environment.

Growth in total adspend had been slowing down since 1991 because of the recession. Growth in gross adspend was expected to slow to about 18% this year from 20,6% last year

Schubach said the SABC estimated growth in total adspend would be slightly higher next year because of the elections.

But in 1995 growth should again slow down to 17,6%.

With more radio and TV stations planned, there would also be a significant shift in adspend away from print media to electronic media, predicted Schubach.

In line with trends in other countries, print's share of the advertising cake had fallen from 63,2% in 1980 to 45,3% last year. Over the same period, radio and TV's share expanded from 31,1% to 49,7%.

Meanwhile, Home Affairs Minister Danie Schutte told the conference he expected the first licences for private radio and TV stations to be awarded before the end of the year. (260)

The department had received 100 applications.

These would be forwarded to the Independent Broadcasting Authority (IBA), expected to be set up by October.

The IBA would take over the function of regulating and awarding licences once the new Broadcasting Bill had passed into law during the special session of Parliament in September.



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TV influences 'only some people most of the time'

Most studies showed that mass media had a small effect on the behavior of its target audience, said SABC broadcasting research unit GM Daan van Vuuren. He said both the intended and unintended effects were relatively small.

The "intended effect" included the influence of advertising on purchasing, and the effect of prolonged multimedia campaigns on lifestyles. "Unintended effects" included the influence of TV violence on the behaviour of viewers.

Speaking at the Sentech Broadcasting Conference last week, Van Vuuren said current thinking suggested the power of the media was highly conditional, and depended on a number of factors. Researchers believed the media had a large effect on a small proportion of the audience, rather than a small effect on the total

audience

A lot of research was being done on the impact of television. It appeared TV had a small influence on a wide variety of things, such as knowledge acquisition, thinking patterns, social awareness, personal interactions and consumer behaviour.

Although people spent up to half their leisure time in front of the box — more time than on anything else except sleep and work — audience involvement was generally small, said Van Vuuren. "Television is a low involvement medium, primarily used for relaxation and entertainment."

Some researchers had gone so far as to conclude that TV was popular only because it provided a large amount of distraction and relaxation at a trivial cost, and with minimum effort from the viewer.

US research indicated that nobody paid attention to a TV set for 25%-40% of the time it was switched on.

According to the 1993 Amps diaries, the average adult watches TV for 21 hours a week. Children spend slightly less time watching TV.

In industrialised countries the TV set is on for between 25 and 30 hours a week.

"It appears a great deal of exposure to TV occurs while the viewer is involved with something else," said Van Vuuren.

Studies showed that adults eat, drink, sleep, play, argue, fight and occasionally make love in front of the TV set. Children eat, drink, play, dress and undress while the set is on.

TV was also used to create a constant flow of background noise and to regulate behaviour, said Van Vuuren. "It organises time in the family, affects talk patterns and is used as a disciplinary instrument by parents."

29/6/93 (260) KELVIN BROWN

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Cars hired 'to save money' cost R266 275

By ANTHONY JOHNSON
Political Correspondent

GOVERNMENT ministers and top political office-bearers spent R266 275,81 on hired cars in the past year in a bid to "save money"

The state provides ministers and several other senior political office-bearers with their own luxury vehicles and drivers.

In addition, they have access to fleets of vehicles and drivers from government garages

However, the Minister of Regional and Land Affairs, Mr André Fourie, disclosed in a written reply to a question yesterday that it was impossible, because of high costs, to have enough vehicles and drivers available at government garages for use by these senior office-bearers

So it was necessary to use hired vehicles and drivers from time to time "This is the most cost-effective manner in which to render the service," he said



SABC board cautioned on changes

Bi Day 29/6/93

THE new SABC board would be a paper tiger if there was resistance to changes by management and production staff, Namibian Broadcasting director-general Nahum Gorehck said yesterday.

(260)
Speaking at an informal Broadcasting Monitoring Project meeting in Johannesburg, he said that without open lines of communication there was a danger of sabotage — such as unscheduled reruns and delayed programme starts — and disrespect. Changes needed to be effective on

MARIANNE MERTEN

the policy and operational levels.

The new board members did not have to be experts in communication science or journalists, but needed to “collectively deal with issues on a policy level and give guidance to SABC management”.

During the Namibian transition, it had been important to explain to audiences that the information they received was “wrong, or that there were other aspects to it”, he said.

Star 30/6/98

Alarm at SABC over armed AWB men

By Bronwyn Wilkinson

260

SABC staff were horrified last night when three uniformed, armed bodyguards followed AWB leader Eugene TerreBlanche through a side door into TV1's Agenda studio and sat in the control room with their pistols clearly visible.

Normally all visitors must leave their weapons at the security desk.

TV News Production editor-in-chief Johan Pretorius confirmed that the armed guards followed their leader into the studio.

"We are investigating the circumstances under which they were let into the building," he said.

A senior SABC staff member, who requested anonymity, said staff were shocked and disturbed, particularly because of the rumpus surrounding Friday's right-wing occupation of the World Trade Centre.

"They barged their way into the control room and sat behind the staff. All they needed to do was put a gun to the head of the producer and they could have got away with murder" he said

"Obviously there must be some connivance somewhere."

Another staffer said staff were "freaked out", because broadcasting corporations often became the targets of "armed lunatics wanting to make a point".

Security staff on duty refused to comment last night

SABC Board member Brigalia Bam said the reports were "most disturbing and hardly encouraging, but the facts would have to be established before she could comment further."

● Report — Page 3

Iscor starts joint B Day 11/1/93 housing scheme

ANDREW KRUMM

TYING up with the IDT Finance Corporation, Iscor yesterday launched a housing scheme which would help thousands of lower-income employees to finance their own homes, Iscor said yesterday.

According to corporation GM Trevor Williams, three similar deals with listed companies would be concluded shortly. 193 260

Williams declined to name the firms, saying only they were large companies with more than 10 000 employees each.

"We are also actively promoting the idea among smaller companies and state organisations."

Iscor spokesman Ernest Webbstock said the June 9 agreement with the corporation would allow employees to finance housing needs which banks and building societies could not address. "The new scheme puts Iscor Landgoed . . . in a position to cater for the housing needs of most Iscor (lower-income) employees."

Landgoed would borrow in bulk from the corporation and divide the amount into smaller sums to suit the needs of individual borrowers. Neither Landgoed, nor the corporation would profit. However, Landgoed would recover administration and related costs through an interest rate structure to break even.

Webbstock said employees could borrow up to R12 000 from the scheme, but had to put up part or all of their pension fund as security.

The company would also bear a portion of the risk in case of default.

Williams added, however, that the finance corporation would bear the major portion of the risk.

Star 11/7/93

Sasol ponders 2nd coal terminal

Own Correspondent

DURBAN — Richards Bay, set to boom as the R7 billion Alusaf project gets under way, received another boost when Sasol said a second export coal terminal was being considered as a joint venture. It could cost in excess of R100 million.

An initial study on the project had "encouraging" results and a feasibility study would be completed next month. Sasol, a major coal-miner, seems set to boost its output together with its partners in the venture and would look to exports by 1996.

The town has seen multi-million-rand expansion at Richards Bay Minerals and Mondi Paper in the past few years, as well as expansion of the existing coal terminal.

However, the rapid industrial expansion has led to conservationists and residents expressing concern (260)

The site for the planned new coal terminal is not yet known but, with several conservation areas in the harbour, the possible sites may be limited.

Sasol general manager Peter Cox told Reuters it was envisaged the so-called south dunes coal terminal would have an initial capacity of 12 million tons a year.

"Results of the pre-feasibility study were encouraging and so the investigation has been taken through to the feasibility stage, which is due for completion during July 1993."

His remarks were contained in an address prepared for delivery to the eighth Pacific Rim coal conference in Botswana.

He said the joint venture had secured rating capacity to Richards Bay and land for a coal terminal at that port.

The joint venture partners are Sasol Mining, Agip Coal SA, Anglovaal Coal Holdings, Gold Fields Mining and Development, MacPhail Holdings, Iscor, Rand Collieries and Fuel, and Tselentis Mining.

'Armed guards allowed at SABC'

By Michael Sparks

Allowing three armed AWB guards into the SABC's television studios was normal practice because they were bodyguards for a high-profile political leader, according to Broadcasting Centre chief executive Gert Claassen (260)

He said there would be no investigation into the incident in which three uniformed, armed AWB guards accompanied Eugene TerreBlanche to TV1's Agenda studios for an interview on Tuesday evening. Claassen was responding to reports that SABC staff had been horrified when the AWB guards had sat behind production staff with their weapons visible.

"Every senior political figure is treated the same," Claassen said

He added that TerreBlanche had been invited by the corporation which knew beforehand there would be three armed guards with him.

While visitors usually have to leave their weapons at the security desk, bodyguards need only declare who is carrying a weapon, Claassen said.

He added that the corporation could never accept responsibility for protecting high-profile political figures.

While Claassen said that he would not do things differently in the future, TV News Production editor-in-chief Johan Pretorius said on Tuesday "We are investigating the circumstances under which they were let into the building."



Working to a w/maail 2/7 - 8/7/93. new tune

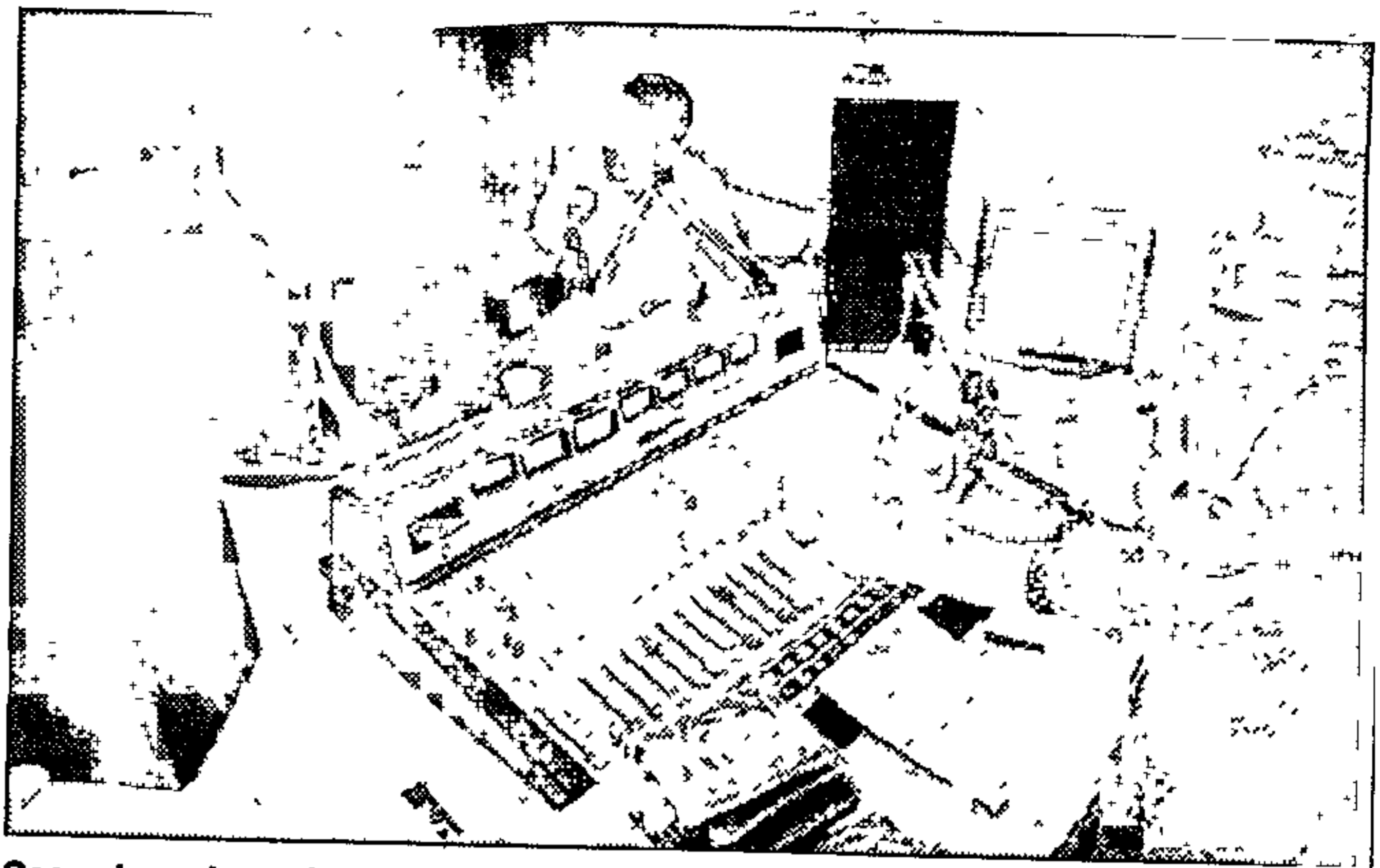
By Ferial Haffajee (260)

THERE is a lull on the production lines at Cape Town factories when "Workers on Wednesday", the Congress of South African Trade Unions' weekly radio slot, takes over Radio Good Hope. "Factories just go quiet," says Shahred Teladia, one of the producers of the one hour programme where labour related issues are discussed. Various trade unions have negotiated with their managers to allow workers to listen to the programme and the first Amps survey found that 80 000 workers tune in.

If there is no company radio, everything from tiny transistors to gigantic ghetto-blasters are lugged to work. But this is no rallying propaganda platform for the federation. Presenters steer clear of "Vivas" and "Amandlas", says Teladia, because one of the aims of the slot is to recruit new members into trade unions.

A DJ still runs the show, spinning disks and running advertisements while former metal worker turned radio star Mervyn Swartz anchors the programme. He was retrenched two years ago and worked for a non-governmental organisation.

"But I was not very interested," he says. "My interest was a shop steward in a factory." He found a way of combining this commitment with a new vocation when he was chosen to go on a



Good morning, unionists ... Cosatu now has its own radio programme Photo: ERIC MILLER

two-month training course with the British Broadcasting Corporation in Johannesburg.

Swartz has not looked back. He and the producers try to get in a different Cosatu union every week or run a topical issue — as they did after the assassination of Chris Hani. Joe Slovo's been featured and so have Ebrahim Patel and Jay Naidoo.

While the programme is technically an hour long, there is only 15 minutes air-time between music and adverts. And songs seem to be appropriately chosen. Some played on the day *The Weekly Mail* sat in included *I Can't Get Enough*,

Peaceful Revolution and *There Must Be a Way*.

Listeners phone in when there is time and write letters too. Some of Radio Good Hope's more traditional listeners were taken aback when the show first got on the road. One of them wrote a letter objecting to "this communist radio".

Swartz would like to go for further technical training and looks forward to the day when Cosatu has a two-hour daily slot.

Cosatu clinched the national radio deal with the SABC last year. The federation's radio slots are broadcast on nine radio stations in nine languages every week.

focus on the airwaves

Sowetan 2/7/93

EVERY Sunday morning, the sounds of Soweto travel all the way to the east coast of the United States, to the city of Philadelphia

Since 1990, some 50 000 people have been tuning in to Radio Amandla!, a weekly radio programme in Philadelphia devoted exclusively to South African culture and news

Hosted by James Eappollo, a white American from the state of Delaware, Amandla! is unique in both content and availability

An eclectic mixture of SA music, news updates live from Johannesburg, promotion of local events connected to SA and cultural exchange, Amandla! is broadcast only in Philadelphia, making it the only radio show of its kind in the United States. For many listeners, the programme is their only means of keeping current about SA

Programme host Eappollo has been following the news of SA since the 1976 Soweto uprising and began accumulating SA culture in 1981, first with bands like Juluka. The idea for a radio show that could really explain the music and its relevance in today's SA, says Eappollo, came to him after the 1986 release of Paul Simon's album *Graceland*. He shared the idea with Johnny Clegg's producer, Hilton Rosenthal, who put Eappollo in touch with various SA record executives. All the major labels pledged their support and began sending him the latest releases

In April 1986, Eappollo met the United Nations Special Committee Against Apartheid and ANC representatives "to make sure I would not go against the existing cultural boycott. They all loved the idea and gave me their blessings"

ANC representative Godfrey Sithole has been teaching Eappollo how to speak Zulu since 1990

From 1988 to 1990, Eappollo sent demo tapes to radio stations across the US but everyone thought it was "too political"

A week after Nelson Mandela's release, WDAS-FM, a black-owned commercial radio station in Philadelphia, offered Eappollo a one-shot deal to air the programme but with no promises of a future

Amandla!'s first guest was Hugh Masekela, who talked about Mandela's release. "We played music that had never been heard before (marabi, kwela, mbaqanga, maskanda, toyi-toyi) and talked about its relevance. The response was incredible. It sealed the future of the show"

Several other SA musical artists have been guests on Amandla!, including Jonas Gwangwa, Spho "Hotstix" Mabuse, Brenda Fassie, Ray Phiri, African Jazz Pioneers, Mbongeni Ngema, Blondie Makhene and Joseph Shabalala

In addition to airing music that is so difficult

South Africa's airwaves are expected to be deregulated later this year, which would pave the way for a greater diversity of radio stations. **Kim O'Donnel** reports from Philadelphia, US, on an American radio station that specialises in South African vibes:



African Jazz Pioneers ... getting a good airing in the US.

to acquire in the US, Amandla! regularly features a live phone interview with Spho Jacobs, a journalist based in Johannesburg who reports on highlights of the week in SA

"When James asked me to be a part of Amandla!, I thought it was extremely important because it would help dispel the myth that has been created by the SA music industry that SA music is American music," said Jacobs in a phone interview

"The music industry underplays the African sound by using American pop music as acceptable criteria. Radio Amandla! is the correct channel for authentic SA music outside SA borders. It is the best thing to have happened to SA music. But it is ironic that an American has to initiate the programme"

Perhaps, but for now Eappollo focuses on what he considers to be the aim of the programme "to expose people to an incredible culture and state of mind that has survived even under the most horrendous circumstances. "There is a determination about South Africans that has taught Americans both black and white, a little bit about themselves and their own deter-

mination"

Eappollo's enthusiasm has been contagious. As a result of his programme, students in the Philadelphia area are making pen pals with South African students at the Open School in Johannesburg and the Amajika Cultural School in Durban

One would think that with all of these connections, Eappollo spends a considerable amount of time in South Africa. In fact, he has been here only once in 1991 for a two-week holiday in Johannesburg. He hopes to return in 1994

When asked what he'd like to share with the *Sowetan* readership, Eappollo said "The fact that South Africans can still laugh and smile despite everything makes you come away with a different perspective about yourself"

"It is a culture that has totally captivated me for the last ten years and as long as the programme goes on, South Africans will not be forgotten"

"The people on this side love your music. And as long as I am allowed, I will continue to expose my listeners to the beauty you create from the chaos. Bekezela bangani bami"

Ndebele may get SABC job after all

The Argus Correspondent (260)

JOHANNESBURG. — The government will probably accept an SABC board under the chairmanship of Professor Njabulo Ndebele — the selection panel's original choice — if that is what the board decides.

But it would be happier if Dr Frederik van Zyl Slabbert, who resigned as chairman at an extraordinary meeting of the board last week, were to make himself available as vice-chairman.

This, in effect, would be a return to the selection panel's original proposal for the board's two top jobs. A consensus is emerging that the board should go back to Professor Ndebele when it next meets on July 15 and offer him the job which the government said he could not have.

Professor Ndebele, who has just taken up the post of rector of the University of the North, was apparently turned down as chairman because he did not speak Afrikaans. But both he and Dr Slabbert, who stepped down as acting chairman last week, remain members of the board.

Dr Slabbert's departure was precipitated by a group of board members who opposed his continuation in the post because of an alleged lack of transparency in the way he was appointed and a perception that he was "De Klerk's man". Acting in his place is Dr Ivy Matsepe-Casaburri, director of the Education and Development Trust.

A government source indicated that it was keenly aware of the need to restore credibility to the board's composition. ARG 2/7/93

The government is said to be fairly confident that the issue can be resolved.

Sasol upgrade nearing completion

8/Nov 2 1993
THE R820m renovation at Sasol One was nearing completion and would increase the group's production of non-fuel chemicals for domestic and international markets, Sasol One GM Elmore Marshall said.

Sasol One's old synfuel production facilities were being closed by shutting three synthol reactors. One had been decommissioned last August and the other two would be mothballed this month, Marshall said.

The renovation continued Sasol's thrust into the beneficiation of more valuable downstream chemical products. (26)

Marshall said wax production would be doubled once the renovation was complete. Phenols, paraffins and cresol production would also increase substantially. Indus-

EDWARD WEST

trial gas production would continue as before, but gas output production for domestic use would be increased. (8)

Extensions and modifications to the existing ammonia facilities would treble output, enabling further ammonia import reductions. The doubled wax production would allow the group to market a wider and more valuable range of waxes.

Portions of the original Sasol One naphtha cracker plant would continue to be used to crack hydrocarbon molecules into ethylene gas for polyethylene production.

The R820m renovation was R80m below the original budget, he said.

Fm 2/7/93

260

ISCOR

In search of a vision

With a new MD appointed, the share price is up but recovery won't be easy

Iscor is steeling itself for change. The announcement of MD Willem van Wyk's retirement in August, after a lifelong career with the company, was coupled with the name of his successor, former Samancor MD Hans Smith. Since January the share price has more than doubled, rallying off a low of 61c to 135c this week. This has rekindled interest in SA's only really big privatisation of the Eighties.

Steel is a global industry. And news from abroad is bad. In the first half of 1992, six of the largest US steel companies lost more than US\$500m. British Steel last week announced losses of £150m, three times the previous year's. The EC is trying to persuade producers to close mills voluntarily, the US recently slapped punitive duties on steel imports from 19 countries. Global overcapacity and lack of demand is hacking away at prices.

Iscor's track record since privatisation in November 1989 — the share fell from an issue price of R2 to the 61c low — is partly a case of bad timing. Privatisation came near the peak of the steel price cycle. Steel prices may have bottomed, but the timing of a recovery will be an important factor for Smith when he becomes MD.

Iscor is in the fortunate position of being able to set the price in the domestic market. But the collapse in domestic industrial production has undermined demand. Iscor is now exporting a record 53% of output into competitive — and lower margin — foreign markets. Profitability is cushioned by export incentives, import tariffs, and ability to set the domestic price. How much longer will these benefits last, given the spectres of Gatt or increased protectionism?

The share price, which has gained a third in the past month, does not necessarily reflect these concerns. Word on Diagonal Street is that Smith's appointment has fuelled the rise. Significantly, Smith is coming from Gencor, SA's model of decentralisation and unbundling.

Smith is a chip off the Gencor block. At Samancor, he was instrumental in rationalising assets (after buying Middelburg Steel) into the alloys business and the Columbus stainless steel project. Smith has not balked from making tough decisions at Samancor: there were major staff cuts. The market generally considers him a man willing to take tough decisions.

A frequent criticism of Iscor is that the management culture has not changed since privatisation. Van Wyk contends Iscor has always had a private-sector board and the State, as major shareholder, has not been involved with management.

One industry commentator points out that

public corporations tend to be concerned more with production than marketing or profitability. They are not thought to be driven by the profit motive as strongly as private companies are. The lack of major changes in management after privatisation suggests Iscor didn't feel it necessary to alter its public image.

But the market perception has soured on this aspect. As a public corporation Iscor "provided jobs for the boys," says one analyst. Though there were job cuts before privatisation, since then employment has remained at 56 000. Van Wyk reminds

us that over the same period tonnages of steel, coal and iron-ore sold increased by 12%, 82% and 32% respectively. It might be fairer to say that Iscor has lacked a perceptible vision of where it is or wants to go. Smith, judging by past performance, will clarify this and provide the follow-through.

Profitability depends on three factors: the ability to set the domestic steel price, prevailing international steel prices, and the rand/\$ rate — steel is quoted in \$/t. Ability to set the domestic price allows more attractive domestic margins. Iscor is committed to meeting all local demand before it exports. Domestic volumes are obviously pivotal to profitability but are influenced by industrial production.

Smith is no stranger to wild swings in commodity prices or their effect on share prices. Iscor's sensitivity to a single cyclical product is, he confesses, something he would



Van Wyk

like to change. "My job is to add value for shareholders

by developing strategies around the cycles," he says. His long-term aim is to broaden Iscor's ambit from a single-product to a metals & minerals business. He cites the transformation of Australian mining house BHP as an example. Timing might be critical. A new political dispensation could create obstacles to desired changes and rationalisation.

The appointment of Smith — as an outsider — is a break with Iscor's normal approach of bringing managers up through the ranks.

The present eight-strong management team have all served between 24 and 42 years with Iscor, except finance & business GM Louis van Niekerk. Most have been brought up on the erstwhile semi-State corporation management culture. Smith will have been working along more dynamic, cost-conscious management lines.

He does have a tenuous link with Iscor. Applying for a scholarship with Iscor, he was asked if he would be prepared to shovel coal into a furnace. Smith replied, with youthful arrogance, that he would for as long as it would take to prove himself. The curt response was that if he was lucky enough to get the scholarship, graduate and get a job with Iscor, he shouldn't think he could just walk in and become MD immediately. To which Smith replied "No, not immediately."

Will Smith's long-term vision of a broader-based metals & minerals group be considered equally precocious? It's too early to tell. He assumes office only in September. But in his words: "There's no room for more (steel) capacity — you can increase market share but it will cost you."

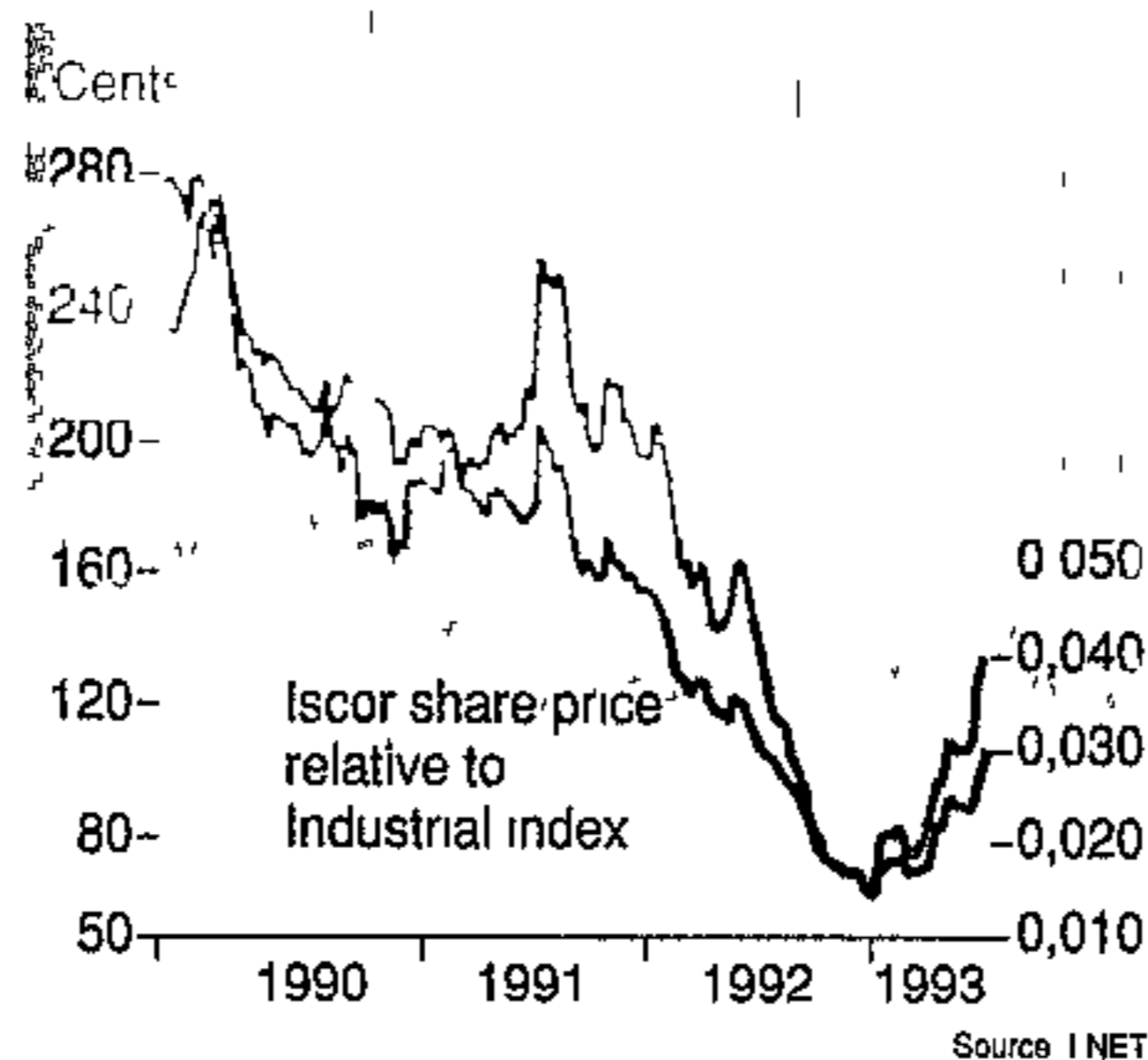
Smith would like to reduce Iscor's cyclicality by widening the ambit into metals & minerals, but these are also vulnerable to cyclical swings. It's not yet clear how effective this policy will be in reducing volatility in the share price.

What will Smith be taking over? In July 1992, *Fortune* magazine rated Iscor the most profitable steel company in the world in terms of net profits as a ratio of sales and assets. It is SA's largest steel producer, with about 75% of the total. In global terms, it is the 13th-largest liquid steel producer and contributes 1% of world steel production.

Official price control in SA was ended from July 1985. The correlation between the average local steel price and PPI is high.

That sinking feeling

Iscor



Says Van Wyk "It's commercially sensitive to talk about prices but we will not be forgiven if we go above PPI" In January, average local steel prices were raised by 9,2% despite recession

SA has two types of import tariffs One is a formula based on a reference price Silvis Barnard Jacobs Mellet analyst Mike Bedford says the reference price is "influenced" by manufacturers at a level to protect local market share The other is a tax, now 5%, which Iscor has asked to be raised to 20% Since imports are already low, this would tend to push up local steel prices Bedford contends "the structure of the market is biased towards producers and not consumers"

If Gatt discussions succeed, import tariffs could be cut dramatically But, should Gatt accord SA "developing country" status, tariffs and subsidies might not be outlawed straight away to give SA industries time to become more competitive Lifting of US sanctions might also help Iscor

Dumping is common and taking its toll on many international steel companies Yet Iscor has done well out of exports, thanks partly to the general export incentive scheme (Geis) More than half of Iscor's 8 Mt steel production was exported in 1992 and this percentage is expected to rise Bedford believes Iscor is probably the single largest beneficiary of Geis subsidies This "assistance" is tax-free and goes straight to the bottom line In 1992, Van Wyk says, about R130m came from export incentives out of an attributable profit of R346m

The US recently filed suit against Iscor concerning, among other things, government-subsidised loans and transport Yet only 6% of the company's exports go to the US

Says Van Wyk "We receive no subsidies as far as America is concerned" There are, however, some interesting anomalies in Iscor's transport costs As Bedford points out, it costs more to rail steel 600 km from Durban to Johannesburg than to ship it 15 000 km from Antwerp to Durban

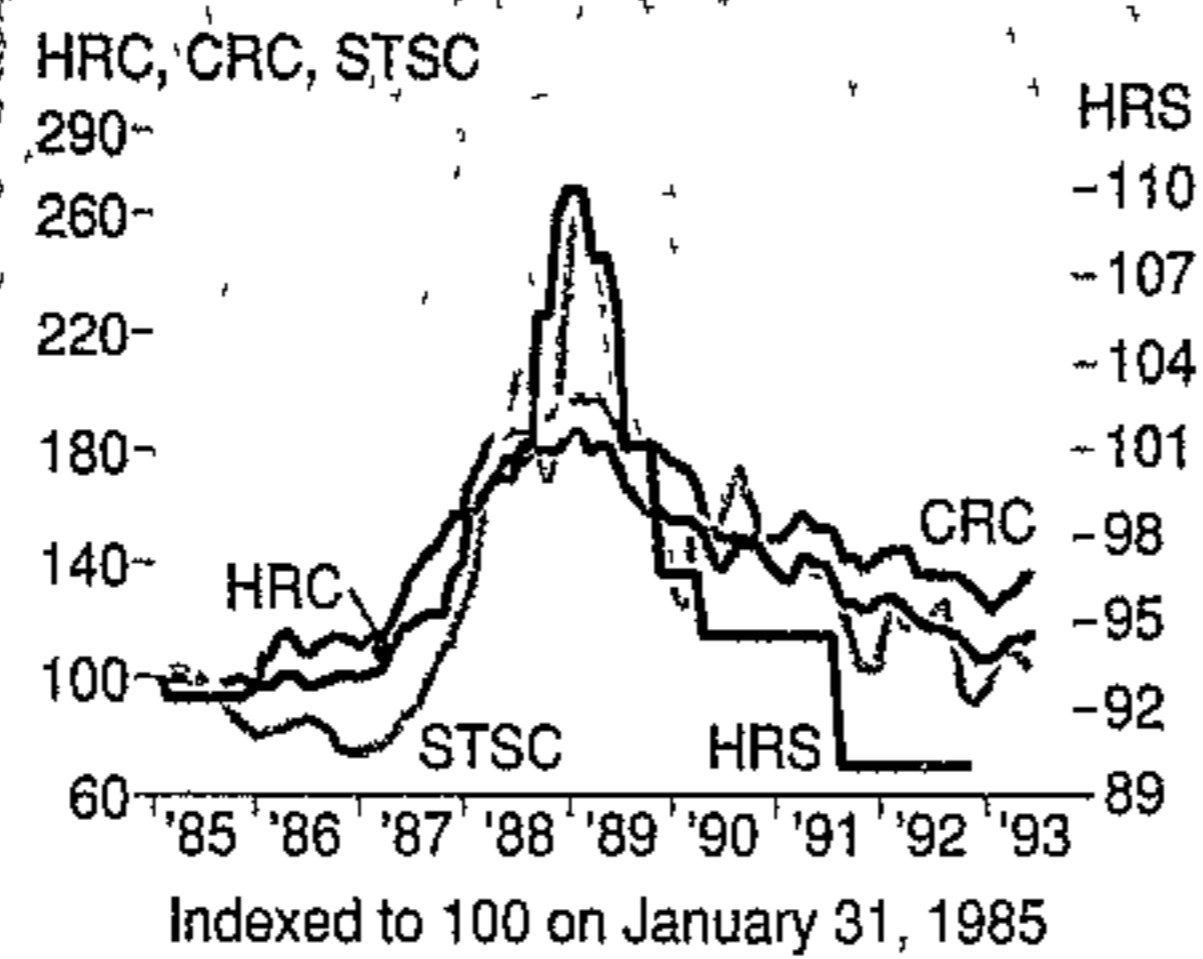
If a Gatt agreement is signed and Geis subsidies are abolished, the effect on Iscor's profitability would be significant Other steel companies could also be hit hard but it's difficult to gauge the extent — subsidies can be disguised well A recent *Economist* article (March 6) put a figure of \$55bn on EC steel industry subsidies between 1975 and 1990 *Fortune's* assessment of profitability in the industry would have looked very different had subsidies been deducted

Iscore does have a major cost advantage As a vertically integrated producer, it owns and operates mines



Smith

When it was up it was up... International steel prices (\$/t)



HRC - Hot rolled coil, FOB
 CRC - Cold rolled coil, FOB
 STSC - Stainless steel scrap, CIF
 HRS - Hot rolled strip, FOB

that supply most of its raw materials apart from small quantities of high-grade coking coal which it has to import Iscor, with European partners, developed the Corex method of liquid iron production, a process peculiar to SA and which does not require coking coal

But the advent of mini-mills — smaller and more efficient ones — has challenged the economics of blast furnace-based production The revolution, which started in the US and Japan, is likely to sweep through Europe Says Van Wyk "The world is moving towards mini-mills, so are we"

Iscore has converted some plants into mini-mill operations In SA, there were 12 blast furnaces in 1982 Now there are five Van Wyk estimates there will be none by 2020

Cost advantages of mini-mills, a quarter the size of blast furnaces, are crucial Their raw material is mainly cheap scrap, rather than more costly iron ore, and the energy source is electricity rather than coking coal Costs of Eskom electricity now form a mere 5% of total costs SA electricity is cheap by international standards

Rapid technological improvements have upgraded mini-mill products into value-added ones They are less capital-intensive to run The lower fixed cost base — about 30% of total costs — compares favourably with Iscore's present fixed costs, of about 50% of the total

Areas where cost efficiencies haven't yet been achieved are in the product range and the number of countries that Iscore exports to Frankel Pollak Vinderine analyst Kevin Kartun points out Iscore has more than 2 000 products and exports to 80 countries "This causes havoc for inventory control — working capital will fall with greater product and market focus," says Kartun The smaller mini-mills will bring a narrower product range and there is no need to carry stocks — these go through to the final product

Iscore completed a R5bn capital expenditure programme in 1992, of which about half went into maintenance and the rest into updating and converting plant Many observers wonder if the timing of this capex was right Consequently, the group has a heavy financial burden, despite net gearing being under 30% Interest charges last year reached R400m, leaving interest cover uncomfortably low at 1,9

Debt repayments are hefty a R550m payment looms in 1995 Iscore wants to reschedule some of its R400m short-term debt How will this affect Smith's plans for expansion? Says Smith "I don't like debt, it's inhibiting and it needs to be lower" He would like to accumulate cash in the next cyclical upturn so that when Iscore hits the next trough, there will be cash for expansion

Iscore pays little tax The effective tax rate is less than 1%, primarily because of tax losses, unprovided timing differences on fixed assets and exporters' training and housing allowances The last include substantial housing allowances for employees, exporting and training incentives Calculated tax losses to set off against future income are a considerable R564m It's unlikely Iscore will pay full tax until profitability really picks up

As the *FM* goes to press, Iscore has announced the purchase of the fixed assets of Durban-based McWillaw Steel Details of how the facilities will be used will be made after all options have been explored There are few other details and no-one was available for comment at Iscore, given the late release of the news

Shareholders have had a rough ride since privatisation This year the share has rallied, but is there any more mileage in it?

There are two dimensions to a recovery Smith's appointment is a rationalisation play, though the climb in price has discounted some of the benefits A recovery in the commodity cycle is the other story, but this will depend on industrial production

EPS for the year to June 1993 will be well down on 1992's 19c Analysts' estimates range from 12c to 15c Thereafter, they expect an upturn as steel prices recover and demand picks up Bedford forecasts 45c by 1997 The strengthening of the dollar against the rand could provide a useful breathing space for Smith if it is sustained On a p e of 8,8, and at a two-thirds discount to NAV, further strengthening in the share price looks likely, provided there are no nasty surprises from a new political dispensation or world trade agreements

Louise Randell

A revolution by stealth

S Times

4/17/93

JOHN VAN ZYL says the new SABC board needs to act quickly to block recent changes at Auckland Park

WHILE confusion reigns on the new SABC board, a quiet revolution is taking place within the SABC that could have profound effects on South African society.

Only a board with teeth can stop this, and it has to be done before September. Many of the top executives at the SABC state quite openly, "There is no longer an SABC! There are only separate business units." This is a statement that needs to be taken seriously.

In recent years the SABC management has created the following business units: TV1, CCV, TNP, TopSport, Safritel and Sentech (Pty) Ltd. This means that programme production, broadcast facilities and studios have been, or are in the process of being, turned into private companies. All it needs is a simple act of Parliament in September to formalise this process, and these separate companies will be privatised irrevocably, run by the same men who ran the old SABC.

Hennie Human, once fired for abusing his position as head of Afrikaans TV drama, is head of Safritel. Fanus Venter, once head of Radio RSA, which tried to derail the Namibia peace talks, is head of Skenia. And so on.

The relaunch of TV1 proved the SABC was in the business of delivering viewers to advertisers.

But broadcasting is closely and critically bound up with the intellectual, political, educational and leisure time life of a society. To bring about fundamental changes will have far-reaching and incalculable repercussions.

The stealthy revolution that has been taking place in the SABC should have happened only after exhaustive research by a commission.

Now, from being a public broadcaster established and funded by licence fees, the SABC is about to become a conglomerate of companies competing with private production houses.

TV1 is intended to be the conspicuous channel with imported soaps, game-shows and sport aimed at a largely white middle-class audience, although middle-class, urban blacks will also make up part of the audience.

CCV will be an anomalous, second-class TV1 also consisting of imported American programmes with a nod to the rest of the black audience. TSS will have to survive on what is left.

Inevitably TV1 and CCV

will be competitors, as they already are in the face of all logic. Outside, looking in, are the competitors M-Net and CNN.

The model the chief executive is pursuing is that of the American system with its Big Three commercial companies of ABC, NBC and CBS and the stepchild educational/cultural channel PBS.

But the US model is palpably unsuitable to South Africa for the following reasons:

- The scope of the broadcast television audience in the US dwarfs that of South Africa, bringing about different economies of scale. The South African viewing audience is too small, too varied in language, culture and socio-economic status. The pool of producers, writers and artists is also far smaller than that in the US.

- The Big Three are exporters of entertainment, with a small import capacity. The SABC is a small producer and a large importer.

- The Big Three are able to sponsor expensive documentaries and series as well as internationally acclaimed talk-shows. The SABC will never have the capacity to do that.

- The needs and priorities of

the two countries are different. The US enjoys a prosperous post-industrial economy with a huge leisure industry. In South Africa, education is a priority, human rights are neglected, the urban/rural divide is critical, and illiteracy is rife. A European-type system comes closer to addressing these needs.

- There are not the philanthropic foundations and tax laws to run a PBS-type service in South Africa. Even if the present R267-million in licence fees were dedicated to TSS, it would not be enough to encourage a true public broadcasting service.

- The US has its own major tie-in between Hollywood and the TV in terms of a film industry. In SA the film industry and independent companies need to be assisted.

The new SABC board will have to stop this unilateral action before legislation is passed to ratify these proposals. Then it will have to put its collective mind to taking advice from local educational, production and broadcasting experts in the form of advisory committees in lieu of a major commission of inquiry.

JOHN VAN ZYL is head of film and television studies at Wits University.

Broadcast bill angers TV and film makers

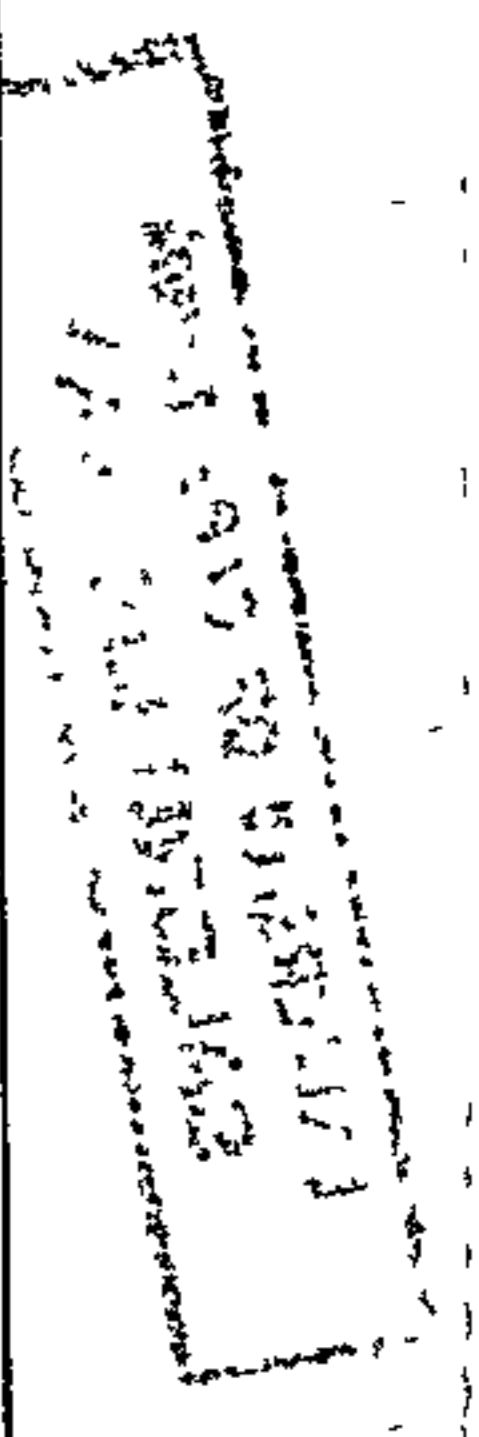
By JAMES BRITTAIN

ANGRY independent film and television professionals say they have not been properly consulted about proposals for a new Independent Broadcasting Authority. A draft bill for the authority — due to be ratified by the government in September — was made public 12 days ago on June 22. The bill provides for the formation of a broadcasting regulator for the period before the first national elections.

But South African Film Makers Association vice-chairman Ken Mackenzie said the draft had been drawn up without proper consultation. Mr Mackenzie, whose organisation represents more than half of the country's film and television entrepreneurs — said the deadline for objections was tomorrow, but he had demanded an extension. "I only received a copy of the draft on Thursday. From a brief read there are a

number of points of concern, particularly those that deal with the allocation of frequencies and licences," he said. "Smaller companies must have a say in formation of the authority." Mr Mackenzie said members were forming an association of community broadcasters — which the IBA was largely designed to control. The new bill is the brainchild of a group appointed by delegates at the multi-party

negotiating forum. But the group was advised by steering committees from seven other independent organisations, excluding the TVA and the SAFMA. South African Film and Television Institute chairman Carl Fisher, whose organisation participated in discussions with the group, believed the bill was a fair draft. "It was the result of a lengthy process with wide consultation," he said.



Khutala-Kendal partnership a model for others to follow

By Derek Tommey

Star 5/7/93

SA produces the cheapest thermally generated electricity in the world

How this is achieved was demonstrated to a number of foreign visitors at the opening of one of the country's show coal mines, Randcoal's Khutala, near Witbank, on Friday

Khutala, which represents an investment of R700 million, was developed specifically to supply the adjacent Kendal power station

Khutala is a major underground producer, delivering 650 000 tons a month along a 3,5km conveyor to Kendal

When all of Kendal's six generating sets are operational, coal deliveries should reach 13 million tons a year

And when it begins supplying coal to Eskom's Majuba power station at the turn of the cen-

tury, annual production should reach 20 million tons

Kendal is a giant in the power generating world and, during a recent peak demand period, generated one-sixth of SA's total requirements

Barlow Rand MD Derek Cooper said Khutala was an excellent example of modern mining development

Eskom's proven ability to produce electricity at competitive rates, in world terms, allows SA industry to make long-term plans based on the availability of reliable and inexpensive energy

The great success achieved by the Khutala-Kendal partnership should have given visitors something to think about.

Most of those at the function buy coal from SA. But among their numbers it is believed were some looking for ways to boost their own coal mining and power generating abilities

Star 6/7/93

Broadcasters to fight Bill

An organisation to fight for a revamped broadcasting authority Bill was formed yesterday. Association of Broadcast Entrepreneurs organiser Alan Munro last night said that the Bill, released last week, was "designed to protect the SABC rather than provide opportunities for private radio and television" — Staff Reporter (260)

Star 6/7/93

Medical aid body to stay

The Representative Association of Medical Schemes is to continue operating as a voluntary body after it is dissolved by law as a statutory body in January next year. This was said yesterday by Reg Magennis, director of health policy and economics at the Medical Association of SA, who takes over next month as Rams executive director — Sapa (261)

Star 6/7/93

Zionist church snubs SACC

The Zionist Christian Church has snubbed the South African Council of Churches in dismissing SACC efforts for closer links between the two bodies. This emerged yesterday at the SACC's 25th annual national conference held in Midrand, north of Johannesburg. SACC general secretary Frank Chikane said that requests for a meeting with ZCC Bishop Barnabas Lekgenyane had been refused. — Sapa (262)

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Sowetan
**Top post for
Akhalwaya**

7/7/93
VETERAN print journal-
ist Ameen Akhalwaya
has been appointed assist-
ant executive editor of
SABC's TV1 current af-
fairs programmes, par-
ticularly *Agenda*

Akhalwaya was editor
of *The Indicator*, a news-
paper he founded in the
1980s. (260)

Akhalwaya, who
serves on the Conference
of Editors, is a Nieman
Fellow and a founder
member of the Media
Workers Association of
SA. He will take up his
new post next month

Hopes run high for Iscor

Steel 7/17/93

By Stephen Cranston

The Iscor share price has more than doubled since the beginning of the year as the market has high hopes for next year's performance, though there are no illusions about current trading conditions.

Certainly, there have been improvements. Analysts expect Iscor to earn 14c a share in the full year, giving an improvement from the first half's 6.7c a share to 7.3c in the second. (18.5)

Reduced borrowings, improved international prices and a weaker rand/dollar exchange rate should push earnings up to at least 20c in the year to June 1994 — just above the 1992 earnings.

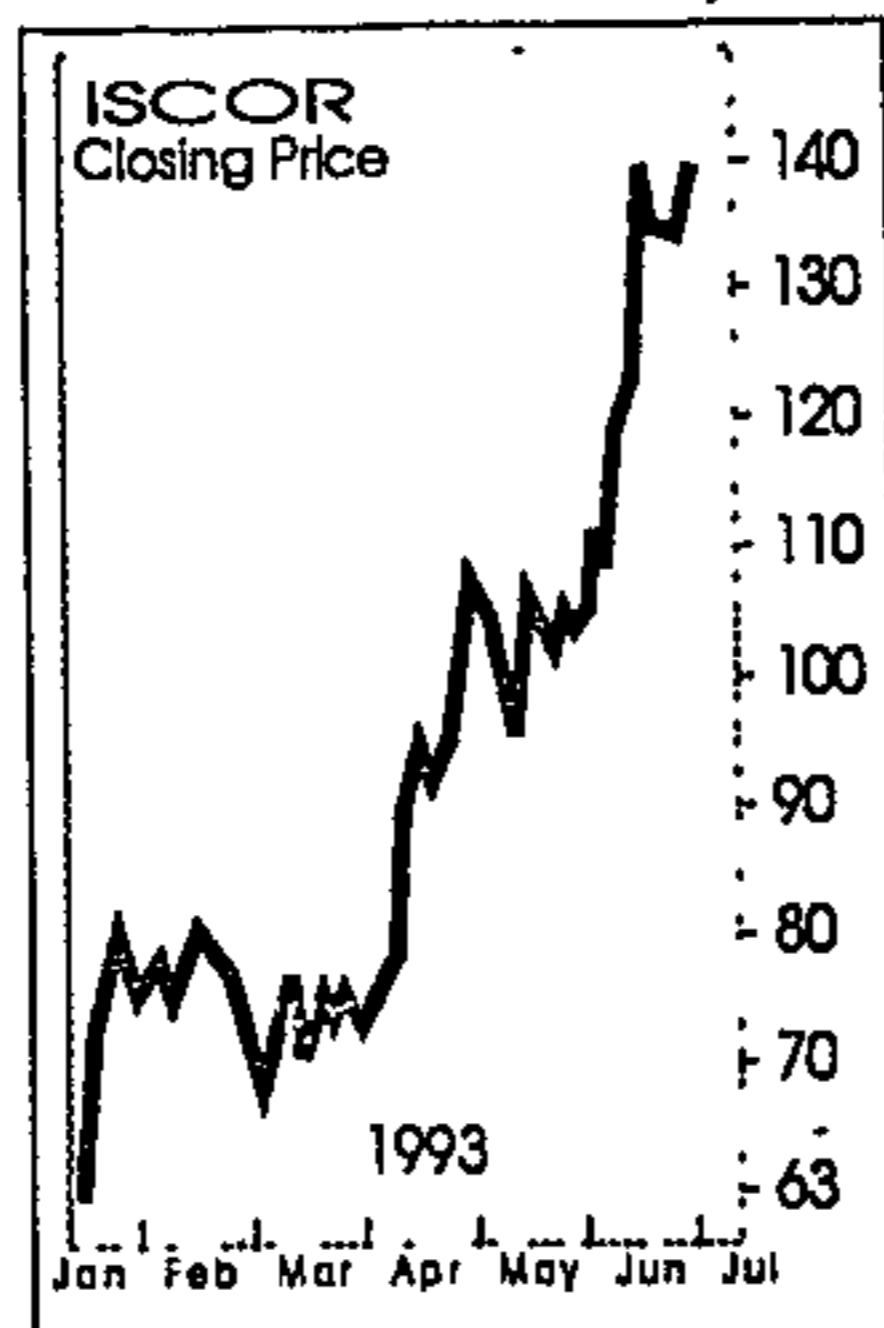
This puts Iscor on a relatively modest forward P/E ratio of seven.

There are already signs of a recovery in demand and prices. Prices of steel slabs from Latin America, for example, have increased since October from \$160 a ton to \$230 a ton, while billet prices from Europe have increased from \$200 a ton to \$240 a ton over the same period.

There had been cutbacks in production worldwide, notably in the former Soviet Union where monthly output fell from 10 million tons to 8 million before settling at less than 9 million.

Locally, steel demand improved by 4.5 percent in the first six months of the year, despite the high industry stockpiles.

But much of the current opti-



mism can be ascribed to the appointment of Hans Smith as MD.

He had great success turning around Trans-Natal Coal and saw Samancor through difficult times. (260)

With his extensive experience in minerals, he can unlock the potential of Iscor's considerable mineral holdings and unexploited mineral rights.

Already Iscor's non-steel sales, principally of iron ore and coal, account for a quarter of group turnover and 35 percent of operating profit.

This is set to increase markedly when Iscor begins to export metallurgical coal from the Grootgeluk colliery, which will be subject to it taking a meaningful part of the quota at the Richards Bay coal terminal.

Other minerals in the portfolio include zinc, dolomite, quart-

zite and refractory sand.

The exchange rate will help Iscor, although as it sells many of its exports forward, it has not enjoyed the full benefit of the recent slide in the rand.

It received an average of R3.02 a dollar on exports in the year to June, which will improve considerably this year.

Iskor still has a heavy debt burden, but more professional asset and cash management by finance chief Lous van Niekerk has at least put a lid on borrowings, which are expected to remain at the interim level of around R2.56 billion. Lower interest rates will see finance charges fall.

Now that Iscor's R4.3 billion capital expenditure programme is over, it will be easier to start bringing the debt burden down in the 1994 financial year.

Senekal Mouton & Kitshoff analyst Rob Cattich says Iscor is worryingly dependent on GEIS (export incentives) subsidies, which accounted for 27 percent of 1992 earnings.

However, he expects this to be replaced by other kinds of allowances or assistance as any new government would be reluctant to jeopardise the industry and the jobs depending on it.

The Gatt requirements will affect steelmakers around the world, who will see much of their protection fall away.

The new environment is likely to favour Iscor as it is one of the world's lowest-cost producers.

Private broadcasters unite against Bill

LLOYD COULTS

A GROUP of 12 broadcasting bodies and industry representatives have formed an association to present their objections against the Independent Broadcasting Authority Bill to negotiators at the World Trade Centre on Monday.

Association of Broadcasting Entrepreneurs spokesman Alan Munro said yesterday the deadline for submissions on the Bill had been extended to Monday, and that his organisation was preparing its response. (260)

"A couple of things have not been explained properly. We are contesting what is being written in the Bill, arguing for some things to be taken out and some to be changed so it is seen to be more fair," he said.

The association was concerned about the structure of a proposed broadcasting

frequency spectrum management committee and the criteria for selection for those bodies applying for broadcasting licences.

"The proposed legislation has given the private industry cause for grave concern and the association wishes to address these issues. The association subscribes to affirmative action as one of the mechanisms needed to develop communities and the position of private enterprise in the allocation of broadcast licences needs to be fully evaluated," Munro said.

The association required "urgent input" from applicants for broadcast licences, and urged interested parties to contact the association at (011) 760-2072.

The real issues laid bare — on TV

Star 7/1/93

DOCUMENTARY tele-vision in South Africa will never be quite the same after Thursday night. That's when TV1 viewers will experience the siege of the World Trade Centre from unique and privileged perspectives as the lenses of *Ordinary People* shadow a protester outside the centre and a worker inside.

The programme is the first of six weekly current affairs documentaries, remarkable for presenting history in the making, literally through the eyes of those making it.

The series is pioneering for a number of other reasons. It is the first time the SABC has commissioned an independent-production company to produce a current affairs programme — and half the production team is Weekly Mail Television, sister concern of a newspaper Auckland Park has often been at pains to ignore.

The paper's news sense feeds into the programme's planning sessions. It is at these — attended by executive producers Anton Harber (Weekly Mail co-editor) and Jonathan Miller of Free Film Makers (the other half of the production equation), producer Harriet Gavshon, directors Clifford Bestall and Ingrid Gavshon, researchers and sundry newshounds — that topical issues and the events tied to them are identified and assessed.

The land issue which emerged at the Negotiating

South Africa's new broadcasting dispensation is not yet in place — but at least one innovative television team isn't waiting before pushing back the barriers. DARRYL ACCONE reports on Weekly Mail Television's "Ordinary People" series, which starts this week.

2180

Forum suggested to the team that it would be a good idea to follow the Afrikaner Volksfront protest, and they then set about finding a farmer willing to be filmed throughout the day's events.

The series offers three points of view on each issue-cum-happening. Here, another protest march to the centre later on the day (this one by dispossessed black farmers), provided a counterbalance and the ideal third eye was to record the reactions of a secretary to the Negotiating Forum.

Although they preceded screening by about three weeks, the land issue protests were too good not to take up. And Weekly Mail Television gained kudos — and some well-earned income — from selling exclusive footage of the World Trade Centre invasion to CNN and Reuters subscribers.

The scoop serves to illustrate the benefits of the planning and debating process that determines each programme. Almost inevitably, it will place it at the cutting edge of background to the news, if not

right on top of events arising from the issues it covers.

In general, each week's programme will be filmed in the week preceding fighting. Naturally, less news-driven, long term issues are also under consideration, among them subjects like St Lucia. Always with the proviso, says producer Harriet Gavshon, "of finding a balance".

I can testify to that scrupulous approach, as an eyewitness to *Ordinary People* in action during the AWB invasion of the World Trade Centre. Amid the mayhem, Har-

riet Gavshon's crew kept to their brief of recording the reactions of the then terrified secretary, while capturing events unfolding in other parts of the building.

Outside, Ingrid Gavshon was following the farmer from Pietersburg — a pretty daunting task given the conditions.

After the Volksfront protest dispersed, Clifford Bestall's crew arrived with just returned exile lawyer Patrick Sithole and his protest group from Thabazimbi.

The heady excitement of the day, the issues it had thrown into stark relief, were recorded by the three filming teams. They had put on film, unvarnished, the experiences of three ordinary South Africans on an extraordinary day.

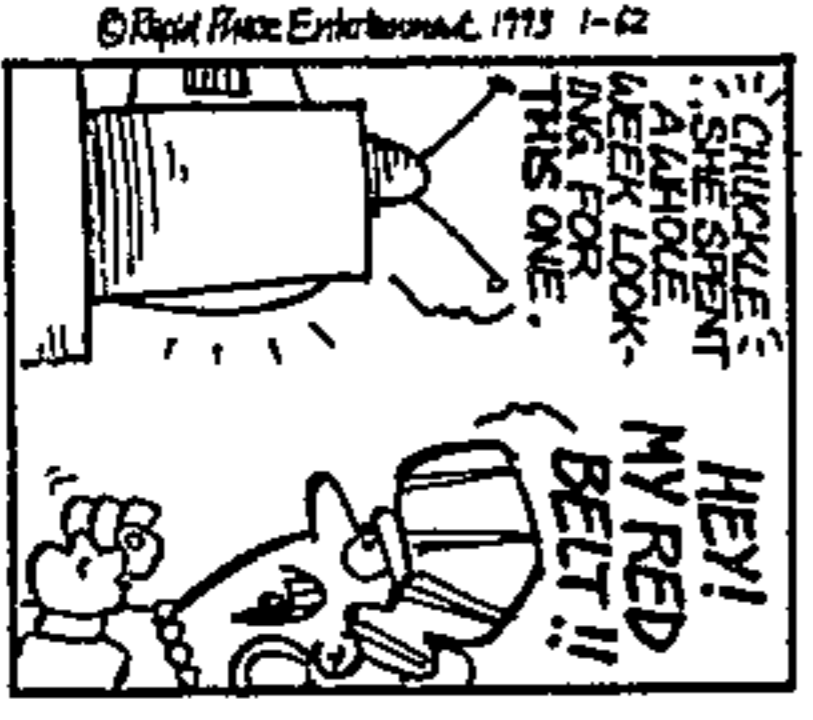
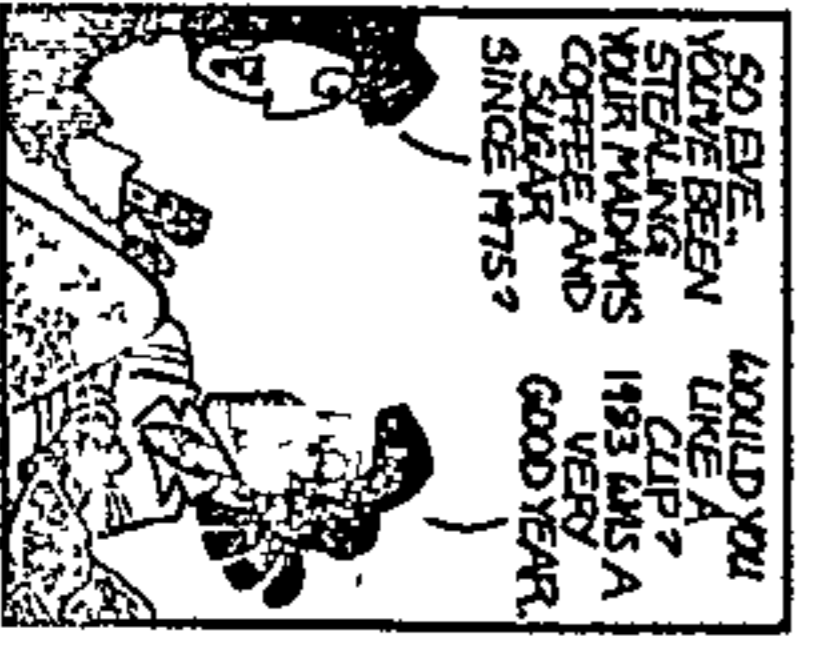
"Events have resonances to them," says Harriet Gavshon. "We want to capture that."

They've succeeded twice now: the first programme, in May, was a pilot for the series that chronicled converging ANC/IFP marches. Telling history on the ground makes *Ordinary People* both appropriate as a title and something of a misnomer, for there's nothing commonplace about the perspectives it provides.

Laid bare here are the real, vital issues of SA Everyman and Everywoman. Miss them at your peril.

● *Ordinary People* screens on Thursdays at 10 15 pm from July 8 □

MADAM & EVE BY S Francis, H Dugmore & Rico



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AGENCIES

Buyout leaves leaner Lintas

The buy-out of Lintas Cape Town by its management leaves the country's seventh biggest agency group somewhat smaller and without representation in the Mother City. Lintas's grossed-up billing is now around R90m, according to MD Lew Slade, compared with R127m reported for 1992 in the *FM's Advertising Focus*

And, says Slade, there is no immediate intention to re-establish a Cape Town agency, though he adds "anything is possible. We will still be working closely together but it allows them the potential to develop" The loss of billings will be "no problem at all We have always operated as totally independent units"

Lintas Cape Town was formed only four years ago, when Lintas took over Intermark. The agency, with claimed billings of R46m a year, will now be known as The 3D Agency, headed by Wilhelm Landman, who has been MD since Intermark days

Part of the takeover rationale, says Slade, "was that it no longer made economic sense to run major Cape accounts from Johannesburg" Effective Sept 1, 3D will take over an impressive portfolio of blue-chip Lintas clients, including Transatlantic Tobacco, Sanlam, Shoprite/Checkers, Cape Wine, Santam, Federal Marine and Bokomo.

The reason given for the split is that the Cape Town agency has been increasingly restricted in its growth by possible client clashes "There are major advantages to being part of an international network when you handle international clients," says Slade. "It has gradually emerged since we did the deal with Intermark that those benefits are less substantial when you are handling merely local clients."

3D Marketing services director Niel du Plessis says the biggest problem is Lintas's Unilever account, which covers a wide spectrum of grocery business "It is so big that we are unable to pitch for many good accounts in Cape Town We will go on a concerted new business drive — though, of course, you cannot guarantee results"

An interesting innovation is that 3D is to set up an advisory board comprising five or six leading clients on whom it will draw for advice. "They won't have shares in the company, but they will become our partners," says Du Plessis

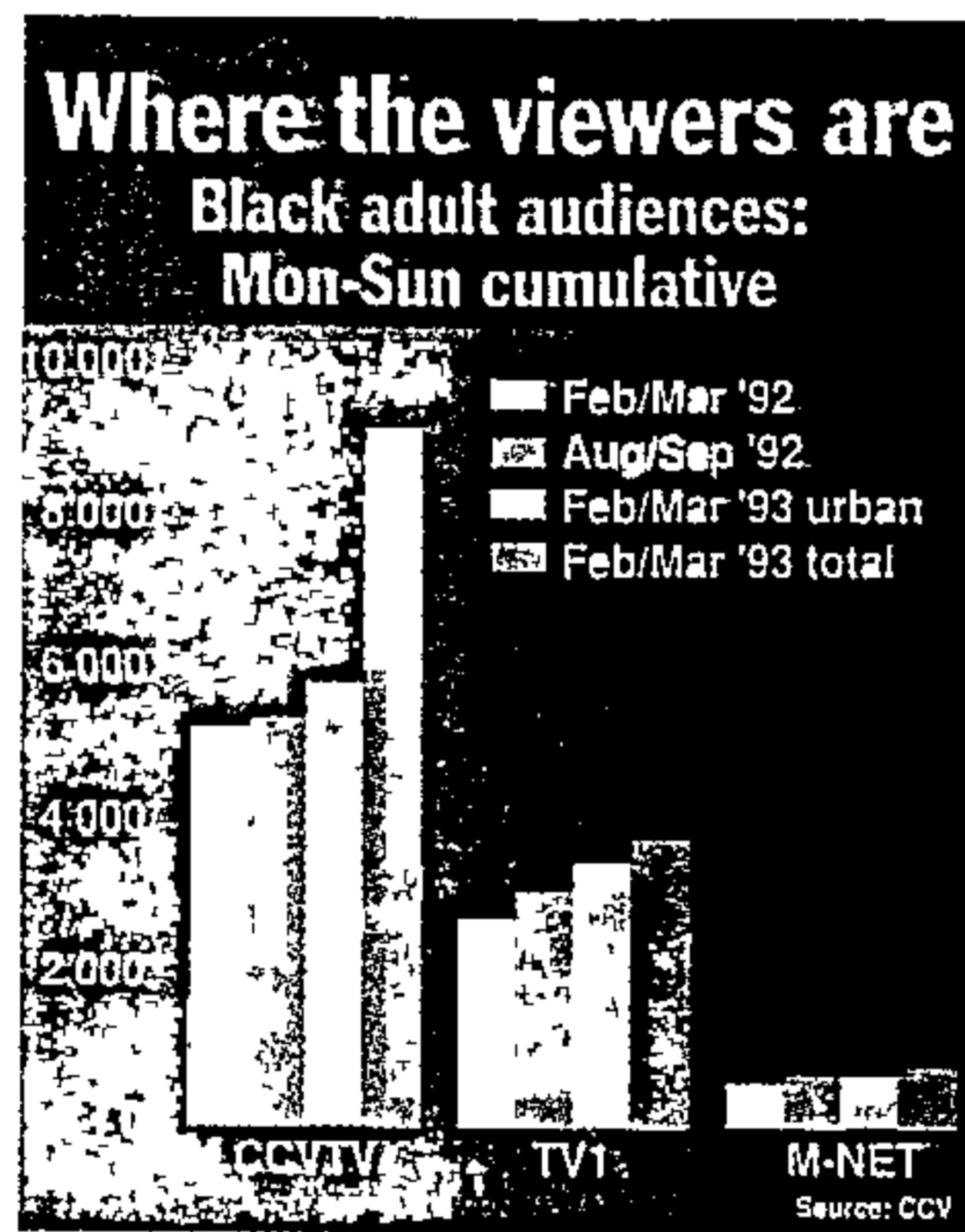
FM 9/7/93
Price versus value (260)

A comment reported recently in this column about CCV TV has raised hackles at the cross-cultural station Sales House marketing director Penny Lloyd (*FM* June 18) expressed the belief that a 65% increase in

CCV's ad rates this year was unrealistic and did not truly reflect its viewership.

A lot of the problem, however, seems to stem from CCV's attempts to play catch-up with TV1 CCV senior trade marketing executive Rodney Chalmers argues that despite the increases this year, it is still not an expensive station. He cites a major advertiser who said air time was being "given away" on CCV.

"The cost of reaching black adults in the 19h00-19h30 prime-time channel, Monday to Friday, is only R6,69 per thousand," says Chalmers "And between 19h30 and 20h00 this falls to R5,87. Our top rate is only



R28 000 for a 30-second spot and our cost per thousand ranges from R1,14 to R10,64."

Why, then, do people have the perception that CCV is expensive? A major factor, Chalmers admits, is that CCV has increased its rates substantially this year. TV1, on the other hand, has just reduced its top rate

"We started off from a low base because we did not want to discourage people from making ads for the black market. But we have got to be commercially viable and the prices we were charging at the beginning of the year would not allow this. The major criticism has been the percentage rate increase, which has been high. But we offer good value for money. People forget that"

Not everyone will be convinced. DMB&B media director Elana de Swardt, a long-standing sceptic, believes there is wastage on CCV as not all viewers understand all the languages used. For her, "radio is still a better buy for the black audience." But, of course, a radio audience is different from a TV audience and its cost-effectiveness is difficult to compare CCV is undertaking research on the wastage factor. "The language

used is not necessarily detrimental to the commercial," counters Chalmers

As the graph shows, CCV offers by far the best TV penetration of the black market It has benefited particularly from the adjustment in the latest Amps figures, which, for the first time, included rural black viewers and listeners.

IN the wake of the political crisis sparked by President FW de Klerk's meddling in the appointment of the new SABC Board, a new Bill has been tabled at the Multiparty Negotiating Forum, which offers the means to pry the airwaves away from the National Party and open them up to greater access and independence.

The Independent Broadcasting Authority (IBA) Bill will take control of the airwaves out of the hands of the government and vest it in an independent regulatory body, to which all future broadcasters — the SABC included — will have to apply for licences. But while it will statutorily end five decades of government control, it has been carefully crafted to protect current broadcasters and will not substantially alter the look (or sound) of the spectrum in the near future.

Once the Bill is passed in parliament in September, you will be able to turn on your TV set and see well, pretty much the same. Public broadcasting remains a woolly concept with little tangible means of application, and opening the airwaves means allowing a few well-positioned players to set up shop. As Eastern Europe has discovered, deregulation does not necessarily mean better access for all people to the airwaves. Rather, it means, in the words of one South African critic, "One rich man, one radio station".

To its credit, the Bill does call for three tiers of broadcasting: public (the SABC), private (commercial stations like 702 and channels like M-Net) and community (stations serving local needs). A full-time body of five commissioners, appointed through public hearings, will accept applications from all prospective broadcasters and grant them licences on the basis of experience, perceived need, financial resources and availability of frequency. If the Bill is passed in present form, aspirant commercial broadcasters will probably be able to apply for, and obtain, licences by the end of the year. How resource-strapped community broadcasters will fare remains to be seen.

The Bill does also lay down several unprecedented conditions for licences: it mandates minimum requirements for local content for all broadcasters, prohibits political parties from owning stations, puts a ceiling on foreign investment (20 percent) and calls for affirmative action quotas. It also calls for the monitoring of media fairness in the run-up to the elections, to be handled by an Independent Media Commission.

It also limits cross-ownership between newspapers and broadcast services. This is particularly important, given the fact that electronic media in this country are currently controlled by two monopolies — the state (through SABC) and the four major newspaper publishers (through M-Net).

According to the Bill, no person may control

One rich man, one station?

Does the new Independent Broadcasting Authority Bill allow for a real opening up of the airwaves?
MARK GEVISSER investigates.

more than one TV service, two FM stations and two AM stations. Furthermore, a newspaper cannot control a broadcasting service if it is the only publication within the licence area. And, if the circulation of a newspaper (or group of newspapers) exceeds 300 000, then it can only have interests in one broadcasting service, and such interests cannot exceed 35 percent.

A careful reading of these provisions, however, shows that they have been carefully constructed to protect already existing broadcasters. The figure of 35 percent, for example, is not arbitrary. Nasionale Pers' controlling interest in M-Net is 32 percent. Clearly, then, this provision was designed to ringfence M-Net rather than illegitimise it.

M-Net, along with all other existing networks, will be able to continue unhindered in the short term at least — all existing services will be "grandfathered" in. If the SABC is to relinquish some of its control, it will therefore be the decision of the corporation itself rather than of the IBA.

Certainly, on the radio spectrum, the SABC will have to give way to the many new stations that will eat up much of the advertising pie.

The current SABC management's stated intention is to "unbundle". At a broadcasting conference last week, group chief executive Wynand Harmse said "The SABC has become a colossus on the broadcasting scene, leaving little room on the playing field for newcomers." Unbundling (the selling off of viable commercial SABC services to private shareholders) would allow "potential entrants to be accommodated in the present market".

But at the conference, African National Congress head of information Pallo Jordan warned the SABC that "we will not allow you to take any of the family jewels out of the showcase".

The IBA Bill does attempt to address this issue by stating that public assets (such as the

SABC and Bop-TV) can only be sold off with the permission of the current legislative body — parliament, the transitional executive council or the new democratic assembly. But one major criticism of the Bill is that it does not protect the public service functions of the SABC strongly enough from the possibility of losing its financial base.

Michael Markovitz, a consultant to the technical committee which drafted the Bill, notes that it is "designed to promote the interests of the public by encouraging a diversity of viewpoints and forms of expression in a developed and competitive broadcasting sector". What this means is that it treads a thin line between the rights of broadcasters on the one hand and the rights of a viewing and listening public on the other. Not surprisingly, no one thinks it treads this line finely enough.

Campaign for Independent Broadcasting steering committee member David Niddrie slams the Bill as promoting "supply-side broadcasting. It seems to have been written to suit entrepreneurs with enough financial backing to start a service".

Stan Katz, managing director of Radio 702 and chairman of the National Association of Broadcasters, takes the opposite view, and believes that the Bill goes too far in setting criteria for licences. "The IBA should limit itself to technical and financial matters, and not get involved in content regulation, which will inhibit the growth of a healthy and vibrant broadcasting spectrum. The industry should rather regulate itself, just as the newspaper industry does".

Katz is also unhappy with the cross-ownership provisions of the Bill. Given "a relatively underdeveloped industry, it would be unwise to apply mathematical models of restriction. Rather, the general principle of a diversity of editorial voices should light the way".

Another criticism of the Bill is that it aims to entrench an IBA before there is a democratically elected government in South Africa. ANC negotiator Joel Netshitenzhe, speaking in his personal capacity, feels that "we should look, rather, at the establishment of an interim body that would do only limited reregulation".

The Bill also does not take into account the major broadcasting technology changes South Africa is currently experiencing. New Ku-beam satellite technology, which is coming to South Africa in 1995, means that international superstations like HBO, CNN and MTV will soon be beaming their products directly into South African homes — and the IBA will be able to do nothing about it.

Pointing to the experience of Europe, where superstations like Astra and Sky have radically disrupted carefully planned national broadcasting spectrums, M-Net's Director of Corporate Affairs, Cobus Scholtz, notes that "much local regulation of broadcasting has become irrelevant".

By Christelle Terreblanche

A NEW agenda for TV1's current affairs coverage was set this week, with the appointment of a leading black journalist as assistant executive editor of "Agenda" — politically one of the most influential posts in broadcasting

Ameen Akhalwaya (47), editor of "The Indicator" newspaper, is the first credible black person to be appointed by the South African Broadcasting Corporation (SABC) in its controversial restructuring process made urgent by the prospect of elections next year

Akhalwaya will take over the reins from well-known Agenda presenter Freck Robinson, who aims to concentrate on his post as executive producer of Sunday "Agenda". "I will bring in a different per-

Independent media man gets top SABC job

spective," Akhalwaya says, "because I come from a different background and political perspective."

Akhalwaya was one of 14 people trained recently by the Campaign for Open Media to take over top jobs in the SABC in the run-up to a democratic dispensation. He has confirmed that he will take up his new post by mid-August.

Heading his own agenda will be women's issues. "While making sure women's issues gets more air-time, I will see that they are reflected by women," Akhalwaya told SOUTH. Another priority among the

"sweeping changes" he intends making, is sport. "The off-the-field issues affecting sport will also be treated with the seriousness they deserve," he stated. "Gone are the days we will be told that sport and politics have nothing to do with each other."

"I feel very strongly about the role and duties of a public broadcaster," he said. Akhalwaya indicated he will make space for political parties and organisations "across the spectrum" in the programme, especially during the run-up to the first "free and

far" election.

Akhalwaya says he had been offered a post "some time ago", but that he would not agree until a new SABC board was instituted. "Even though the new board is still unsettled, I think it is time for changes," he says

Akhalwaya has 22 years of media experience. He was the first black reporter ever to be appointed by a white newspaper in South Africa — the "Rand Daily Mail". He was also the first black chief sub-editor, at "The Sunday Express", while "The Indicator" was the first alternative



AMEEN AKHALWAYA

newspapers when Akhalwaya started it in 1980. He was a founder member of the Media Workers Association of South Africa (Mwasa) and holds the prestigious Nieman Fellowship

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HELLO AFRICA!

South 1017 - 1417193

AFRICA ISSUED its own version of the Oscar Awards with a well-deserved fanfare in Nairobi recently — and named some of its awards after Nelson Mandela

Hosted by M-Net and Kenya's two television networks, the two-hour awards gala was broadcast live by satellite to Africa in both French and English.

South Africa is still not a member of the body that made the awards, an association of state and private broadcasters from 48 African countries.

But that did not stop the group, the Union of Radio and Television Organisations of Africa (URTNA), from using South Africa's premier personality to honour the whole continent's cultural workers.

In a televised message to the glitzy spectacle, Mandela commended URTNA and said South Africa had much to learn, as well as much to offer, as it re-entered the stage of international communication.

However, he said the ANC could still not support the participation of the SABC in international broadcasting forums because the selection of the South African board had been tainted by National Party intervention.

Mandela added: ⁽²⁶⁰⁾ We are blessed with talent and outstanding facilities, and we look forward to a democratic South Africa

and an independent SABC working with URTNA for the development of broadcasting in Africa."

Although URTNA is 30 years old, this was the first time it extended its activities around exchanging programmes and upgrading broadcasting standards into a fully-fledged awards celebration.

Honours were won by radio broadcasters from Malawi, television dramatists from the Seychelles, Moroccan film-makers and musicians from Kenya, among others.

Alongside the Mandela awards for the best African radio and television documentary programmes was a category of "Cultural Ambassador" trophies for artists promoting understanding and cultural exchange across Africa.

Some South Africans attending the festival had heard of Nigeria's King Sunny Ade and Zimbabwe's Bhundu Boys.

But few knew about otherwise-famous winners like Zangalewa from Cameroon, Sherihane from Egypt; Onyeka Onwenu of Nigeria and Alpha Blondie from Cote D'ivoire.

Conspicuous by absence from the awards line-up, South Africa's mighty culture folk were forgotten as attention was showered on artists like Togo's Afia Mala and Benin's Nel Oliver.

It was clear just how apartheid isolation had kept South African citizens deprived of Africa's foremost cultural spirits.

DP complains to the SABC of 'blatant bias'

THE DP lodged a complaint yesterday of "blatant bias" with the SABC Board and accused it of remaining the "lapdog" of the NP in the run-up to elections

The complaint followed the SABC's renegeing on an agreement to cover the DP Youth congress in Bloemfontein last weekend yet it covered the NP Youth congress in Durban this weekend

DP Youth chairman Mr Colin Douglas said last night "the blatant display of bias leads us to fear that nothing has changed" at Auckland Park

The SABC said it did not cover the Bloemfontein congress as the crew had to cover a murder in Wesselsbron

CT 10/7/93 (260)

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Doubts Over New

Star

RESERVATIONS about the prescriptiveness and rigidity of certain clauses of the draft Independent Broadcasting Authority Bill, currently being discussed at the Multiparty Forum, have been expressed by key sectors of the broadcasting industry.

Monday is the last day for comments on the Bill to be submitted to the technical committee on broadcasting.

It is expected the negotiating parties will come to some resolution on the Bill in time for it to be passed in Parliament during the special September session, ushering in a new broadcasting dispensation before the end of the year.

M-Net spokesman Cobus Scholtz says the privately-held subscriber station generally supports the draft Bill: "We are glad it is finally happening. But the Bill contains many regulatory aspects which could stifle the industry rather than encourage a diversity of voices."

National Association of Broadcasters (NAB) chairman Stan Katz says the establishment of an IBA "should open a whole new chapter in SA broad-

MONDAY is the deadline for comment on the draft Independent Broadcasting Authority Bill currently under debate at the Multiparty Forum. This Bill will form the basis of legislation for a new electronic broadcasting structure in SA. Media and marketing editor MANDY JEAN WOODS reports.

"However, NAB has certain reservations about the draft legislation. We find some of the provisions somewhat interfering and not sufficiently flexible. In our opinion, a lighter regulatory touch is required."

The IBA would effectively issue licences for television and radio broadcasters. Key points of dissent include cross-ownership, foreign ownership, local content and the divergent regulatory paths of the telecommunications and broadcasting.

In terms of the draft Bill, the IBA will comprise five full-time commissioners. Two standing committees, each chaired by an IBA commissioner, will be established: the Broadcasting Spectrum Management Committee (BSMC) and the Broadcasting Monitoring and Complaints Committee (BMCC).

Katz says the NAB would prefer a single body to regulate broadcasting and telecommunications since both are users of the electromagnetic spectrum. (The draft Bill provides for the Postmaster General to allocate broadcasting service frequency bands to the IBA.)

Scholtz agrees, adding an independent body, such as the Federal Communications Commission in the US, should be established to handle broadcasting and telecommunications.

The draft Bill prohibits foreigners from exercising control of a broadcaster, and of a foreign company from holding more than 20 percent of the shares of a broadcaster.

"This is rather short-sighted given that we are a developing country and will need to encourage the influx of foreign capital," Scholtz says.

In terms of cross-ownership, newspaper publishers may not exercise control in more than one private broadcasting licence and their interest in that licence should not exceed 35 percent.

"This clause would, for example, prohibit Perskor from financing or owning a radio in the far northern Transvaal," Scholtz points out. "It is unlikely that anyone else would be interested in such an opportunity. We feel the IBA should have more discretion in this regard, giving it true independence by allowing it to make its own rulings rather than acting on prescribed decisions."

This could be particularly costly to new broadcasters given that the Bill's definition of local content excludes sport, advertisements, game shows or continuity announcements.

"This clause is too prescriptive and does not offer the broadcasters options M-Net has the bitter experience of being a new broadcaster and the local content requirements in the draft Bill could place an entire operation at risk initially. We feel the local content requirement should only be a financial claim," Scholtz says.

broadcasting Bill

10/7/93

Media role in democracy debated

By BARRY STREEK
Political Staff

KEY sessions of a United Nations-sponsored conference on political tolerance and the role of the media to be held in the Western Cape are to be held behind closed doors.

The opening session on Fri-

9 13 1993

day July 30 at a Somerset West hotel will be open to the public as well as the closing session on Sunday August 1.

But discussions on the educational potential of the print and electronic media on fundamental values in the democratic process and reporting on political events, set for

and pronouncements will not be open to the public. Only 80 participants, including some editors and selected journalists, have been invited to participate in the session.

The conference is being sponsored by the UN Special Committee against Apartheid, with the Institute for a Demo-

cratic Alternative for South Africa and the Institute for Multi-Party Democracy.

The conference was intended to "examine how the media can contribute to the political process by reaching out with a message of basic democratic values that can be easily understood and adopted".



Fears over massive Eskom losses allayed

Biday 15/7/93

FEARS that Eskom could have lost millions through faulty electricity meters have been allayed by Eskom executive director of technology Alex Ham.

The faulty E-Kard BEC 2 meters, supplied by Conlog to Eskom and to various municipalities, are said to number about 120 000

Conlog MD Rod Manester would not disclose the number of faulty meters in the field, or how much it would cost to fix them. Nor would he discuss how much money Eskom may have lost due to faulty readings

Conlog has sold more than 300 000 meters, but not all are BEC 2 models

With two other companies, Conlog was recently awarded a three-year national contract worth R25m in its first year to supply at least 75 000 pre-payment meters this year. Manester says Eskom has not yet started drawing off this quota. Conlog was chosen by Eskom to help develop the Standard Transfer Specification and the Common Vending System which are to become industry standards for pre-payment electricity meters

Conlog has spent about R7,3m on research and development for meters, and another R4,7m was allocated this year. The company has an ISO 9001 quality management system listing

Manester says Conlog has supplied sample meters to several other countries, but they have not been installed in any quantities, "so there is no problem with repairing any in other

MELANIE SERGEANT

countries"

Conlog's pre-payment meter business accounts for the largest proportion of its revenue, along with instrumentation for industrial process control, and products which it makes for the automotive industry (260)

Ham says the BEC 2 meters have "a problem in the logic circuitry in the computer which controls the meter"

The problems are evident only under a particular set of conditions

"For example, if users paid for a substantial amount of credit, and a certain amount had been used, then the meter could become vulnerable"

Fortunately, he says, the problem "happens to be a small window in a wide range of possibilities"

Testing was done by Eskom "over a fair period, which involved the SABS and external specialists. Although they did not simulate all possible combinations, it was found that over that narrow window of possibility, the meter was found to fail in favour of the consumer"

He said Eskom did not lose a significant amount because of the "unique conditions necessary for the fault to occur"

Ham said Conlog had accepted full liability for fixing the systems, and this project had already started

"When one is developing technology like this, one can expect these sort of problems."

Star 15/11/93

SABC board to decide on office-bearers

By Jacqueline Myburgh

Former acting-chairman of the new SABC board, Van Zyl Slabbert, said yesterday he would not be available for the position of deputy-chairman.

Slabbert was reacting to ear-

lier speculation that the board would attempt to resume the form it had before certain members were rejected by President de Klerk.

The board meets today and high on the agenda is likely to be the appointment of a perma-

nent chairman and deputy-chairman — an issue which has not been resolved since the board's controversial appointment six weeks ago.

The meeting would also deal with other "business of the organisation".

The debacle over the SABC board is more than an irritation, writes Anthony Heard

Window of opportunity opens

15-1-1982
260

THE DEBACLE over the board of the South African Broadcasting Corporation must be put right, otherwise progress to democracy will be impeded.

There is a tendency even in liberal-inclined circles to let the matter rest where it fell, however untidily, like a dropped handful of fiddlesticks.

Let's make the best of a bad job, the show must go on, is the line of thinking. Such people casually accept fatally flawed arrangements as workable.

The same sort of erroneous thinking was used by people who should have known better in supporting the monstrous tricameral Parliament — it, too, fatally flawed. It took a full decade of appalling violence to unravel that mess. South Africa, in a rare window of opportunity, has a chance to forge durably democratic and independent institutions. Crucial to this is the appointment of a board at the SABC commanding wide respect among the public. It should be noted that the appointment of other vital agencies

of change is around the corner, and the same disasters could be repeated.

There are independent electoral and media commissions, the transitional executive council and, indeed, the interim constitution.

The defects in the democratic process which lie behind the SABC farce could well become permanent if not attended to in a fundamental way.

A spectacular opportunity to achieve wide consensus was botched when President de Klerk and his itchy-fingered minions barged in to interfere.

The Government, clearly, could not stomach the meaning and implications of its own reforms. There is a strong tendency, as an MP put it in the dying days of the last session of Parliament, for the Government to seek to "rule from the political grave".

Real change means stomaching the likes of Jakes Gerwel and Alister Sparks on the SABC board, two of seven effectively vetoed by Government.

The irritating aspect is that De Klerk is able to claim that his

conduct was strictly constitutional, because he has full power to appoint the board.

Maybe so, unless a court happens to hold a different view, considering the agreement struck before the process began. But it is a case of constitutionality rooted in dubious legitimacy. In all matters, the Government can act as player, arbiter, and implementer.

Even if De Klerk did not break the written letter of the agreements, he acted totally contrary to the spirit of the pact by interfering as he did — not to mention the spirit of the changed times in which we are supposed to be living.

Emboldened by success in the SABC matter, his Government — which includes bureaucratic baronies dating to the Botha and Vorster eras — could well try this sort of trick again and again.

The reversal of the firm decisions taken by the selecting panel robbed the country and broadcast- ing of the services of people of high calibre (As someone who was nominated but did not make the short-list, I think I can make the point with some detachment).

It also delivered a mighty snub to those concerned. They have taken it, in public at least, in good grace, but they have a right to feel aggrieved — as do their organisations from which they gain their public clout.

The major damage is not to individuals, but to the public interest and to the future prospects of resolving things in South Africa.

Since there is limited prospect for massed public reaction to right the wrong, the response will have to be more subtle than, say, in the matter of education where crude public pressure has led to Government climb-downs.

That strategy should be pursued right at the top — at Mandela-De Klerk level. The person eminently suited to seek and secure a reversal of what has happened is Nelson Mandela, whose star as potential president continues to rise.

If anyone in the Mandela camp thinks the SABC debacle is a minor irritation which must be endured while "more important" matters are pursued, he should think again. So should members of the public who are of this persuasion.

No agreement with the Government, written or verbal, can be worth the paper or breath expended on it if this manoeuvre succeeds. Other problems might look more immediate and urgent, such as violence and constitution-making, but the role of the SABC in shaping the nation's future, for good or ill, is essential.

It is little wonder that Mandela has not been prepared, on the sanctions issue, to take Government intentions and assurances about elections and the transition at face value until they are part of the law of the land — Philadelphia love-ins notwithstanding.

The SABC matter confirms that nothing can be taken on trust in the bargaining which will eventually change South Africa. It cannot be rectified with band-aid strips.

It must be rectified in the letter and spirit of original agreements which led to a workable board, proposed by an independent panel, although no such list can be perfect.

In essence, surely, the original decision must stand. Professor Nyabulo Ndebele as chairman, Dr

Van Zyl Slabbert as deputy, and the seven officially decreed outcasts reinstated.

The other seven, including the two who did the right thing and bowed out, can be hastily added to make up a larger-than-usual board. The tasks ahead will be big and complex enough to give them plenty of work.

Even if the result looks mildly like a camel, it will be far preferable to the group which meets for a routine board meeting today. No meeting can be "routine" just now.

The important thing is to rid the SABC board, as far as physically possible, of controversy and suspicion. That will be in the interests of the staff of this R1 billion corporation — and of the public at large, who have little other choice but to listen to and watch the SABC.

Most crucially, it will be in the interests of a future order in which Government interference could crop up again, using current events as the perfect guide.

Anthony Heard is former editor of the Cape Times

Broadcasters to establish complaints board

A BROADCASTING complaints commission is to be established as an industry self-regulatory body, National Association of Broadcasters chairman Stan Katz said last night

He said the commission would make rulings binding on association members — the SABC, M-Net, Radio 702, Bop Broadcasting and Trinity Broadcasting

Katz said the commission would hear complaints on programme material and would make rulings on moral issues

GAVIN DU VENAGE

The commission would have the authority to order public apologies and issue fines of up to R30 000. *Biday 16/7/93*

He said the commission would differ from the proposed independent media commission and the independent broadcasting authority, both of which would be statutory bodies

It would consist of 11 members, a chairman, five broadcasting industry representatives and five members of the public.

Watchdog on broadcasting

APU 16 7 193
JOHANNESBURG

The National Association of Broadcasters (NAB) of South and Southern Africa has formed a commission to examine complaints within the broadcasting industry (260)

NAB chairman Mr Stan Katz said it would be a self-regulatory body for the entire industry. The public would also be able to lodge complaints with the commission — Sapa

Appointment 'task of board'

JOHANNESBURG — The task of appointing a new SABC board chairman and deputy chairman should be the responsibility of the board itself, the first full session of the new board decided here yesterday

It would be in the national interest if President F W de Klerk accepted the board's appointments, it added

Acting board chairman Dr Ivy

CT 16/7/93
Matsepe-Casaburri told a news conference that the procedures and criteria, as well as the nature and responsibilities of the position of chairman, had been tabled yesterday and would be discussed fully at the next meeting on August 4

She confirmed that Dr Fanklin Sonn and Dr Enos Mabuza had been invited to take up their positions on the board and had at-

260
tended yesterday's meeting

The two resigned when Mr De Klerk replaced seven of the board members appointed by a selection panel

A statement issued at the news conference said the board and management had agreed to impose a moratorium on all internal restructuring and appointments to senior positions — Sapa

SABC board again fails to fill top post

Star 16/7/93

260

By Paul Bell

The new SABC board has failed after its second full meeting to resolve the controversial issue of its chairmanship and has deferred the matter to its next meeting on August 4.

This was disclosed last night by acting chairman Dr Ivy Matsepe-Casaburri, after a 10-hour meeting of the board at the SABC's Auckland Park headquarters.

The deferment of this decision defeated expectations that the board would offer the post to University of the North rector Professor Njabulo Ndebele. He was the selection panel's first choice for the post but was rejected by the State President, an act widely construed as political intervention.

In her statement, Dr Casaburri said the board had resolved at its first meeting that the task of appointing a chairperson and deputy should be its responsibility, and that it would

be in the national interest that the State President should accept the decision of the board.

She said the procedures and criteria, as well as the nature and responsibilities of the position of chairperson, had been tabled and would be fully discussed at the board's next meeting on August 4.

Concern

On inquiry, Dr Casaburri told The Star the SABC's management did not believe the post should be considered a full-time job. She also said there was a concern among members about the extent to which a chairperson could also be heavily engaged by responsibilities in the arena from which he or she had come.

Dr Casaburri also announced that Franklin Sonn and Enos Mabuza had returned to the board, and that she had been mandated to request the State President to formalise this. Both attended yesterday's meeting.

New broadcasting body

Staff Reporter

The broadcasting industry yesterday established a self-regulatory body chiefly aimed at controlling the conduct and content of new broadcasters likely to enter the market when new legislation is enacted.

Speaking at the launch of the new body, Radio 702 head Stan Katz said the Broadcasting Complaints Commission (BCC) would act on similar lines to the Press Council.

Members had drawn up a

code of conduct and the commission would hear and adjudicate upon complaints against all broadcasters.

The BCC will differ from the proposed Independent Media Commission and the Independent Broadcasting Authority in that it will be self-regulatory and will handle complaints regarding moral issues, Katz said.

The BCC will consist of 11 members. Nomination forms will be available from SABC and M-Net offices.

Star 17/7/93

Complaints can be aired

THE National Association of Broadcasters of South Africa (NAB) has established a broadcasting complaints commission to serve as a self-regulatory body for the broadcasting industry

NAB chairman Stan Katz said this week that it was vital for the industry to impose self-regulation in terms of conduct and content before the new broadcasting era came into existence

The intention is for the commission to hear and adjudicate on complaints against all broadcasters who are members of the NAB — the SABC, M-Net, Radio 702, Bop Broadcasting and Trinity Broadcasting

The complaints commission will differ from the proposed independent media commission (IMC) and independent broadcasting authority (IBA) in that it will be self-regulatory and will handle complaints on moral issues

In contrast, the IMC will be a statutory organisation ruling mainly on political issues linked to the coming elections. The IBA, which will also be a statutory body, will issue and administer broadcasting licences

SABC board and bosses on collision course?

By Christelle Terreblanche

WHILE the new SABC board will try to appoint a chairperson on Thursday and sharpen its teeth for real restructuring, tensions with top SABC management are already building up, says sources close to the SABC.

Once the board is properly constituted, it will be confronted with a host of issues, including those relating to the corporation's ongoing "commercialisation".

Indications are that top management will feed selected proposals to the board and is already hiding crucial information from the board. One such fact is that the post of chief executive of radio has been

vacant for several months and no attempts are being made to fill the post in this sensitive pre-election phase.

In the past week, management has already tried to crush allegations that the SABC could dissolve into

business units, rendering it useless as the public broadcaster it is supposed to be

The SABC denies this "revolution by stealth" is taking place.

Once the controversial issue of chairperson of the board is resolved,

some board members might put forward a proposal for the re-inclusion of Mr Franklin Sonn and Mr Enos Mabuza, who refused to take up their board positions after they were substituted for other nominees by State President FW de Klerk's panel

of jurists.

The government's position is that Sonn and Mabuza should reapply to the minister of Home Affairs and of Broadcasting, Mr Danie Schutte, if they wish to be re-appointed.

The board will also try to deliberate on the "commercialisation" of the public broadcaster. SOUTH'S sources fear that the board would not be adequately informed about changes already made.

The board would however be unable to change the most senior appointments. SABC chief executive Mr Wynand Harmse's five-year contract lapses in September however, and speculation is rife that if information is not forthcoming, his term might not be renewed.

Akhalwaya's appointment sparks row with union

MR SITHEMBELE Khala, general secretary of the Media Workers' Association of South Africa (Mwasa), says the union intends taking the SABC to court over "negotiating with us in bad faith".

Khala said the SABC is not following agreements that stipulate that all vacancies should first be published internally. *SOUTH*

"We have also been forced to make concessions regarding pay increments as the management has pleaded bankruptcy," Khala says.

Mwasa's objections came in the wake of the appointment of Mr Ameen Akhalwaya, a former founder member of Mwasa, as editor of Agenda last week. (260)

Khala emphasised that the union

has nothing against Akhalwaya personally, but the procedure.

He argued that union members feel that top management is making "credible appointments" in order to save their own heads from the axe once the new board begins acting in earnest. 117-217193

SABC spokespeople said Mwasa's objections are "not relevant".

Viljoen praises SABC board

By JACOB DLAMINI

FORMER SABC chairman Professor Christo Viljoen has praised the progress made by the new board, despite its failure to appoint a chairman after a 10-hour meeting at Auckland Park last week

Professor Viljoen said the board decided to defer the matter to its third full meeting on August 4, when the chairman's functions and responsibilities would be discussed

18/7/93
The members did decide, however, that the task of appointing a chairman should lie with the board as a matter of "national interest"

(200)
Professor Viljoen denied claims of a split within the board and rising tensions between the board and SABC management.

"People must realise that this body has been in existence for less than two months. While there might be apprehension within management, I don't think it translates into hostility towards the board," Professor Viljoen said

"I think the board has decided to wait until a new mission statement has been adopted before any major steps are taken. It still has to decide how to approach the modification of the SABC"

Two of the members who resigned from the board in the wake of the chairmanship controversy, Mr Franklin Sonn and Mr Enos Mabuza, have returned to the board. This was confirmed by acting board chairman Dr Ivy Matsepe-Casaburri

Sasol ponders oil import duties

By KEVIN DAVIE

SASOL has begun discussions with the Board of Trade and Tariffs (BTT) which could lead to import duties on crude oil.

The petrochemical company, accused by critics of receiving government subsidies through the equalisation fund, confirms that it has had deliberations with the BTT "which are ongoing".

BTT chairman Nick Swart says the discussions were informal and included all Sasol's operations.

If Sasol makes a formal application, the BTT will investigate and make a ruling.

Dr Swart confirms that at stake is a possible import duty on crude oil. He is unaware if other countries apply such duties.

An international trade expert says oil imports, as a raw material, are usually duty free. Three countries apply duties to crude, Austria (about 3% of import value), Costa Rica (1%) and Morocco (2,5%).

Oil, as a strategic product, is seldom negotiated in the General Agreement on Tariffs and Trade, says the expert.

Sasol has been protected by a formula, funded by the equalisation fund, which gives it a floor price equivalent of \$23 a barrel for the 100 000 barrels of synthetic crude it produces at its Secunda plants daily.

Above \$28 a barrel, a portion of additional income is paid back to fund by Sasol.

With Middle Eastern crude prices now at \$14 a barrel, the equalisation fund, with a monthly income of R90-million, is paying R70-million in terms of the \$23 a barrel formula.

Sasol spokesmen say this protection formula is no different to other import duties on SA's tariff book. They say protection is justified because the cost structure for synthetic fuels produced from indigenous materials is higher than conventional fuels.

It is believed that Sasol's intention — should it decide to go ahead with the application and should it be granted by the BTT — is for there to be no price change as far as the motorist is concerned.

A move to bring Sasol's protection in line with other SA industries would constitute some normalisation for the oil industry.

Although many observers argue that the tight regulation of the SA oil business is for Sasol's benefit, the fuel-from-coal producer is taking a more active line on deregulation than the rest of the industry.

Sasol managing director Paul Kruger supports phased deregulation. He suggests that regulation on minimum prices be phased out.

Sasol Oil's Willie Rossouw says in a letter to dealers "In our view it will be in the industry's interest to plan a phased approach to deregulation instead of resisting it and attempting to preserve a system which has no long-term future."

"Deregulation of the petroleum industry in some countries has had many undesirable effects and we believe that a pro-active phased approach can eliminate most of the negative results."

Mr Rossouw says "We proposed to Minister George Bartlett that a plan to phase in deregulation be drawn up by a group representing all stakeholders."

"We have also indicated that the 'plan' should take cognizance of protection of jobs, avoidance of massive price swings at the pump and the strengthening of the position of service station operators vis-a-vis the oil companies."

In another move to normalise the industry, Central Energy Fund chairman Danie Vorster says SA oil companies can now import most of their requirements.

Oil imports have until recently mostly been done through the Government's Strategic Fuel Fund (SFF).

Mr Vorster says the change is in anticipation of the lifting of UN sanctions on crude oil and shipping.

"The proportion to be supplied by SFF will depend on the situation at the time and has not been finally decided."

Political broadcasts argued

Political Correspondent

A proposal for party political broadcasts on television during the elections has come under the spotlight at the Negotiating Council.

A report by a negotiations technical committee on an independent media commission recommended that such broadcasts be prohibited because of the costs involved.

However, several parties argued in favour of party political broadcasts.

20/11/93
This proposal — and several others — have been referred back to the technical committee for further consideration before July 29.

260
PAC negotiator Barney Desai argued that party political broadcasts on television were essential because a large number of the media was controlled by conglomerates.

ANC secretary-general Cyril Ramaphosa said only parties with enough money would be able to afford such broadcasts. The "political playing field" should therefore be levelled.

Party political TV broadcasts for April elections?

Political Staff

JOHANNESBURG. — A proposal for party political broadcasts on television during the elections has come under the spotlight at the negotiating council.

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This proposal and several others have been referred back to the technical committee for further consideration before July 29.

PAC negotiator Barney Desai argued that party political broadcasts on television were essential because large sections of the media were controlled by conglomerates.

SA Communist Party chairman Joe Slovo said there ought to be no distinction between television and radio broadcasts on the matter.

However, ANC secretary-general Cyril Ramaphosa disagreed with their arguments. He said only parties with enough money would be able to afford such broadcasts.

The "political playing field" should therefore be levelled in this regard.

The first democratic elections should not be lost or won because of parties' resources, Mr Ramaphosa said.

Democratic Party delegate Peter Soal supported the ANC secretary-general, saying television was a "glamour medium" which not everyone had access to as was the case with radio.

Sasol expects R60m export earnings from acrylics plant

In: Sunday 20/1/93
SASOL Fibres acrylic fibre operation which went into production last month expects to export a major part of its capacity production of 36 000 tons a year, earning up to R60m in foreign exchange, according to a Sasol spokesman.

Strong potential markets include a number of African countries, Pakistan and Australia (260)

During the past few months demand for acrylic fibre had strengthened in the US and Europe. No marked improvement had been recorded in the Far East and South East Asia mainly because of the revaluation of the yuan in China.

The spokesman said the new plant would be able to satisfy local demand for acrylic fibre, currently estimated at 32 000 tons a year. It would save the country up to

GERALD REILLY

R200m in foreign exchange.

Sasol Fibres had shipped the entire 16 000-ton French Courtaulds plant from Calais and re-erected it at Prospection outside Durban in 18 months, the spokesman said.

Total cost of the project amounted to R382,5m.

The deal had resulted in substantial capital savings. The data control systems and production technology were state of the art, he said.

The plant employed 230 workers. In addition to producing a full range of undyed acrylic raw materials for the textile industry, it could supply a unique pre-dyed product.

This would result in higher quality and substantial cost savings in the domestic textile industry, he said.

All-Africa TV to launch this year

By Christelle Terreblanche

SOUTH AFRICANS might have an independent Africa-orientated television station before the end of the year (260)

Mr Matthews MK Malefane, chairperson of the Broadcast Interest Group (BIG) announced at a symposium for broadcasters in Kenya last week that his company expects to be awarded the soon-to-be-established Independent Telecommunications Authority's first new television licence.

"Pending progress in negotiations, we are most likely to announce our station by the end of October and to go on air before next year," Malefane told SOUTH.

And even more ambitious plans are in store subscription cable television throughout Africa, and in America for Afro-Americans

BIG is described as "a black business and community coalition extending black economic empowerment to radio and television ownership."

Five years of behind-the-scenes lobbying have rewarded BIG with backing from the PAC and ANC as well as from business interest groups both black and white.

"We are putting up an independent and commercial station that will, in essence, compete with M-Net and the SABC," Malefane confirmed

"But we will be committed to local African programming in the way that M-Net is supposed to be, but is not. At least 30 percent of our programme content will be local and African"

The language medium, however, would be English.

Malefane is convinced that the BIG charter conforms to the Codesa proposals for broadcasting deregulation, while at the same time being commercially viable.

Malefane (35), who lives in Soweto, trained in California in film and television, and in management.

BIG believes it is better placed than any other group to benefit from the new deregulation and licensing legislation to be passed by parliament in September.

"We will set up the television company with equity shareholders, structured by a consortium of black business and individual entrepreneurs. This is black-empowerment through the electronic media"

BROADCASTING

FM 217/93 (260)

Sending out mixed signals

The draft Bill on broadcasting, tabled last week, goes a long way towards opening up the airwaves to private stations in direct competition with the monolithic SABC. But, once again, government can't bring itself to accept that the market is a better arbiter of demand than the bureaucrats.

The Bill would.

- Demand that applicants meet stiff affirmative action quotas,
- Keep out a significant amount of foreign investment,
- Inhibit the formation of media chains and cross-ownership between print and media companies,
- Mandate minimum requirements for local content, and,
- Allow only political parties to broadcast political advertisements, and only on radio, not on TV.

Following precedents in the gambling industry (10 casinos recommended) and the cellular phone industry (two licences to be granted), government is continuing its arbitrary ways by picking 34 as the maximum number of private radio stations to be allowed under the Independent Broadcasting Authority Bill. It would keep the SABC more or less intact.

The ANC, which attacks just about everything connected with the SABC, isn't in favour of breaking up the State broadcaster either. "We are of the view that more broadcasters should have access to the electromagnetic spectrum, with the single caveat that the integrity of the existing publicly owned broadcaster not be undermined in the process," ANC information secretary Pallo Jordan told a conference on broadcasting last week.

Funnily enough, Jordan's opinion dovetails nicely with that of Home Affairs Minister Danie Schutte, who says "We must be vigilant to recognise the excellence of the SABC - an orgy of cleansing and overreaction will do irreparable damage to the high standards the SABC has achieved."

The draft Bill was drawn up by a technical committee and presented to the multiparty negotiating forum last week. It is expected to be enacted when parliament reconvenes in September and provides for an Independent Broadcasting Authority, which will sort out the frequencies available, decide on criteria for licence applications, hand out the licences and oversee the broadcast media from then on. But the process probably won't be up and running in time to add many new voices during the election campaign.

Schutte told the conference in Sandton that more than 100 inquiries and applications for licences have already been received. And though no framework exists for handing out licences, Schutte stated that "provisional indications" are that the number of SABC radio services will be reduced from 21 to 17 and "the number of new radio stations with private-sector involvement may be as many as 34." As for TV, it's expected that one, and definitely no more than two, new licences will be available.

Radio 702 MD Stan Katz, for one, is pleased with the overall tone of the draft Bill. "My initial impression is that they've come a hell of a long way. In general, it seems fair."

Existing stations such as Radio 702, which is licensed in Bophuthatswana, will be grandfathered in and get full SA licences. Now

radio stations, too, would have to broadcast a prescribed percentage of SA music.

The first thing the Bill will do is form the authority with five full-time members chosen by nominations and public hearings, akin to how SABC's board was selected.

Who will be on the authority? "That's the million-dollar question," Katz says.

Another explosive issue is cross-ownership between print and broadcast companies as well as media concentration. For instance, a consortium of publishers, including FM parent Times Media Ltd, already owns a controlling interest in M-Net, the country's only pay-TV channel.

The Bill would prohibit a person from controlling a private broadcasting licence and the sole newspaper or newspaper group in the licence area. The Bill also would not allow a person to exercise control of more than one private TV licence and no more than two private FM and AM radio stations. The US is moving away from cross-ownership laws after several major newspapers faced extinction because the only buyers already owned local TV outlets.

Katz and the industry association say they recognise that some restrictions on cross-ownership and media concentration should apply. "However, at this stage of the development of a relatively underdeveloped industry, we propose that it would be unwise to apply mathematical models of restriction. Rather, the general principle of a diversity of editorial voices should light the way."

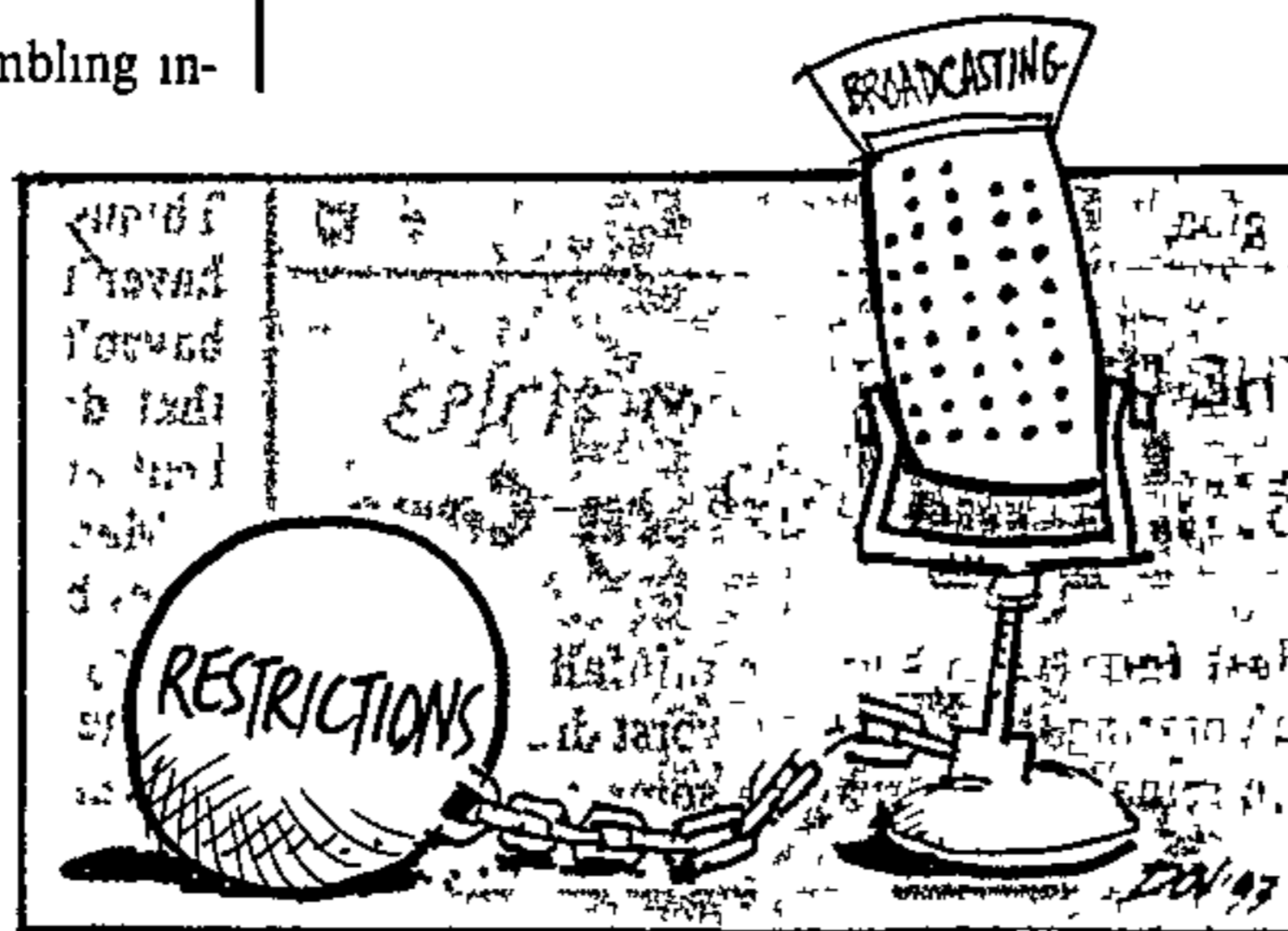
Jordan, however, says the ANC wants to involve the private sector in broadcasting but also "guard against the danger of concentrating ownership and control among a few large corporations as it already exists in the print media. We are persuaded it would be healthy to end the gross imbalances in access to, control and ownership of the media."

Jordan says that in addition to prohibiting cross-ownership, the ANC wants to encourage using criteria other than "economic power" in assessing a licence applicant. "The size of one's bank balance therefore cannot be the sole criterion employed to determine participation."

The Bill also limits foreign ownership of private licences to 20% and the number of foreign directors to 20%. A footnote to the Bill admits that the committee didn't agree on how to encourage foreign investment while also promoting local ownership.

The Bill also allows the authority to apply affirmative action quotas by asking "whether the applicant proposes to contain a significant percentage of historically disadvantaged persons on the board of directors, in the top management structure and in the total equity."

Maureen Sullivan



they are considered foreign broadcasters and prohibited from the more powerful and lucrative FM band. Katz says 702 can be ready to broadcast in FM within six weeks of a go-ahead.

One thing that critics such as Katz and Pietie Lotriet, SABC GM, commercial radio services, object to in the Bill is the requirement that licencees can broadcast only a specific format approved by the authority. There would not be the flexibility for Radio 702, for instance, to change from talk radio to jazz if the talk-radio market collapsed.

Katz, who is chairman of the National Association of Broadcasters, an industry group pushing for self-regulation by broadcasters, does not like the formatted licences. "Licences should go to applicants with a sound business plan and an ability to serve their chosen market or markets."

The association also does not like the idea that TV broadcasters would have to spend a minimum percentage of gross revenue on programmes with local content, allocate a minimum amount of transmission time to such programmes, and ensure that some programmes are created by independent and regional producers. Contemporary music ra-

(260)
CT 21/7/93

Freer radio, TV on the way

By BARRY STREEK

THE greater Cape Town area could have five or more radio stations by next year, as well as locally-based television programmes.

By 1995, direct-to-home satellite services could facilitate television broadcasting throughout the Western Cape.

This was disclosed yesterday by former SABC board of control chairman Professor Chusto Viljoen, who was re-appointed an ordinary member last month.

He also revealed that the collection of licence fees through a 4% levy on electricity supply — as in Portugal and Greece — was on the cards, because about a third of the people receiving television at present were not paying fees.

Independent

Prof Viljoen told the Cape Town Press Club he expected multi-party approval at the World Trade Centre negotiations today for a new broadcasting bill.

The new legislation, to be approved by Parliament in its short session in September, will provide for a new independent broadcasting authority empowered to approve new broadcasting licences and allocate wave-lengths.

"I believe the independent broadcasting authority law will open up the airwaves in a very big way," he said.

The major growth would be in radio broadcasting, and local radio stations could emerge in several Boland towns.

It was clear that the SABC's monopoly of radio and what he called the television "duopoly" of the SABC and M-Net was about to end

'I felt I was in Nuremberg'

Political Staff

THE former head of the SABC, Professor Christo Viljoen, yesterday said his public interrogation during the hearings for the broadcaster's new board made him feel as though he was in Nuremberg rather than Kemp-ton Park

But, he said "in the end" he felt the hearings were "good"

Professor Viljoen, the new vice-rector of Stellenbosch Uni-versity, said he had been tempt-ed during his hour-long inter-view by Mr Justice Ismael Mahomed to say things that he would later have regretted

He said in reply to a question at the Cape Town Press Club that he had found the public hearings for the SABC board

"difficult"

"I got the impression that Judge Mahomed was not inter-ested in my replies," Professor Viljoen said

He added "I was tempted to say things that I would have re-gretted for ever afterwards I also decided not to lower myself to the same level as my interro-gator"

260

CT 21/7/93

260
Freer

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Panel deny 'grilling' ex-SABC chairman

CT 22/7/93 (260)
Staff Reporter

A MEMBER of the panel who interviewed Professor Christo Viljoen for the broadcaster's new board, has denied the former head of the SABC was grilled.

Reacting to Professor Viljoen's claim that he felt as though he were in Nuremberg, not Kempton Park, magistrate Mr Nathan Erasmus said the hearings had been conducted fairly.

"The questioning was sometimes vigorous. It is sometimes necessary to be vigorous in questioning to get at the truth."

Number of new radio stations 'still unknown'

Staff Reporter (260)

IT would be pure speculation to say how many radio stations Cape Town would have once new legislation was passed

CT 22/7/93

Former head of the SABC Professor Christo Viljoen was reacting to reports that Cape Town could have five or more stations if an Independent Broadcasting Authority were established

● Bush Radio, silenced or operating without a licence, have been told they will be prosecuted

Competition at the flick of a switch

260 WIM 23-29/193

AS the magic world of deregulated airwaves draws nearer, most of the existing commercial radio stations are sitting pretty, confident that the 100 stations believed to have applied for licences when the airwaves open up will not dislodge them from their positions.

Both Radio 702 and the stations in the SABC's commercial stables claim they have always conducted themselves as though they were facing competition

However, Radio 702, the country's only 24-hour talk radio station, is in the process of shaking up its schedule starting Monday August 2, John Berks will be moved from the prime-time early morning slot to 9am, while the morning drive-time programme will feature Chris Gibbons and Gary Edwards, with presumably a harder edge to the talk show format.

The station denies that this change is in anticipation of deregulation. Says 702 managing director Stan Katz: "The changes are part of our normal programming

"What we have done throughout the years has been identifying niche markets and positioning ourselves therein."

Katz says he is not aware of any possible new competitors entering 702's market but acknowledges that the possibility exists. One of the reasons why the station has a strong position in the market is its format, he says. "The barrier to entering the talk market is that it is very expensive, unlike the music market, where all you need to do is to put someone in the studio and let him play music"

A new broadcasting Bill is expected to be passed in

September, opening up the airwaves to new players.

What are the existing stations doing about all that

competition on the horizon?, asks BAFANA KHUMALO

New broadcasters would have to spend more time and resources on talk radio than on music radio — three times more, Katz says. But in case anyone is ready to spend, "we're ready for any competition; we never get complacent"

SABC's commercial radio stations, 5FM, Highveld Stereo and Radio Metro, also claim to be ready for competition. SABC general manager of commercial radio, Pietie Lotriet, says that none of the three radio stations is embarking on any major repositioning exercise: "That was done in a gradual manner over a number of years," he says

The only station that has been substantially changed, he says, is Radio Metro. Launched as mainly a music station in 1986 and targeted at the PWV urban black listenership, in 1990 it was turned into a "community-involved station". Last year the station started broadcasting nationally. Lotriet says these stations are in a healthy state and he welcomes any new competition

Meanwhile Capital Radio, the English-language station based in Durban, has repositioned itself

From being a local clone of the London-based station of the same name, complete with English accented announcers and playing essentially American and British pop music, it has changed into the "Station with an Afritude". Says the head of programming at Capital, David Smith: "We have been ready for deregulation since 1979." He says the station has been trying to get a national broadcasting licence since its inception, but to no avail.

The station has had mixed fortunes, from the heights of a large listenership to the depths of plummeting numbers. In this period the station was plagued by a poor signal which Smith attributes to its inability to obtain an FM frequency to broadcast on Now, with deregulation hovering in the horizon, the station is eyeing the national market with studios ready to go. "It's a matter of just flicking the switch," says Smith, adding "If we get permission to broadcast nationally we will do so"

Going hand in hand with this intention is preparation at the station to make it "relevant for South Africa". "We are putting together a station that is catering to the majority of the people," he says — by adopting a talk and music radio format concentrating on African music, both local and from the rest of the continent.


Capital has also recruited announcers who speak with African accents. "Our deejays don't have to sound like pseudo-Americans," says Smith. He sees this move as already paying dividends in terms of a listenership that has "shot up"

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Unions Steel 28/1/93 confront

Iscor

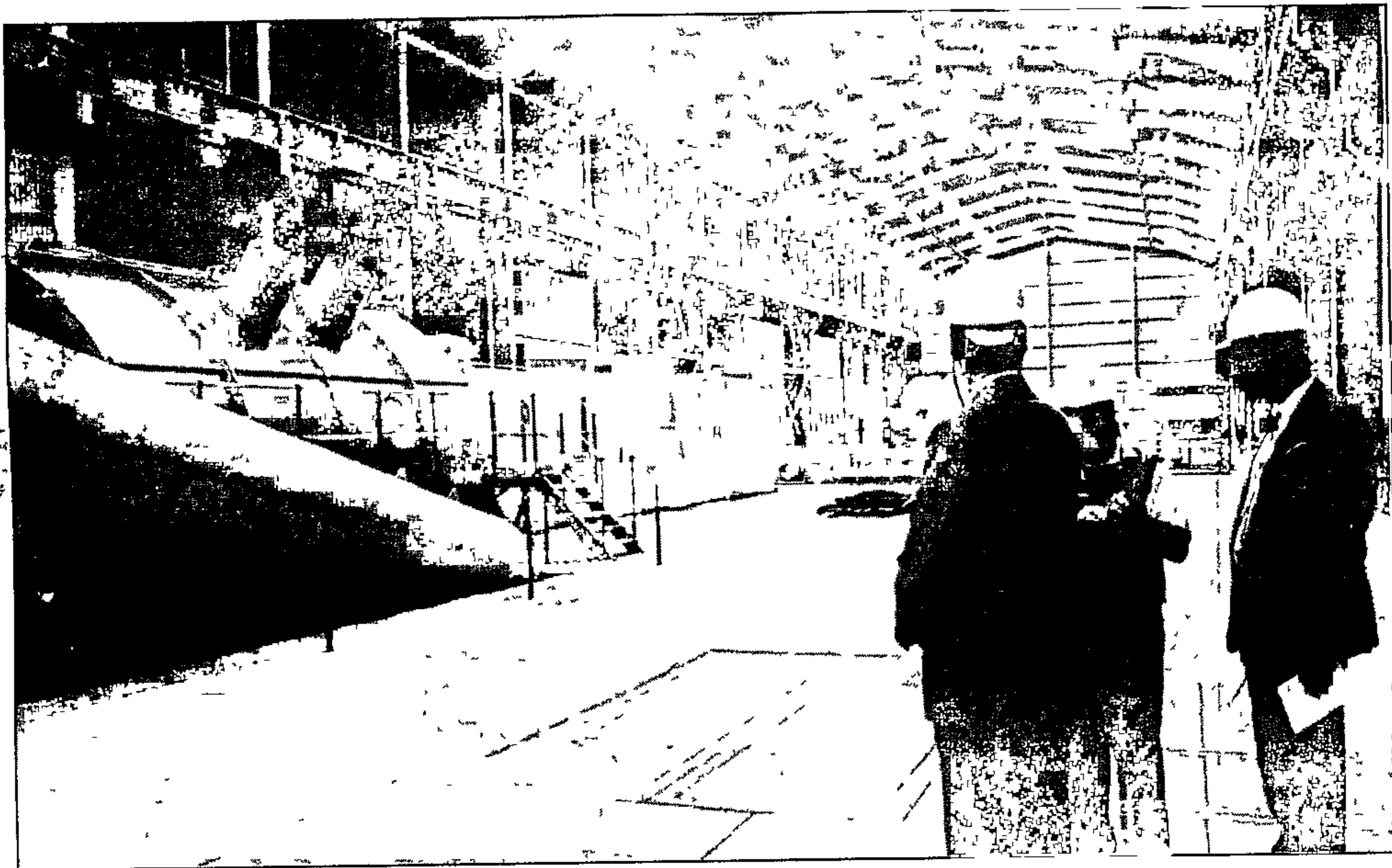
In an unprecedented display of unity, left and right-wing unions have threatened Iscor's management with joint industrial action if the corporation does not improve its wage offer.

The National Union of Metalworkers of SA, the Mine Workers' Union and the SA Iron, Steel and Allied Workers' Union met yesterday to "consider what action should be taken regarding a dispute to be declared with Iscor" 

Iscor's 6 percent wage offer was "totally inadequate". It was only half the current inflation rate. Iscor could afford a better offer because of the 15 percent depreciation in the rand/dollar exchange rate over the past year (boosting Iscor's export earnings).

Fortune 500 had just ranked Iscor the world's third most profitable steel producer. — Labour Correspondent.

COMPANIES IN TRANSITION FEATURE



Supplying electricity to the people the Lothoba power station turbine hall.

PREMIER PEOPLE SHARE A COMMON VISION IN THE FUTURE STABILITY OF SOUTH AFRICA

Our people development and social responsibility programmes are aimed at making Premier a winning organisation. The investment we make in human resources and community projects constitutes the backbone of Premier's awareness of its role in a changing society.

With our inherent belief in empowering people at all levels, we are well poised to continue our growth pattern in a future democratic South Africa.



Premier Food Industries

Electricity in harmony

Soweto 29/7/93

■ MOVES RECOGNISED Eskom receives

Black Management forum award:

By Mzimkulu Malunga

WHILE OTHER companies are chasing after numbers to meet their affirmative action programmes, Eskom highlights its staff social harmonisation programmes as the key to transforming its corporate culture

How a company moved from a very conservative background and pushed its way through to receive attention from organisations such as the Black Management Forum, remains a mystery to many people

In 1991 Eskom won a BMF award for its black advancement programmes and received a mention for its ongoing affirmative action approach last year

Ranked among the top five companies with its social harmonisation programmes, officials of the company highlight three factors that form part of their advancement strategy. In addition to programmes aimed at managing diversity, Eskom has adopted an anti-racism policy and gender equity technique

A nonracial corporate culture in an institution that was once held up as an "apartheid structure" will not be easy. It will require a lot of commitment and pain

The management of the company is convinced the interest of various population groups who comprise the "Eskom family" can be used as the cardinal point for the birth of a nonracial culture in the company

It all started in 1986 when it was then fashionable for companies to call themselves "equal opportunity companies"

Eskom also jumped on to the bandwagon. But it soon became clear to those at the top that being an EOC did not make an enterprise dynamic enough to respond to external changes. Hence, the company began fishing for talent that would propel Eskom into the future

It was not until the last five years that Eskom's advancement programmes started rolling. The engine picked up speed in the last two years when even the corporate image changed

Eskom is beginning to reap the fruits of this strategy as more civic organisations in townships on the Reef demand that the company take over the electricity supply from discredited local authorities

"People were unhappy with the service being provided by their local authorities which were seen as illegitimate," says the chief executive and the man believed to be behind the transformation of Eskom, Mr Ian McRae. Last year the company hit the headlines when it started to consult with major trade unions on the whole question of participative management

These efforts culminated in union, civic and consumer representatives being appointed to Eskom's electricity council

Eskom has taken direct control of electricity in Soweto, Alexandra and Vosloorus

Eskom has also initiated an electricity voucher system in the East Rand township of Ivory Park

Here the residents use a card system through which they purchase electricity from the local circuit. Once the amount of power in the card has been used up, a consumer has to buy more

Temporary licence⁽²⁶⁰⁾ for university radio^{CT 29/7/93}

PRETORIA — A temporary broadcasting licence has been granted to Radio Tuks, the University of Pretoria's campus radio station, by the Ministry of Home Affairs for the period August 2 to 15.

The broadcasts, which would be heard within a 30km radius of the institution, were meant to coincide with the Tuks-Rau inter-varsity on August 14.

Programming would concentrate on promotion of a "buddy campaign" to make students aware of the dangers of drinking — Sapa

ENTERTAINMENT *Musos seek guaranteed radio air time for local contemporary music*

New Bill strikes a sweet note

Sowetan Bd 7193

By Elliot Makhaya

THE SOUTH AFRICAN music industry has welcomed a provision in the new draft Bill to regulate broadcasting. This requires music broadcasters to devote a prescribed portion of air time to local contemporary music.

But the Association of the South African Music Industry, which represents both local and international music interests in this country, has nevertheless asked the committee drafting the Bill to consider binding broadcasters to a specific percentage of air-time.

The provision has been drafted by the technical committee supporting the constitutional negotiations at the World Trade Centre. The committee is drafting legislation to cover the proposed Independent

■ QUOTA SYSTEM Popularity of

Australian musicians a success story:

Media Commission and Independent Telecommunications Authority

The provision, included in the committee's fourth working draft of the Independent Broadcasting Authority Bill, requires broadcasting licensees who devote a significant portion of their air time to contemporary music, to dedicate a "prescribed percentage" of time to local music.

Asami has warmly welcomed the proposed provision, but vice-chairman Mr Fred Withers has nevertheless asked the committee to consider establishing a guideline to the

280

"We feel," he told the committee, "that the reference to a prescribed percentage is somewhat vague and that a percentage should be stipulated either in the Act or in a guideline. Asami itself would like to see the Act prescribing a 'local content' of up to 50 percent."

It believes the introduction of a local music quota system similar to that which operates in France, Australia and Canada — "and not that we think radio play should not be based entirely on merit. There is enough South African material of excellent quality to

satisfy a quota system", said an Asami spokesman.

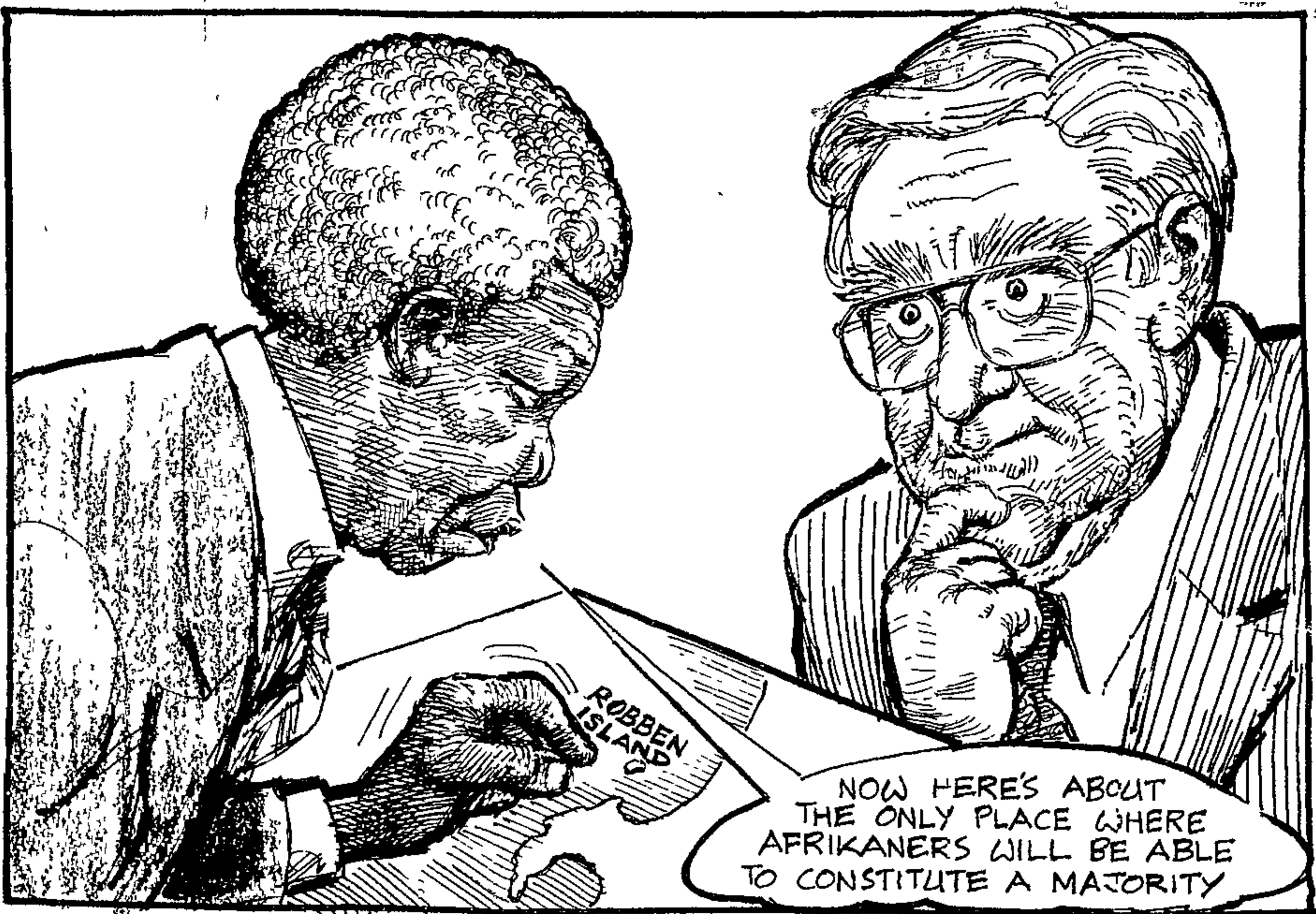
Australian commercial radio stations devote 25 percent of music air time to the local product. This, says Withers, has led to a considerable increase in investment in the Australian repertoire and Australian play lists now feature 30 percent of local music by choice. The increase in popularity of Australian musicians in Europe and the United States since the Australian quota system was introduced is a worldwide success story.

There has been a national hue and cry about local broadcasters and deejays fighting mostly overseas, especially American music on our air waves, much to the detriment of local music. The proposed Bill must, just be what the "musical" doctor ordered.



Ray Phiri

FOCUS *SABC board still has a long way to go and much to do*



focus on the SABC

Sowetan 30/7/93

THE new board of directors of the South African Broadcasting Corporation faces a crisis meeting on August 4 when members have to resolve the crucial legitimacy problem which has plagued the board since President FW de Klerk intervened in the process of its appointment.

The process came from an initiative launched last December by the Campaign for Independent Broadcasting — a coalition of 33 organisations representing a wide range of the civil community as well as political organisations — with the prime aim of preventing interference by the Government or political parties. Until then board appointments had been a prerogative of the president.

The process — agreed to by the President in discussions with a CIB representatives affiliate — involved a panel of judges and lawyers conducting public hearing of candidates and then nominating 25 people for the posts. The President was given the power to refer back to the panel the names of those nominees deemed to be in contravention of a set of criteria and guidelines for membership.

The CIB claimed the President's referral back of several names amounted to gross political interference and unseemly horse-trading with the lawyers, all contrary to the spirit, if not the letter, of the agreement. Seven people were refused appointment to the board and another seven replaced them.

De Klerk also dismissed the appointment of widely respected Professor Njabulo Ndebele, rector of the University of the North at Turfloop, as chairman and replaced him with Dr Frederick Van Zyl Slabbert (who had been nominated by the panel as deputy chairman). Slabbert subsequently resigned and Dr Ivy Matsepe-Casaburrie was appointed interim chairman.

The CIB maintains that, only by reinstating the panel's choice of Ndebele with Slabbert as deputy, as well as the seven excluded members, can the board's legitimacy be restored.

The board has to make the vital decision on August 4 and it will then be required of De Klerk to confirm it.

Meanwhile, the board has begun to focus attention on other urgent priorities, in particular, the need for news and current affairs programmes to be transformed into independent and professional operations. These programmes are still biased in favour of the government, according to the independent Broadcast Monitoring Project.

The board will formulate a mission statement at a two-day strategic planning meeting or "bosberaad" at some out-of-the-way venue shortly after the board meetings. This meeting will also ratify the appointment of five committees dealing with management, finance, the auditing of expenditure, staffing and news as

At its next meeting, on August 4, the SABC's controversial board of directors has to take a tough decision. **Raymond Louw**, co-chairman of the Campaign for Independent Broadcasting, explains:



Njabulo Ndebele

well as election and voter education. Pending these committees beginning their operations, the board has frozen all senior appointments and restructuring at the SABC.

These actions show that the board is intent on getting down to business and that, as soon as the legitimacy problem has been settled, it should quite quickly develop into an effective operating structure.

The elections on April 27 next year are nine months away and if they are to be regarded as "free, fair and open", in so far as the SABC programmes have an influence on them, then action has to be taken now to achieve those desirable aims.

But it has a long way to go. There has to be a drastic overhauling of news gathering, editing and presentation. Stories continue to filter out of the SABC that senior officials have too much influence on the content of news and current affairs broadcasts. There are too many references to a mysterious "they" at the SABC which wields power, including the veto, over ideas as well as over content and presentation.

The SABC has conformed to the situation that has flowed from the Government's unbanning of the liberation movements in February 1990.

It has had to allow the previously unheard views of the ANC, the SACP and the PAC (as well as others) to be broadcast. The proposed formation of a government of national unity by the ANC and the National Party after the April 27 elections has made that even more necessary.

This has meant greater openness and diversity in the expression of views over the SABC's radio and TV channels and many have construed this as an indication that the SABC is changing. But the change is on the surface and reflects the obvious. The culture of subservience to the ruling political authority and the art of presenting the Government and its agencies in the best possible light persist.

There has to be a much deeper and more wide-ranging examination of the issues the country is facing, an "on the ball" approach and a keener and more thrustful delving into the news of the day.

The board will be unable to do more than focus on the news and current affairs programmes and voter education, etc, before the elections will be upon us. But it will be a major achievement if they manage to get that activity restructured.

Then it will have to tackle the other activities of the SABC — how the future services will be shaped, especially in the light of fast-moving technological advances and satellite transmissions, broadcast languages, entertainment, the arts and culture and the thorny question of the quantity of local content versus overseas syndicated programmes, educational programmes, advertising, and affirmative action and staffing to mention the more important issues.

All these issues are important because SABC operations were shaped to fit apartheid practice and government whim and they have to be remoulded so that they serve the much wider spectrum of a democratic South Africa and its people. But also, equally important, a new culture has to be grown at the SABC to ensure that it stands up to the next government and that SA does not endure control by the National Party switching to the ANC.

But the timespan for this board is limited. Its tenure of office expires with the formation of the constituent assembly after the April 27 elections.

Generals and jokers on Radio Far-Right

260

A rightwing radio station which has been making clandestine broadcasts in the Pretoria area is ready to make its official debut, reports **Jan Taljaard**

W/M 30/7-5/8/93

RADIO PRETORIA, a proposed rightwing propaganda station, is on the verge of starting full-time broadcasts after successful trial runs over the past month

Since *The Weekly Mail* first reported on the far-right's plans for its own radio station, the organisers have laid the groundwork for such a service with a permanent transmitter already being set up in a remote area east of Pretoria

A "roving" transmitter has been employed for daily, hour-long broadcasts in the Pretoria region, operating on the 90,6m FM band

At meetings of the Afrikaner Volksfront, spokesmen of the movement have publicly acknowledged the existence of such a transmitter, promising that a more permanent facility will soon start operating.

"Advertisements" for the station have been daubed in dayglo paint on concrete bridges and other structures in and around Pretoria. These messages call on readers to "Tune in. FM, 90,6 at 4 pm"

Those inquisitive enough then hear recorded speeches by Volksfront leaders such as General Constand Viljoen.

What the listeners do not know is that a former member of 32 Battalion

has been putting a lot of sweat into these daily broadcasts. Picking a different spot every day, he drives to any of the mountain ranges or koppies surrounding Pretoria and then starts climbing

After scaling the mountainside with the heavy equipment he puts his antennas up, slips a cassette into a recorder and pushes the play button with nary a word of commentary.

Rightwing sources tell that on one particular afternoon the former soldier picked up the wrong cassette when he got out of his car. He slogged for an hour or more before finding out that the cassette he had with him was an uncensored version of comic Tolla van der Merwe's patter

But the show had to go on, with the result that listeners had to listen to an hour of off-colour jokes instead of the high ideals the generals are preaching

When the permanent transmitter gets on the air, it will, however, not be given to any such lightheartedness, if written proposals for the station are adhered to

The main object will be, the document states, to give "free expression to Boere Afrikaner culture for the advancement of educational, economical and artistic interests".

Radio Neighbourhood is on the way!

260
AUG 18/93

IMAGINE driving down the N1 to Paarl and turning the dial on your radio. What do you hear?

Could it be classical or rap music, a debate about the future of District Six, sport or a discussion about your local library?

Well, this might be part of the choice on the airwaves as early as next year as the broadcasting industry prepares for a revolutionary make-over.

Indications are that at least four radio stations could be launched in the city to supplement the existing two, Radio Good Hope and Radio Kontrei.

Experts in broadcasting technology say a city the size of Cape Town can easily support six commercial stations and many more community-based stations

Former SABC board chairman, Professor Christo Viljoen, said licences could be issued as early as the end of the year

About 100 applications have been made to the Department of Home Affairs for licences to open radio stations

These will not be granted, however, until an Independent Broadcasting Authority (IBA) is launched in September

The IBA will then invite applications and allocate licences to the ones they feel are suitable

Professor Viljoen said he suspected the 100 applicants would re-apply and that there could be up to 30 regional applications

"What has to be considered, however, is how many radio stations can viably operate in this market"

Costs of equipping a private broadcasting station could range from R25 000 for a small community station to more than R1,5 million for a commercial service, according to Mr Richard Swan

He is the manager of broadcasting systems for Plessey Tellumat SA Ltd, the company which supplies the SABC and also exports its transmitters to Britain, Norway and China

The IBA is likely to choose a mixture of radio stations, some community-based and some commercial, offering programming which favours specific interest groups like sports fans or businessmen

Ms Sue Valentine of the Institute for a Democratic Alternative for South Africa defined community radio as a "small-scale, low cost sector far removed from the worlds of public

■ Cape Town radio listeners who have been craving a wider selection of programmes are in for an aural feast when the airwaves are opened at the end of the year.

DALE KNEEN
Weekend Argus Reporter

service and commercial broadcasting"

"Its motive is neither profit, nor a professional ethos whereby broadcasters determine what is good for the audience

Community radio was one of the most effective means for non-literate people to communicate, as well as being a vital tool in the preservation and re-invigoration of traditional and minority languages

An example of community radio was Bush Radio, which broadcast from Salt River from August last year with presenters speaking in Xhosa, English and Afrikaans

It was shut down by the Department of Post and Telecommunications in May because it did not have a licence, but it may be heard again. It is likely to apply for a licence when the airwaves are freed in two months.

There are at least three other groups interested in launching radio stations in Cape Town, according to well-known broadcaster Martin Baillie, who plans to team up with Alex Jay and launch a station

He's not saying what type of radio station they are likely to run, but it's fairly safe to assume that it will rival commercial ones like Radio Five and Radio Good Hope.

Mr Shaw said this type of station, as opposed to non-profit community stations, required an initial capital expenditure of R1,5 million or more on studio equipment and transmitters

Because of these high costs, the maximum number of listeners had to be attracted so that the station could lure as many advertisers as possible to survive financially.

Using radio and television for educational purposes will therefore have to be the responsibility of a public broadcaster, according to Wits University's Ms Kate Turkington.

"There's absolutely no policy on educational broadcasting at the moment and programmes do not fit in with the school curriculum and some, including good ones, are made by non-education people."

CSIR closing overseas

ARG 1/8/73
PRETORIA — The Council for Scientific and Industrial Research (CSIR) is to close its offices in Germany, Britain and the United States because of the high cost of maintaining them (260)

The closure of the International Services offices in Bonn, London and Washington was announced in the August edition of the CSIR's Technobrief.

The article did not say when the offices would be closed, but said "a well-planned process is being implemented" to ensure the shut-down of the operations. — Weekend Argus Foreign Service.

New sound for Cape radio fans?

RADIO disc jockey Martin Baillie is one of a group of broadcasters who want to launch a new independent radio station in the Western Cape "to reach the whole community and plug the gap in the market"

He said he would leave Radio Five at the end of September and the group was applying for a licence in anticipation of the deregulation of the airways.

A bill providing for an independent broadcasting authority with the powers to adjudicate and grant broadcast licences is expected to be tabled and passed during the short session in September.

Baillie said at least three other groups would like to launch independent radio stations. 260 CT 3/8/93

board battles

318/93

260

gitimacy and merely replaced one white male Afrikaner (former chairman Christo Viljoen) with another. Hardly an invitation to stay on.

Slabbert quit on the turn. He has had a surfeit of SABC-ing, whatever the Government might think of the desirability of a return to the panel's original choice for the two top slots Ndebele, backed by himself, is said not to be entertaining nomination to the deputy chair

As things stand now, the most likely scenario for the two jobs is Ndebele in the chair, backed by Casaburri, who, whatever is made of her frustrating reti-

cence and inadequate communications skills, and despite the efforts of various interest groups to drown her candidacy at birth, now has a track record at this level that makes her as worthy as any other of consideration at least as deputy

And if Ndebele, as chairman, is to offer a day per week to board affairs — the formula apparently agreed with Turfloop — it might be additionally useful to have his deputy based in Johannesburg

It was, however, disturbing that Casaburri should claim last week, in answer to a question on which board members had

been nominated to head its various working committees, that she could not remember who they were, among them the person heading the news information/election/voter education committee, and therefore making an initial determination of board priorities in this, the SABC's most critical task of the transition era

Has she already drifted too close to management? Some will say yes, and who would deny, for what appearances are worth, that she seems to have a comfortable relationship with director-general Wynand Harmse? But the history of the SABC, even in the apartheid years, is also one of continuing contest between the board and management over the extent of each's influence on the other.

Empires strike back, and management is concerned for its territory. As journalists and officials gathered in the foyer of the Piet Meyer Building on July 15, respectively eager and anxious for the outcome of the chairmanship vote which never happened, I spoke to a senior news-broadcasting official who spoke with smug-tinged pity of the huge task which confronted the new board.

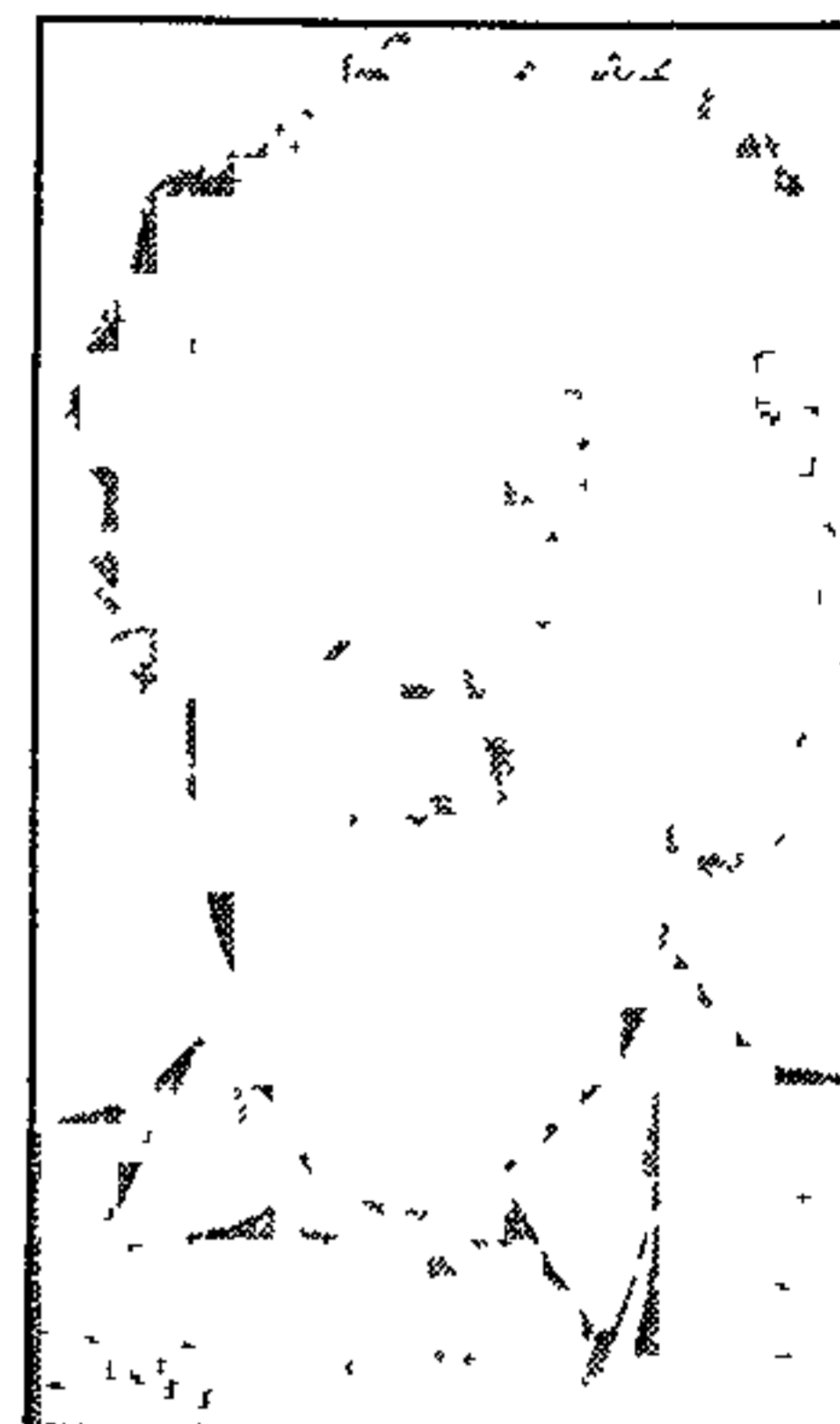
"They've got no idea what they've gotten themselves into," the official said. "They need to realise that the less they interfere with the running of this place, the better."

Not a bad principle in itself, unless the board were planning the kind of political spring-cleaning that has been urged on it by interest groups such as the Campaign for Independent Broadcasting. At this point, however, judging by the measured pace the board has set for its decision-making, and by the several credibility-building journalistic appointments management has made in recent months, no one is rushing in with broom and bucket.

Management, meanwhile, is understood to be trying to get the board to permit its general executive committee to attend board meetings. The bureaucrats intend to keep their masters close to them.

Ndebele's candidacy took some curious turns. When it became known that he was up for the chairmanship, ANC constitutional expert Kader Asmal, who is chairman of council at Turfloop, and council member Bob Tucker apparently both threatened to quit the council if Ndebele accepted the job. In their view, the rectorship demanded the new incumbent's full attention without the distractions of the SABC.

Ndebele is said initially to



Ivy Matsepe-Casaburri . . . PR is seemingly not her strong point.

have acquiesced in this view, but his reasons for doing so were communicated to a range of powerful people, not least among them Nelson Mandela and Cyril Ramaphosa

Suffice to say that without the exertion of undue pressure — at most a lengthy lunch-time discussion between Asmal and the relevant pressure groups supporting Ndebele's candidacy — Asmal was persuaded to reverse his view and even sell this reversal to Turfloop's council, which formally cleared Ndebele's board candidacy prior to the July 15 meeting.

Sources say this is what the ANC wants, and that the message was passed from its highest councils to Casaburri that she should make way for Ndebele if he wanted the job

Incidentally, one reason offered for this attitude from on high is that Casaburri, a former Lusaka exile, is said to regard herself as more accountable to the ANC than to wider interests, whereas Ndebele is regarded as more independent

It's hard to be sure what to make of such received insights. Are they inverted propaganda, enabling the ANC to exert influence while creating the opposite impression? Do they reflect a genuine concern that the SABC be freed from political influence? Are they an attempt to spike Casaburri's candidacy?

What one does know is that the search for truth becomes increasingly bizarre the closer one approaches the innards of those institutions professionally dedicated to it. The SABC — heaving in flux, its board newly and uneasily astride it — is a very model of transitional politics □

Woman of the SABC board, have ambitions in the job of a more permanent nature?

"I would prefer not to answer that question," she says — from which one infers a reluctance on her part to put herself out of the running when the board returns to this issue at its meeting tomorrow.

Casaburri has scrupulously avoided giving the appearance of presumption in her utterances on behalf of the board, other than to relay its few decisions to date.

Her apparent interest in the job is nevertheless confirmed by observers, and when the question of her availability was directly put to her, her studied "no comment" was in itself revealing. By the cruel light of journalistic logic, therefore, her candidacy is presumed tabled.

BENINGA THE

Star

But she will more likely have to settle for second string.

While the board, at its meeting on July 15, deferred a decision on the chairmanship, powerful forces — not least among them the ANC leadership — are ranged in favour of Professor Njabulo Ndebele, the much-garlanded writer and academic who is now rector of the University of the North.

Ndebele, first choice for chairman when the panel headed by Mr Justice Mahomed made its original board selections, had by all accounts been expecting to be appointed chairman at that meeting.

Instead, Casaburri tabled a document on criteria for the position, its nature and responsibilities, and the procedures for ratification, all to be discussed tomorrow. This time round, Ndebele's supporters are not likely to be denied.

It was ratification, and the fiasco that followed the first announcements on the board's composition, that got Casaburri her acting job in late June.

Earlier that month, President de Klerk had dropped Ndebele as chairman and had appointed, in his stead, Dr Van Zyl Slabbert, the panel's original choice for vice-chairman. Slabbert re-

PAUL BELL examines people supposedly Auckland Park broadcasting in South Africa.

signed in protest, then himself to be persuaded up the position in an capacity.

But some board members, Fatima Meer is said to the charge — fiercely his appointment, lacked "transparency"

Eskom electrification plans outlined

A FUTURE SA government would be faced with nearly 3,8-million unelectrified dwellings and Eskom planned to have nearly 1,4-million electrified by 1998 at a cost of R2,83bn, a housing conference was told yesterday (260)

Eskom research consultant Izak van Gass told the Afribuild housing conference at Nasrec, Crown Mines, that the utility did not have supply rights to all these dwellings and massive electrification would be possible only with government support

Van Gass said the time was long overdue for housing stakeholders to join forces to meet the development needs of SA

BINNY 14/8/93

THEO RAWANA

He said electricity should be an important part of an integrated approach to service provision in any urbanisation policy because access to electricity could be a key factor to economic and technological development.

Electricity was the cleanest form of energy in terms of pollution and had an important role in educational upliftment

A post-electrification study in two of the poorest areas in SA had shown that people spent between 32% and 41% less on energy after electrification than they had on an alternative energy source

Reporter must testify, insists magistrate

By Cheryl Hunter

Beeld reporter Andries Cornelissen again refused to testify against ANC Youth League leader Peter Mokaba yesterday, after a Johannesburg magistrate decided the reporter did not have a legal reason for refusing.

Cornelissen was subpoenaed last month following his report on Mokaba's speech at the University of the Witwatersrand campus when Mokaba allegedly used the slogan "Kill the Boer" (ZAP)

The magistrate, J le Roux, said the information which the court had received in Cornelissen's defence had been "speculative, vague and consisted of possibilities and not facts" and "the mere, remote possibility of reprisals does

not amount to a reason for not testifying"

In response to argument by Cornelissen's attorney, Pieter Botha, that if Cornelissen testified it would give the perception that he was on the side of the SAP, Le Roux said the perception could also be given that Cornelissen's reasons for refusing to testify were that he had not provided a true reflection of the facts in his report.

Le Roux concluded: "What others think can never excuse refusing to testify."

Botha tried repeatedly to appeal against this decision but Le Roux refused, explaining that the defence could not make an appeal until sentence had been passed on Cornelissen for refusing to answer the questions

Botha eventually requested a postponement in light of the court's decision. The case continues today.

Prof tipped to accept SABC chair

By Paul Bell

Chairmanship of the new SABC board, plagued by controversy since President de Klerk rejected the first nominee, Professor Njabulo Ndebele, two months ago, could be resolved at its third full meeting today.

Observers expect that Ndebele, who took up the appointment as rector of the University of the North a month ago, will be offered the job by board members and will accept.

Ndebele is the most widely favoured for the job. His appointment would also be the strongest signal by the board that it intends to resist any further interference by the Government

Dr Ivy Matsepe-Casaburri, the acting chairman, might be asked to accept the vice-chairmanship

Among the issues the board must consider today is the nature and responsibilities of the chairman

SABC BOARD CHAIRMANSHIP

ESKOM IS HERE — BUT HOW DID IT ALL BEGIN?



MAKING YOUR LIFE A LITTLE EASIER

Eskom's arrival in Khayelitsha is indeed an important occasion. How did Eskom come to take over the electricity supply rights in Khayelitsha? Let us look at some of the milestones

No Licence

In 1988 the community leaders of Khayelitsha approached Eskom with the request that Eskom undertake the electrification of the core houses. Eskom could not carry this task out as it did not hold the licence to supply electricity to the township.

Eskom did, however, become involved in a limited way as a facilitator — assisting the negotiation process between the Lingeletu West Town Council, the Cape Provincial Administration and the community leaders.

Development Bank

In 1992 attempts by the Lingeletu West Town Council to obtain the money needed to electrify the core houses resulted in the Development Bank of Southern Africa requesting an investigation into the viability of such an electrification project. Studies by the consultants showed that the electrification of the core houses would not be financially viable for the Lingeletu West Town Council. The report of the consultants proposed that consideration be given to Eskom becoming the supply authority for electricity in Khayelitsha.

Licence awarded to Eskom

With the full support of the Lingeletu West Town Council, the Cape Provincial Administration and the community leaders Eskom submitted an application to the Electricity Control Board to take over the supply rights in Khayelitsha. At its meeting on 17 March 1993 the Electricity Control Board approved that the licence to distribute electricity in Khayelitsha be awarded to Eskom.

Community involvement

In Eskom's news release announcing the decision of the Electricity Control Board, Mr Ronnie Kingwill, General Manager of Eskom's Distributor - Cape Town, said "This take-over prepares the way for Eskom to electrify an estimated 50 000 households with the support and involvement of the community."

Following on this Eskom has held many discussions with the community leaders and will continue to do so. There has been close co-operation in regard to technical specifications, involvement of the community during construction and the marketing of electricity.



Informal dwellings at Phillip East have been fitted with token operated meters and with ready boards which replace expensive distribution boards and house wiring.



"On behalf of Eskom I extend a warm word of welcome to our newest customers in the Cape — the people of Khayelitsha. Electricity can make your life a little easier. Let us work together to get electricity to each home in Khayelitsha in as short a time as possible"

Ronnie Kingwill
GENERAL MANAGER — CAPE TOWN DISTRIBUTOR

ELECTRICITY — THE POWER TO CHANGE YOUR LIFE

IN 1992 Eskom's electrification initiatives have brought electricity into the homes and small businesses of almost a million people for the first time.

To bring electricity to an area a lot of expensive equipment must be bought and installed. Eskom, which is run as a business, must look at the viability of this investment. Some of the most important reasons for Eskom deciding to come to Khayelitsha are

- A big demand from the community for electricity,
- To improve the quality of life of the people,
- To stimulate job creation during the construction phase through a labour-based contract system,
- To generate economic growth regionally and nationally;
- Capacity building

Partnership

This project involves a financial risk in that the customer has to pay and Eskom has to invest. All consultations between Eskom and community leaders are based on this basic business principle and other social and political considerations. The bottom line is that Eskom, as a business, sets up a network and provides a service that needs to be jealously protected with pride by both the involved parties — the supplier and the customer. This is the reason for Eskom consulting with the leaders of the community at all levels.

Appeal to community

Eskom wants to appeal to the people of Khayelitsha. "We live in a highly volatile political situation, which neither Eskom nor your community created. Central to this is the provision of a quality electricity supply. Eskom protects it as a business investment. The community has to protect it as a link to an improved quality of life. You, as a community, must please help us protect our employees and property. This will speed up the work of bringing electricity to those who cannot yet enjoy its many benefits and ensure a reliable electricity supply for those who already have it in their homes."

FIRST SWITCH-ON IN AUGUST

THE first connections will be made during August 1993 in the core houses. Ten local contractors will be at work in six areas. These contractors were identified by Eskom from within the Khayelitsha community and then provided with the necessary training. They will carry out all the steps in the electrification process from digging trenches and installing cables and meters to making the connection. If everything goes according to plan this part of the project should be completed by March 1994.

Informal houses

The first informal dwelling will be connected to the electricity network in January 1994. During the remainder of 1994 Eskom plans to connect 20 000 dwellings. Eskom has commenced discussions about this process with the community leaders.

Designs

All designs will be based on the following principles:

- Labour intensive,
- Labour-based,
- Small business involvement,
- High quality of supply

ELECTRICITY MAKES YOUR LIFE EASIER

WITH electricity, you don't have to waste time searching for wood, chopping trees or carrying heavy, expensive fuels home. Because electricity comes to you. And it's there at the flick of a switch.

Electrical appliances make housework a lot less like hard work. And they get the job done so much faster — giving you more time to do other things.

Further, many electrical appliances actually save you money. Take a fridge for instance. It allows you to buy food in bulk at the best prices and keep it fresh. You can keep leftovers from going to waste. And since you don't have to go shopping so often, it saves you time and trouble as well as transportation costs.

But that's not all. Appliances like sewing machines and power tools also allow you to save more money by doing things yourself. And they give you the chance to make money in your spare time and even start a small business of your own at home.

SABC view sought on free political adverts

CT 418193
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JOHANNESBURG. — The Negotiating Council will ask the SABC to comment on the possibility of allowing free television broadcasts by political parties in the run-up to the April 27 elections, the SABC reported yesterday.

All parties at the multi-party talks at Kempton Park agreed paid television advertisements by political parties should not be permitted as the smaller parties could not afford them.

□ Parties free to put their views to voters

SABC board plans major election role

The Argus Correspondent

JOHANNESBURG — The new SABC board, aware of the enormity and sensitivity of the task that confronts the organisation in the run-up to the election, has adopted a series of measures to boost confidence in its election coverage and in the broad legitimacy of the vote.

It is also to seek guidance from the relevant technical committee at the Negotiating Council on the way political broadcasts should be regulated

Following its meeting yesterday, the board committed itself to "do all in its power to ensure the integrity of the election and its outcome in the minds of all South Africans".

It said it was also of one mind that there should be open access to political parties, in order to permit them to put their views to the electorate without any editorial control.

"In order to regulate these broadcasts, and in the absence of an already established Electoral Commission, the board decided that a letter (should) be drafted to the relevant technical committee at the Negotiating Council requesting guidelines on issues related to such broadcasts," the board said

It has also voiced its concern about the low level of voter literacy, and regards it of the utmost importance that a massive voter campaign get off the ground as soon as possible

The measures include

● Monitoring, under the board's direction, of all news and current affairs programmes — in order to ensure equitable coverage of all issues, with special reference to party-political matters during the upcoming election campaign. This measure will be implemented by a "revision" of the SABC's editorial code

● The appointment of an eminent person to head an om-

FRG S/8/93

budsman's office to deal with complaints and suggestions concerning news and current affairs programmes

● The establishment of a steering committee on voter education, drawing in non-governmental organisations, to set criteria for electoral education programmes and advise the board on scheduling

The board has also confirmed the SABC's new policy of "employment equity" and said that, in filling top and middle management posts that fall vacant in the next 18 months, priority should be given to "persons who are not white, with due regard to merit and development of potential skills"

The board, while recognising the existing racial imbalance in the SABC's staffing structure, has accepted the need to uphold merit and to ensure present incumbents that there will be no arbitrary replacement of staff

FW backs

choice of chairman

FRG S/8/93

The Argus Correspondent
JOHANNESBURG. — In two surprise decisions, the SABC board has confirmed acting chairman Ivy Masepe-Casaburri in the post and has appointed as her deputy a member of the old board, Collin Hickling.

The board has also decided to resist pressure for the reinstatement of seven nominees who were rejected by President De Klerk. The decisions were relayed yesterday morning to Mr De Klerk, who later approved the two executive appointments

These, as well as the reappointment of SABC director-general Wynand Harmse, were announced by Dr Casaburri last night.

Mr Harmse, whose contract expires in September, will serve another year, and a further extension to his period of office has not been ruled out.

Government sources privately expressed their satisfaction with the Casaburri decision. Mr De Klerk has also formally ratified the reappointment to the board of Enos Mabuza and Franklin Sonn.

FW de Klerk
re-appoints
^{Lowetun}
two to Board
^{5/8/93}
of SABC

TWO members appointed to the new SABC Board but who resigned soon afterwards were re-appointed by State President FW de Klerk yesterday morning.

They are Dr Enos Mabuza and Mr Franklin Sonn.

Ministry of Home Affairs spokesman Mr Neil du Bois said they were re-appointed after they had made known their availability to Mr de Klerk. Notice to this effect appeared in Wednesday's Government Gazette. — Sapa

Star 5/18/93

Surprise appointments of two to the SABC board

By Paul Bell

In two surprise decisions, the SABC board has confirmed Dr Ivy Matsepe-Casaburri as its acting chairman and appointed as her deputy a member of the old board, Colin Hickling.

The board has also decided to resist pressure for the re-instatement of seven nominees who were rejected by President de Klerk.

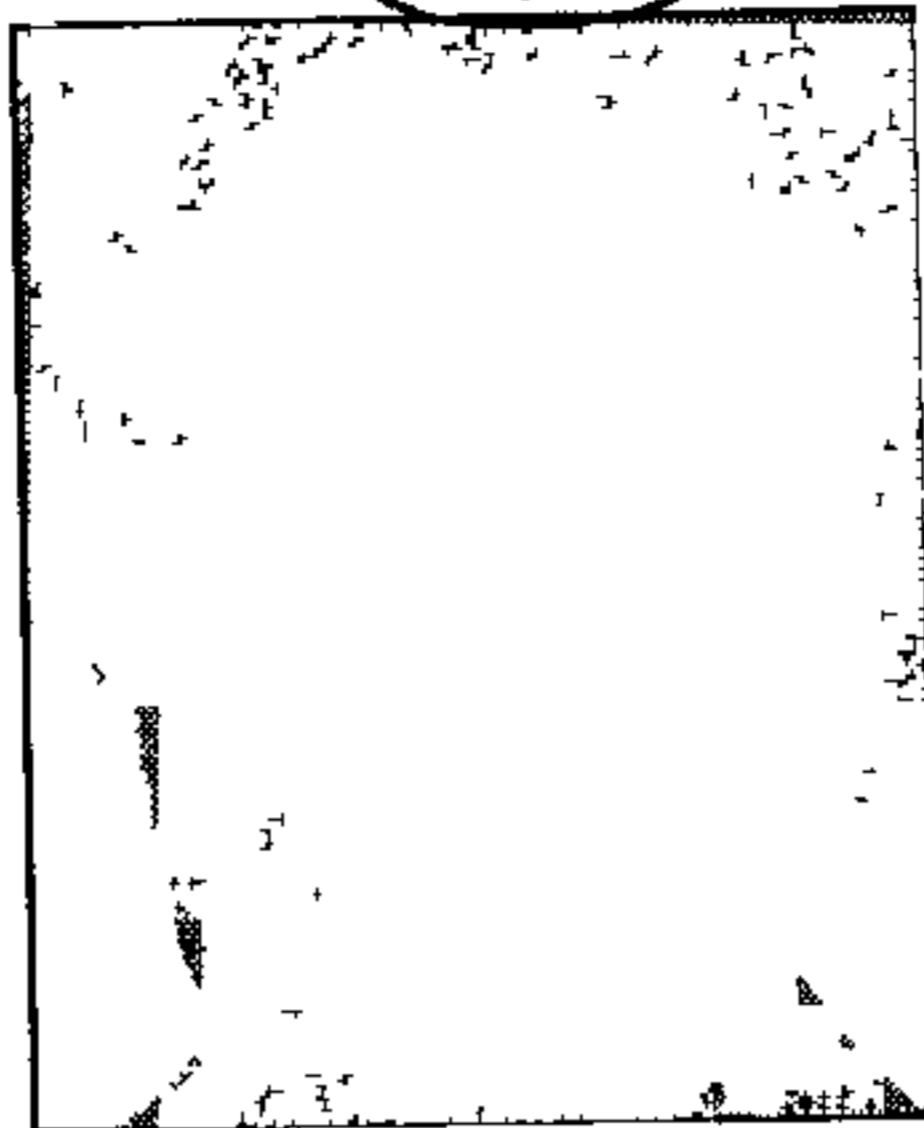
These decisions were relayed yesterday morning to De Klerk, who later approved the two executive appointments.

These, as well as the re-appointment of SABC director-general Wynand Harmse, were announced by Casaburri herself last night. Harmse, whose contract expires next month, will serve another year.

A further extension to his period of office has specifically not been ruled out.

Government sources have privately expressed their satisfaction with the Casaburri-Hickling decision.

Clearly, the appointment of Hickling — a Bloemfontein accountant who is expected to boost the board's financial ex-



Dr Ivy Matsepe-Casaburri . . . acting chairman.

pertise — has assured the Government that the board's executive includes the continuity and experience it would have hoped for. Casaburri is understood to have met Home Affairs Minister Dame Schutte on Monday.

Casaburri's appointment dashed the expectations of many, including the leadership of the ANC, as well as representations made yesterday to the board by the Campaign for Independent Broadcasting

The CIB had argued that the board should try to undo the damage to its credibility by reverting to the original candidate nominated by Mr Justice Ismail Mahomed's selection panel, Professor Njabulo Ndebele. It also recommended the reinstatement of the original seven nominees.

The appointments end two months of uncertainty, but may not end the controversy. Although the CIB made no official comment, it was unlikely to be mollified by Casaburri's recognition "of the role the CIB played in establishing the process whereby the board was elected".

Rather, sources close to the CIB expressed surprise at the Casaburri decision, and even incredulity at the appointment of Hickling as deputy.

● The State President has also formally ratified the reappointment to the board of Enos Mabuza and Franklin Sonn, both of whom had been persuaded to reverse their resignations.

● SABC prepares for big day — Page 9

Star 5/8/93

SABC prepares for big day

260

By Paul Bell

Aware of the enormity and sensitivity of the task that confronts the SABC in the run-up to the election, the new SABC Board has adopted a series of measures to boost confidence in its election coverage and in the broad legitimacy of the elections themselves.

It is also to seek guidance from the relevant technical committee at the Negotiating Council on the way political broadcasts should be regulated.

After its meeting yesterday, the board committed itself to "do all in its power to ensure the integrity of the election and its outcome in the minds of all South Africans".

It said it was also of one mind "that there should be open access to political parties, in

order to permit them to put their views to the electorate without any editorial control".

It has also voiced its concern about the low level of voter literacy, and regarded it of utmost importance that a massive voter campaign get off the ground as soon as possible. "To this end the SABC accepts it has a major role to play"

The measures include:

- Monitoring, under the board's direction, of all news and current affairs programmes to ensure equitable coverage of all issues, particularly party-political matters. This measure would be initiated by a "revision" of the SABC editorial code.

- The appointment of an eminent person to head an ombudsman's office to deal with complaints and suggestions con-

cerning news and current affairs programmes. The ombudsman would have the authority to arbitrate on public disputes over SABC news programmes and could call on the board's support if he did not get co-operation from broadcasting chiefs.

- The establishment of a steering committee on voter education, drawing in non-governmental organisations, to set criteria for electoral education programmes.

The board has also confirmed the SABC's new policy of "employment equity" and said that, in filling top and middle-management posts that fall vacant in the next 18 months, priority should be given to "persons who are not white, with due regard to merit and development of potential skills".

Educationist named as new SABC board chief

Own Correspondent

JOHANNESBURG — The new SABC board ended months of uncertainty and confusion yesterday by electing educationist Dr Ivy Matsepe-Casaburri as its new chairman

Last night the new board with Dr Matsepe-Casaburri at the helm announced a string of changes at Auckland Park, including a decision to retain its incumbent chief executive Mr Wynand Harmse

Dr Matsepe-Casaburri has served as acting chairman since Dr Van Zyl Slabbert turned down his appointment by President F W de Klerk two months ago

President De Klerk has approved Dr Matsepe-Casaburri's appointment

Dr Matsepe-Casaburri announced that the corporation's editorial code was to be revised and publicised, and that an ombudsman was to be appointed

She also announced the formation of a committee to devise cri-

teria for the judgment of voter education material and said the board had unanimously agreed that political parties should have open access to the SABC during the run-up to next year's election

She announced a programme of affirmative action at the SABC but said this would have to be done practically so as to prevent an exodus of skills.

Priority would be given to black people in filling top and middle management posts falling vacant in the next 18 months

New SABC board decisions welcomed

2160 CT 6/18/93

THE National Party and the Democratic Party yesterday welcomed the appointment of Dr Ivy Matsepe-Casaburri as chairwoman of the SABC board and Mr Colin Hickling as vice-chairman.

But the Campaign for Independent Broadcasting (CIB) — while welcoming Dr Matsepe-Casaburri's appointment — expressed disappointment that Professor Njabulo Ndebele, originally chosen as chairman, had declined to stand again at Wednesday's board meeting.

DP media spokesman Mr Peter Soal said decisions, taken at the board meeting, including the appointment of an ombudsman, were a turning point in SABC history.

He said the new board had the opportunity to change the SABC from the government's "propaganda arm" to a service for "all the people of South Africa".

CIB co-chairman Mr Raymond Louw expressed concern at the 12-month extension of Mr Wynand Harmse's term as SABC chief executive officer.

He said the CIB was also "extremely perturbed" the board had not "resolved the issue of the seven members ousted as a consequence of the State President's intervention in the selection process" — Political Staff, Sapa

Controversy over board's decision on Harmse

Paul Stober and Ferial Haffajee

(260) WJM 6-12/8/93
CONTROVERSY has greeted the decision of the fledgling South African Broadcasting Corporation's board to extend the tenure of director-general Wynand Harmse

In what seemed a conciliatory gesture, the new SABC board announced that Harmse would be kept on for a year for the sake of continuity.

Raymond Louw, chairman of the Campaign for Open Media, described the decision as "highly regrettable. The SABC cannot change from a government-controlled organisation to a professional and independent operation with the same top structure," he said. Louw added that the top SABC management had "grown up in a culture of subservience to the National Party government and has not shown the ability to move away from this."

Senior African National Congress sources added that the SABC needed "a cleaning out of the stables." Louw believed the new board would not be able to effectively intervene in the day-to-day running of the SABC. "The

board makes policy for the SABC. The last chairman was too active in running its affairs," he said. Harmse could contribute to a skills continuity, but "that does not mean he must remain chief executive officer"

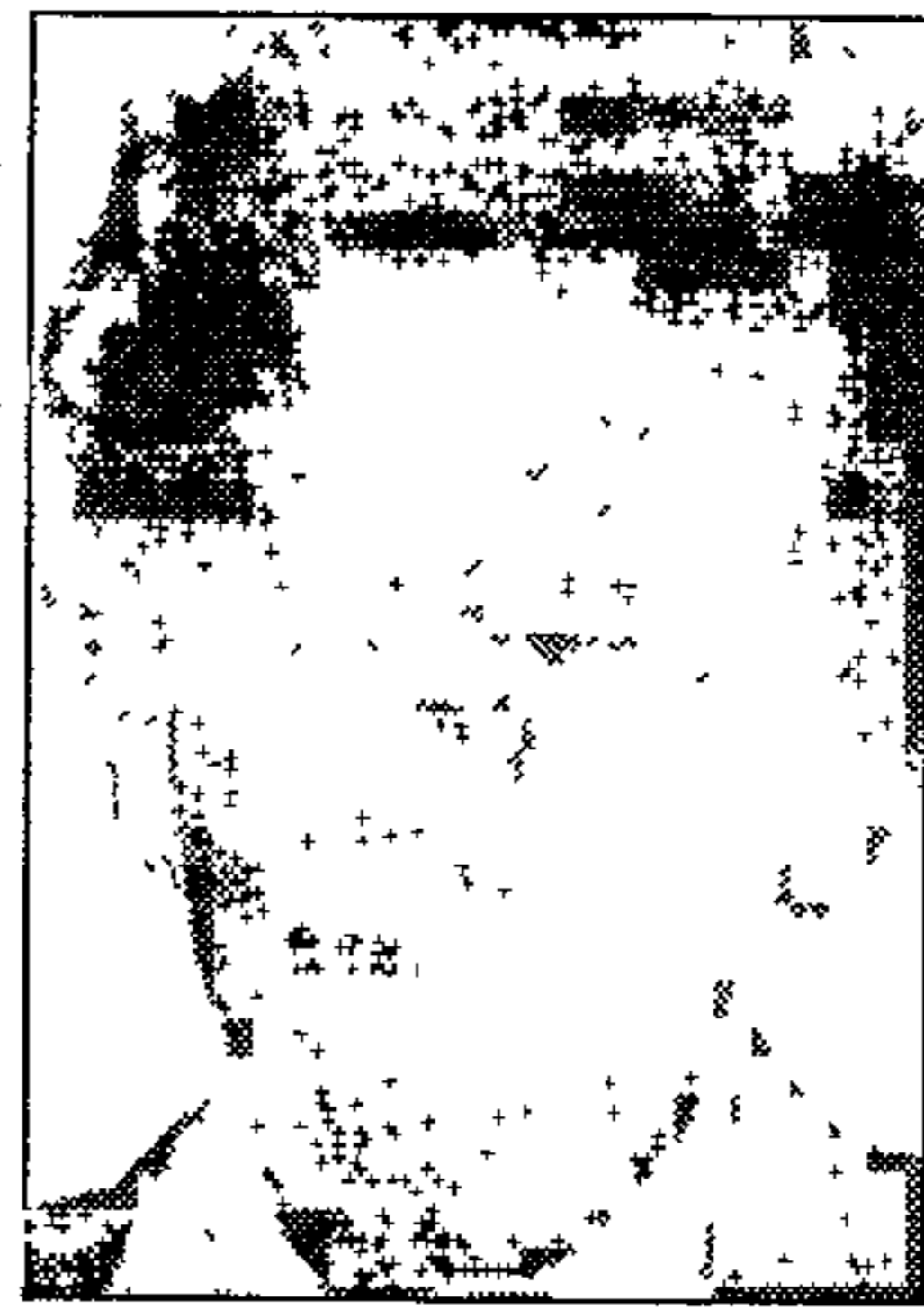
The SABC board on Wednesday rejected representations by the Campaign for Independent Broadcasting for the reinstatement of the seven board members — including suggested chairman Professor Njabulo Ndebele, whose appointment was vetoed by President FW de Klerk.

"The board decided to retain its present composition," said Dr Ivy Matsepe-Casaburri, who was elected chairman of the board in a surprise decision.

Earlier in the week, Ndebele was tipped for reinstatement. But he reportedly said yesterday "It seemed I would be contributing to the unity of the board and facilitating its work if I did not make myself available for the position of chairperson."

Both Franklin Sonn and Enos Mabuza withdrew their resignations from the board and were reappointed this week.

Matsepe-Casaburri was an



Chairman ... Ivy Matsepe-Casaburri

exile in Lusaka and returned to South Africa in 1990. With a doctorate in sociology, she is director of the Education Development Trust, a position she has held since October 1990.

She also heads the research desk of the National Women's Coalition.

A political animal, Matsepe-Casaburri does not have the reputation of political independence that made Ndebele a popular choice in some circles.

She is active in the ANC Women's League and was nominated for a national executive committee position on the ANC at its 1991 congress, narrowly missing election.

'Watch us like hawks'

(260)

ARG 7/8/93

... that's the warning from a member of new SABC board

PETA THORNYCROFT
Weekend Argus Reporter

IT was an extraordinary sight. Ivy Matsepe Casaburri, small, plump, nervous Cocooned and cosseted and dwarfed by large, white, chivalrous Afrikaans men who ushered her protectively into her lilac chairwoman's seat

On one side chief executive Wynand Harmse, eyes modestly lowered, was gracious in accepting the accolades of "loyal service"

On the other side, as master of ceremonies, "Sakkie" Burger of the pleasant voice. He's the SABC's powerful strategic planner. That he looks uncannily like his brother, former CCB operative Staal Burger, was momentarily disturbing, but soon forgotten.

Next to the new chair, Colin Hickling from Bloemfontein, the deputy who has already served the board uncontroversially for several years

Then there was Njabulo Ndebele, the professor who was kicked out of the chairman's post by President De Klerk because, among other perceived

■ THE new SABC board has agreed to increase licence fees at its first substantive meeting and one of its members has warned: "You, the public, are going to have to watch us like hawks."

short-comings, he didn't speak Afrikaans. But then neither does Dr Casaburri.

He was there, at the top table, to give the board his "unambiguous" support, having astonishingly lost a secret ballot in the boardroom to the lady.

There was, given the board's composition of some one-time critics of the SABC, a smooth passage for the management

It proposed and succeeded in getting the board to agree to a 7,5 percent increase in licence fees. One or two voices of protest were raised at this. Surely, said one, licence fees should not be raised until the question of language equity had been reached. Not all language groups were equally served by the SABC and dubbing programmes into Afrikaans cost R30 million a year.

If dubbing ended, then licence fees wouldn't have to be

raised. And so on

But nothing was more surprising than the "unanimous" endorsement of the extension of Mr Harmse's contract. The question of his position was not on the original agenda.

When the matter was raised Professor Ndebele was out of the room writing a Press statement. Frederik van Zyl Slabbert was overseas and thus absent from the meeting and Franklin Sonn had been unable to attend.

Initially, former chairman Christo Viljoen pointed out that in these days of transition, and with an election looming, Mr Harmse should be retained, for continuity's sake. He suggested a few months. He made a powerful case for Mr Harmse, saying that finding a new chief executive was a lengthy process.

The board listened attentively, and Billy Modise, a former

ANC diplomat, suggested a few months was not long enough. He said the extension should be for a year

This was agreed unanimously.

A board member said when Professor Ndebele returned to the room and heard the news, his face "showed the utmost dismay - he was clearly horrified" But it was too late. The deal had been done, without a whimper.

Dr Casaburri told the Press Mr Harmse had served the SABC loyally for 31 years. And that the extension of his contract for a further year did not preclude him from being reappointed at the end of that period

Outside the auditorium there was a mixed reaction. From some black SABC members and some whites who had hoped for change there was disbelief that the new board had crumbled so completely to the old order. Others expressed relief. For them there would be no change. And the staffing at the SABC is 99 percent white at senior level, with whites accounting for about 84 percent of the 5 500 employees at Auckland Park

So why did the board, with one or two exceptions, capitulate so readily? "Struggle fatigue," was one reason given by a board member. "Fear of De Klerk's interference" was another. But the more surprising one was "The board members, including the blacks, with one or two exceptions, like being there. It's power"

"You should watch us like hawks. If we carry on like we have so far, nothing will change. We will not be the board of a public broadcaster. The status quo will remain. And we are going to have to fight for transparency"

Ivy Matsepe Casaburri a distinguished academic

IVY Matsepe Casaburri has had a distinguished academic career and was in exile for 30 years.

She is executive director of the Education Development Trust in Johannesburg and has been a long-time supporter of the ANC.

She left South Africa with a Bachelor of Arts degree from Fort Hare, taught in Swaziland, studied and obtained her doctorate in the United States, taught in Zambia and has a string of professional memberships.

The second part of her surname is from her marriage, now ended, to an Italian academic. She has no children and lives near Alberton.



SHE'S TOO BUSY TO RUN THE SHOW, BUT WILL BE REELECTED TO THE SEAT IN THE FUTURE

By SHARON CHETTY

THE new chairman of the SABC board, Dr Ivy Matsepe-Casaburri, is not a woman used to waiting in queues.

So, when next she enters South Africa's broadcasting headquarters, the door security guards who treated her as a commoner two weeks ago had better shape up.

Their bosses are certain to order VIP treatment for the woman now in charge of southern Africa's most powerful television station.

Dr Matsepe-Casaburri was elected to head the board on Wednesday after three months of controversy, and in a timeframe she describes as "historic".

Since then, the shy lawyer-cum-sociologist-cum-educationalist has been thrown into the media spotlight — something she is clearly uncomfortable with.

Pressure

Dr Matsepe-Casaburri is guarded about her personal life. She will not say if she is married or has children.

"I have a very close-knit family and I do not want any pressure on them," she said, refusing to divulge her age or even the name of the "small" Free State town where she was born and lived until leaving to travel abroad more than 20 years ago.

When it comes to tackling her latest task, she's well aware that it's not going to be easy to change the SABC from a conservative, white, male-dominated



IVY MATSEPE-CASABURRI: 'No new policy can be effective unless we have the rest of the people behind us'

corporation to one that is more representative of all South Africans

"I'm a strong believer in collective leadership. No new policy can be effective unless we have the rest of the people behind us," she said.

"I'm not going to be the one who decides on what is going to be done. For the first time, we have a board that is truly diverse, and I am confident we have the national interests at heart."

"The SABC is a national asset, but it is also a business. Everyone on the board is learning, and we know we have a national duty to perform."

Rejected

Dr Matsepe-Casaburri is relieved the board has sorted out the problem of a chairman and can now get down to work.

Within the next two weeks, the 25 members will hold a strategic planning meeting to decide on their priorities.

Their plans to appoint an ombudsman, revise the existing editorial code, introduce a voter-education project and revamp TSS will be discussed.

At this week's meeting, the board voted against reinstating seven people originally nominated by the selection panel, but who were rejected by President FW de Klerk.

"The final decision would not have been left to us," said Dr Matsepe-Casaburri. "Had we asked for a 32-person board, it would have meant a change in the Act governing the SABC — a process that could have been long and drawn out."

When she returned in 1990 from Zambia, where she worked for the United Nations Institute for Namibia, she took up the directorship of the Education Development Trust in Johannesburg.

Hectic

Dr Matsepe-Casaburri, who holds a Masters and Ph D in sociology from Rutgers University in the US, works with several organisations involved with women, youth and education issues, and serves on the council of the University of Durban-Westville.

She is also president of the Association of African Women for Research and Development, a group that deals with gender issues on the continent.

With such a hectic schedule, Dr Matsepe-Casaburri says she has no time to watch any television; she barely manages to catch the news every day.

Law delayed, SABC keeps its monopoly

S Times (Buss)
8/8/93

NO NEW licences for radio or TV broadcasters are likely to be issued until next year because of delays in drafting the Independent Broadcasting Authority Bill

The delay means the SABC will handle nearly all pre-election broadcasting.

It was decided originally to speed legislation so that independent radio and TV stations could open before the election, breaking the SABC monopoly

The Independent Broadcasting Authority (IBA) will take over the issue of licences from the Department of Home Affairs. The SABC will lose its veto on licences

The fifth draft of the bill was tabled by the technical committee of the multi-party forum at the World Trade Centre this week. It says some areas "require more precise and technically correct legislative drafting"

Cal Kennedy, director of Luminon Outside Broadcast and former producer of M-Net's John Berks Show, says "The purpose of getting the IBA Bill in place this year was to make sure there was sufficient diversity of political views in the run-up to the election

Consortium

"The IBA is unlikely to be appointed before December. This means licences will not be issued until February. The stations will not be able to start much before the election."

Mr Kennedy heads a consortium of businessmen who have applied for a temporary TV licence in the Johannesburg area

A member of the technical committee, who may not be named, says "There are two schools of thought on the matter. One wants the IBA Bill passed as soon as possible. The other says we should not rush. Because this bill will survive the transition, it is important to make sure it creates the right framework for future broadcasting"

Critics suggest that one reason for the delay is concern about competition's financial effect on the SABC

SABC chief executive Wynand Harmse

By CIARAN RYAN

says a new national TV network would deprive SABC of between R300-million and R500-million a year in advertising revenue. The SABC showed a R64-million surplus last year.

The technical committee member says "The SABC's financial future is not an overriding concern. But there must be room for rationalisation of some regional SABC services"

The issue of licences for radio and TV stations by the Department of Home Affairs was halted pending the legislation. More than 100 radio and several TV licence applications are pending

The draft legislation has been criticised for "over-regulation"

Mr Kennedy says. "We are supposed to be deregulating, but this draft bill replaces the arbitrary system of the past by another set of rigid regulations"

The fifth draft removes the contentious issue of racial quotas in broadcasting, replacing it with a vague reference to "equal opportunities" in employment. It encourages media ownership by disadvantaged groups, but requires applicants to show their business record and financial standing

Three types of licences are proposed: public, private and community. Applicants for community licences must indicate whether or not they are for profit or not and have the support of the community they propose to serve. No foreign control of a broadcast licence is permitted. Foreign ownership is limited to 20%.

Nobody is allowed to control more than one TV and two radio licences. No political parties may be granted licences and strict limits will be placed on cross-media control of broadcasting. The bill also lays down minimum SA content requirements for programmes

TV licences will last for eight years, six years for radio. Community radio or TV licences will be valid for four years

New head is keeping mum

By NONVULA KHALO
and MOSES MAMALA

THE new head of the SABC board, Dr Ivy Masepe-Casaburri, is a closed book

All a lengthy City Press interview could extract from her was an admission that her new seat is abuzz and that she is ready to face the challenge

"I am a workaholic and am prepared to face the challenges of the hot seat. I hope my hair will be getting greyer and that I will be old soon," she said

Masepe-Casaburri was born in a small town in the OFS. She would not release the name of the town because she said she wanted to "protect" her family

Asked when she was born she replied "A long time ago. I am older than you"

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City Press

18/9/82

She holds a BA degree from Fort Hare university and an MA and PhD in sociology from Rutgers university in New Brunswick, USA

Asked when and why she left the country, she said she went abroad 20 years ago to study law

She refused to answer any question about her family - when she got married, how many kids she has and where she met her husband

Although she refused to talk about her political affiliations, she revealed that she was "highly" political

However, on the rare occasions when she was willing to answer questions, she was articulate

"As board members we are policy-makers, but we do not implement those policies. Yet it is our duty to see to it that those policies are implemented. The SABC is a national resource and should be used by all the various sectors of the community

"For instance, as political organisations campaign for elections, no organisation should be given more coverage than another

"Another encouraging decision that has been taken is that no organisation will be allowed to pay for election advertising. If this were allowed, those organisations with the most resources would have the most coverage," she said

She said the board would hold a strategic planning session on August 14 and 15 to look at various issues, including the matter of those languages not covered on television

She added that she thought the SABC was still biased on gender and political issues, and hoped these matters would be addressed



HOT SEAT... New head of the SABC board Dr Ivy Masepe-Casaburri was not very forthcoming.

Picture: PANYAZA MGINENKA

Drive to 'reform SABC'

DENNIS CRUYWAGEN
Political Staff

A DESIRE to help new board chairman Ivy Matsepe-Caasaburri "do the right thing" and reform the SABC played a major role in Franklin Sonn's decision to take up a position on the SABC board

The Peninsula Technikon rector and Enos Mabuza, former Chief Minister of Kwangane, attended their first board meeting last week after quitting the board after allegations that President De Klerk had tried to veto some appointments

"I understand that Mr De Klerk did not want me there. He said my political profile was too high I said if this was the case I would not take my place on the board," Mr Sonn said

However, he agreed to reconsider his position after being told by Dr Matsepe-Caasa-

burri that the board had unanimously mandated her to ask him to return.

"When she called me after three days I said I would attend the next meeting."

The decision to serve on the board had not been easy and was reached only after some deep soul-searching and discussions with his family and friends. **AR 9/8/93**

"I decided it was important to strengthen the hand of the progressives at the SABC"

But the fact that "our people and the region were under-represented on the board also gnawed at me."

Mr Sonn said his initial refusal to serve on the board had also highlighted the political mess around its appointment.

"Dr Matsepe-Caasaburri is good, but needs support. We need to do the right thing and reform the SABC." **(260)**

Relief that SABC board Star 9/8/93 strife is over

The appointments of the new SABC board chairman Dr Ivy Matsepe-Casaburri and Colin Hickling as vice-chairman have been broadly welcomed and many organisations expressed relief that the controversial issue had been resolved.

President de Klerk accepted the board's recommendations for these positions (260)

The board said in a statement on Wednesday that it would strive to be independent and ensure its credibility was broadly welcomed.

The Campaign for Independent Broadcasting (CIB) said it was disappointed that the original choice of the selection panel, Professor Njabulo Ndebele, did not put himself forward for the position of chairman.

The CIB said it was perturbed that the State President had effectively impeded the selection process by a veto of the original nominees.

NP media spokesman Marthinus van Schalkwyk said decisions made by the board so far had shown that it was trying



Welcomed Dr Ivy Matsepe-Casaburri

to put its impartiality beyond question.

DP spokesman Peter Soal also welcomed the extension of the term of office of chief executive Wynand Harmse to provide continuity.

The CIB, however, condemned Harmse's retention, saying a break with the past was needed.

Various organisations welcomed the creation of an independent ombudsman as well as voter education that the board has pledged itself to — Own Correspondent and Staff Reporter

Volksfront withdraws broadcast threat

DIRK VAN EEDEN

THE Afrikaner Volksfront yesterday withdrew its threat to open an illegal radio station after Home Affairs Minister Dame Schutte explained the procedure for the granting of broadcasting licences.

Volksfront directorate chairman Gen Constand Viljoen said last night Schutte had explained the procedure to him and members of the Afrikaner Kulturbond, the Volksfront member organisation which planned to open the radio station.

They were satisfied that no licences could be granted until Parliament promulgated new broadcasting legislation. Earlier yesterday, Volksfront director

Gen Tienie Groenewald said the organisation already had the necessary equipment and was considering illegal broadcasts should government not grant it a licence.

"Radio Freedom is still broadcasting illegally and we don't see why we cannot do the same." He said with the new SABC board the ANC had a "massive propaganda machine" while the Volksfront had no access to the electronic media.

Viljoen emphasised that the radio station would promote Afrikaner culture and would not be a Volksfront propaganda machine.

(260)

Star 10/8/98

Iscor faces united stand from unions

■ BY PAUL BELL
LABOUR CORRESPONDENT

Two major right-wing white unions, the Mineworkers' Union and SA Iron and Steel, have accused Iscor of ineptitude in the downscaling of its Pretoria works. And, remarkably, they appear to have the support — and possible co-operation — of their arch-rivals, the National Union of Metalworkers of SA.

The MWU and Iron and Steel say Iscor's plans to scale down operations at its Pretoria plant have caused "stress and panic" among the up to 1 600 workers affected. The unions will hold a joint meeting today to discuss "future action".

They ask why workers who have been told they are to be "rationalised" in December have been "ordered to produce at full steam to build enough stocks".

Iscor is accused of aimless management and the unions say they cannot be expected to go along with its "freakishness".

A Numsa source confirmed that it too was unhappy, and that there had been talk of possible co-operation with the MWU and Iron and Steel. There had even been a loose invitation to Numsa members to join a demonstration by the Afrikaner Weerstandsbeweging. (260)

An Iscor spokesman said the rationalisation of the Pretoria works had been under consideration for 10 years. (189)

Major expansions at Pretoria could not be considered because of the lack of space, and it had not been possible to accommodate all workers.

Doubts over 'vision' of SABC staff

GARNER THOMSON

The Argus Foreign Service

LONDON — The staff of the SABC could be shifting their allegiance from one political master to another rather than working towards a new era of independence, the Financial Times reported in a lengthy review of changes in South African broadcasting.

(260 ARG 11/8/93)
Despite hopes that an SABC separate from the National Party is in the offing, "there are signs that the SABC is preparing, not for independence, but for a new kind of servitude", it said.

The newspaper's Southern African correspondent, Patti Waldmeir, reported concern and confusion over who is really in charge of the service, the National Party or the ANC, with the staff "obeying both masters in turn, but never acting independently".

She recalled several incidents indicating the new power of the ANC, including its "hagiographical" posthumous portrait of assassinated ANC leader Chris Hani, and the re-broadcasting of an uncut version of Nelson Mandela's appeal for calm on the eve of a national day of mourning.

The report quoted media lawyer David Dixon as suggesting that "national interest" had come to mean the interests of the government of the day — "in this case, the government-in-waiting".

Professor Gavin Stewart, head of Rhodes University's school of journalism, blamed the combination of religion and politics for conspiring to create a "sycophantic culture" at the SABC.

Ms Waldmeir conceded that news coverage had improved since President P W Botha left office in 1989, although the SABC news continued to reflect "undue deference" to the presidential viewpoint.

She said the new SABC board, headed by Ivy Matsepe-Casaburri, might succeed in building credibility, but doubted whether the culture of an organisation with 5 000 employees, 22 radio stations, 12.5 million listeners and 8.8 million daily viewers could be transformed overnight.

Affirmative action was under way in the SABC, but real change might still prove to be a problem. "With the SABC as monopoly broadcaster for 57 years, there are few trained broadcasters who did not grow up in the culture of the SABC," she said.

And despite looming deregulation, Ms Waldmeir quoted broadcasting experts as believing that the SABC could remain in effective control of television.

She said "If it remains a monopoly, the risk is that a new government — faced with the political instability expected to plague the first few years of the new South Africa — would eventually be tempted to abuse the SABC again.

"With that in prospect, viewers would do well to enjoy the present Prague spring. The SABC may never be so free again."

New chairperson for SABC board

By Christelle Terreblanche

PROFESSOR Njabulo Ndebele has not been elected chairperson of the embattled SABC board despite last minute efforts by the Campaign for Independent Broadcasting (CIB) "to restore the integrity of the process" by making him chairperson as originally suggested.

The new chairperson is Dr Ivy

Matsepe-Casaburri, elected acting chairperson for the past few meetings.

Ndebele was originally suggested as chairperson by the panel president FW de Klerk appointed to select a new board.

De Klerk however insisted that Dr Frederick van Zyl Slabbert be appointed chairperson and Matsepe-Casaburri vice-chairperson. It was

also De Klerk's insistence that seven members on the original list be replaced that caused most unhappiness.

Suggestions to the board that they invite the original excluded seven back to form a bigger board were also not accepted by the new board. It is believed De Klerk was unhappy with this suggestion when he met Matsepe-Casaburri on Tuesday.

The new vice-chairperson is Mr Colin Hickling, a member of the "old" board appointed five years ago by then president PW Botha.

Mr Wynand Harnse, chief executive of the SABC, whose contract would have expired soon, has been re-appointed for another year by the board.

The board also announced that it discussed the role of the SABC in voter education and that it would soon revise the rules for election coverage and political reporting.



Allister Sparks

Bleak week for press freedom, on three counts

11/21/93

I T'S been a bad week for the media. First a reporter was sentenced to an unconscionable 12 months' jail for refusing to violate his professional ethics, then the new SABC Board unthinkingly opened the way for future political interference in public broadcasting, and the Negotiating Council seems about to adopt a sadly inadequate "press freedom" clause in the new constitution.

The pursuit, conviction and sentencing of Beeld's Andries Cornelissen for refusing to testify about Peter Mokaba's use of the "Kill the boer" slogan at an ANC youth rally reveals how little officialdom in this country understands about the role of the press in a democracy — and thus about democracy itself.

Which I suppose is hardly surprising, considering the system in which they were nurtured.

The point is that the free flow of information is fundamental to the functioning of a democratic system. The public has to be fully informed in order to make rational choices.

If people are inadequately informed, if the information they get is incomplete or distorted, then they are subject to manipulation.

As judge Richard Goldstone put it the other day: "Show me a country where there is not a free press and I

will show you a country where human rights are trampled upon."

Transvaal Attorney-General, Klaus Otto Constanin Peter von Lieres und Wilkau — whose other claim to fame is that he was a member of the Steyn Commission which probed the media during the P W Botha era — says if reporters can't be grabbed and forced to testify about what they have seen and heard in the course of their duties, then "society will slide down the slippery slope to anarchy."

What the Attorney-General does not understand is that if reporters are turned into copper's marks in this way, they cease to do their job.

Investigative reporting will die because no one with knowledge of graft or malfeasance will disclose what he knows if he believes the reporter is no better than a police informant who is going to turn him in and testify against him.

And reporters will either be barred from meetings like the one Cornelissen attended, or they will be marked men and women if the crowds regard them as potential *inzympies*.

Then South Africa will slide down the slippery slope, not to anarchy but to corruption, bad government and authoritarianism. Where, of course, it has already been.

Von Lieres says it is everyone's public duty to give the evidence they have. Generally speaking, yes, but there are important exceptions. Dip-



Mr Justice Goldstone . . . knows the importance of a free press.

lomats are protected, and the police don't as a rule wait outside confessions for the prestis to emerge.

The Attorney-General recognises another exception in the sanctity of the client-attorney relationship, which he says is essential to the proper functioning of the legal system. But he fails to recognise that the sanctity of the source-reporter relationship is just as crucial to the proper functioning of the news system.

The bungles associated with the appointment of the new SABC board are now almost beyond counting, but there is one which strikes me as particularly unfortunate. By electing Colin Hickung — one of the seven members appointed to the board as a result of President de Klerk's intervention — as deputy chairman, the

2100

board has legitimised that intervention, and established a precedent.

The whole purpose of the elaborate process of having an independent panel choose the new board after holding public hearings was to insulate the SABC against political interference, now and in the future.

Regrettably President de Klerk could not see the long-term importance of this. He was too concerned with the immediate political numbers game, and so he intervened, demanding changes.

There was not much the board itself could do about that. The President's action put board members in an awkward and embarrassing situation. But at least they could have accepted the *fait accompli* in a spirit of reluctant pragmatism without endorsing De Klerk's interference by electing one of his number to the deputy chairmanship.

That strips away the last of the insulation. With political interference now underwritten by the board itself, the way is open for Nelson Mandela to claim the right of precedent to do the same when he becomes President next year.

Which brings us to the draft Bill of Fundamental Rights for the new constitution, which contains a seriously inadequate clause on freedom of speech and the media. The putative defenders of democracy have been more concerned about the preserva-

tion of property rights. The clause states: "Every person shall have the right to freedom of speech and expression which shall include freedom of the press and other media."

The inadequacy becomes apparent when one compares it with the First Amendment of the United States Constitution, which states: "Congress shall make no law abridging the freedom of speech, or of the press."

The difference lies in a crucial shifting of the onus of proof in any test case. Our clause as it stands would require an individual complainant to prove that a new law infringed his right of free expression at that particular moment.

It would not be enough to say his rights might be infringed some time in the future.

The American wording places the burden of proof on the legislature. There would be a *prima facie* case of infringement and the body passing the new law would have to justify it. The clause also caters for contingent rights which may be impaired in the future.

Perhaps the most striking illustration of the difference is that Section 205 of the Criminal Procedure Act, the law under which Andries Cornelissen has just been sentenced to jail, would almost certainly be declared unconstitutional under the US First Amendment.

Call for talks info on TV

(260)
CT138/93

JOHANNESBURG. — A publicity officer should be appointed to appear regularly on television to convey important decisions reached at the democracy talks

This was one of the recommendations made yesterday by the Technical Committee on Violence in which the media, and SATV in particular, came in for a tongue-lashing for its reporting on violence.

The criticism was led by the chairman of the committee, Mr Paul Hatty of Rand Coal, who claimed there were instances where the media made premature accusations concerning violence, only to have to withdraw them later

"No one knows how many people have died because of such accusations," he told the 23 participants in the Negotiating Council

In its latest report to the Negotiating Council, the committee

Violence coverage criticised

said "The right of the public to know through the media is accepted, but the media needs to be more wary about giving judgments without facts and creating potential conflict situations"

Rounding on the SABC in particular, the report said "The committee has noted with great concern the negative reporting of news by SATV

"Almost every day the headlines are on violence. Sometimes statements are made which suggest that a particular political party is either responsible or likely to be responsible for particular acts of violence

"This is a matter the Multiparty Negotiating Process should handle with the authorities of the SABC"

The committee also voiced its concern about the prevailing ignorance about the talks

It said it was clear that the flow of information about the negotiation process had not yet led to an adequate and constructive public comprehension

The committee also recommended

● Establishing a publicity desk,

● Translating decisions/resolutions into various African languages and having these broadcast by the SABC, given to African language newspapers and sent to tribal authority structures and hostels throughout the country, and

● Making "vigorous attempts" to popularise the negotiations process to correct the negative impressions created by the opponents of the process — Sapa

Unions consider Iscor offer

ISCOR expects the three unions which represent the majority of its workers to respond to its 6% final wage offer today or on Monday, after a shortlived pact between the unions appeared to break down yesterday.

Indications are that the offer will be accepted with the proviso that negotiations resume in October on an additional 2% increase to be implemented in January. *Bibay*

The unions — the right-wing SA Iron, Steel and Allied Industries' Union (SAISAIU) and Mine Workers' Union (MWU) and the Cosatu-aligned National Union of Metalworkers of SA (Numsa) — issued a joint release last month rejecting the offer.

However, Numsa spokesman Chris Ndebele said only Numsa and the MWU had declared formal disputes. SAISAIU held a meeting with Iscor management in an attempt to resolve the dispute. *13/8/93*

ERICA JANKOWITZ

In these subsequent negotiations, Iscor offered to review its final offer in October after results from the first quarter of its new financial year were released. The 6% increase would be backdated to July 1.

Ndebele said Numsa would approach its allies in a bid to get Iscor to agree to implement the additional offer only to members of unions which had declared disputes.

He said the issue of an agency shop had been rejected by Iscor, but Numsa was determined to bring this up at the October negotiations.

Numsa would reapproach MWU and SAISAIU with a view to "showing them the correct direction". To date, workers from all three unions have held joint demonstrations on wages.

Iscor said its Pretoria plant would shed about 1 400 jobs by the end of the year. *(260) (357)*

No election adverts on TV ... but no one's complaining

(260) cum 13-19/8/93

In the US, elections are lost and won on TV. But that probably won't happen here, thanks to a plan to level the media playing fields, reports Mark Gevisser

SWEEPING shots of meadow fields to a Wagnerian soundtrack. Black and white children sharing sandwiches on the playground. Happy, smiling faces. Suddenly the music begins to distort, and we see Peter Mokaba chanting: "Kill the boer, kill the farmer!", face contorted in anger and rage. Cut to FW de Klerk, smiling and avuncular, pressing flesh at a rally. Dissolve into an image of Nelson Mandela looking lost, hopeless, ill, old. A long shot down Shell House corridors, showing the disrepair, the disorganisation. A voice-

over "This is the African National Congress' headquarters. Is this what you want your country to look like? Vote for the future. Vote National Party."

A shot of the National Party cabinet walking together, smug and satisfied. The camera picks up cabinet members one by one and, in blood-red letters, the text "GUILTY!" is stamped across them. The portraits are interspersed with footage from Sharpeville, Soweto, Uitenhage, Bisho, policemen killing black people. A voice-over intones: "These are the men responsible for apartheid. Would you trust them with your future? Vote ANC."

IF political advertising were to be allowed on South African television, we might well be confronted with such imagery come voting time next April. Electioneering that is innovative, effective, manipulative and exorbitantly expensive. Prime-time ad rates on TV1, for example, range between R18 000 and R47 000 per 30 seconds.

But two laws to be approved by the negotiating council this week — the Independent Broadcasting Authority Act and the Independent Media Commission Act — have placed a prohibition on political advertising on television.

This, says ANC media negotiator Joel Netshitenzhe, is "because the costs of TV advertising are so high that it would automatically favour wealthier parties and discriminate against smaller parties."

Inkatha Freedom Party representative Ed Tillet concurs. "If the richer parties were permitted to mount extravagant election packages for TV consumption, it would penalise smaller parties that do not have resources. Those with the purse strings mustn't be allowed to

enjoy a monopoly on the tugging on heart strings of the population."

Surprisingly, all parties agree with this — including the biggest potential spenders, the ANC and the NP. The advertising industry, too, understands the rationale and supports the prohibition. "Obviously," says Ogilvy & Mather deputy managing director John Montgomery, "the ruling party will have more money to spend on television than anyone else. So disallowing political advertising on TV will work somewhat towards levelling the playing field."

In the United States, candidates sink or swim on their electronically mediated images. Ronald Reagan stayed in power for two terms, for example, because he was able to wield something of a Hollywood spell over the electorate.

And, during the 1988 George Bush/Michael Dukakis presidential election, one of the most powerful — and controversial — electoral tools was a Republican Party TV commercial showing a black man walking through a revolving door while a voice-over spoke about Willie Horton, a convict who raped someone while out on weekend parole from Dukakis' home-state, Massachusetts. The ad served to show Dukakis as weak on crime and strong on blacks — and played with racist stereotypes of black criminality.

"In the US," notes Reg Lascaris of Hunt Lascaris, the agency which holds the ANC account, "elections are won and lost on TV. The difference between ad content and editorial content is that in ads you can repeat the message over and over again and thus hammer it through."

If you're trying to sell a candidate or

a party as you would a car or a brand of washing powder, then TV advertising has other benefits too. A source at Saatchi & Saatchi, which holds the NP account, notes that "the power of TV is that you can get to people's hearts, you can use images to get emotional. And, let's face it, this election is going to be won on emotion, not on reason. So of course we would have liked to be able to use TV."

In the absence of TV advertising, most of the major political battles are going to be fought over the radio airwaves rather than in print, given the estimate that only 20 percent of black South Africans get their information from newspapers. Political advertising will be allowed on radio, with one proviso: according to the proposed laws, if any radio station broadcasts a political advertisement on behalf of a political party, it shall afford all other political parties, should they so request, a like opportunity.

But, says the Saatchi & Saatchi source, "radio has its limitations. There are no images, so it relies only on the ear. And radio advertising tends to be simple, it's much harder to get a complex message through."

The political parties have not given up on TV altogether, though. Using the European model, the negotiating forum has instructed its Media Technical Committee to look at the possibility of allowing "party election broadcasts" on SABC TV.

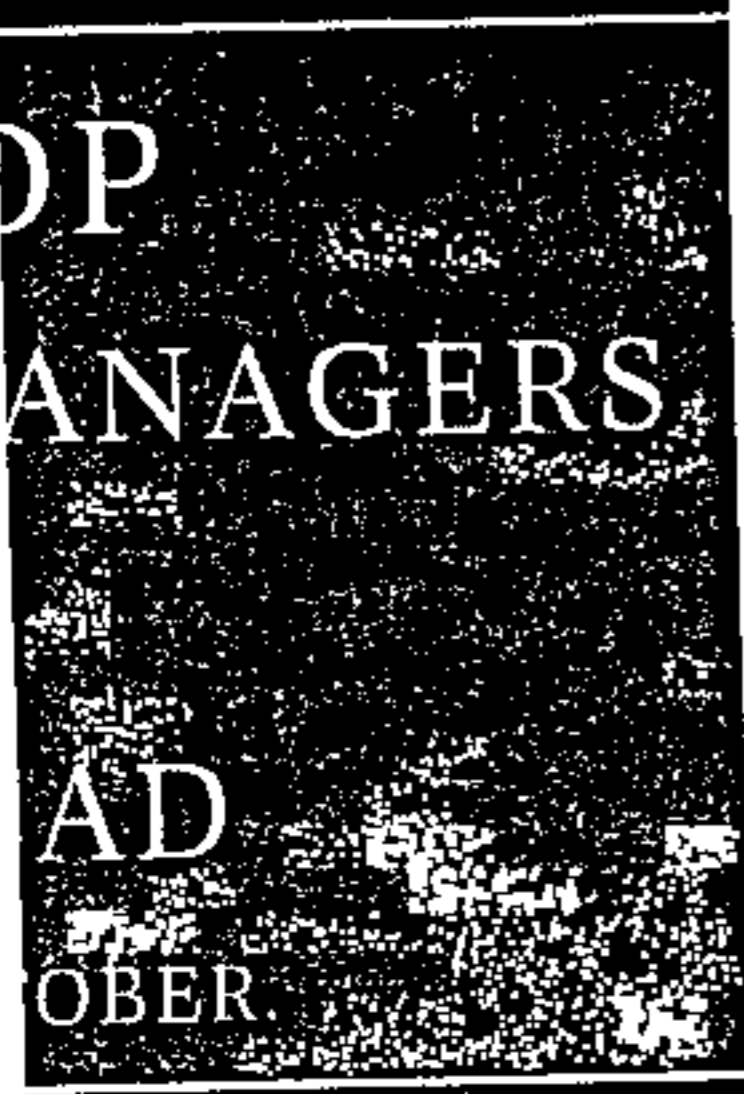
The committee fears, however, that "allowing party election broadcasts on television may have adverse financial implications for the broadcasting services involved." It is thus canvassing the opinion of the SABC on this issue.

In Britain and Germany, all candidates and parties are allowed some time on public broadcasting channels for political broadcasts in the run-up to an election. In many countries, the amount of time each party is allowed is determined by the percentage of votes that party garnered in the previous election. The broadcasts usually last for a few minutes, often just before the news, and consist only of a party spokesman making a speech.

National Peace Secretariat chairman Antonie Gildenhuys, who is also the chair of the news and voter-education committee of the new SABC board, says that "the board is looking into the issue. The difficulty, though, is that we can't use the formula of allocating time according to previous support, as all the parties' support is untested."

The only solution, says Democratic Party media spokesman Peter Soal, is "equal time for all parties in this first election." It remains to be seen, however, whether the larger parties will agree to this — and whether viewers will be able to stomach a repeat of the worst of World Trade Centre bluster. The form of these "party election broadcasts" will have to be determined by the new Independent Media Commission.

Perhaps, ultimately, South Africa's new generation of spin doctors and legislators should take a lesson from the last US presidential election, where Ross Perot revolutionised media manipulation by by-passing expensive advertising on the networks and buying large chunks of talk-show time on cable TV. With the deregulation of South Africa's airwaves, such a situation could well take place, if not in next year's election, then some time in the future. Imagine how much air time a Sol Kerzner or Raymond Ackerman could buy — even if TV advertising were banned.



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SABC strategy meeting today

ET14/8/93 (260)

Staff Reporter

SABC board members began their two-day strategic planning session yesterday behind closed doors — amid speculation that English would become the dominant national broadcast language

The agenda for the session has not been disclosed but SABC spokesman Mr Willie Visagie expected that a broad range of matters would be discussed

Decisions are only expected to be divulged after the board's September 8 meeting

Media watcher Dr Don Pinnock, head of Rhodes University's department of journalism and media studies, expects a "federal system" option of broadcast language

Dr Pinnock, a close friend of

English as 'national language'

first choice for board chairman Professor Njabulo Ndebele — barred by President F W De Klerk because he was not "bilingual" — expected the SABC to adopt "English as a national (and dominant) second language"

The "federal language" strategy of the SABC in future would probably see English as the national language thread, with regional areas dictating which other language would be used, he said

In the Western Cape, Afrikaans and English would be paired on the airwaves, while in Natal the combination would see English and Zulu, Dr Pinnock said

He believed retrenchments would only affect the "jurassic ancients of Auckland Park", because "there is going to be change"

If local productions were 30% of programming there would be a big demand within and outside the SABC for skills which would lead to increased job opportunities in the media industry

SABC sources said there were "clear indications" the organisation was following a course of affirmative action. No whites would be appointed to senior management positions and blacks would receive priority for all posts, the source said

TV1 business rate a media 'switch-off'

ARTS 14/8/93

TOM HOOD, Business Editor

MEDIA companies are upset by TV1's new "business-driven" rate system for buying TV advertising time and claim the move defies the laws of economics and the dictates of common business sense,

The old system was based on supply and demand — if demand for a specific time slot was heavy, the price rose and if demand was light, prices tended to be lower

Instead of the old system, where an early booking discount was offered off one standard rate card rate, the new system does away with simple discounts, opting instead for an administratively cumbersome system of three rate cards applying to the same period of time

Behind the change is a drop in TV1's share of total adspend. The station maintains this is because it is charging too little for its advertising time

Approached for comment, Wesley Hill, chairman of the Cape Town Media Directors' Circle,

said the new system had grave implications

"TV1 maintains its rates increases are in line with inflation. However, when measured against the drop of TV1's audience figures (cost a point), the increase amounts to around 18 percent, way above the current 10 percent inflation rate, as indicated by the CPI for the first quarter of 1993."

Year on year, the increase in rates for October is a staggering 24 percent, said Mr Hill

This is the best rate of the three rate cards. The other two get progressively worse the later the booking, he said

"When one looks at how TV1's advertisers are containing costs (the PPI for the first quarter of 1993 is 9 percent), the station's 24 percent looks even more out of kilter with what the market is doing"

Martin di Bella, media director of Cape-based Berry Bush, commented "I expect November 1993 year-on-year inflation, measured in CPP terms to top 35 percent. In addition, the new triple rate card system is administratively

very cumbersome

"Agencies may well find themselves having to hire more staff just to cope with the increase in paperwork the new system entails

"We've asked the TV1 guys to reconsider introducing the straight forward early booking discount, but as yet we've had no reply"

Bryan Gibson of Ogilvy and Mather is equally scathing "TV1 claims to base its rates on supply and demand. Inherent in this, however, is a free market where advertisers can choose where to advertise

"Until the airwaves are freed TV1 has the lion's share of non-black viewers with only two competitors — this is not a free market situation

"Furthermore, TV1 has implemented this archaic system without consulting the advertising industry and in so doing has regressed to the bad old 'government department' days. We hope the negative industry reaction will make this a short-lived innovation"

(260)



Reading Press



Dr. Ivy Matsepe-Casaburri, the new head of the SABC board.



Winnie Mandela - her biography has caused an outcry.

Women in the news

C/Pread 15/8/93

THE NEW head of the SABC board, Dr Ivy Matsepe-Casaburri, is a woman of few words. In an interview with her, she said, "I am a workaholic and am prepared to face the challenges of the hot seat. I hope my hair will be getting greyer and that I will be old soon."

Matsepe-Casaburri was born in a small town in the OFS. She would not release the name of the town because she said she wanted to "protect" her family.

She holds a BA degree from Fort Hare university and an MA and PhD in sociology from Rutgers University in New Brunswick, USA.

"As board members we are policy-makers, but we do not implement those policies. Yet it is our duty to see to it that those policies are implemented. The SABC is a national resource and should be used by all the various sectors of the community.

"For instance, as political organisations campaign for elections, no organisation should be given more coverage than

another. Another encouraging decision that has been taken is that no organisation will be allowed to pay for election advertising. If this were allowed, those organisations with the most money would have the most coverage," she said.

She said the board would hold a strategic planning session on August 14 and 15 to look at various issues, including the matter of those languages not covered on television.

She added that she thought the SABC was still biased on gender and political issues, and hoped these matters would be addressed.

DICTIONARY
Implemented...
Strategic planning...
de...
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LEGAL threats have been made to stop the selling of a biography of Winnie Mandela. She was not involved in the making of the book which makes it an unauthorised biography. It is supposed to contain details of her suspected love affairs while Nelson Mandela was in prison.

Although the book has not yet been launched, it has already caused trouble in legal, publishing and political circles.

According to a report in the black London newspaper *The Weekly Journal*, Emma Gilbey, the author of *The Lady The Life and Times of Winnie Mandela*, and the publisher Jonathan Cape, have been threatened with legal action if they go ahead with publication of the book.

Four unnamed people are said to have objected to the contents of the book and warned Gilbey and Jonathan Cape not to go ahead with its publication.

The ANC is having nothing to do with the book and is also not trying to stop its publication.

ANC spokesman Ronnie Mamoepa said yesterday that he had received several inquiries concerning the book. He also said that the ANC had had no knowledge of the book before the inquiries started coming in.

Gilbey, a journalist, covered the Winnie Mandela-Stompie Sepele trial for a Johannesburg-based weekly newspaper during her stay in SA.

The book is described as a tragic account of "how a victim of oppression came to abuse the power she wielded".

According to a pre-launch press release on the book, it traces Winnie Mandela's life from Transkei where she grew up, through to her "numerous affairs" and separation from Nelson Mandela.

Mandela and her legal advisor Ismael Ayob could not be reached for comment.

DICTIONARY
Biography...
etc

SABC states objectives (266)

JOHANNESBURG — The SABC board has produced a preliminary document on the corporation's new mission

This states that "the corporation would be an impartial public broadcaster which continually developed its independence and autonomy, and which would be responsive to the needs of the public to which it was accountable"

CT 16/8/93
After a planning session, the board said in a statement at the weekend that the SABC would maintain an editorial policy and ethos which was consistent with its values and mission and which portrayed society in its diversity — Sapa

News in brief

Riding the airwaves

THE SABC board has produced a preliminary document outlining the new mission for the corporation, which states "the corporation would be an impartial public broadcaster which continually developed its independence and autonomy and which would be responsive to the needs of the public to which it was accountable"

260

TV licences up to R176

JOHANNESBURG — Television licence fees have been increased by nearly R12, and viewers will have to pay R176 from October 1, the SABC said yesterday.

This followed cabinet approval of an increase recommendation by the SABC Board. Licence fees are now R164,16. Concessionary licences would only be affected by VAT and would amount to R50 a year, the SABC said in a statement.

It said the board, having decided in principle to extend the networks carrying services in the African lan-

guages, would try to increase sources of income other than licence fees to facilitate these services.

"The Board was also conscious of the SABC's responsibility to provide a comprehensive public broadcasting service in accordance with the needs of the broad South African community," read the statement.

"The cabinet expressed its serious concern about the decrease in the payment of licence fees and called on the SABC to implement plans to counter pirate viewing and any campaign for the non-payment of licence fees."

● TV licence hike is slammed

Sowetan 18/8/93

SABC board 'is (260) given cop's role'

By Mzwandile Jacks

POLITICAL, business and community organisations yesterday expressed shock at the increase in television licence fees

The African National Congress said "The Government's demand that the new SABC board compel people to pay their licence fees seeks to cast the board into the role of a policeman"

The Consumer Council said the SABC should consider improving ways of regulating the payment of licences

Open secret

Public relations manager Mr Paul Roos said it was an open secret that those who were paying licences were doing this while "effectively subsidising other peoples' licences"

The ANC said "It is regrettable that the new SABC board, without thorough investigation of the various options of raising revenue, has chosen to raise

licence fees as one of its first acts"

Residents interviewed said they were dismayed by the increase

Mr Johannes Modise, a merchandiser, said "The increase is too high and I can't afford to pay it"

Licence fees

TV licence fees would go up by R12 to R176 after the Cabinet approved an increase recommended by the SABC's board

Mrs Maira Maduna, who is unemployed and has five children, said the high cost of living would make it impossible for her to afford the fee

Mrs Valerie Leo said it would be difficult to meet other household demands due to the increase

Mr Henry Boenda said the country was in a great economic crisis and people were unemployed "I am living from hand to mouth as a small businessman," he said

PROFILE Indicator editor joins TV line-up

Top journalist joins SABC

Sowetan 18/8/88

By Joe Mdhlela

■ SKEWED NEWS Will concentrate

his energies on women's issues:

A NIEMAN FELLOW and editor of *The Indicator*, Mr Ameen Akhalwaya, this week joins SABC-TV1 as assistant executive editor, current affairs this week, at a time when South Africa is going through a difficult period politically.

The electronic medium, in particular, has been singled out as having contributed to the "skewed reportage" of news calculated to foment poor relations across the racial spectrum.

To a lesser degree, the print medium has not escaped similar censure. Like the electronic medium, the print media have been advised to be more creative and less sensational, putting greater emphasis on many positive social issues rather than on the violence.

This, however, does not mean that the violence raging in the country should be swept under the carpet. Rather, in a more creative way, this aspect of life should be counterbalanced with positive news giving hope to the people of South Africa.

These realities, thank God, Akhalwaya is fully aware of.

Without brushing aside the violence, the man from Lenasia will concentrate his energies on highlighting women's issues. Not in a patronising fashion.

Women, he conceded, have made valuable contributions that need more than a passing mention.

"I will help to highlight contributions made by women of all persuasions.

Stereotypes abound

"Ignorance and the stereotypes about women abound. To destroy these myths, women must be heard more often than has been the case," he said.

Akhalwaya, a recipient of the Nieman Fellowship at Harvard University in the United States between 1981 and 1982, is certainly suited to this demanding position.

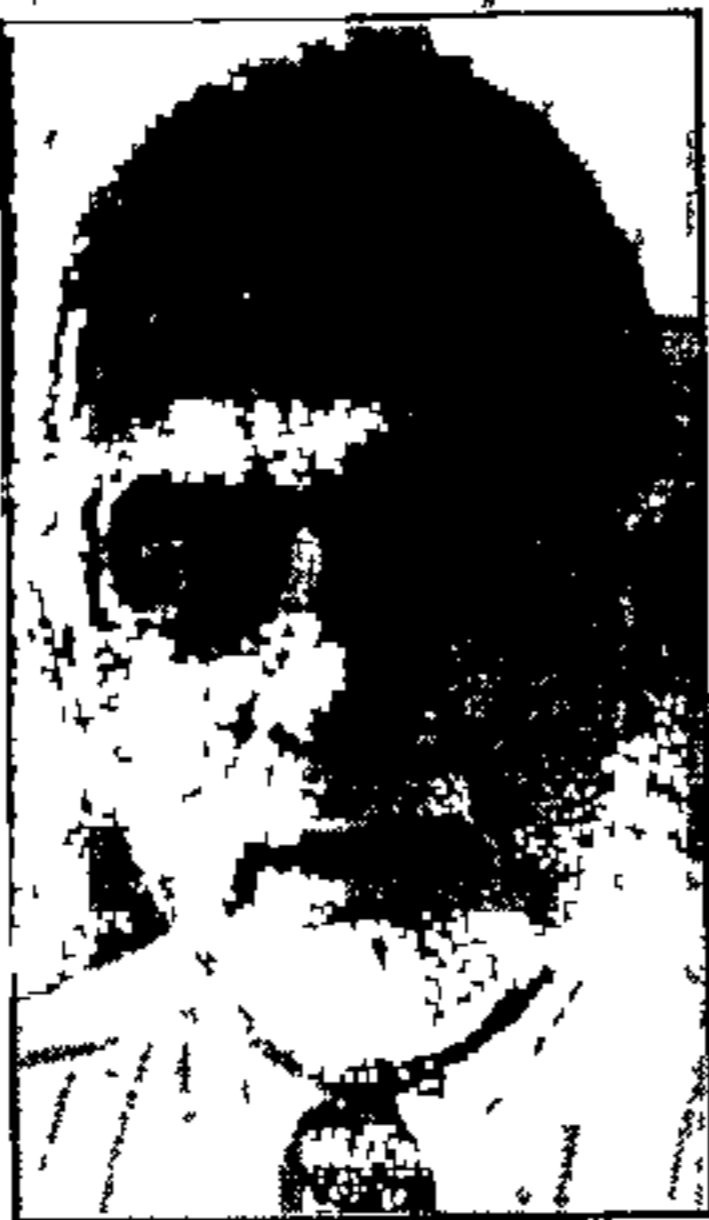
With a journalism career stretching from 1971, Akhalwaya has seen it all, rubbing shoulders with some of the most distinguished names in the craft, including the late Percy Qoboza Qoboza, that sturdy and provocative journalist who edited *The World* and *Weekend World* until it was silenced in 1977, died at a relatively young age of 50 in 1988.

He also edited *Post*, predecessor of *The World* and *Weekend World*. The publication was also shut down, giving way to the present *Sowetan*.

Other fine journalists who have to a greater or lesser extent influenced his outlook towards life include Raymond Louw and Allister Sparks, both former editors of the now defunct *Rand Daily Mail*, Ken Owen, editor of *The Sunday Times*, and Mr Joe Thloloe, managing editor of *Sowetan*.

He has been a trade unionist with Thloloe. They both served in the Union of Black Journalists until it was banned by the mighty hand of Mr Jimmy Kruger, then Minister of Justice, along with other newspapers and journals in 1977.

Three years later in 1980 Akhalwaya was elected vice-president of the Media Workers' Association of South Africa. He served in that position until 1981.



Ameen Akhalwaya

By his own admission, his professional relationship with political organisations, including the African National Congress, the Azanian People's Organisation, the Pan Africanist Congress, the Inkatha Freedom Party, the Democratic Party and the Nationalist Party, are cordial.

However, it has not always been easy for Akhalwaya. His outspokenness both as a trade unionist and as political commentator has earned him state harassment and detentions.

Today he would tell you that his political preferences no longer matter. As a political commentator he would rather remain neutral, reflecting as best as humanly possible viewpoints of all political groupings, even those that he does not agree with.

As South Africa slowly, and perhaps painfully, marches towards a democracy, Akhalwaya believes he can make a contribution.

And that contribution is to facilitate the establishment of a democracy that will reflect the diverse national character of all the people of the country.

"That is paramount," he said. Akhalwaya is not so naive as to think this in itself would rid the country of all its problems.

He is of the opinion that massive reconstruction and developmental programmes are essential to strengthen the economy.

This, he said, was an essential element if South Africa is to provide hope for all its people, especially those who have been disadvantaged by apartheid.

Akhalwaya, who has been editor of *The Indicator* since 1985, believes the challenge lying ahead of him in his new appointment is immense.

"I am prepared for the challenge. Together with my colleagues, I think we will bring the necessary changes to SABC," he said.

Akhalwaya would have been a medical doctor had fate not intervened in 1966 while he was a third-year medical student at the Royal College of Surgeons in Dublin.

"When my father died in 1966, I had to return home to help support the family."

He tried other disciplines in life, including serving articles in preparation to become a chartered accountant. He also worked for a life insurance company in Johannesburg and in England.

It was only in 1971 that he found a home in journalism, first working as freelance reporter until he was appointed on full-time basis by the *Rand Daily Mail* in 1974.

It was perhaps significant that Akhalwaya was among the 85 candidates shortlisted for the SABC's chairmanship position.

He will not be chairman. Dr Ivy Masepe-Cassaburi is. But being in a news production management position gives Akhalwaya an edge to influence decisions.

43 260

Debate on ads or broadcasts

27/10/81
JOHANNESBURG —
Multi-party negotiators were unable to agree yesterday if party political broadcasts or political advertisements would be allowed on TV for the April 27 election.

They decided instead to take a decision later, after they had studied representations from the SABC and M-Net.

260
However, a source said M-Net was opposed to party political broadcasts but was prepared to accept paid political advertisements. The SABC said it was prepared to transmit broadcasts but argued it would lose advertising revenue as a result and therefore supported the idea of advertisements. — Sapa

Radio Peace in tune with city's heartbeat

□ All that's needed is a licence (and cash of course!)

DENNIS CRUYWAGEN
Political Staff

GET ready to tune into Peace 91,3 FM — Cape Town's bold bid to beam a 24-hour peace message over the airwaves for 30 days from October 4.

The planned radio station is the brainchild of prominent Cape Town people who have asked to remain anonymous

If proposals are accepted and a broadcasting licence is granted, the commercial and competition-free station will be run under the auspices of the Western Cape Regional Peace Committee

The station will ask political groups, prominent civic and religious leaders, community groups, trade unions and employer organisations to emphasise on air repeatedly that the benefits of a peaceful society are investment, employment, education and em-

powerment

Others will be asked to endorse this message including student and pupil organisations, Captour, Wesgrow, and the Convention for a Democratic Taxi Association

Peace 91,3 FM, according to a planning document, will not allow itself to be used as a platform for party politics

"However, it is important that the audience be made aware that despite their differences, political groups fully support the National Peace Accord"

Four sponsors each contributing R30 000 are needed to fund the venture, with each sponsor given an announcement twice an hour

All funds in excess of the cost of operating Peace 91,3 will go to the Western Cape Peace and Development Trust

(250) ARK 19/8/93

The trust's auditors will control funds from sponsors and pay all service suppliers

The format will be talk and music

Music content will be popular and upbeat to complement the peace message.

But "heavy metal, punk and other musical extremes will find no place on Peace 91,3 FM"

Listener participation will be ensured through phone-in discussions and Western Cape Regional Peace Committee members will be asked to motivate the case for peace to listeners.

"In turn, listeners could contribute with their own ideas, suggestions and experiences"

Trained and experienced broadcasters will make up the core of on-air staff. But committee members will be on hand at all times to co-present and guide the station's talk content

The new SABC board is due to meet today for a strategic planning session. It also met on August 4 and apparently took an important initiative towards addressing criticism of SABC news coverage.

Firstly, a full-time ombudsman's office is to be established and headed by an "eminent person" commanding wide public respect. He will deal with, and arbitrate on, the merits of complaints and suggestions for news and current affairs programmes. He will report directly to the board and liaise with the editor-in-chief to ensure speedy resolution of disputes. (260)

The SABC's editorial code will be revised and publicised and an internal process of monitoring all news and current affairs programmes will be established to ensure equity, particularly regarding party political matters in the general election campaign.

TV news production editor-in-chief Johan Pretorius told the FM's Election Countdown conference that three bodies are likely to be

cont →

CURRENT AFFAIRS

- concerned with SABC broadcasts. They are.
- The statutory Independent Media Commission, which will rule mainly on political issues related to elections,
- The statutory Independent Broadcasting Authority, which will deal with broadcasting licences, and
- The National Association of Broadcasters of South and Southern Africa, which earlier this year announced the establishment of a Broadcasting (industry) Commission to handle complaints.

Pretorius argues that unlike newspapers, whose editorials he claims are frequently based on the political sympathies of their owners, the SABC as national broadcaster is bound to cover news impartially and refrain from expressing opinions.

"People may ask how I can speak of fair broadcasting in the light of the SABC's history and when many journalists who were there in the past are still with the organisation. This is the subject for a lengthy discussion but the short answer is that we had to work within statutory and other parameters. These have now been shifted and we have the freedom as journalists to ensure that an enlightened public can take decisions based on all available information — something without which true democracy is impossible."

The broadcaster's difficulty is how to keep audiences informed while avoiding taking sides. For many viewers, the mere decision to cover an event is evidence of bias. Pretorius points out that journalism is a "non-exact science" and the only guideline available to

journalists is the SABC Editorial Guide (which may be revised).

On political coverage, Pretorius stresses the SABC's commitment to truthful, accurate, impartial and fair reporting, and to be accessible to valid opinion and promote national debate. He maintains that in all editorial guides the notion of fairness, rather than balance and neutrality, seems to be the most sensible. "It is not possible to be neutral about everything. There are moral absolutes and journalists cannot be neutral about racism or cruelty."

The SABC's role, he says, is to inform people about issues that confront them as they decide on their future. He adds that the negotiating council asked for comment on the possibility of allowing free TV broad-

cont

FM 20/8/93

casts by political parties in the election run-up. The SABC agrees that there should be open access for political parties, to allow them to put their views to an electorate without being subjected to editorial control. However, to regulate these broadcasts, and in the absence of an electoral commission, the board decided to draft a letter to the technical committee at the negotiating council, asking for guidelines on such broadcasts.

These include

- Identifying which parties qualify,
- The allocation of time and directives on which radio and TV stations should be involved, and
- Whether private broadcasters will also be expected to make time available for direct access broadcasts.

The SABC board is also concerned about low literacy levels and the vital need to mount a voter education campaign as soon as possible. Nongovernment organisations have been invited to participate on a steering committee to establish criteria governing programme material, advise on scheduling such programmes and monitor their impact.

Pretorius says participants in election-related discussions and interviews frequently try to negotiate the nature and position of their inclusion. However, strict "journalistic criteria," not pressure, will determine these. Furthermore, there will be uniformity of tone in questioning all sides.

"Powerful people are increasingly schooled in avoiding the proper purpose of interviews, instead of using them as their own platforms. Evasion should be exposed and will be done coolly and politely, if necessary by repeating the question and explaining why this is being done. Perhaps our biggest challenge is to perform our function in a manner whereby the election outcome cannot be put in doubt because of our role."

(260)



THE SABC

Fri 20/8/93

The beggars change places

(260)

In the old days everybody knew the SABC was the broadcasting arm of the National Party. Though there were times when a real broadcaster actually found himself as director-general of the organisation, he would have to toe the party line, at least implicitly. There came a time when even this veiled allegiance was found wanting.

Still, at least we knew who these people were. Of the broadcasters, there were men like Steve de Villiers, one of life's gentlemen. Of the outsiders, there was Riaan Eksteen, the diplomat chosen as DG by P W Botha when President P W Botha was at the height of his imperious power.

Eksteen was not a broadcaster — or even an SABC accountant, like his successor Wynand Harmse. Eksteen may have been abrasive, misguided in some of his restructuring decisions and, of course, ultimately the servant of Tuynhuys — but he accepted that the job had an extremely high profile and didn't shun the controversy that goes with the territory.

Even though the chairmen of the old SABC board mostly remained in the background, they too were known to us. There was the urbane Brand Fourie, the professional diplomat, Alwyn Schlebusch, former Cabinet Minister; Wynand Mouton, nuclear scientist and university rector. They were

all Nats, of course, all owing allegiance to P W Botha — but we knew who they were. More recently, Christo Viljoen gave the chair a higher profile — and was not shy to let people know what was on his mind.

When the new SABC board was appointed, it was hoped that a new era of openness — “transparency,” as the radical jargon has it — would be ushered in. This would be the opportunity for true democrats to show up the Nats.

Nothing of the kind has happened. New chairman Ivy Matsepe-Casaburri seems determined to reveal as little as possible about herself and her vision, if she has one (see *People*). This is all the more surprising, because she is in a curious position: she was the first choice of neither the original panel of judges (who wanted Prof Njabulo Ndebele) nor President F W de Klerk (who wanted Van Zyl Slabbert). True, she was elected by the other board members and thus has some legitimacy — but surely now is the time for her to be winning friends and influencing people?

Perhaps this is a sign that the ANC intends treating the SABC and, therefore, the citizens of the country, just like the Nats did — with arrogance and disdain. Perhaps it is yet another case, to appropriate the words of W B Yeats, of “the beggars change places, but the lash goes on.” ■

IVY MATSEPE-CASABURRI

Tuned out

Fm 20/8/93

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If Ivy Matsepe-Casaburri is so intent on keeping her anonymity, why then did she allow herself to be nominated by the ANC for a spot on the reconstituted SABC board? And now that she's chairing the board of the State broadcaster, why does she think that licence-holders who pay her don't have a right to know a little bit about her?

Several messages left for her at the Johannesburg-based Education Development Trust, where she is executive director, were not returned. Requests for interviews were put off.

Even trying to get some details on the Education Development Trust was an adventure in no-comments. None of several employees there could give the most basic information about the trust, such as when it was formed or what it does. Finally, one woman volunteered the information that the only person who could talk about the trust was, you guessed it, Casaburri.

Her official CV, distributed by the SABC PR department, runs to all of 18 lines, in a country famous for its 18-page CVs. The first line goes into great detail "resident at Germiston PhD in English and history." It does not say where she obtained her degrees.

Both *City Press* and the *Sunday Times* reported that she has her masters and a doctorate in sociology from Rutgers University in New Jersey. When we called the American university we were told that they had no record of a student named Matsepe or Casaburri.

She has told interviewers that she will not discuss her personal life, even refusing to say where she was born, how old she is, whether she is married or has children. Most important, she will not give details of her political affiliation.

Reports are that she is an active member of the ANC and its Women's League and



Matsepe-Casaburri
tight-lipped

that she lived in exile for many years. *The Weekly Mail* calls her a "political animal" who narrowly missed election to the ANC national executive committee at the 1991 congress. Her CV merely notes that she worked for the UN Institute for Namibia in Lusaka in 1977-1990.

She says she is an "adviser/consultant to various constitutional committees on gender issues regarding education, economic planning, local government policy and training, women and their emancipation." She is also a member of the joint Enrichment Programme Task Force on Strategic Planning for Marginalised Youth, the planning committee of the National Development Forum and a founder member of Women's World Banking, SA.

All this mystery is not going down well with the people who pushed for the public hearings to pick the new SABC board. "The point of the whole process was to try to bring about transparency," says a member of the Campaign for Independent Broadcasting. "She is not being transparent."

Maureen Sullivan

RICHARD LAUBSCHER

Young lion

Richard Laubscher, chosen to succeed Chris Liebenberg as Nedcor CE next year, doesn't quite fit the traditional pinstripe image of SA's senior banking hierarchy. It's not only his age — at 42 he must be one of the youngest bankers in SA to be handed control of a large group such as Nedcor — nor his penchant for bright, often red, ties.

Invariably in shirtsleeves, Laubscher's informality just doesn't conform to the banking mould. Neither does his lifestyle. Instead of reaching for the financial press first thing in the morning, the married father of four starts his day at 5.30 am with a blast of contemporary music over the headphones of his Walkman as he heads out for his daily 45-minute run.

An avid fisherman — trout, rock angling, deep sea game trolling — he would rather enjoy a fish braai at his beach cottage on the Natal South Coast than dine at the club, one feels.

Yet despite the apparent unconventional-ity, Laubscher is a very serious businessman, who, after 22 years of unbroken service with Nedcor, has certainly paid his banking dues.

It started in 1970 when, armed with a BCom from Wits, he joined Nedbank in Johannesburg as an inquiries clerk.

He went through finance, treasury and corporate banking, becoming MD of Nedbank in 1990. Along the way, he collected an

honours degree in finance from Unisa and an AMP from Harvard.

When he was appointed CE of Nedcor Bank last year (a seemingly superfluous level in the Nedcor structure that could be collapsed), speculation was that he was being lined up for succession, though there were doubts about his relative youth. Laubscher just shrugs and says hopefully that the results will do the talking. However, as CE of Nedcor Bank, comprising Nedbank, Perm, Nedfin and Finansbank, he is responsible for some 80% of the group's income and assets and about 90% of its staff. Operationally, Laubscher is already running Nedcor.



Laubscher already in charge

He applauds the management team around him, who, on average, are 40-something. "I've got one of the biggest-hitting teams in town," he says. "They are young, but collectively have a lot of experience in banking. And they have a great capacity for managing change."

Nedcor has been one of the sexier shares in the banking sector this year, making rapid gains on the bigger banks. Laubscher, not convinced that size in banking necessarily translates to economies of scale, is comfortable with this position.

He feels change will be a vital factor for SA's banking industry this decade, both in the demographically changing local market and as the country reintegrates with the international community. "There will be big changes in the industry. I would like to see Nedcor become more of a pro-active, sales-driven business with a clear focus. To me, that simply means getting close to our clients."

Shaun Harris

would have been generated on the figures, did not check the figures provided in the document, the commissioner

Broadcasting body to hear complaints

AN INDEPENDENT self-regulatory body called the Broadcasting Complaints Commission of SA had been established to hear and adjudicate complaints against broadcasters, National Association of Broadcasters chairman Stan Katz said yesterday.

Speaking at a news conference in Sandton, Katz said the association had been aware of the need for an independent body like the new commission.

This need had been made even more urgent by a rapidly changing broadcasting scene and evolving socio-political environment.

The commission, whose 11 members were formally appointed by an independent panel, consisted of a chairman, five members to represent the broadcasting industry and five members of the public.

It was designed to mesh with forthcoming legislation concerning the regulation of broadcasting by an Independent Broadcasting Authority.

THUNDI BOOI

Commission chairman Prof Kobus van Rooyen said the commission would see to it that the media remained autonomous of state control.

He said the body, with a code of conduct applicable to both radio and television, would cover issues like news reporting, comment by broadcasters and invasion of privacy.

It would also oppose any form of censorship by the state, Van Rooyen said.

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Graphics

SABC set for voter education

ARG 21/8/93
260

JOHANNESBURG. — The South African Broadcasting Corporation has decided to appoint a steering committee to advise the board on voter education.

The SABC board sub-committee on news and election coverage said in a statement yesterday that the steering committee would comprise 46 non-governmental organisations selected by the board sub-committee from a list of more than 140 applications.

It said the successful NGOs were deemed to be widely representative of civil society in South Africa and could make an unbiased and expert contribution to voter education and democracy-training.

The steering committee on voter education will meet on September 2 to consider criteria for voter education programmes to be broadcast by the SABC.

The committee also said the position of an SABC ombudsman would soon be advertised and it hoped an appointment would be made within weeks. The ombudsman would interact with viewers and listeners and report back to them on television and radio programmes.

The committee said the SABC would review its editorial code and publish it in the national interest.

It would consult SABC journalists and submissions would be invited from a wide variety of organisations including journalist and media unions, schools of journalism at universities and technikons and major media groups. — Sapa.

New broadcasting body keeps tabs

Star 2/18/93

260

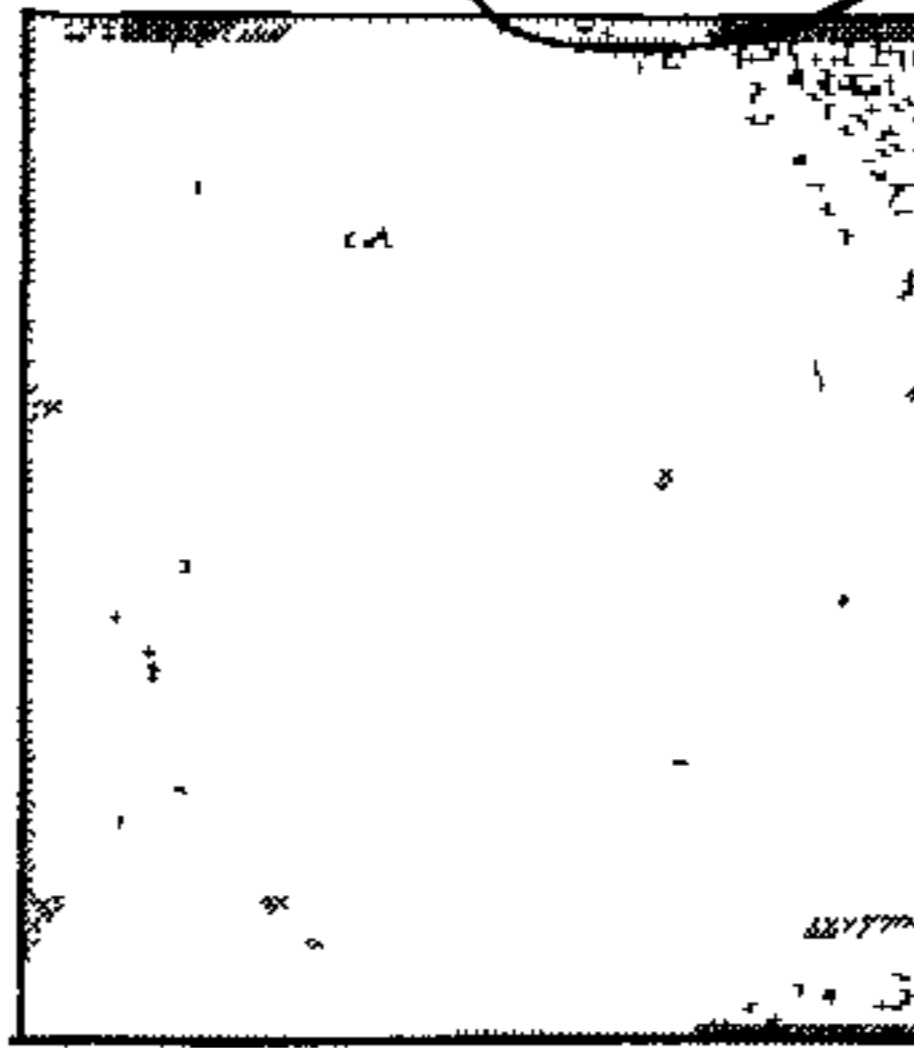
PROFESSOR Kobus van Rooyen, former chairman of the Publications Appeal Board and current chairman of the Press Council of South Africa, has been named as chairman of the newly established Broadcasting Complaints Commission of South Africa (BCCSA).

National Association of Broadcasters (NAB) chairman Stan Katz said this week that members of the commission would be responsible for "ensuring freedom of speech, the free flow of information and the maintenance of high standards of broadcasting with the far and objective application of the code of conduct of the BCCSA"

Other members of the commission are Rev Rex Mathie, principal of the Baptist Theological College of Southern Africa, Helen Starke, national director of the SA National Council for Child and Family Welfare, Professor Johann van der Westhuizen, head of the department of legal history at the University of Pretoria, and Dr Caroline White, senior researcher at the Centre of Policy Studies at the Human Sciences Research Council.

Broadcasting representatives appointed to the commission include RAU professor of communication Willem de Klerk, attorney Cawekazi Mahlati, independent television producer Miriam Patzanza, M-Net corporate affairs director Cobus Scholtz and retired SABC radio chief Carel van der Merwe

"Just as the newspaper industry has its own independent



WATCHFUL EYE: Kobus van Rooyen to head the Broadcasting Complaints Commission.

body — the Press Council — to adjudicate on complaints against its members, so the broadcasting industry now has its BCCSA," Katz said

NAB members who have adopted the BCCSA code include the SABC, M-Net, Bop Broadcasting, Trinity Broad-

casting, Network, and Radio 702

"It is worth noting that the BCCSA is designed to mesh with forthcoming legislation concerning the regulation of broadcasting by an independent broadcasting authority (IBA)," Katz said "We firmly believe that the IBA will find the BCCSA acceptable"

The industry's confidence was based on three factors, he noted "The methodology to be used in mediation and adjudication, the method used in constituting the BCCSA, and the high quality of members and the chairman of the body"

The BCCSA code, applicable to radio and television, covers issues such as news reporting, comments by broadcasters, rules applicable in times of elections and referendums, invasion of privacy, ethnic and religious issues, and obscenity

BROADCASTING COMPLAINTS COMMISSION OF SOUTH AFRICA NOW ESTABLISHED

The National Association of Broadcasters (NAB) is pleased to announce the establishment of the Broadcasting Complaints Commission of South Africa (BCCSA).

The Commission will mediate in and adjudicate upon complaints with regard to broadcasting content directed against those members of the NAB who have accepted the Code of Conduct of the BCCSA, namely:-

Bop Broadcasting Corporation
M-Net
Radio 702
SABC
Trinity Broadcasting Network

The Commission comprises 11 members, representing the public and the broadcasting industry, as follows:-

PROF KOBUS VAN ROOYEN
(Chairman), Professor of Law at the University of Pretoria and chairman of the Press Council of South Africa

PROF WILLEM DE KLERK, Professor of Communications Rand Afrikaans University

MS LAUREN JACOBSON,
attorney-at-law

MS CAWEKAZI MAHLATI,
attorney-at-law

REVEREND REX MATHIE, principal,
Baptist Theological College of
Southern Africa

CIPROAS 22/8/93

MS MIRIAM PATSANZA, independent
television producer

MR COBUS SCHOLTZ, director, corporate
affairs, M-Net

MS HELEN STARKE, national director,
South African National Council for Child
and Family Welfare

MR CAREL VAN DER MERWE,
retired head of radio, SABC

PROF JOHANN VAN DER WESTHUIZEN,
head, Dept of Legal History, University
of Pretoria

DR CAROLINE WHITE, senior
researcher, Centre for Policy Studies,
Human Sciences Research Council

The BCCSA has commenced operation and
can be reached at the following address:-

Broadcasting Complaints Commission
of South Africa (BCCSA)
6th Floor South Wing Nedbank Gardens
33 Bath Avenue Rosebank Johannesburg

PO Box 47221
Parklands 2121

Tel (011) 788-4829/788-4837
Fax (011) 788-4990

SABC acts on voter education

JOHANNESBURG. — The SABC has decided to appoint a steering committee to advise the board on voter education.

The SABC said that the steering committee would comprise 46 non-governmental organisations.

The committee also said the position of SABC ombudsman would soon be advertised — Sapa

Sasol seeks protection for fuel industry

EDWARD WEST

SASOL had asked the Board on Tariffs and Trade to investigate granting protection to the synthetic fuel industry by raising customs duties on imported crude and transport fuel, Sasol Oil MD Danie de Villiers said yesterday ~~21 Day~~

A committee made up of representatives from the industry and government departments was examining mechanisms to protect the industry, he said.

Protection was needed because of low international crude prices. When Sasol started production in 1980, crude oil prices were about \$32 a barrel. But they had fallen nearly 45% in nominal terms and 72% in real terms since 1986 ~~24/8/93~~

Tariffs and duties granted to protect the industry were pegged at an effective 12,5%, which was low considering the motor industry's 108%, the clothing industry's 65%, tobacco's 50%, the 45% average for consumables and the 27% manufacturing average. The value of protection granted since the introduction of the \$23 a barrel price formula in 1989 to 1992 was R1,24bn. This was not high considering that: annual production was R3,8bn, the amount was taxable, and protection granted to the motor industry was worth billions of rands every year, De Villiers said ~~(35)~~

The cost of Sasol's tariff protection to the motorist in 1992/93 was 3,4c/l if spread over all transport fuel volumes or 5,2c/l since 1979. Over a year the cost increased to R85 if one assumed the motorist travelled 25 000km at 10km/l ~~(183)~~ (260)

Sasol was also criticised because synthetic fuel tariff protection was used to cross-subsidise other group activities. However Sasol had decided to separate its oil refining and marketing activities into a new company, Sasol Oil.

The group produced 45% of SA's fuel through its Natref crude oil refinery and its synfuel operations, but other oil companies marketed 95% of SA's fuel. This imbalance would have to be addressed, said De Villiers.

The separation of Sasol's synfuel and refining operations would necessitate the establishment of a marketing infrastructure previously disallowed by government.

Cahora Bassa project 'is still on track'

CONFUSION surrounding the R350m repair project to the Cahora Bassa powerline and the likely loss of important Italian finance will prove to be only a temporary setback, says Eskom CE Ian McRae

There has been no official confirmation of Mozambican power company head Fernando Juliao's weekend announcement that the Italian government had withdrawn its \$50m grant. It is understood that the SA government is pursuing diplomatic channels to confirm the decision

Rehabilitating the Cahora Bassa link is an essential part of Eskom's long-term plans to establish a regional electricity

BIDeay 24/8/93
MATTHEW CURTIN

grid joining the hydroelectric resources of southern Africa with its infrastructure

McRae said Eskom was surprised by the decision. However, if confirmed, it was no more than "a temporary hiccup" which might delay the project. (260)

The scheme to rebuild transmission lines connecting the dam to SA's electricity grid at the Apollo substation near Olifantsfontein in the northeastern Transvaal was a joint venture between SA, Mozambique and Portugal. Their repre-

278 To Page 2 *ES*

Cahora Bassa *BIDeay 24/8/93* From Page 1

sentatives sit on a joint committee with representatives from Eskom and Mozambique's Hidroelectrica de Cahora Bassa

McRae said the parties were committed to completing the project, and much work had been done organising a finance package, which meant alternatives could be found to replace Italy's contribution. (278)

SA and Portugal have provided guarantees to back bank loans and export credits secured by Mozambique to finance the pro-

ject in addition to Italy's grant.

Eskom spokesman Peter Adams said the Cahora Bassa facilities were in good condition, supplying small amounts of electricity to the nearby village. The plant had a capacity of 1750MW, of which SA was contracted to take 1450MW, equivalent to 2,5% of Eskom's installed capacity. (260)

Eskom's contribution to the project lay in providing materials and replacing 900km of damaged power lines. (ES)

610
Dilute media
power — PAC

Own Correspondent

JOHANNESBURG. — The power of the media should be diluted, PAC negotiator Mr Barney Desai said yesterday.

Mr Desai, speaking in the negotiating council debate on the Independent Broadcasting Authority said this during discussion of "cross media control"

He said the media should be served notice that they were too powerful and that this was going to be changed

The draft bill's recommendations serve to limit newspapers from owning controlling interests in the electronic media, and the electronic media from controlling newspapers

CT 24/8/93

SABC trip a waste of money, says ANC

ANC and Cosatu representatives would boycott an SABC sponsored all expenses paid trip to Botswana's Chobe game reserve because it was a waste of public money, spokesmen for the two organisations said yesterday **B/Say**

They had been invited by SABC CEO Wynand Harmse to join about 100 advertising executives and black businessmen and had been included as community representatives, SABC TV CE Quentin Green said

He said the trip was part of the SABC's commercial operations which entailed informal contact with advertising execu-

ERICA JANKOWITZ
and PATRICK BULGER

tives He said two programmes would be shot during the trip. **2518193**

However, Cosatu and the ANC said they felt the money — which they estimated at R250 000 — could be better spent on in-house development Among those invited, with their wives, and who had declined were Cosatu spokesman Neil Coleman, ANC information director Pallo Jordan and ANC spokesman Ronnie Mamoepa

Mamoepa said it was felt inappropriate

because the SABC had just raised licence fees Cosatu said the three-day trip was a "waste of resources" while Coleman said the money could be better spent on staff training, affirmative action programmes and salary increases **(200)**

Green said he felt it was a pity the trip was becoming controversial as it was normal SABC practice to meet advertising executives Three-quarters of operating revenue was derived from advertising

Coleman said, however, the union federation had contact with the SABC through its radio labour programmes

ANC boycotts SABC freebie

Own Correspondent

JOHANNESBURG — ANC and Cosatu representatives would boycott an SABC-sponsored all-expenses-paid trip to Botswana's Chobe game reserve because it was a waste of public money, spokesmen said yesterday (26)

They had been invited to join about 100 black businessmen and advertising executives on the trip. CT 25/8/93

Cosatu and the ANC said they felt the money could be better spent on in-house development

Vosloorus strikes power deal with Eskom

ESKOM and the Vosloorus Civic Association have reached an agreement on electricity supply to the township and a basic tariff. *B/Day*

At a joint news conference yesterday, the parties said they had agreed on a tariff of 16,3c a unit. Eskom took over the electricity supply rights in Vosloorus in April. *25/8/93*

Civic association president Ali Maziya said the agreement was the result of intensive discussions with Eskom. The deal was made possible after electricity supply rights were

GAVIN DU VENAGE

removed from the Vosloorus Town Council, he said. *(S)*

Although there was a danger that disruptive elements would try to "break the relationship between residents and Eskom", Maziya said residents would do their best to pay.

He said that earlier agreements with the TPA on service tariffs had been successful, and that "residents came to pay in their thousands". Residents saw Eskom property as a

community asset.

Meanwhile Sapa reports that electricity supply will be maintained to Mamelodi township residents who continue to pay at least R75 a month for services rendered, the Pretoria City Council management committee said yesterday.

However, chairman Pieter Smith said they rejected a proposal by the Mamelodi Civic Association that the monthly flat rate of R50 a household be increased to R75 as being insufficient to cover operating costs. *(260)*

Income, profit cut by Iscor write-offs

B/DAY 26/8/93

EDWARD WEST

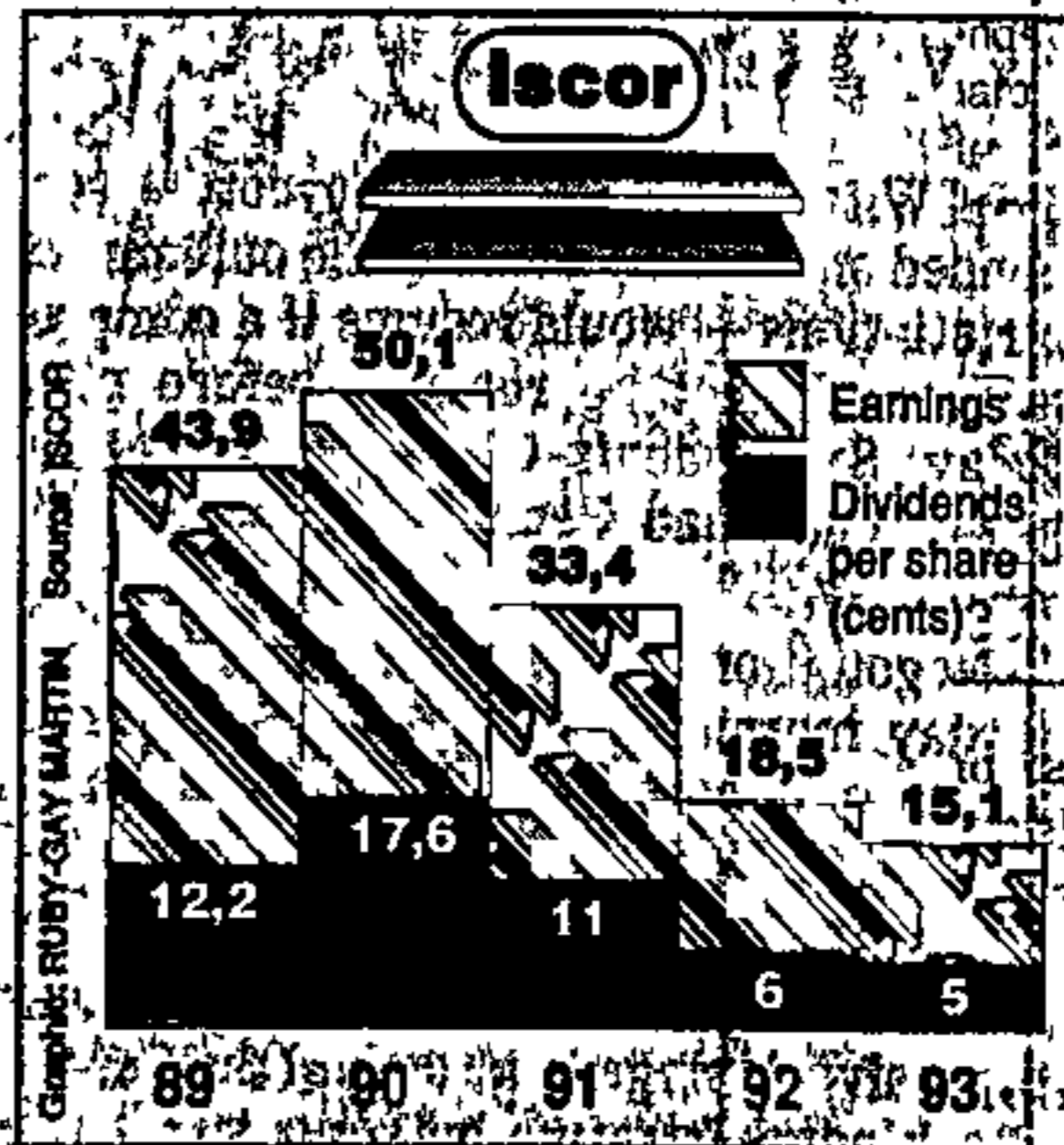
STEEL maker Iscor's profit continued falling in the year to end-June after heavy write-offs offset a slight improvement in sales. (178) (260)

Turnover climbed a slim 2% — a decline in real terms — to R8,8bn (R8,6bn) after steel sales fell 2,9%, chiefly as a result of relining the blast furnace at the Newcastle works. Steel exports made up 53% of total steel tons sold. Iron ore exports climbed 11% to a record 15-million tons.

The profit announcement showed that R460m was written off during the year as extraordinary items. Certain operations at the Pretoria works were discontinued.

These closures would be implemented in the 1993/94 financial year, but full provision of R337m for the scrapping of the plant and closure was included in the results for the past year.

It was also decided to reduce the holding cost of investments in Metkor, Usko, Tosa Seamless Tubes and Consolidated Wire Industries involving a further write-off of R114m, Iscor said.



Income before finance charges and tax fell 19% to R606m (745m). Attributable income before extraordinary items was 16% lower at R283m (R336m) which translated into earnings a share of 15,1c (18c), well down from 33c in 1991 and 50,1c in 1990 when it was listed.

To Page 2

Iscor B/DAY 26/8/93 From Page 1

Overall losses for the year amounted to the equivalent loss of 9,5c a share. The final dividend was unchanged at 3c.

Outgoing MD Willem van Wyk said the domestic steel market was not expected to improve significantly in the 1993/94 financial year, but world steel prices had begun to show signs of recovery. (178) (260)

This, together with the expected higher level of iron ore exports, a weakening of the exchange rate and the rationalisation of the Pretoria works would have a beneficial effect on results for the year, he said.

Local short-term prospects were not encouraging. Most of Iscor's major market segments expected local demand to remain flat, or even decline, in the next six to nine months, Van Wyk said.

Capital expenditure was reduced to R551m (R652m). Finance costs fell 23% to R316m (R412m). Gearing rose to 32,3% (30,7%).

Van Wyk said prospects for Iscor would improve if, in the medium term, the anticipated political settlement was reached.

No surprise from Iscor

Star 26/8/93

BY STEPHEN CRANSTON

The was little surprise in the 16 percent fall in Iscor's earnings to 15,1c a share in the year to June, though it bettered market expectations.

The dividend is down 17 percent to 5c.

Retiring MD Willem van Wyk, who is to be replaced by former Samancor MD Hans Smith — says the total tonnage of steel sold fell by 2,9 percent, mainly as a result of the relining of the blast furnace at the Newcastle works.

Steel exports comprised 53 percent of sales.

Considerable strides were made in iron ore exports, which increased 11 percent to a record 15 million tons.

Better asset management and reduced borrowings enabled it to reduce finance costs by 23 percent to R316 million (~~R394~~).

Capital expenditure was brought down to R551 million (R852 million previously).

Iscore wrote off R460 million from the balance sheet as extraordinary items.

Certain operations were discontinued at the Pretoria works after it became apparent that they could not be

Company: Iscor
Sector: Steel

SHARE PRICE: 142c
YEAR HIGH: 156c
YEAR LOW: 61c
Net asset value: 341c

MARKET VALUE: R2,65bn
PE RATIO: 9,4

Dividend yield: 3,5%

Year to	Turnover Rm	Operating Profit Rm	Attributable earnings per share (c)	Dividend per share (c)
1991	7392	874	33,4	11,0
1992	8616	748	18,0	6,0
1993	8825	606	15,1	5,0
% Change 2		-19	-16	-17

restored to profitability.

The holding costs of investments in Metkor, Usko, Tosa Seamless Tubes and Consolidated Wire Industries were reduced by R114 million.

Van Wyk says that the domestic steel market is not expected to show any significant improvement in the 1994 financial year, but that international steel prices have started to improve.

This, together with the expected high level of iron ore exports, the weakening of the rand and rationalisation at Pretoria will have a beneficial effect on results for the current year

The main source of profitability remains the local market

Van Wyk says that although the mining sector may receive some stimulus from the improved gold price and the weakening rand, the manufacturing sector still looks weak. (260)

Iscore's share price has strengthened from a low of 61c to 142c, but it remains a recovery opportunity as it trades at less than half net asset value.

Other shares, notably Highveld Steel, have better prospects.

cott stands, says VCA

Vosloorus to pay for electricity

Sowetan 26/8/93

■ CUSTOMER SERVICE Eskom

accounts will be payable on October 7:

ESKOM and Vosloorus community leaders have, after consultation with residents, reached an agreement on a domestic electricity tariff

Eskom said in a statement on Tuesday that the interim domestic tariff of 16,3 cents a unit for this area was based on the financial position of electricity supply in the town. (261)

It said during the past months it had been doing network refurbishment, meter testing and establishing a customer service centre. (55)

Eskom had opened a service centre at the Lesedi shopping centre where residents could apply for electricity pay-accounts, make inquiries, report faults and find out more about prepaid meters and the safe and economic use of electricity. (260)

It said residents would receive Eskom's accounts in the first two weeks of September 1993 and they must be paid before October 7. The Vosloorus Civic Organisation said residents had never been against paying for services rendered and were geared to meet their obligations in this regard.

The VCA said the rent and service boycott had been forced on it by the Government which imposed corrupt and undemocratic black local authorities against the expressed will of the people.

The Vosloorus Town Council had used the supply of electricity as a tool to browbeat the residents into submission, the VCA claimed.

It had taken a year of mass action before the Town Council eventually allowed Eskom to take over the supply of electricity to Vosloorus.

Star 26/8/93

SABC cashes in on poll

260

■ BY MICHAEL SPARKS

The SABC yesterday tried to convince foreign journalists to rent SABC facilities for their radio and television coverage of the election scheduled for April 27 next year

Up for grabs was everything from the most sophisticated six-camera truck — at R16 000 a day — down to single items from the SABC's own television news at just R300 a snippet.

Office and studio facilities were up for rent too, but correspondents would also have to get accreditation to what was described as the Interna-

tional Broadcasting Centre at a cost of R1 000 a person

This entitled people to services such as priority security checks, and use of canteen facilities and archives

Asked about the cost of accreditation compared with other African states, where it is free, broadcasting centre chief executive Gert Claassen wondered aloud about the quality of facilities in these countries, only to be told they used SABC equipment.

In what was obviously a hard sell, journalists were given a classy-looking fake leather folder, and free liquor and gourmet eats

Fm 27/8/93

nauw says it is "nonsense" to suggest that Sasol is seeking new protection "We already have protection What we want is to do away with the unique protection system for the indigenous fuel industry and go through normal channels."

Krynauw says the proposed changes would alter neither Sasol's profits nor the price of petrol.

De Villiers originally said Sasol has requested the Board on Tariffs & Trade to investigate the possibility of granting protection to the synthetic fuel industry through imposing custom duties on imported crude and transport fuel

A working committee consisting of representatives from the synthetic fuel industry as well as various government departments is currently examining different protection mechanisms

Sasol has always rejected the suggestion that its synfuels are subsidised by taxpayers Such statements could lead to countervailing duties being imposed on its exports

De Villiers says Sasol does not receive a subsidy but has protection in the same way as do more than 80% of other manufacturers Protection is achieved through import duties and surcharges raised on imported products.

These raise the price of imported products, thus enabling the local producers to achieve higher netback prices

Sasol's protection is somewhat different in form. A levy — called the Equalisation Fund Levy — is placed on imported petroleum products as well as on products manufactured from imported crude oil Synthetic fuels are exempt or partially exempt from this levy, depending on the international price of crude oil

Crude oil

Thus Sasol is able to achieve higher netback prices than importers or producers using imported crude oil.

The tariff protection formula is complicated and causes much confusion, says De Villiers It is based on a floor price for products equivalent to a price of US \$23 a barrel for imported crude oil At a crude oil price of \$23 a barrel no further protection is applicable

At prices above \$28/barrel, 25% of Sasol's additional income accrues to the State until the full benefit previously derived from protection has been eliminated

Sasol claims that the low international prices of crude oil, which have fallen 72% in real terms since 1986, justify at least the present levels of protection

Changes in the SA PPI and international fuel prices since 1979 would have justified protection for Sasol in 1992/1993 of 38c/l — based on the original undertaking by government to the Sasol shareholders at the time of privatisation — instead of the actual 10,8c/l

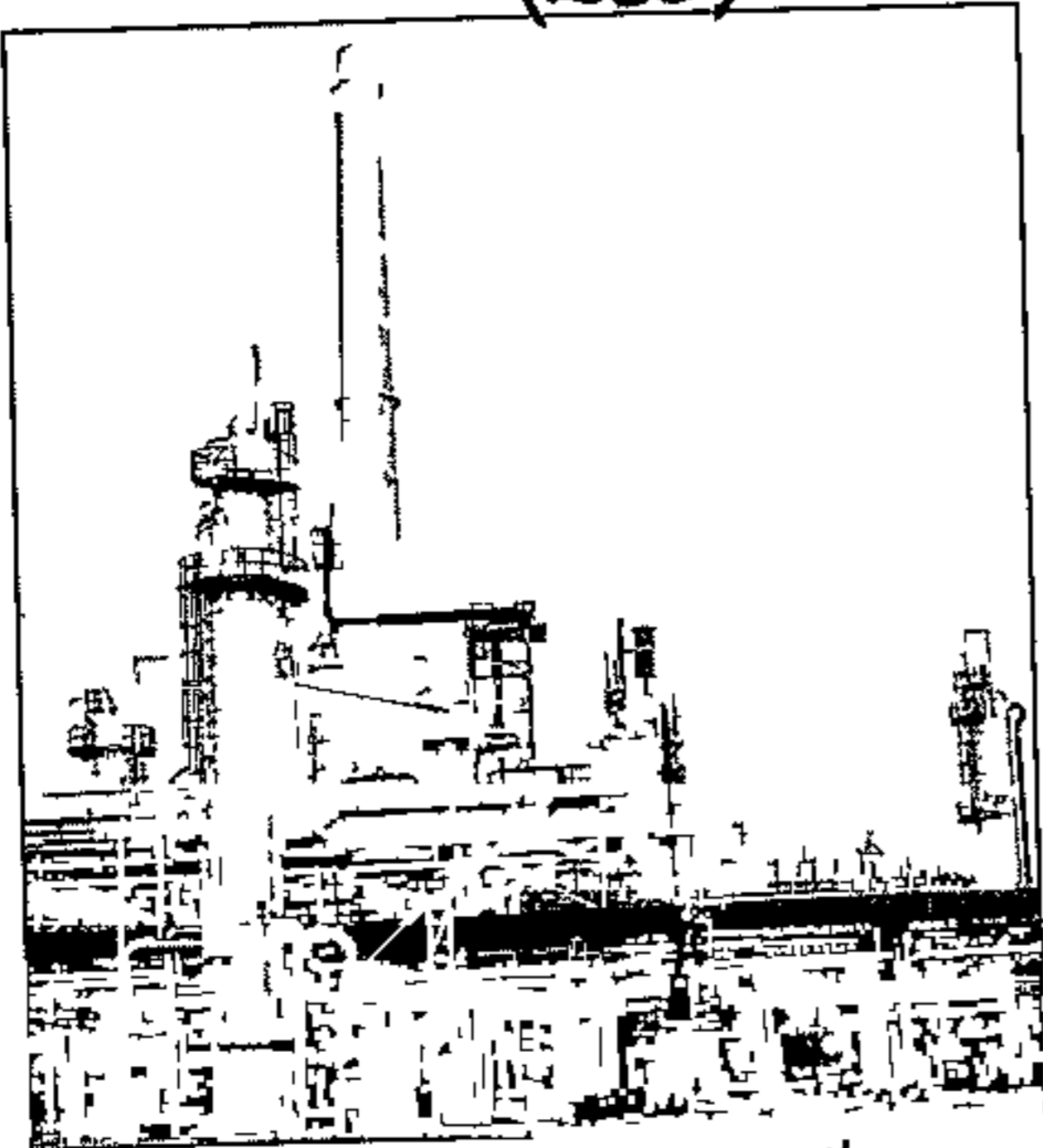
AA GM Robin Scholtz says deregulation of the oil industry is under investigation, so this is an inopportune time to adjust the tariff protection He feels subsidies to Sasol

SASOL Fm 27/8/93

Fuelling the tariff debate

A press report that Sasol was seeking protection for the synthetic fuel industry is wrong, says Sasol Oil MD Dame de Villiers What it proposed was replacing the complex system of protection by a conventional tariff on imported crude oil and petroleum products Sasol communications manager Jan Kry-

(260)



By any other name it's still protection

Fm 27/8/93

should be clearly identified as the cost of a strategic industry and administered separately from fuel prices

It must be acknowledged that government made a commitment to Sasol to maintain a certain level of protection for synthetic fuels But this is inconsistent with government's equally strong commitment to free market economics (260)

The interests of the economy as a whole dictate that protection generally should be phased out as soon as possible In these circumstances, no new forms of protection deserve support

Incentives cut but Iscor expects to keep rolling

Biday 27/8/93

LINDA ENSOR

CAPE TOWN — Iscor expected an earnings improvement in the current year to end-June 1994 despite the phasing out of some elements of GEIS incentives which contributed R100m to the steel producer's 1993 results, Deputy MD Nols Olivier said.

Iscor turned in a 9,5c a share attributable loss after incurring R460m in exceptional write-offs in the year ~~(1993)~~ (1994).

In a presentation yesterday to the Investment Analysts Society on the group's latest results, Olivier said GEIS played a major role in Iscor's profitability (260).

While GEIS incentives would have to be discontinued in terms of GATT, he was convinced it would be replaced by other

government-assistance programmes permissible under GATT.

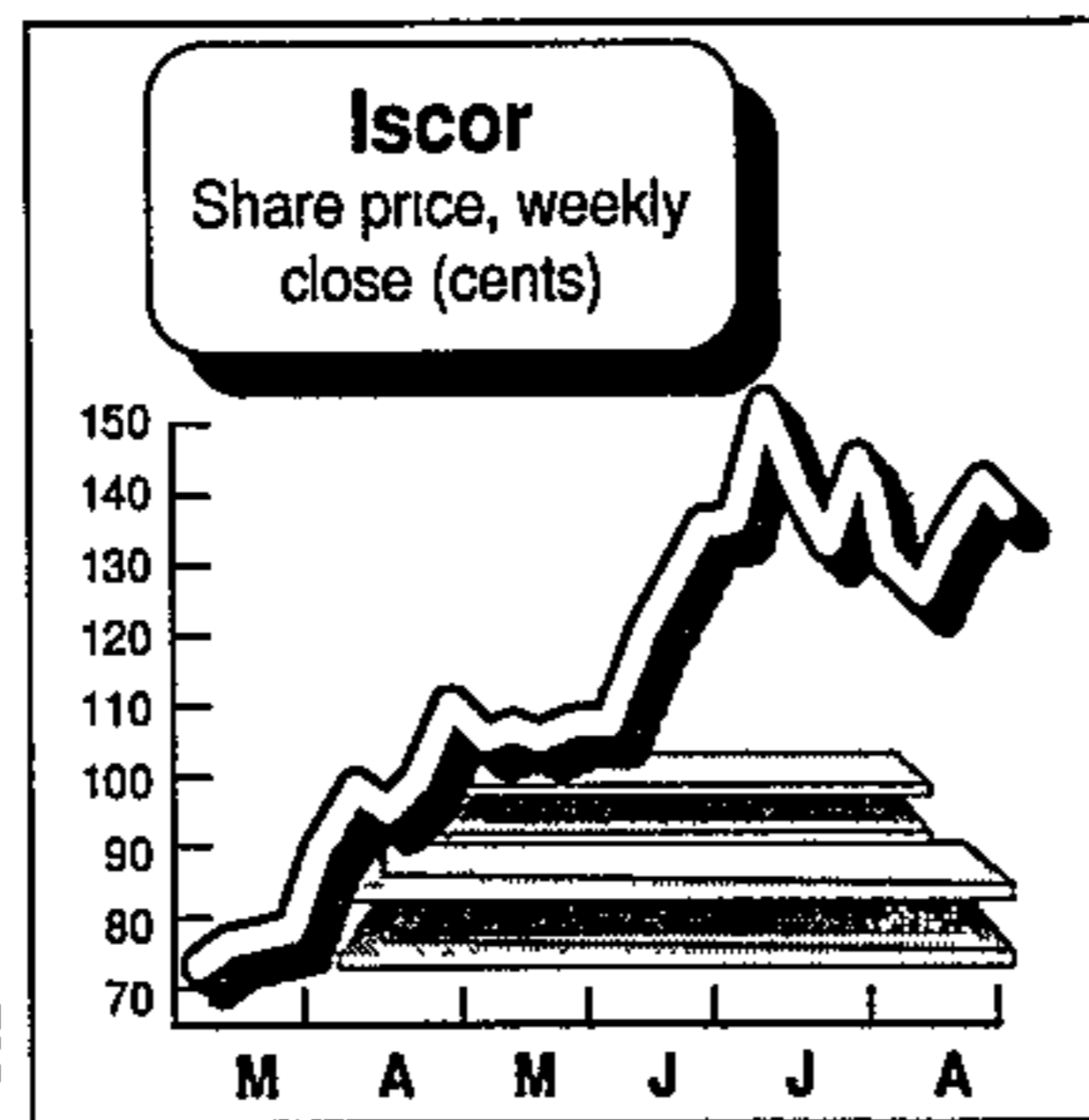
Olivier said Iscor was not concerned about the effects of GATT and was confident it would be able to compete internationally provided the rand was valued on the parity principle. However, steps would have to be taken to prevent dumping as present measures were not effective.

Outgoing MD Willem van Wyk — to be succeeded by former Samancor MD Hans Smith — said Iscor would not have to make any major write-offs for four to five years. With an assessed loss of about R700m, its tax rate for the next two years was expected to remain unchanged at about 6%.

Van Wyk cited a number of positive factors which would bolster the 1993/94 results, including higher world steel prices, the expected high level of iron ore exports, the weakening in the exchange rate and restructuring at the Pretoria works.

Dollar export prices for steel were expected to firm as further rationalisation took place internationally and world economies began to emerge from the recession.

He said domestic short term economic growth prospects were not encouraging and nearly all Iscor's major local market segments were expecting demand to remain flat or weaken in the next six to nine months.



Graphic KAREN MOOLMAN Source I-NET

P.T.O. 17

Star 28/8/93

Jamming the airwaves

ONCE licences for radio stations are ready to be given out, community radio is likely to develop rapidly.

Community broadcasters have enjoyed the privilege of temporary broadcast licences, and it is understood that at least four community stations have broadcast, or are broadcasting, without licences.

Alan Munro's Johannesburg-based Showtime Music Radio has had four temporary licences since April last year. Munro says its latest licence, valid from August 27, runs to September 24. His station will be the voice of the peace campaign in the PWV area.

Generally, Munro says, it takes about three weeks to get a licence. Previously his station has broadcast for Child Welfare and the PWV Directorate of Traffic Safety.

Bush Radio, based in the Cape, began operating in late

1992 after community organisations discussed a community station serving the Cape Flats, says spokesman Edric Gorfinkel. An unlicensed broadcast lasting a mere four hours resulted in confiscation of its equipment.

The station is marking time until it is granted a licence by training journalists and producers, Gorfinkel says.

Another community station, which at the request of its spokesman will not be identified, has been spreading its word to its community quite happily for some time, unlicensed and without interference from authorities.

Its spokesman is reluctant to talk about how the station started or even who is behind it for fear of being closed down, but it is known that the station's programming focuses on informing its listeners on basic health issues. A Fish Hoek church has

HAD broadcasting been deregulated two years ago, the authorities would be prepared for the havoc new stations could cause in the run-up to elections. MANDY JEAN WOODS reports.

28/8/93

been licensed to broadcast 18 hours a day each day during September. Baptist pastor Rev John Thomas says his station's programmes will include chat-shows, phone-in programmes, a daily Fish Hoek news bulletin, weather reports and music programmes, and will carry the church's Sunday sermons live. Fund-raising will also form

part of the broadcast schedule.

Plessey SA has given the church equipment worth tens of thousands of rands to use for the month it will be operating the station.

Greek and Portuguese broadcasts have reportedly been picked up in the Johannesburg area, and an AWB station has been broadcasting illegally from Pretoria.

Gorfinkel believes that with elections in the offing, many community stations could spring up — with or without licences — and could cause havoc in the run-up to and during the April poll.

Legislation allowing more participants in broadcasting should have been passed two years ago, he says. "For legislation to be rushed through Parliament now is questionable political wisdom. A lot of new broadcasters could be on

air before the election, and the authorities don't have the experience to monitor or regulate them."

Community radio is the sector least prepared for deregulation of the airwaves, he believes. "Everyone agrees that community radio can play a role, but so far there has been only lip service. It will be a buntfight to get a radio licence. True, radio stations can make money. But that's not the only role of radio — it is also about giving people a voice."

Legislation setting up an independent broadcasting authority, to be charged with the task of issuing new broadcast licences, is expected to be passed in Parliament next month. A two-day conference on how to open and operate a radio station will be held at the Sunnyside Park Hotel on September 30 and October 1. For more information, contact (011) 726-5018.



Fuel sector urges utility role for Sasol

SI Times (Russ)

29/8/93

By KEVIN DAVIE

SASOL's synthetic fuel core should be turned into a public utility to save the country R670-million, says Engen chief executive Rob Angel.

Mr Angel was responding to Sasol's decision to ask the Board on Tariffs and Trade (BTT) for duties on crude oil imports.

The decision has provoked protests from oil industry executives, who say that if the request was granted it would be tantamount to unfairly protecting Sasol shareholders, prejudicing exports, increasing bureaucracy and subsidising uneconomic activity.

Mr Angel says a solution could be to unbundle synthetic fuels from Sasol to form a utility owned by it or the Government, but independent of the rest of Sasol's activities.

Mr Angel says, "Sasol, has in fact, proposed a form of this structure."

Sasol's tariff protection, or subsidy, was R670-million — 12c a litre — in the 12 months to June 1993.

Mr Angel says: "With the fall of crude oil prices in July, the subsidy increased to 15,96c a litre."

"Engen believes that if it is deemed necessary to have a synfuel industry — and that it requires financial support to make it viable — the cost of the support should be visible."

The best solution for SA would be to eliminate all support for synfuels. A synfuel utility could survive without subsidies and give SA an additional R670-million a year (the present value of the Sasol subsidy).

The rest of Sasol's highly profitable operations would continue to thrive. Sasol could lift its exports without fear of falling foul of the General Agreement on Tariffs and Trade (Gatt).

Mr Angel says: "By contrast, a tariff on crude would increase the end price of fuel and benefit only Sasol stakeholders — not SA. The country would be worse off in the international competitiveness stakes."

Shell (SA), a subsidiary of Royal-Dutch Shell, says Sasol is paid the equivalent of a crude oil price of \$23 a barrel when the price is about \$15.

"Thus, on today's quotations, constitutes a support level of about 50% on the crude oil factor alone," says Ian Williams, managing

director of Shell's oil division.

Caltex chairman Jock McKenzie says oil refiners do not need tariff protection.

"This could lead to our becoming uncompetitive in export markets, which now constitute substantial volumes, earning large net amounts of foreign exchange."

"In the event that credit on any tariff was passed for exports, this would lead to absolutely unnecessary volume reconciliation, accounting and bureaucracy."

Industry representatives have told a Sacob investigation into the deregulation of oil that the fuel pipeline tariff in SA is three times higher than anywhere else in the world.

Jacques Pickard, an analyst at Davis, Borkum, Hare & Co, estimates that fuel users on the Reef should be charged 4c/l (to cover the capital and operating costs of the pipeline) instead of the current 10,9c/l.

This would have reduced Sasol's pre-tax profit last year by R461-million.

Mr Pickard also suggests that a new government may decide to use Sasol's tariff revenue (R538-million last year) for other purposes, such as low-cost housing. His figures show the pipeline charges and tariff revenue were worth R999-million to Sasol last year. Pre-tax profits were R1,53-billion.

Piet Hugo, Director-General of the Department of Mineral and Energy Affairs, confirms that international information suggests that SA pipeline tariffs are higher than those in European countries.

"However, it would be incorrect to compare tariffs without taking cognisance of factors that might influence operational costs, such as topography, volumes and size of pipelines," says Dr Hugo.

Sasol says its protection raises the cost of fuel (3,5c/l in 1992-93). But it claims it delivers much greater benefits (foreign-currency saving of R4-billion and wealth creation of more than R4-billion a year).

The currency saving protects the rand. Without it, the petrol price would go up by 5c/l, says Sasol.

Sasol admits to Sowetan 30/8/93 covert acts

SASOL has admitted it used covert activities to obtain information about possible bomb attacks, arson, sabotage and intimidation of workers at its collieries and its Sasol II chemical plant

This follows a report in the *Weekly Mail* and *Guardian* newspaper that Sasol Mining, a wholly-owned coal mining subsidiary of Sasol, recruited secret agents to infiltrate unions. (260)

It also used companies who were part of the Government's covert operations to promote its image among local black communities. The newspaper claimed Sasol admitted the actions in papers before the Pretoria Supreme Court, responding to a R12-million breach of contract claim by a former employee involved in the operations. Mr Andries Bruyns recruited a corps of trained security officers to infiltrate trade unions and so limit the possibility of strikes at

Sasol's Secunda colliery complex, according to the newspaper. It also claimed that Sasol set up several front organisations to mask its activities and that one of these had links to a R160 million operation against the African National Congress, mounted by South African Military Intelligence. Bruyns is said to have resigned from one such company to cover his tracks, yet joined another and mounted an intelligence operation for Sasol to improve its image among political parties in South Africa. Sasol spokesman Mr Jan Krynauw confirmed Sasol's admission of covert information collecting activities. He said although bound by the sub judice rule, Sasol had taken undisclosed actions to obtain information relating to alleged bomb attacks, arson, sabotage and intimidation of workers at its collieries and Sasol II chemical plant.

PUBLIC SECTOR — GOVT. STATE ENTERPRISE
1993

Analysts expect Sasol to show modest growth

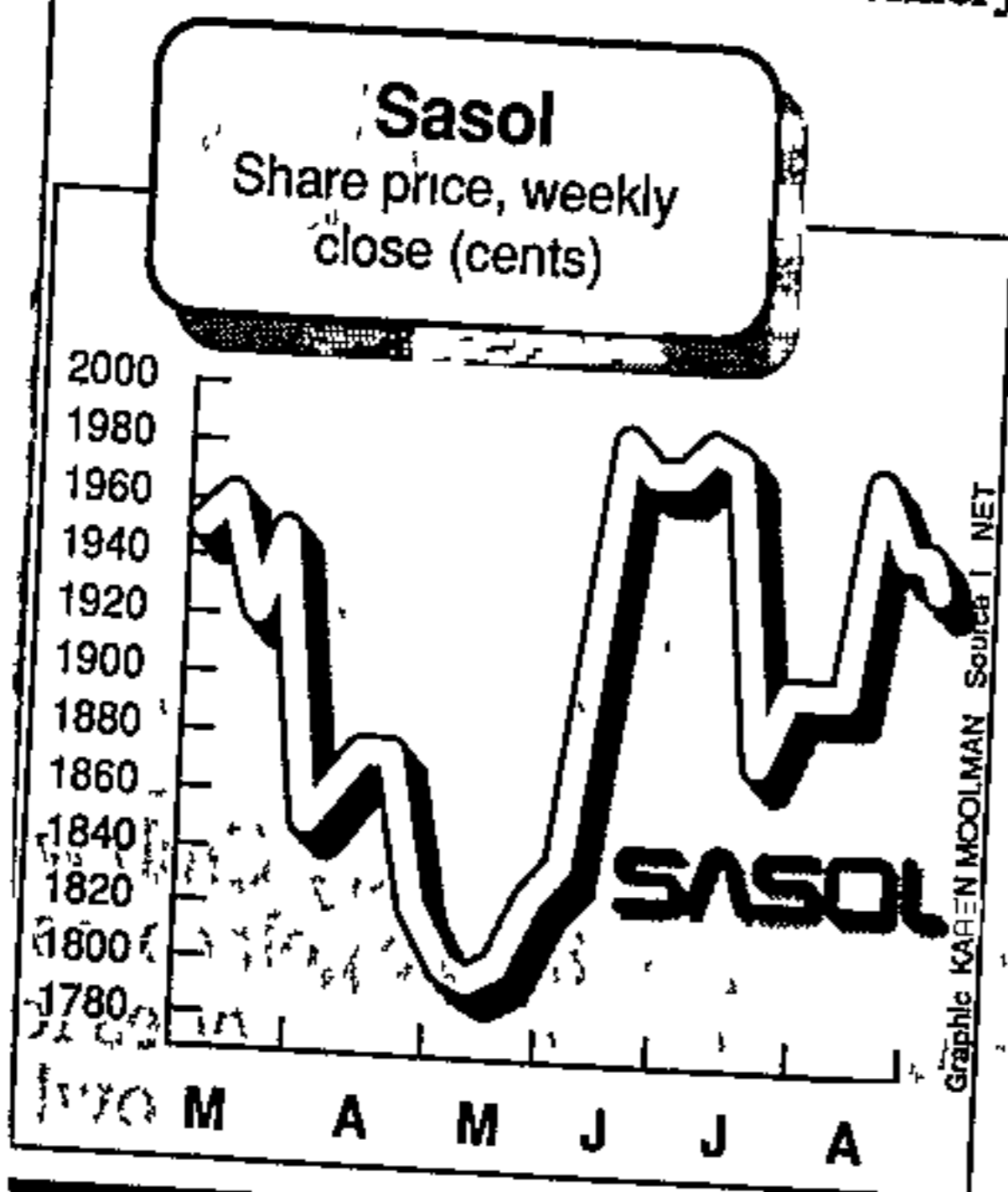
219193
EDWARD WEST

SA oil-from-coal and chemicals producer Sasol, was expected to produce a modest 6%-10% earnings growth when it reported its year-end results tomorrow, analysts on the JSE said yesterday.

International chemicals prices were low, but Sasol's profits were expected to be boosted by the declining value of the rand against the dollar throughout its operations, they said.

Analysts polled forecast earnings of between 215c and 220c a share compared with the 202c a share achieved last year. The dividend was forecast at about 85c compared with 78c last year.

The falling value of the rand would boost chemical exports — which usually amounted to R600m-R700m a year out of a R7,9bn turnover last year — and increase synfuel income and profits at its refinery.



The tax bill and interest costs were expected to be lower (260).

Fertiliser sales were expected to have risen sharply in the second half due to an improvement in the agricultural sector after rains in the first half of calendar 1993.

One analyst said although earnings growth would not be strong this year, the impact of the commencement of capital expenditure projects could substantially boost earnings in the 1994 financial year and in the years ahead.

Reuter reported that a cost cutting programme at Sasol was countering the effects of inflation, currently running at about 10%.

Further substantial capital expenditure over the past year was expected to be reported.

Sasol's share price closed 10c lower at R19,40 yesterday, down from its high of R20,35 early in July.

Dealer Dave Shapiro said the share price had been fairly static and there seemed to be resistance at the R20 level.

He said the share probably represented better value than SA's energy group Engen, and "we're buying. . . In time their massive capital projects should start to yield good returns."

Sasol and chemicals group AECI have in principle agreed to merge their petrochemical and plastics interests in a joint venture.

An analyst report forecast the merger would have little impact on earnings in 1993, but a positive impact would flow from 1994 onwards.

SA tunes in to open airwaves

(260)

ARG 2/9/93

Political Staff

SOUTH Africa's airwaves will open up before the end of the year, when the country can expect to choose from a wider range of radio stations

This follows the approval today by the Negotiating Council of the draft Interim Broadcasting Authority Bill

The agreement was hailed as a step forward

Democratic Party media spokesman and negotiator Peter Soal said "This is of great significance. In the past we have been restricted generally to the SABC.

"This now means we are going to have a multiplicity of

choices as many new radio stations open up"

The draft IBA Bill is the third chunk of legislation to have been approved by the NC to "level the playing fields" during the period leading to elections

It will go before parliament's special sitting on September 13

However, in terms of a resolution before the council the legislation will not be promulgated until "the total package of agreements" — including the interim constitution — have been approved in negotiations

It is anticipated that this should take place towards the

end of October or early November

In essence the draft takes the authority to allocate broadcast licences away from the Postmaster-General and hands it to a seven-person council appointed by the President on the advice of the Transitional Executive Council

The IBA council will be able to allocate all available frequencies

Political parties will be excluded from getting licences

The legislation will also apply to television

Three types of licences will be allocated public, private and community. They will last eight years for radio stations and six years for television

Sasol posts robust earnings increase

Biday 3/9/93

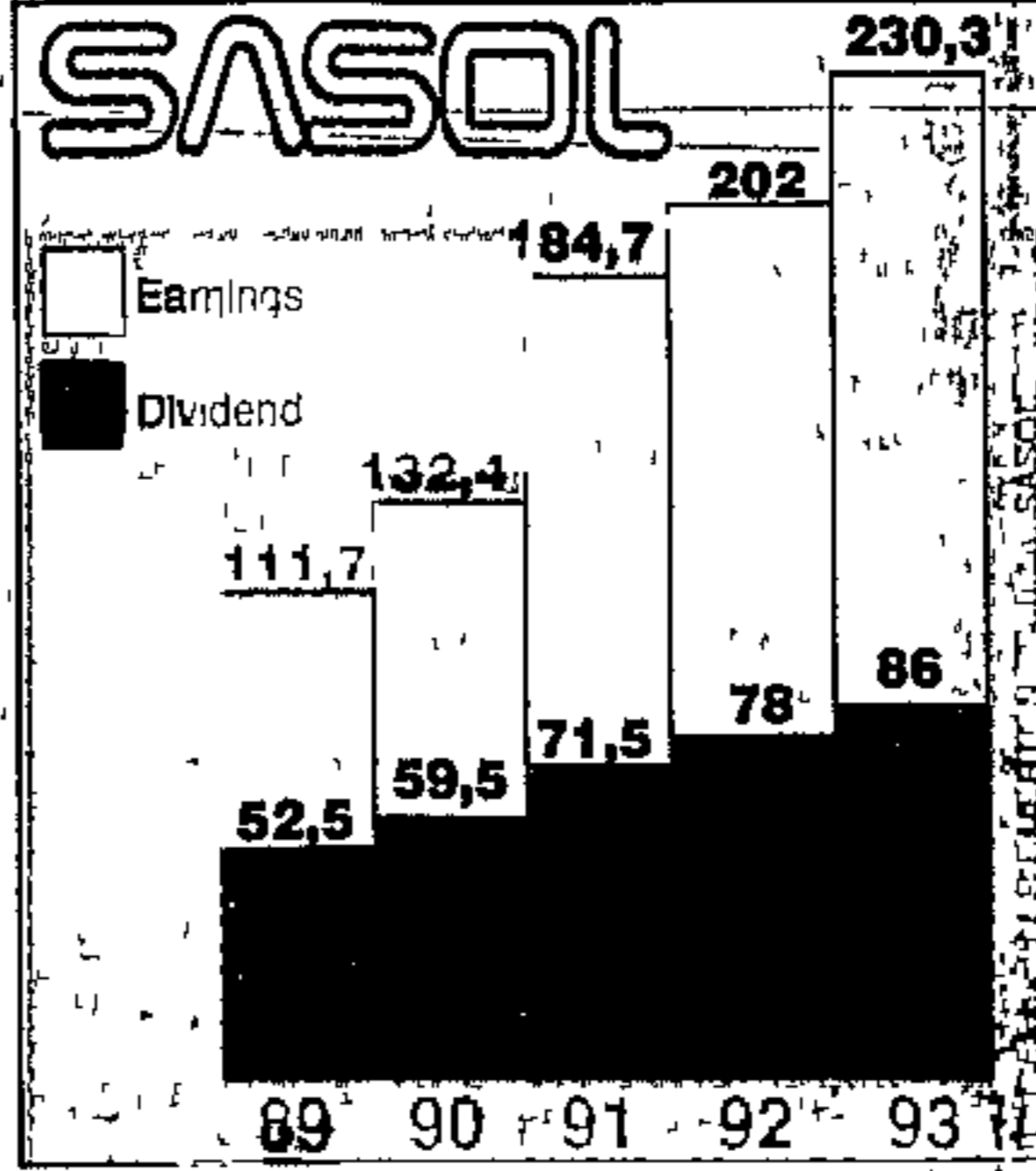
EDWARD WEST

SASOL reported a robust 14% increase in earnings to 230,3c (202c) a share in the year to end-June on the back of cost containment, higher output, a weaker rand and lower interest and tax payments

The oil-from-coal and chemicals group's turnover increased 5% to R8,25bn (R7,85bn) due to increased volumes and, to a lesser extent, the effects of the weaker rand/dollar exchange rate. (260)

Operating income climbed 11,2% to R1,96bn (R1,76bn). A cost reduction programme enabled the group to restrict cost increases to 3,5% for the year. Interest paid fell to R122m (R228,6m) due to higher cash surpluses and the repayment of a R400m instalment for a Central Energy Fund loan. Pre-tax income was higher by nearly a fifth at R1,84bn (R1,53bn).

Tax was lower at R347,9m (R359,7m). The tax rate had been expected to increase by more than 30% from just less than 20% because allowances for Sasol III and Syferfontein mine would be utilised. R100m was



set aside for tax in the 1994 financial year. Taxed profit was 27% higher at R1,48bn (R1,17bn), but the transfer to a tax equalisation fund lowered the rate of attributable income growth to 14,4% at R1,3bn (R1,14bn). A final dividend of 48c (41,5c) To Page 2

Sasol

Biday 3/9/93 From Page 1

lifted the dividend for the year to 86c (78c). Deputy chairman Paul Kruger said the group had been restructured during the year into separate companies. (260)

Sasol Chemical Industries would house chemical operations, Sasol Oil would house the oil refining and marketing activities, Sasol Mining would undertake the mining while the synthetic fuel activities would be operated by Sasol Synthetic Fuels. The number of employees fell by about 4 400.

Lower international petroleum prices, lower refining margins and severely depressed international chemical markets and prices affected results in 1993.

Nevertheless earnings were expected to show a further modest increase this year

due to the continuing cost containment programme, the commissioning of projects, increased production, the weaker rand and the tax equalisation fund.

Militating against these factors were expectations of increased tax and interest, low international petrochemical prices, little chance of a worldwide economic recovery and forecast low crude oil prices and refining margins.

During the past year, the Sasol I rejuvenation project was completed and commissioned, as was the anode coke plant at Sasol II and the acrylic fibres plant in Durban. Good progress was made upgrading the Natref refinery.

Negotiators give control of the airwaves to independent authority

NEGOTIATORS yesterday wrested control of the airwaves from a protesting post-master-general and put it in the hands of a completely independent authority.

Making rapid progress after months of debate, negotiators unanimously passed the Independent Broadcasting Authority Bill — the third to go to Parliament in its special session starting in 10 days' time.

The postmaster-general had raised spirited objections to giving the Independent Broadcasting Authority (IBA) control of all frequencies, proposing instead that it be allocated a band of frequencies. He also said

that as he had a seat on the International Telecommunications Union, the broadcasting authority could merely assist him when the union was sitting.

This was firmly rejected by negotiators. By the year-end the IBA would be in full control of the administration, management and planning of the broadcasting services' frequency bands. Those reserved for the military and strategic services would not be tampered with.

It "will function wholly independent from state, governmental and party political influence and free from political or other

BILLY PADDOCK

er has or interference', the Bill states

The Act to regulate broadcasting has 21 primary objectives, including that it will:

- Promote a diverse range of sound and TV services on a national, regional and local level catering for all language and cultural groups and providing entertainment, education and information;
- Protect the integrity and viability of public broadcasting services;
- Encourage ownership and control of broadcasting services by persons from

historically disadvantaged groups;

- Encourage equal opportunity employment practices by all licensees;
- Ensure that services are not controlled by foreigners;
- Ensure that private and community broadcasting licences are controlled by a range of communities;
- Impose limitations on cross-media control of private broadcasting services;
- Refrain from undue interference in the commercial activities of licensees; while taking into account the public's needs;
- Ensure fair competition and equitable

treatment of political parties during an election, and

- Ensure that licensees adhere to a code of conduct acceptable to the IBA.
- In limiting cross-media control, the Bill specifies that the transitional executive council, or when it dissolves the national assembly, can limit control of broadcasting acting on the IBA's advice.
- The broadcasting authority will, as soon as is practicable, conduct an inquiry into cross-media control.
- Broadcasting licences will not be granted to party political organisations.

Friday September 3 1993 SOWETAN

NEWS Bills remove control from NP • Saccawu sanction expires on Sunday

Another draft Bill is accepted at talks

By Ismail Lagardien
Political Correspondent

■ GENERAL CONSENSUS *Sowetan* 3/9/93

A THIRD DRAFT Bill to prepare the country for elections was accepted in the Negotiating Council yesterday.

The Independent Broadcast Authority Bill was accepted shortly before noon yesterday and draft legislation for an independent media commission and independent electoral commission was accepted on Tuesday.

All three Bills were accepted by "general consensus" and will be tabled in Parliament during a special session which will be held between September 13 and 24.

The special session was initially called to legislate the official transition to a more democratic order in South Africa, but was starting to look

Independent Broadcast to be tabled in Parliament during special session:

doubtful as politicians stonewalled and continued to filibuster in the negotiations process (250). The Cabinet, however, confirmed yesterday that the session would go ahead as planned.

Pilot Bills

Besides legislation to facilitate the transition and to "level the playing field" for the elections, the Government is preparing to pilot Bills dealing with labour and defence issues through Parliament. The incorporation of Walvis Bay

into Namibia could also be legislated for during the short session.

None of the legislation accepted by the Negotiating Council and consequently passed by Parliament is expected to come into effect before agreement is reached on and legislation is passed for the transitional executive council and an interim constitution.

The three Bills will take effective control of the media and elections away from the National Party and give all people in South Africa—especially black people—total access to the media and specifically to the electronic media.

Fm 3/9/93

Stage being set for recovery

IsCOR's results for the 1993 financial year offer much comfort for investors. Debt is shrinking, asset management has patently improved, product prices have turned upwards in international markets and the long deterioration in profitability appears to have ended.

It all offers grounds to look for better earnings in 1994. Indeed, there must be recovery ahead, unless the market has got the share badly wrong (again). At 144c, the price is 136% up on the 61c low set on December 31 last year — though it was evident at the time that it was greatly over-sold (Fox January 8).

But, while the stage has certainly been set for an earnings recovery (just after the retirement of MD Willem van Wyk), it will be hobbled by what remains a fundamentally depressed domestic market. Resumption of

Nols Olivier says the assets concerned will probably be scrapped, except the heavy mill which is to be mothballed. He adds that no further rationalisation is planned now.

Another R114m was written off the carrying value of investments because their profitability or, in the case of listed companies such as Metkor, their market values, had deteriorated materially. There could be a write-back if valuations appreciate.

The relining of the blast furnace at Newcastle, as well as further weakness in international product prices during the first half, was the main reason for the sharp drop in last year's operating margin, from 8,7% to 6,9%. It's down from 10,8% in 1991 and 16,1% in 1990.

With capacity restrained at Newcastle, steel sales tonnage fell 3% over the year. Stocks at the five works were drawn down by 147 000 t and scrap stock by 286 000 t or 27%. This, with generally tighter asset management, contributed to the R77m reduction in year-end borrowings. Benefits are clear in the R96m or 23,3% drop in the interest bill. However, the cash balance, a hefty R470m at the 1992 year-end, has yet to be disclosed.

Interest cover narrowed sharply during the downturn. IsCOR's pre-tax profits are highly geared to further paring of borrowing costs. Olivier says debt reduction will remain the priority this year; he is confident that process stock will be cut by another R100m-R150m, for example, and capex is not expected to increase materially from 1993's R551m (1992 R852m).

Several factors should bolster the operating margin this year. These include recommissioning of the Newcastle blast furnace; benefits from the Pretoria rationalisation; firmer control of operating costs; a weaker rand (exports now account for 53% of sales); and firming dollar prices for exports — Olivier estimates dollar prices could be 7,5%-10% better over the year.

No domestic recovery

These developments, Olivier feels, could see the margin returning this year to around the 1992 level. On maintained turnover, that alone would add some R162m (55%) to pre-tax profit.

But domestic offtake would have to recover before the margin could reach the levels of three or four years ago. And Olivier says IsCOR sees no evidence of fundamental recovery of consumption at home.

Anyway, the effective tax rate, now only about 5%, will remain low. There is a tax benefit of some R600m.

Provided international demand does not weaken again, profits could recover steadily over the next couple of years. The share looks

high enough for now, but the recovery could continue once the market has absorbed these results.

Andrew McNulty

AT THE BOTTOM?

Year to June 30	1992	1993
Turnover (Rbn)	8,62	8,83
Operating income (Rm) ..	748	606
Attributable (Rm)	338	283
Earnings (c)	18,0	15,1
Dividends (c)	6,0	5,0

growth in local steel consumption is what IsCOR really needs and management sees no sign of this happening.

Given the extent of the slump in the world steel industry, shareholders may be thankful that IsCOR has apparently reached the bottom of the cycle without reporting a loss. This escape is partly thanks to SA's accounting practices which are distinctly liberal by the standards of the UK and the US.

Accompanying the 1993 year-end figures was news of write-offs totalling R460m, treated as an extraordinary item. This must rank among the largest such write-offs in SA's recent corporate history. Had it been taken above the line, as would happen now in the UK, attributable earnings would have been a negative R177m instead of a positive R283m; EPS would have been a negative 9,5c instead of the positive 15,1c.

Most of the write-off, some R337m, related to the discontinuation of unprofitable operations at the old Pretoria works. This includes the closure of the soaking pits, blooming mill and associated plant as part of a rationalisation programme, as well as the decommissioning of the outdated finishing mills, capacity being switched to newer plant at Newcastle.

This work is being done largely during the six months to December 1993, but full provision has already been made. Deputy MD



Why this fear of political television adverts?

260
WMS-9/9/93

Warts and all, televised advertising is the most effective way to reach South Africa's voters — and it would be a mistake to prohibit it, argues political scientist **Jon Gould**

IMAGINE for a moment the following scenario: a country in which the majority of citizens have never voted, let alone know much about democracy, where more than 60 percent of those individuals are functionally illiterate, where political canvassing only occurs in an atmosphere of violence and intimidation, and where a sizeable number of communities, even in many rural areas, have television.

Viewed in a vacuum, you would think the situation ripe for televised political advertising. In fact, you might embrace televised advertising as the most effective way to reach new, potential voters.

But this country is no mythical place — and, alas, it is one where political advertising on television is about to be cut off. As reported recently, the negotiating council at the World Trade Centre is considering proposals to prohibit all televised political advertising in South Africa.

It is unclear what is driving these proposals. Some decry the corrupting effects of televised political manipulation, while others fear the advantage it would bring to more affluent parties. In either event, the negotiating council is wrong.

Much has been made of the American experience, and especially the advertising campaign of George Bush's 1988 election. I was on the national campaign staff of his opponent, Michael Dukakis.

Bush's adverts were manipulative. They were cynical, pandering adverts that preyed on the worst impulses of the American voters. They also worked.

They succeeded not only because of their craftiness. Bush had some help: not only did a nominally independent group direct its own attack

ads against Dukakis, but Dukakis himself failed to respond effectively to the adverts' assertions.

Neither of these problems, though, should necessarily spell the doom of televised political advertising. In the first case, televised adverts can be limited to the political parties. In the second, televised advertising should be kept in perspective. Even the infamous "Willie Horton" adverts could have been neutralised if Dukakis had challenged them early. Voters are not so manipulable that they cannot choose between competing versions of the truth.

More importantly, in the right hands, televised political advertising can be an effective educational tool. Putting aside all the objections — that television is shallow, that it can manipulate — no one can deny the power of televised advertising to bring new political ideas to people who have not previously experienced them. This is especially true of South Africa, where real political debate is a rarity. Just how are new voters to learn about their choices?

Not from political rallies or canvassing — we have already witnessed the violence that erupts when various parties campaign in their rivals' supposed strongholds — nor from printed material, which is difficult to distribute nationwide, easy to destroy and of little use to those who are illiterate.

The answer has to include the electronic media, which have the power to bring new and unedited messages to an audience that would not otherwise see them. In fact, the negotiating council has already acknowledged this argument by proposing to allow radio adverts.

So what stops the council from permitting televised adverts?

Listening to the rhetoric, one divines a fear of televised adverts. With their visual imagery, they are a more potent tool and, because they are more expensive than radio or print adverts, they are likely to benefit the wealthier parties. But this can be overcome.

Consider the experience of Nicaragua in its last multi-party elec-

tion: the election commission set up a central clearing house for all foreign contributions to the country's political parties. Half these contributions went to the parties designated, and the other half was used to finance the expensive process of new elections.

Similarly, the negotiating council could harness the new international interest in South Africa to provide a baseline of financial resources to the country's political parties.

I do not suggest that the council equalise resources among the parties, nor should parties be granted funds without demonstrating some minimum level of support. But if outsiders with no stake in the election's outcome are allowed to contribute towards its result, some of that money should be used to finance real multi-party competition.

Alternatively, the council could choose to grant parties a certain amount of free televised time to do with as they wish. Assuming that the parties stayed within the bounds of libel and slander, they would each have a chance to make their own case to the electorate.

This, of course, would require SABC funding, for the free time would undoubtedly substitute for otherwise paid programming. True as this may be, the negotiating council — and the government — have to set their spending priorities.

And therein lies the crux. If the country's political leadership is serious about holding free and fair multi-party elections, steps have to be taken now to ensure that voters are exposed to the breadth and implications of their choice. Televised political adverts should be a part of this process. Warts and all, they are the most efficient way to convey easily understood information to the broadest possible audience.

Rather than seeking to prohibit televised political advertising, the negotiating council should embrace it.

Jon Gould, an American lecturer in law and political science, works at Beloit College and DePaul University's International Human Rights Law Institute. He recently spent two months with the Community Law Centre in Durban.

Total dividend 10% higher than last year's

Cost-cutting Sasol beats expectations

Star 3/9/93

(260) (185) (185)

SASOL has increased earnings by 14 percent despite a sharp decline in profit from its non-fuel interests.

BY STEPHEN CRANSTON

Sasol beat market expectations with a 14 percent increase in earnings per share to 230,3c in the year to June

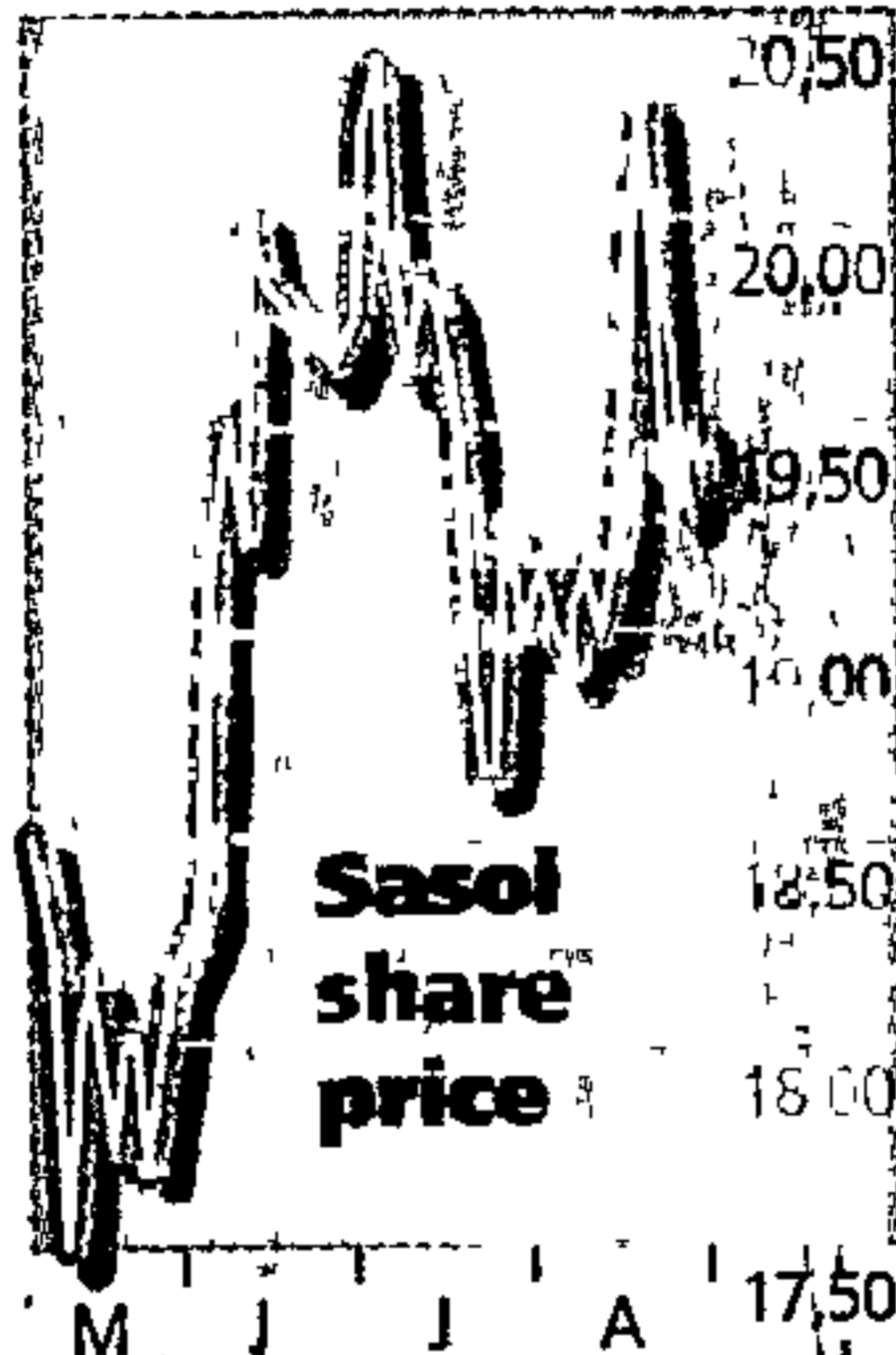
Chairman Joe Stegmann attributes this to Sasol's success in reducing costs and increasing production output and market penetration.

A final dividend of 48c has been declared to make a total of 86c — an increase of 10,3 percent on the previous year.

Stegmann says cost increases were limited to 3,5 percent, because of a 15 percent reduction in staff and more efficient use of raw materials.

At Sasol Two and Three the on-stream availability of the Synthol synthesis units was maintained at very high levels and, combined with excellent plant stability, resulted in a substantial improvement in output

Synthetic fuels remained



the dominant profit source, with operating profit up 24 percent to R813 million.

Sasol Two increased its production of synthetic oil by 3,3 percent and total useable products by six percent.

Sasol Three improved its oil yield per unit of synthesis gas by 1,7 percent.

The rejuvenation of Sasol One was completed at a cost of R820 million — R80 million below budget.

Ammonia production capacity has been increased from 300 000 tons to 500 000 tons a year.

Wax and paraffin production facilities were expanded.

The most disappointing performance came from petrochemicals and other down-

Company: Sasol				
Sector: Chemicals and Oil				
SHARE PRICE: R19,40	MARKET VALUE: R10,99bn			
YEAR HIGH: R20	PE RATIO: 8,4			
YEAR LOW: R14,25	Dividend yield: 4,4%			
Net asset value: R11,24				
Year to	Turnover Rm	Operating Profit Rm	Attributable earnings per share (c)	Dividend per share (c)
1991	7562	1897	184,7	71,5
1992	7854	1759	202,0	78
1993	8297	1956	230,3	86
% Change	5	11,2	14,0	10,3

stream businesses, which saw operating profit fall from R349 million to R230 million.

The worldwide overcapacity and international recession drove dollar prices below the prices prevailing in the previous major slump in the Eighties.

Fertilisers were hit by a five percent reduction in local demand, and sales were affected by problems caused by the unsuccessful modification of the granulation plant.

The explosives division increased its contribution to group profit, despite severe competition.

Crude oil refining's operating profit was down two percent to R483 million because of a fall in refining margins.

The star performer was the coal division, which increased operating profit by 64 percent to R430 million.

The Secunda Collieries increased production by 6,4 percent and unit production costs fell by 3,6 percent.

Sasol's net interest paid fell by R106,6 million, thanks to higher average cash surpluses and the repayment of a R400 million instalment of the Central Energy Fund loan.

The effective tax rate fell from 23,5 percent to 18,9 percent, but the assessed losses of Sasol Three relating to the Sasol Three project and of Sasol Mining relating to Syferfontein will be fully accounted for in the current financial year.

Independent group to control airwaves

JOHANNESBURG — Negotiators wrested control of the airwaves yesterday from a reluctant postmaster-general and put it in the hands of an independent authority

They unanimously passed the bill relating to the Independent Broadcasting Authority (IBA) to go to Parliament in its special session which starts on September 13

The postmaster-general had raised spirited objections to the IBA controlling all frequencies, suggesting that he allocate it a band of frequencies. As he had the only seat on the International Telecommunications Union, the IBA could help him when the union was sitting, he said

This was rejected by negotiators. The act aims to encourage owner-

ship and control of broadcasting services by members of disadvantaged groups, ensure services are not controlled by foreigners and impose limits on cross-media control of private broadcasting services

● The negotiating council at the World Trade Centre decided yesterday that draft legislation should be passed in Parliament before a plenary session is held to give the thumbs-up for its implementation. However, Bophuthatswana and the PAC disagreed, and Ciskei abstained

● The KwaZulu government's application for a ruling on the definition of "sufficient consensus" at democracy talks will be heard in the Pretoria Supreme Court next Thursday. Political Staff, Sapa

U3/9/93

Flock of broadcasters set to blast airwaves

260 ARG 4/1/93

MANDY JEAN WOODS
Business Correspondent

RADIO stations are blossoming from Fish Hoek to Pretoria — some with temporary licences and some without

This varies from an illegal AWB station in Pretoria to a licensed Baptist station in Fish Hoek sending out messages to the faithful 18 hours a day

Community radio is likely to develop fast once deregulation of the airwaves begins

Several community broadcasters have already taken out temporary licences to broadcast for short periods and, it is understood, there are at least four community stations that have broadcast, or are broadcasting, without a licence

Showtime Music Radio, based in Johannesburg and run by Alan Munro, had been given four temporary licences since April last year, Mr Munro said. Its latest broadcast began on August 27 and runs to September 24, and will be the radio voice for the National Peace campaign in the PWV area

Generally, Mr Munro said, it had been taking about three weeks to get a licence. Previous Showtime Music Radio broadcasts were for Child Welfare and the Directorate of Traffic Safety in the PWV

Bush Radio, based in the Cape, began operating in late 1992 after discussion with various community organisations on a station to service the Cape Flats area, said

spokesman Edric Gorfinkel

A briefly defiant broadcast in April, 1992, without a licence, which lasted a mere four hours, resulted in the fledgling station's equipment being confiscated a few days later

But, unrepentant, the station was marking time until it was given a licence by training journalists and producers, Mr Gorfinkel said

Another community station has been spreading the word on basic health issues to its chosen community quite happily without interference from authorities and without a licence. A spokesman was reluctant to talk about how the station began, or even who was behind it, for fear of being closed down

And a Fish Hoek church has been given a licence to broadcast 18 hours a day for the month of September

Baptist pastor John Thomas said programming would include chat shows, phone-in programmes, a daily Fish Hoek news bulletin, weather reports, music programmes and the church's Sunday Sermon's live

Fundraising would also form part of the broadcast schedule. Plessey South Africa had donated equipment to the church for the month it would be operating the station

There have been reports of Greek and Portuguese broadcasts being picked up in the Johannesburg area

Mr Gorfinkel believed that

with elections imminent community broadcasters could blossom — with or without licences — and potentially cause havoc in the run up to and during the elections scheduled for April 27

Legislation allowing more to take part in broadcasting should have been passed two years ago, he argued

"For legislation to be rushed through parliament now is questionable political wisdom. A lot of new broadcasters could be on the air before the elections and the authorities don't have the experience to monitor or regulate them. Potentially, they could cause havoc with the elections," he said

The community radio sector was the most unprepared, he believed

"Everybody agrees that community radio can play a role, but, so far, there has been only lip service. It will be a bunfight to get a radio licence. True, radio stations can make money. But that's not the only role of radio. It is also about giving people a voice," he said

Legislation setting up an Independent Broadcasting Authority charged with issuing new licences, is expected to be passed in parliament during the special session in September

A two-day conference on how to open and operate a radio station will be held at the Sunnyside Park Hotel on September 30 and October 1. For more information contact (011) 726-5018

Media's ^{stipulated} broadcast stake to be limited

By TERRY BETTY

LIMITS on the stake media groups may hold in private broadcasting will be decided through a public inquiry by the Independent Broadcasting Authority (IBA).

Guidelines are not stipulated in the Independent Broadcasting Authorities (IBA) Bill because the matter is complex and interested parties complained they did not have sufficient time to make submissions, says a source at the World Trade Centre constitutional talks at Kempton Park.

The Bill is intended to ensure freedom of expression through diverse ownership of broadcasting stations.

Although four media groups control M-Net, the changes will not affect shareholders for eight years, says the source.

Times Media general manager, electronic media Neil Jacobsohn is happy that the ownership limits will be set by the IBA. "It will be the expert body and it is proper it should make such decisions, rather than have them imposed on it."

(260)

DIAGONAL STREET

ISCOR holds the pass

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ISCOR shares strengthened to 144c still below half net asset value — after presentations in Cape Town and Johannesburg a week ago by management on its results and prospects.

It was the swansong for managing director Willem van Wyk, who will be succeeded by Hans Smith, formerly of Gencor, and Samancor.

Mr van Wyk says he is still a shareholder in Iscor and hopes the new management will produce the goods.

Although Mr van Wyk's final year at the helm before retirement did not yield the kind of profits he might have wished for, at least the tone was more positive.

In the year to June, Iscor's turnover edged up to R8,8-billion, but attributable profit fell 16% to R283-million before write-offs.

Mr van Wyk says that although this was disappointing, it was better than budget.

"In August last year I was a very scared man, worried about the effects mass action, stayaways, furnace relining and the conversion of the mill at Pretoria would have on profits," he says.

He called senior managers to headquarters and asked them to cut costs. The pep talk resulted in savings of R100-million.

The final figures were not as bad as he had feared Iscor was able to write back previous provisions and reduce borrowings by R77-million to R2,3-billion.

Iscor wrote off R114-million of lower value investments in Melkor, Usko, Tosa and Consolidated Wireworks and another R337-million of discontinuation costs of certain Pretoria operations, some of it taken up front ahead of current-year shutdowns.

This led to a deficit after extraordinary items of R177-million and a 14c a share drop in net asset value to 341c. Foreigners held a little more than 0,2% of the equity at August 25, slightly up on the 1992 figure.

Fewer tons of steel were sold because of a planned R64-million blast-furnace rebuild at



CHANGE OF LEADERSHIP ... Willem van Wyk, outgoing; Hans Smith, incoming



Newcastle Iscor tried to compensate for the production loss by using a Russian technique to make steel solely from scrap.

Iscor's other big product is iron ore, exports jumped 11% to 15-million tons on increased Chinese offtake of 3,4-million tons.

Lower coal demand from Eskom's Matimba power station led to a 3% decline by weight to 9,8-million tons sold by Iscor. Mr van Wyk says the contract with Eskom was revised into a more workable form.

Iscor's capital expenditure fell to R351-million, less than half the 1991 level. A continuous-casting machine at the Pretoria works cost R62-million.

Mr van Wyk says capex will total about R1,5-billion in the next two years, but a rights issue will not be necessary.

Iscor's balance-sheet ratios make unhappy reading, all having deteriorated over three years. Return on equity is only 4,4% and on net assets 6,6%. Gearing stands at 32%.

Steel cans first on recycling scene

ISCOR public relations manager Neels Howatt says claims about the recycling of aluminium cans may obscure the fact that soft-drink containers made of its timplite have been recycled for nearly 20 years.

Collect-a-Can was launched in 1976 and revamped on April 1 this year, the objective being to increase the recovery rate of used beverage cans from 20% to 50% in three years. Britain recycles 12% of its cans, America a third and Germany 60%.

More than 2,5-billion cans are sold in SA

each year, half in the Pretoria-Witwatersrand-Vereeniging area. Operations are centred on depots in Industria, Johannesburg and Silvertondale, Pretoria.

Collect-a-Can pays a cent for a steel can delivered to its depots. Market prices are paid for cans of other metals.

Mr Howatt says Collect-a-Can provides informal-sector job opportunities as well as fund-raising potential for schools and charities. Partners in Collect-a-Can are Iscor, Metal Box and Crown Cork.

Mr van Wyk says the rand did not depreciate as fast as it should have done on buying-power parity between 1989 and 1993, although the gap almost closed in the first six months of 1993.

He says the falling rand, improved dollar export prices, lower inflation and interest rates and rationalisation in Pretoria will benefit the bottom line.

A higher gold price will improve sentiment. But domestic demand for steel will remain flat and political uncertainty will stymie growth in the short term. Cash flow will remain a priority and higher profits are expected for the year to June 1994.

"If turnover rises by only 2% in real terms, it means a 60% rise in our attributable income," says Mr van Wyk.

He sees improved prospects if there is a political settlement and SA can develop as a regional as well as international power.

Iscor says that if the general export incentive scheme (Geis) were to be scrapped in terms of Gatt membership as an economy in transition, it would be replaced in some way, possibly indirectly through aid to domestic buyers of steel for value-added exports.

It would not spell the end of the road, as some commentators have suggested.

Import duties would not be scrapped without some compensating export protection.

One analyst says Iscor has reported flat domestic demand, but Highveld Steel has recorded a 10% upswing. Iscor says timing differences and destocking by merchants account for the apparent discrepancy and it has not lost market share.

Coal from its Grootegeluk colliery is being exported because internal demand is low.

Sentiment is that the worst is behind this group, which attracted large amounts of public money at R2 a share. The price was as low as 60c only months ago, moving up as its recovery potential grew.

Given a bull market, Iscor should continue to climb.

● Iscor dividends may be paid into shareholders' bank accounts if they apply to Central Registrars

**SABC clarity
on imbalances**

8/15/93
MARCIA KLEIN

CLARITY on racial and gender imbalance in the SABC's staffing structure would follow tomorrow's SABC board meeting, said the latest edition of the SABC's Interkom (260). SABC chairman Iyy Matsepe-Casaburri said much work still had to be done before final decisions on these issues could be made. She said that in filling top and middle management posts that fell vacant within the next 18 months, priority should be given to people who were not white.

Star 7/9/93

SA offers new deal to Gatt

■ BUSINESS STAFF

South Africa has submitted a revised offer to the General Agreement on Tariffs and Trade (GATT) after a series of breakthroughs in negotiations between government, business and labour.

The government's earlier offer to Gatt would have reduced tariff headings from about 12 000 to

1 000 and ceilings would have been pegged at a maximum tariff of 30 percent after a five-year phase-in period.

Employer and union federations felt that this would have had severe effects on jobs.

Although no details of the revised offer were made available, a statement from the office of Finance Minister Derek

Keys, said the adjustments consisted mainly of subjecting certain sensitive products to a longer phase-down period and in a limited number of cases rates were adjusted both up and down.

A panel representing the clothing and textile industry made a new proposition to the Minister last week.

It suggested maximum

tariffs for clothing of 60 percent and for textiles of 30 percent.

Tariffs in other industries will also have to be lowered enough to bring the average into line with Gatt requirements.

Employers and unions in the heavily protected motor industry have agreed to a reduction of tariffs from 110 percent to 60 percent.

Sasol against tariff cuts on chemicals

Star 7/9/93

■ BY STEPHEN CRANSTON

Sasol chairman Joe Stegmann has condemned proposals to reduce tariffs on chemicals in line with Gatt principles.

He says that in some instances maximum protection will be even lower

than those ruling in the US, EC and Japan.

"There will be no quicker or more effective way of destroying our manufacturing base than the removal of protection", Stegmann says.

Writing in the annual report for the year to

June, Stegmann says any reduction would leave the country immeasurably poorer and incapable of generating the foreign exchange necessary to pay for the much greater volume of imports.

Stegmann concedes that certain industries —

though he does not name which — have excessive protection and it should be brought down to an acceptable level.

But he says tariffs should remain in place until "the root causes of our severe competitive disadvantages are tackled first."

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(260)

It has been established that the Commission, in its report, has recommended that the SABC should be restructured.

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SABC staff set up committee

ERICA JANKOWITZ

SABC staff members have established an ad hoc "transformation committee" charged with restructuring and transforming the broadcasting industry. Sources said after a weekend meeting that the committee would consist of five elected staff members and a delegate from each trade union represented at the SABC: the SA Union of Journalists, the Media Workers' Association of SA

(Mwasa); the SA Broadcasting Staff Association; the Film and Allied Workers' Organisation, and the Performing Arts Workers' Equity (200). Mwasa did not send a delegation because SABC management had not been invited to the weekend meeting, but individual members attended. The committee's per-

ceived priorities were establishing transparency in all areas, countering management's lack of accountability, ending unilateral restructuring of the industry, affirmative action and staff training.

Delegates said SABC management did not have any credibility in the eyes of workers. As a result, the process of transformation from "state propaganda organ to a viable and credible public broadcaster" needed to be negotiated.

Another concern was management's perceived lack of vision in dealing with competition resulting from the imminent deregulation of the airwaves.

SABC management said yesterday it had no knowledge of the committee.

YOUR STAFF WILL STOP SMOKING

NO WILL POWER

NO WITHDRAWAL SYMPTOMS

NO WEIGHT GAIN

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SAB 5425



Pay channel M-Net to split into two ⁽²⁶⁰⁾

CT8973

JOHANNESBURG — Pay channel M-Net is to split into two companies which eventually will be separately listed on the JSE.

Chief executive Mr Koos Bekker said yesterday the new company, called MultiChoice Limited, would house M-Net's Subscriber Management Services (SMS) operations.

M-Net operations, excluding the M-Net channel, would be sold to MultiChoice for about R375 million. M-Net Limited would retain the channel and M-Net International channel operations, including programming and broadcasting.

The group's other operations would move to MultiChoice. This company would include MultiChoice Kaleidoscope (replacing SMS) and would serve subscribers to M-Net and other channels.

Education for voters: SABC acts

(260) CT 9/9/93

JOHANNESBURG — The SABC Board has appointed a steering committee and working group of experts to advise it on the broadcasting of voter education.

The steering committee is to advise the board on the criteria and principles to which voter education programmes must conform.

The organisations on the steering committee are:

Die Afrikaanse Taal-en-Kultuurvereniging, the Transkei University Bureau of Development Research and Training, Centres for Community Development, Community Law Society, Congress of South African Trade Unions, Consultative Business Movement, Evangelical Fellowship of South Africa, Gazankulu Training Trust, Girl Guides, Institute for Independent Research on Peace and Human Rights in SA, International Fellowship of Christian Churches, Helen Suzman Foundation, Inkatha Institute for SA, Kontak, Cape Muslim Judicial Council, National Professional Teachers' Organisation of SA, National Association of Democratic Lawyers, National Council for the Physically Disabled in SA, National African Federated Chamber of Commerce and Industry, NG Church family, Project Literacy, Rural Foundation, Sached Trust, SA Chamber of Business, SA Democratic Teachers' Union, SA Jewish Board of Deputies, Vroueburo van SA, World Conference on Religion and Peace, and Zion Christian Church.

The working group of experts, nominated from the steering committee, has been appointed to oversee applications of the broadcast principles in voter education.

The working group members are Dr Frits Kok, Mr Andre Fourie, Mr Barry Gilder, Mr Champa Goolab, Ms Janine Hicks, Mr Andre Kruger, Mr Robert Mopp, Mr Thami Ntenti, Ms Joyce Seroke and two senior members of radio and television management. — Sapa

Star 9/9/93

'Shadow advisers to SABC Board

BY JACQUELINE MYBURGH

Staff at the SABC have set up a type of "shadow management" to act as advisers to the new SABC Board because they believe the existing management is not able to adapt to the changing mood at the public broadcaster, according to sources (260)

The new staff body seeks to break through the bureaucracy they say still plagues the organisation and to inform the board directly of suggestions from staff.

The move comes amid increasing dissatisfaction among SABC staff that while changes are taking place, management is still in the hands of "the old guard".

The board has been informally informed of the formation of the staff body and board chairman Ivy Matsepe-Casaburri addressed a workshop at which the idea was cemented last weekend.

According to a source closely involved in the process, a committee made up of five SABC staffers — including two senior high-profile journalists who do not wish to be named at this stage — will prepare policy documents and proposals from staff to be presented to the board and management within a fortnight.

In formulating ideas, this committee will liaise with a council of SABC workers to represent all departments.

The source said SABC staff were "increasingly appalled" by the fact that it was in the hands of the same management.

SABC news coverage 'still showing government bias'

SABC news coverage continues to present the security forces sympathetically, regardless of the criticism faced by the SAP or SADF in particular situations, according to the Broadcast Monitoring Project.

The project said in its latest newsletter that while positive changes were evident in SABC news coverage, this had often resulted in more subtle bias or sympathy with government.

It said SABC narrative was so intertwined with police or SADF statements on events that it was difficult to distinguish between what the corporation was reporting as fact and security force opinion.

"There is a complete lack of critical distance be-

LLOYD COUTTS

tween the SABC and the security forces. Interviews with police are unchallenging and provide the police with open-ended questions which they can reply to with a stock statement."

A second article in the publication said the SABC's apparent policy of ignoring or downplaying news critical of the security forces had serious implications for news coverage during the run-up to elections.

"There are signs that regardless of the criticism levelled at police by independent observers, this will not be reflected on SABC TV and radio."

No SABC comment was available last night.

SASOL

Fm 10/9/93

260

Seeing returns from capex splurge

Activities: Makes and markets synthetic fuels and chemicals, mines and markets coal, refines oil, and markets fuels

Control: IDC 20%; Old Mutual 16%, Sanlam 14%

Chairman: J A Stegmann, MD P Kruger

Capital structure: 566m ords Market capitalisation R11bn

Share market: Price 1950c Yields 4,1% on dividend, 10,6% on earnings, p e ratio, 9,4; cover, 2,7 12-month high, 2035c, low, 1425c Trading volume last quarter, 7,2m shares

Year to June 25	'90	'91	'92	'93
ST debt (Rm)	15	406	459	578
LT debt (Rm)	391	1762	1822	1492
Debt equity ratio	0,06	0,37	0,13	0,16
Shareholders interest	0,58	0,46	0,53	0,56
Int & leasing cover	n/a	5,1	7,0	9,7
Return on cap (%)	18,5	18,1	14,3	15,3
Turnover (Rbn)	5,03	7,56	7,85	8,25
Pre-int profit (Rbn)	1,22	1,90	1,79	2,05
Pre-int margin (%)	26,5	20,2	22,7	24,8
Earnings (c)	132,4	184,7	202,0	230,3
Dividends (c)	59,5	71,5	78	86
Tangible NAV (c)	762	857	980	1124

Sasol's ambitious capital expenditure programme of recent years has raised some eyebrows, particularly when shareholders were asked last year to inject more than R1bn by subscribing for convertible debentures. Strong year-end results, however, may indicate Sasol has been following the right strategy



Sasol's Kruger higher volumes boosted turnover

Part of the reason for the high capex bill — R1,3bn in 1991, R1,2bn in 1992, R1,8bn last year — was to get away from reliance on synfuel production and the protection bogymen. This still seems to haunt the share price despite efforts clearly to separate the group's diverse activities into four distinct businesses.

Much of the spending has been on plant to increase production of chemicals and petrochemicals, during which time world petrochemical prices have been steadily drifting down. But increased capacity — set to escalate steeply as new projects totalling about R3,2bn come on stream over the next few years, planned to coincide with an upturn in world prices — is largely behind Sasol's improved operating results.

MD Paul Kruger notes that, with chemical prices and refining margins down, the 5% increase in turnover was solely volume related. The 20% boost to pre-tax profit came largely from Sasol's cost containment programme. One effect has been 3 500 retrenchments, but overall expenses were held to an increase of 3,5%.

Of course, earnings were also helped by lower interest and tax charges but Sasol, which expects its effective tax rate to increase from 1993's 19% to more than 30% this year, put aside R100m in a tax equalisation reserve and still lifted EPS by 14%.

Authorised capex at year-end amounted to R1,6bn, of which R1,2bn is expected to be spent within one year. Cash holdings have dropped from R1,4bn to R900m, but executive director André du Toit says it's unlikely Sasol will hold a rights offer or issue other instruments to fund the programme. Cash flow is strong, with R2,6bn flowing from operations last year (1992 R2,4bn).

Synfuels remain the biggest contributor to operating profit (see table) and grew in importance last year. Increased synfuel production, as well as higher crude oil throughput at the Natref refinery, increased liquid fuel sales by 2,5% to 8,7m/kilolitres.

But spending on chemical production remains the focus, with Sasol One converted to wax, paraffin and ammonia production (R900m), and a R366m alpha-olefins plant and R305m acrylonitrile plant under construction at Secunda.

Kruger says, in ideal circumstances, petrochemicals have the potential to contribute half Sasol's profits. In the short-term he would like to see the contribution from synfuels and petrochemicals drawing closer to each other.

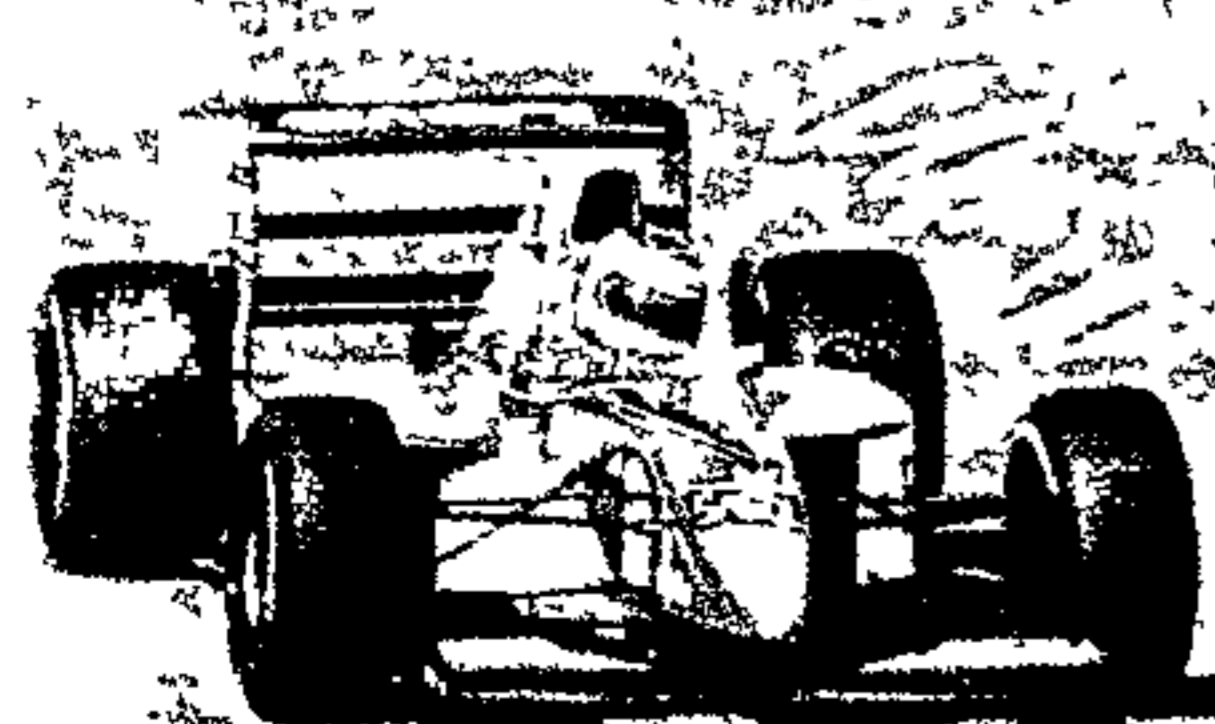
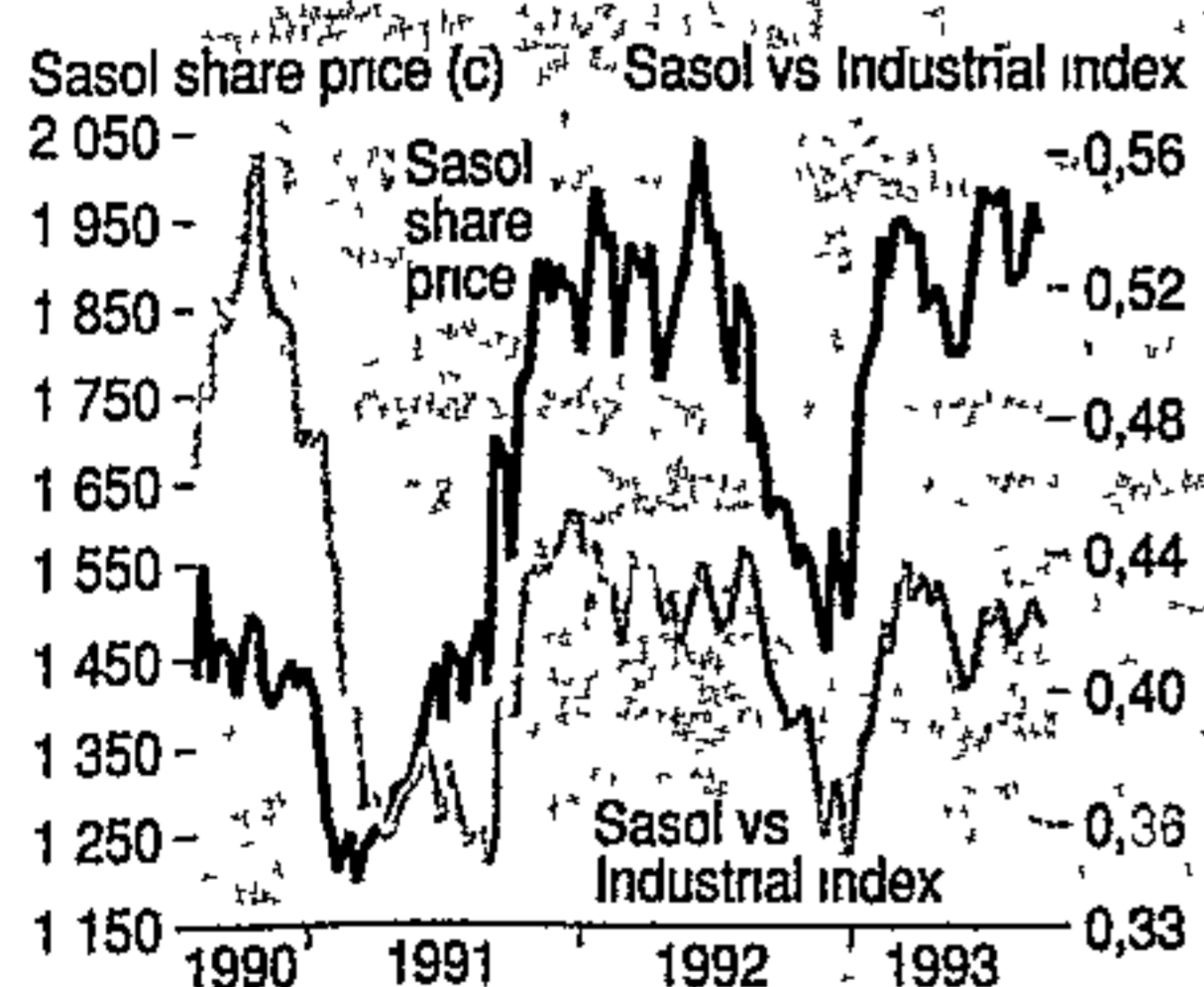
Another important indication of the direction Sasol is trying to steer business in, is the joint venture with AECI to make PVC products from Sasol's ethylene feedstock.

Kruger says due diligence has been completed and both groups are now waiting to hear from the Competition Board, possibly before the end of the month. The intention is to distribute a portion of the Sasol shares directly to shareholders and list the still-unnamed joint venture company.

That will possibly be used by Sasol as the wedge to further separate the chemical, coal mining and refining and fuel marketing businesses away from synfuels and the stigma which remains over the protection this part of the business receives. Kruger says it's possible further separate listings will take place — the most obvious candidate is refining and fuel marketing — though he says Sasol has not set a time frame.

Apart from low world prices for petrochemicals and crude oil, Sasol will almost certainly have a higher tax rate (though this will probably be offset by the R100m tax reserve) and interest bill this year, which will put pressure on earnings. At the same time, it expects to hold down expenses through the

A smoother ride? Sasol and Industrial index



Source: I NET

Protected growth Contribution to operating profit

	1992		1993	
	Rm	%	Rm	%
Synthetic fuels	657	37	813	41
Coal	262	15	430	22
Crude oil refining, fuels marketing and gas	491	28	483	25
Petrochemicals, fertilizers, explosives, polymers and other products	349	20	230	12
Total	1759	100	1956	100

Source: SASOL

COMPANIES

Fm 10/9/93

ongoing cost containment programme and, with a number of projects to come on stream over the next two years, volumes will continue to increase (260) (56)

Sasol will also benefit from the weakening rand Chairman Joe Stegmann's forecast that earnings are expected to show a modest increase is probably understated Sasol has shown in the past financial year that it can hold its own in depressed world and local markets by pushing up volumes With its growing capacity and the possibility that chemical prices could pick up in the next year or two, its earnings potential appears considerable

That makes the share, despite gaining 50c the day after results were announced, look cheap on its present ratings Synfuel protection is doubtless still sending out a negative message to investors, though Sasol is doing the right thing by separating its businesses and offering better divisional disclosure (though this still has room for improvement) Maybe a separate listing will give the market more confidence in the share

Shaun Harris



New SABC staffers run into trouble

The SABC is taking action against three employees who criticised the 'racist bureaucracy' at the corporation, reports **Ferial Haffajee** (260)

WM 10-16/9/93

THREE new staff members at the SABC faced disciplinary inquiries this week after they were quoted in a hard-hitting article in the British daily newspaper *The Independent*.

In the article, the three journalists — Thandeka Gqubule, Jacques Pauw and Charles Leonard — who all work on actuality programme *Agenda*, spoke frankly of their problems at the corporation.

They complained that it remained a racist "corporate bureaucracy" and that their colleagues were "civil servants, not journalists". They also said other SABC staffers were members of Military Intelligence.

The article, which was published on August 31, caused a storm after it was faxed to *Agenda* from London. Disciplinary charges were brought against the three and the hearings were conducted this week.

They were charged with negative reporting, damaging the image of the SABC locally and internationally as well as with disrupting staff relations.

It is understood that Leonard apologised in an open letter to his *Agenda* colleagues and must also write a letter to *The Independent* to set the record straight in terms of his disciplinary inquiry. Gqubule, sources say, refused to

apologise and is now on final warning.

The incident may be a foretaste of further conflict during the transformation of the SABC, as journalists trained in a different tradition challenge its mores.

Sources this week said Ameen Akhalwaya, the new head of *Agenda*, faced a barrage of protest from long-standing *Agenda* staff, who threatened to request transfers if the three were not transferred to another department. The South African Union of Journalists branch at the SABC also censured the three for their comments. Sources suggest that the old guard "wanted a head to roll".

Akhalwaya could not comment this week. He referred queries to management, which had not responded at the time of going to press.

Gqubule, Pauw and Leonard are a new breed of journalists who have begun to move into the corporation.

Gqubule, who produces documentaries for *Agenda*, remarked in *The Independent* article: "... it (the SABC) is not a journalistic institution. You go numb when you go in there. There's no buzz, no expectancy. Everybody's a zombie."

Leonard, who made the claim that some SABC staffers worked for MI, said: "There's no culture of journalism. The people there don't even read the newspapers, which I find scary."

The article said Pauw had done a story for the SABC on the bugging scandal at Amalgamated Banks of South Africa (Absa) in August. The story was pulled at the last minute, but Pauw sought legal advice and the story was broadcast three days later.

Gqubule added that she encountered racism at the corporation every day and had become "racially militant".

How Voter education

Strict rules for media during elections

TH E Transitional Executive Council, Independent Electoral Committee, and Independent Media Commission are seen as the legal cornerstones of the pre-election phase.

Media, due to modernisation and technical progress, has developed into an influential if not decisive factor in modern societies.

Politics and especially election campaigns, as the last presidential election in the United States once again proved, are lost and won through the screen, the printing press and radio.

Images, cutflits and appearances gain more and more influence. Contents, party programmes or ideologies are steadily losing ground when motivations behind the voters' decisions are analysed.

Media campaigns are devised in detail and professional media advisers are employed by parties to spread messages and images.

In South Africa the state-dominated or indirectly-controlled media played an influential role in perpetuating apartheid by holding back and manipulating information.

As has happened in other countries, negotiating parties saw an urgent need for corrective action regarding control over media.

These considerations led to a draft of the Independent Media Commission Bill which was made public recently.

The objectives of the commission are to ensure equitable treatment of political parties by broadcasting ser-



FAIR PLAY: TV election reporting must be balanced

vices and the monitoring of state-financed publications and information services.

The general guidelines behind the establishment was that the commission should operate independently from political party interference or dependence and should be separate from the state, the existing government and its administration.

Particularly as election day gets closer, when the election campaign is at its peak, a climate of free political participation and fair elections can only be maintained if media reporting is balanced and equal.

Headed by a judge, an attorney or an advocate, the Independent Media Commission is composed of six or fewer other people. At least two must have sufficient experience in broadcasting or print media.

All seven commissioners are appointed by the TEC. To prevent political bias, clauses of incompati-

South 1019 - 1449/93

and political advertisements.

The Bill regulates political advertising by determining sending-time, duration, and scheduling available. It also imposes conditions of broadcasting. If necessary, provisions for discussions about conflicting views should be arranged.

In the case of one-sided reports, the broadcasting body will be obliged to give the disadvantaged party a chance to correct or respond to criticism.

If, say, "Carte Blanche" has a report which unfairly disadvantages the National Party, the NP will be able to raise objections and correct the reported images or incidents.

State-owned publications must submit publications and information relating to the publication to the Independent Media Commission.

They will be carefully monitored to ensure no party-political content is included in the publications.

If any media bodies infringe the regulations, they risk strong punishment. This could take the form of orders to schedule a counter version of a disputed programme or a fine can be imposed. Temporarily, a programme can be prohibited or the media body's licence revoked.

The Bill also ensures that most of the processes of the Independent Media Commission will be public and transparent.

All complaints against the SABC, private stations and state publishers will be heard publicly.

Hearings will examine cases in which broadcasting licensees allegedly contravened regulators.

'One voter, one bullet'

A PAMPHLET calling for "one voter, one bullet" a few months before Swaziland's elections has been circulated in the capital of Mbabane.

The People's United Democratic Movement (Pudemo), which is campaigning for a boycott of the elections later this year, immediately denied responsibility for the pamphlet.

Pudemo secretary-general Mr Domenic Mngomezulu said the pamphlet appeared to be an altered version of one issued by the organisation urging voters to boycott the election. **South 1019 - 1449/93**

Pudemo had never advocated violence against anyone participating in the coming elections, but urged people to use their discretion, he stressed.

Rubino is an illegal political party in Swaziland.

Prisoners

want to vote

THE SOUTH African Prisoners Organisation for Human Rights has called on the government to allow all sentenced prisoners and people in police custody to be allowed to vote in elections. **South**

Spokesperson Mr Golden Miles Bhundu said SAPOHR

TV licence-fee boycott slated

JOHANNESBURG. — Calls to boycott the payment of television licence fees were politically inspired, unfortunate and shortsighted, claims the SABC.

The corporation said that boycotts would lead inevitably to drastic cut-backs in services.

"The SABC is concerned that broadcasting of local drama productions could suffer and this could further harm the local production industry."

Sapa

(260) ARG 11/9/93

National blackout 'unlikely'

PRETORIA — Eskom said yesterday it was unlikely that right-wing sympathisers who might be working for the company would conspire to shut down SA's electricity supply to make a political point.

Sunday newspaper Rapport said yesterday that right-wing employees were prepared to plunge the whole country into darkness as part of the Seven Plagues policy announced earlier this year by AWB leader Eugene Terre'Blanche.

An Eskom spokesman said while the threats were taken seriously, measures in place at SA's 25 power stations together with the loyalty displayed by Eskom employees meant a national power cut was unlikely.

"There is no one person who can

ADRIAN HADLAND

pull one switch that would cut the country's electricity," the spokesman said. *Biday*

There were 25 power stations, each with up to 15 units, that would have to be shut-down in order to effect a national black-out, he added. *13/9/93*

While threats had been made on several occasions from people outside the company, Eskom employees had shown they were loyal to the interests of the country and to the apolitical electricity supplier.

"We believe the measures in place, which are regularly reviewed, and the attitude of our employees will be sufficient to maintain the country's power supply. *(260)*

Eskom heads for renewed sales growth

MATTHEW CURTIN

ESKOM is heading for renewed growth in electricity sales in 1993 after the recession-induced 0.4% decline in 1992, says newly appointed generation executive director Bruce Crookes. (260)

Crookes said yesterday improving bulk industrial electricity consumption this year, although only "a small pick up" would push total sales above 140 000 Gwh for the first time.

Sales fell to 138 210 Gwh in 1992 from 138 690 Gwh the year before, the first yearly decline since the 1940s in spite of the steady deceleration in sales growth from the mid-1980s.

Crookes said the pace of economic growth in SA had dictated industry restructuring and streamlining of the generation group in the past, and would determine future sales growth.

"I am aware of the new political dimension but Eskom has no grounds for concern because of the pivotal role it plays in the economy," he said. 14/9/93

Eskom's power stations have been targeted by the Afrikaner Volksfront which has said it is prepared to use terrorism to force government and the ANC to consider its calls for the creation of an Afrikaner volkstaat.

Crookes said Eskom's economic contribution would never be through significant job creation in electricity generation, but as a catalyst for growth through increasing the availability of cheap power.

He said the challenge was to bring down the cost of generation, improving plant efficiency, and producing power safely.

Crookes reiterated that the environmental contribution Eskom could make was by shifting the burden of pollution control from coal-burning township homes to the power stations through electrification.

Power Industry to be revamped

Eskom close to accord on restructuring

Biday 15/9/93

260

THE National Electricity Forum is on the verge of agreement on a broad framework for restructuring the R13bn a year electricity industry. It is close to consensus on the creation of a national electricity development corporation and an industry watchdog.

Its recommendations herald a possible name change for Eskom and a drastic shake-up of the way electricity is distributed in SA. However, a new-look Eskom will retain its core generation and transmission functions.

The forum consists of representatives from Eskom, the ANC, government, civic associations, trade unions, business and municipalities.

Eskom executive director Jan de Beer said yesterday the forum was "one month away from a conceptual model" for the industry, and "seems to be in agreement" on a number of other important issues.

"The forum's recommendations will have a major impact on Eskom," he said, adding that he was surprised at the amount of common ground the parties had found since talks began in May.

The forum, which meets monthly, finished a two-day session yesterday. ANC local government national co-ordinator Billy Corbett and Association of Municipal Electrical Undertakings president Charles Adams were not available for comment. De Beer, in charge of Eskom's new elec-

MATTHEW CURTIN

trification and industry restructuring portfolio, said a separate body — Gentran — could emerge, responsible for the "indivisible" business of electricity generation and transmission, plus related technological, finance and information services.

The forum's biggest headache was devising a new mechanism for electricity distribution. "Eskom is arguing for a well-regulated high profile national supplier reflecting the interests of all its stakeholders," he said.

The forum had reached preliminary agreement that the 450 authorities currently responsible for local supply would have to be regrouped into as few as four to 15 regional suppliers.

"The precise form distribution will take is still vague, and SA might end up with a national distributor and allied regional suppliers, or just regional suppliers matching a new federal political dispensation," De Beer said.

Finding a practical mechanism was vital because of the costs associated with distribution and electrification programmes. Working against pressure from municipalities for the retention of political control over local distribution was the expense of electricity supply which could devour municipal cash reserves.

To Page 2

Eskom

Biday 15/9/93

From Page 1

As an example, De Beer said, an amalgamated authority responsible for supply in the greater Pretoria area could face a R300m bill for 100 000 new connections in unelectrified townships. It might prove more sensible to retain "single service electricity distributors" which paid "trading fees" to local authorities, as was the case in France.

260

The forum favoured the creation of a

national electricity development corporation to co-ordinate electrification, from raising finance to planning urban and rural programmes. In addition, a national regulator would be set up to monitor electricity pricing and the relationship between Gentran, the distributors and customers. The form of the regulatory body would depend on the "governance of the industry which will include supervisory bodies such as the Eskom council".

Eskom under attack for its 'premature' disclosures

BISA 16/9/93

MATTHEW CURTIN

THE ANC has attacked statements by Eskom that the National Electrification Forum is close to agreement on how to restructure the electricity industry as misleading and incorrect.

However, sources among the many delegates to the forum — which includes representatives from the two organisations, government, business and municipalities — insist significant progress has been made and consensus is emerging on a number of important issues.

They added that the formal consultation process was a long one before which "formal consensus" could not be said to have been reached.

ANC local government national co-ordinator Billy Cobbett said yesterday the issues highlighted by Eskom executive director Jan de Beer were being discussed in the forum's working group as "are other issues that require investigation prior to the formulation of proposals".

"Eskom was 'ill-advised' to make such public statements without reference to its negotiating partners, said Cobbett.

Eskom said earlier this week that the forum was close to consensus on the reorganisation of the industry, with the likely creation of a new generation and transmis-

sion body or "Gentran", a national electricity development corporation, a national regulator, and a complete overhaul of the way electricity was supplied.

Eskom is arguing for well regulated high profile independent regional suppliers reflecting the interests of the industry's stakeholders. Currently Eskom is only one of several hundred suppliers, with local authorities responsible for electricity distribution and electrification.

Forum secretary Johan du Plessis said delegates were considering several models for the future generation, transmission and supply of electricity in SA. (260)

Much work was still to be done on a draft model for wider consultation, and it was premature to speculate which model would be most appropriate.

Association of Municipal Electrical Undertakings president Charles Adams said the forum was nearing "broad consensus" on how the industry would be restructured. Despite the good progress made so far, he said it was "perhaps overly optimistic" to expect a definitive preliminary agreement within a month.

16/9/73
250
**Bill ensures
fair treatment**

THE draft legislation for an Independent Media Commission, agreed to by the multi-party negotiating council at Kemp-ton Park, was tabled in Parliament yesterday

According to an accompanying memorandum the bill provides for the establishment of a commission to ensure equitable treatment of political parties by broadcasting services

It also aims to ensure that state-financed publications and state information services do not advance the interests of any political party

The commission is to consist of a "chairperson" and not more than six other members who will be appointed by the State President — Sapa

Media Commission to ensure poll fairness

ART 16/9/93 (26)
□ 'Equitable treatment of all parties'

MICHAEL MORRIS
Political Correspondent

THE Independent Media Commission, being set up to ensure free and fair election coverage by broadcasters, will decide for itself whether to open its meetings to the public

This is one of the provisions in the far-reaching Independent Media Commission Bill — a product of the negotiation process at the World Trade Centre — tabled in parliament yesterday

The bill is one of the four major pieces of "transitional" legislation to prepare for next April's election and the transfer of authority to a democratic government

The commission, answerable to the Transitional Executive Council, will determine and monitor the nature and extent

of party political broadcasts and political advertising, and ensure fair and equitable coverage

It will also hold public hearings to adjudicate complaints and disputes and will be empowered to order broadcasters to give air time to party election broadcasts, to broadcast another version of a programme in dispute or a counter version of the opinions and facts alleged in a programme

It will also be empowered to issue fines or silence offending broadcasters for any period during the campaign

Failure to abide by an order by the commission carries a fine of up to R100 000

The commission will function without political or commercial bias and be "wholly independent and separate" from

the state or any political party

Its primary functions will be to ensure "equitable treatment of all political parties by broadcasting services" and to ensure that state-financed publications and information services are not used directly or indirectly to advance the interests of any political party

The commission will be chaired by a judge or retired judge, or a senior advocate, attorney or magistrate and will have six other members, at least two of whom must have broadcasting experience and one print media experience

Provisions of this law will take precedence over those of any other law wherever a clash arises

The commission will be dissolved when the Independent Electoral Commission is dissolved

Electrification drive slowed by violence

By Day
MATTHEW CURTIN

THE level of violence and pressure on cashflow will determine the rate at which Eskom's electrification drive proceeds until SA experiences a return to real economic growth, says an Eskom electrification group spokesman. 17/9/93

Despite the utility's excellent relationship with township communities, the extent of violence would make it difficult for Eskom to reach its target of 200 000 new connections this year, he said yesterday.

Although the electrification teams were becoming more flexible in avoiding trouble spots, violence had cost Eskom 6,000 connections in August. (260)

Eskom was engaged in a delicate "juggling act" and had put a premium on "tight

project management" of the electrification programme. "One has to remember it takes about eight years for an ordinary customer to reach peak electricity use."

The logistics of electrifying SA were manageable and less expensive than building a new power station. But the running costs would be more difficult to bear.

In the past 18 months Eskom had focused on adopting "sound project finance and engineering principles" to manage the electrification drive and conserve cash resources. One example of the exercise's success was the reduction in the amount of materials held to a two months "buffer".

SABC FM 17/9/93

Puzzling out Ivy

(260)

Six weeks after being elected SABC chairwoman, Ivy Matsepe-Casaburri remains an enigma. She continues to refuse to grant nearly all requests for interviews, so her plans for the State-owned broadcaster remain largely unknown. And viewing the tape of her interview by the SABC board selection panel also fails to shed much light on her management expertise, political affiliation or views on broadcasting and censorship issues. The questioning was perfunctory and the session lasted only a half hour.

Matsepe-Casaburri got the top job last month after Frederik Van Zyl Slabbert stepped down. As head of the SABC board, she controls a R1,2bn budget and a full-time staff of 5 700. Advertising brings in 75% of funding, with the remainder coming from State-mandated licence fees.

The questions surrounding Matsepe-Casaburri begin with her seven-page CV, which selection-panel co-chairman Judge Ismael Mohamed called "very impressive" during her interview, but which is often vague on some important details (though it's very specific on lesser details, such as her type of driver's licence). To add to the CV's unprofessionalism, it contains nine misspellings, including the name of her hometown, Germiston.

Nevertheless, Rutgers University in New Jersey in the US confirmed this week that it did award her a master's degree in sociology

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COW →

BUSINESS

in 1976 and a doctorate in sociology in 1984. Previously, the university said it could not confirm her degrees (*People* August 20).

Another CV entry, however, remains unclear. She lists "legal representative" as her primary responsibility as executive director of the Education Development Trust, though she does not appear to be an attorney. Under the category "other educational skills" she lists "articles of clerkship for admission to Bar, Swaziland (1969-1972)". Articles, however, are not served for admission to the Bar, but to the Side Bar. And there is no reciprocity agreement between Swaziland and SA, articles are not transferable between the two countries.

The attorney-general's office in Mbabane confirms that Ivy Matsepe signed on for a two-year stint as an articled clerk with attorney Andrew Lukele in February 1969. At that time, it was not necessary to have a law degree to proceed with articles, she had a BA degree from Fort Hare University. The attorney-general has no further record of her law training or whether she sat for the attorney's exam, which is usually taken after two years of clerkship. Lukele, the office adds, is no longer a practising attorney. Following her three years as an articled clerk, she went to work as an administrative manager with Swaziland Insurance Brokers in Mbabane, the company confirms.

Though the panel quizzed many other nominees at length about their political neutrality and objectivity, she was not asked whether she is or has been a member of any party. The ANC says Matsepe-Casaburri was an ANC member when she lived abroad but is not able to say whether she is still a member. She told the *FM* (*Letters* September 3) that her "political affiliation is a matter of public record". No such public record, however, exists.

Matsepe-Casaburri lived in Lusaka, Zambia, on and off between 1977 and 1990, where she trained Swapo members on behalf of the United Nations and delivered academic papers at several ANC seminars, according to her CV and the interview tape. The Education Development Trust, which she has directed since returning to SA in 1990, was formed as the "development section" of the ANC-aligned National Education Co-ordinating Committee and she is an ex-officio member of the executive committee of the NECC. She is also on the development screening committee of the ANC-aligned SA Council of Churches.

The Johannesburg-based trust, which she said administers bursary and training schemes in four offices around the country, is supported in part by overseas donors and over the past two years has received R90 000 from the Liberty Life Foundation for running costs. Director Hylton Appelbaum says the trust is one of the best-run organisations his foundation supports.

"I have an incredibly high regard for Ivy," Appelbaum says. "She not only knows her stuff, she's impressive and bright. She might be a little shy. She's bouncy, but she's re-

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(260)

She's especially reserved when it comes to personal details. During her hearing, she bristled when she was asked a single personal question, the origin of the name Casaburri. She offered that she thought it was Italian. She said her husband was not South African and that he did not live in SA. "I don't have a husband anymore," she said.

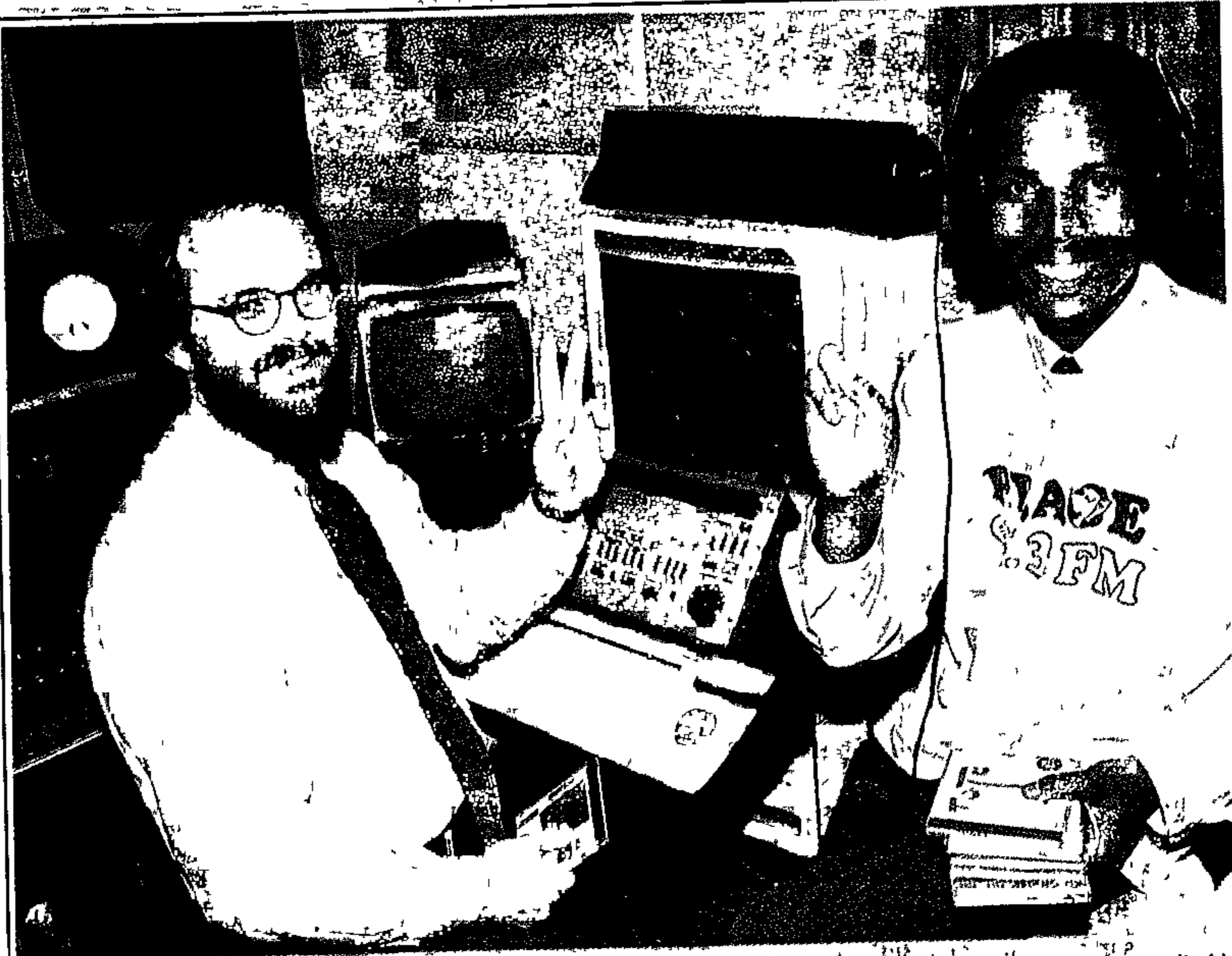
The panel of judges and magistrates asked vague, open-ended questions and got vague, open-ended answers in return. She was asked about her perceptions of the SABC and its future role ("the discussion has started and needs to be broadened"); what insights and skills she gained from living abroad ("training a cadre of people to take over"); her ability to re-orientate herself to SA ("I go to rural areas in the course of my work and I come from the Orange Free State, it's where my heart is all the time"); the specific contribution she could make ("in the way the board is perceived"); making SABC reflect more of Africa (she pointed to Aids awareness programmes in Uganda and women's law programmes on Zimbabwe radio); and her view on affirmative action ("I'm not very keen on the word affirmative action... there are so many definitions depending on who you are," though she suggested that women, rural people and workers should be represented on the board).

Since then, the board has announced that in filling top- and middle-management posts that open up in the next 18 months, priority will be given to non-whites, "with due regard to merit and development of potential skills," and non-white understudies will be placed in additional posts, according to the SABC's in-house newsletter, *Interkom*.

□ The Johannesburg Press Club's recent invitation to Matsepe-Casaburri to address the group was answered with a form letter thanking the chairman for his "kind words of congratulations and encouragement".

"I hope that I will continue to justify your faith and confidence in me and will strive always to do the best I can. Thank you for your support." No reaction to the invitation, however.

Maureen Sullivan



VOICE OF PEACE . . . Mr Hannes Siebert of the Western Cape Regional Peace Committee (left) and Mr Mandla Gceya, a former SATV presenter who is to join the "Peace Radio" station launched at the Waterfront yesterday.

Picture STEWART COLMAN

Peace radio for Western Cape

CT 17/9/93

Staff Reporter

A NEW radio station transmitting peace themes and popular music — but no commercials — was launched at the Waterfront yesterday.

The station, Peace 91,3 FM, will start transmissions on October 4 to Western Cape listeners, a W Cape Peace Committee spokesman told the Cape Times.

Radio slots will relate to the Peace Summit and Youth for Peace Summit scheduled for October as part of a national campaign to promote peace.

The Department of Home Affairs granted the station a temporary broadcasting licence, while Telkom supplied telephones. Sentech — the SABC signal distribution company — laid on temporary transmission equipment.

The new station will allow Peace Summit delegates from around the country to speak to Western Cape listeners. Air time will also be given to employee organisations, community groups, civic and religious leaders, charities, Codeta, Captour and established political groups.

The station was the idea of the regional peace committee.

A team of professional broadcasters has formed the Waterfront Audio Company (Waco) and will form the core of the station's staff.

Channel Africa thumps down to planet earth

The SABC's external service costs taxpayers R33-million a year. Its transformation into a commercial service has been a monumental flop. **Mark Gevisser** reports

AS the SABC stumbles through its transitional period under the helm of a new board, its external service, Channel Africa, finds itself plagued by allegations of mismanagement, bad planning and the squandering of public resources. Channel Africa, launched last October as a commercial enterprise to replace the old Radio RSA, is funded entirely by the Department of Foreign Affairs, to the tune of R33-million a year. It is the only arm of the SABC that receives direct funding from the state. *A Mail & Guardian* investigation has revealed

● That an ill-conceived African satellite television broadcasting venture failed hopelessly because African countries did not have the resources to bring the signal down to earth. The transmissions were sent

able to bring it down? And why did it take them six months to discover this? Perhaps all the money spent on the launch would have been better put to use doing some research."

But Williams insists that the six-month transmission period "was a necessary investment."

"It was research that enabled us to pinpoint what the problems were so that, when we broadcast again, we can provide a better service." He also maintains that Channel Africa never attempted to sell advertising on its TV service during this six-month period, even though both Channel Africa staffs and sources in the advertising industry refute this. The whole purpose of the costly launch, they say, was to interest potential advertisers in buying space.

The Department of Foreign Affairs has declined to comment officially on Channel Africa's performance, stating only that "the external service of the SABC fulfills a need of supplying information on South African events to a wide-ranging listener audience in Africa and performs a similar function to that of the BBC and other international broadcasting services which also rely on part-funding of their operations from government sources"



Consuming Africa? ... Channel Africa director Lionel Williams at October's costly launch

PHOTO STEVE HILTON-BARBER

magazine package and educational programming which will be broadcast when the service starts again next year. But a staffer in the TV section says "We have been sitting around twiddling our thumbs."

The controversy over Channel Africa raises broader questions about the future of external services — an issue which has not yet been considered by the broadcasting lobbying world. Neither the African National Congress nor the Campaign for Independent Broadcasting has a policy on the matter. Furthermore, a reading of the two Bills currently

before parliament — to set up an Independent Broadcasting Authority and an Independent Media Commission — reveals that these too have not dealt with the matter.

Given that the external service is funded directly by the state, it will probably be left up to the new government to decide upon its future. But, says Congress of South African Trade Unions media spokesman Neil Coleman, "If the SABC is not to be a propaganda organ inside the country, why should it be one outside the country? We have to open up debate to determine how the external ser-

vices can play a more dynamic role on this continent."

The central debate is whether the external service should be a diplomatic arm of the state, promoting the policies of the government of the day, or whether it should be editorially independent from its funders. Speaking in his personal capacity, the ANC's media policy negotiator Joel Netshtenzhe says: "South Africa's external broadcasting service should reflect the reality of internal developments in the country and be representative of the whole society, not just the government of the day."

Cont ↓

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October 1992 and March 1993. Channel Africa director Lionel Williams estimates that the venture cost R750 000, but other senior staffers believe that the taxpayer paid as much as R2-million for TV-programming that nobody saw.

● That a splashy intercontinental launch last September, according to staffers at the cost of R1-million, was designed to woo potential advertisers and reorient SABC's external services as a commercial venture. But, in the course of the year, only a few thousand rands was raised through advertising. Only two radio advertisements were placed — one for Andrews Office Furniture, due to a barter arrangement and one for Kellogg's. There are currently no advertisements placed on Channel Africa's radio services.

● That the Department of Foreign Affairs, which was responsible for pulling the plug on the ill-fated TV service is believed to be deeply embarrassed by Channel Africa's performance in its first year of existence.

● That new SABC board chairman Dr Ivy Matsepe-Cassaburri has indicated to SABC staffers that an inquiry into Channel Africa should be a matter of urgency. She was unavailable for comment this week.

● That there is chronic disaffection among Channel Africa's 120-strong staff. In a letter sent to the Department of Foreign Affairs last September, Channel Africa's actuality department outlined 29 instances of mismanagement and bad planning, calling Williams "an empire-builder who doesn't care about his staff" and stating that "motivation and morale are at an all-time low".

Williams maintains his position and, according to a wide range of staffers throughout the service, the situation has deteriorated over the past year.

One senior Channel Africa staffer notes "The mind boggles at the ineptitude of the whole venture. How on earth could they have sent up a TV satellite feed without first checking to see whether broadcasters would be

Channel Africa's slogan is "Africans broadcasting from Africa to Africa". Williams explains that "in the old days, our mission was to promote an understanding and acceptance of South Africa in the rest of the world". But, in keeping with the shift in foreign affairs policy since 1990, the service has now moved away from its propagandistic past which saw it, for example, providing very strong anti-Zapu/Zanu and anti-Swapo opinion during the Zimbabwe and Namibia elections.

Now, says Williams "Our mission is to provide an authentic source of African news and information. We have identified a gap, for a CNN-style news service in Africa, and our African colleagues have shown great enthusiasm for this."

Channel Africa's radio services, particularly in the African languages of Chichewa, Swahili and Lozi, do appear to have relatively wide listenerships. The service received 15 000 letters after an invitation to write in for free T-shirts, and BBC market research shows that Channel Africa has more listeners in Zambia than the British World Service does.

But Williams concedes that "no one saw our TV show", and says this was because broadcasters did not have the capacity to bring the signal down, and telecommunications authorities were charging them an exorbitant fee to do so. "We plan to rectify the situation by providing interested broadcasters with satellite dishes."

After intervention from Foreign Affairs, it was decided to do this only in the Southern African region. Channel Africa was all set to relaunch its TV service in this way next month, but then decided to wait until next year. "We want to run the idea past the new TEC subcouncil on foreign affairs. It's pointless going ahead with the whole thing unless they approve," says Williams.

The TV section has nevertheless been operating, for the past five months, on a staff of 20 people. It has kept itself busy, says Williams, by producing a monthly hour-long mag-

The SABC board: a healthier baby?

South 1719 - 21/9/93

Transforming the South African Broadcasting Corporation is not only the responsibility of the new board, but all South Africans, SABC chairperson **DR IVY MATSEPE-CASABURRI** told a Cosatu workshop recently

WHERE the SABC will depend on a joint effort of the people of South Africa, the workers of the SABC and the board

We must all have a vision of the SABC we want — a vision that is shared by the people of South Africa, including the board, management and workers of the SABC

We need to transform from state to public broadcasting. There are tremendous implications for this process of transformation.

We all know that the public broadcasting service is a national resource which should be accountable to society as a whole and not to the state. It must meet the broadcasting needs of all members of society.

The challenge for us is how to change the SABC to meet these

needs, especially with regard to the disabled, the workers, the youth, the rural communities, the different language groups, etc.

The SABC must be independent of state and political influence. We must manage the tension of conflict that is the current reality and confront racial inequality, gender inequality, geographical imbalance and political tolerance.

There must be a promotion of new democratic values, within and outside the Corporation. It is a national imperative to promote peace and reconciliation. It is a national imperative to build a non-racial, non-sexist society, to build a common identity and to promote a shared national consciousness.

We must have programming that reflects the cultural and language diversity in a manner that does show that we are changing. Fairness, social justice and democracy are the challenges facing our program-

mers

If racism and sexism continue unabated, we will not have a transformation. Transformation breeds fear and anxiety among some and hope and greater aspirations among others.

The challenge is to avoid pandering to irrational fears but to pay close attention to genuine fears, recognising that change comes with fear and hopes. We must not find ourselves victims of only fear or only hope. We must find a way in which we manage our fears as well as our hopes and aspirations.

The role of the staff in transformation is not only the role of the staff in the SABC but the role of workers throughout the broadcasting and media industry. The board cannot make this transformation alone. This is impossible.

Transformation is not about changing individuals. For the board this is extremely important. It does not help to sit as new faces, as women or blacks, and it is business

It doesn't help to sit as new faces and it's business as usual?

as usual. Putting new faces in old places can't be what either the board or you are about.

It is about changing the entire system. It may mean changing the system in a different manner. How we change that system may in fact rely on ideas that come from the youth, people on the ground feeling the pulse of the nation.

It is about opening up the Corporation and encouraging creativity and initiative. I have never believed in people at the top having a monopoly on experience and knowledge.

Women in our society have been silenced. It is precisely because of the ideas of women that we are moving towards a society that sees that we must focus on gender issues.

We are at this point because of the black struggle, because of the voices of the disabled. It is no longer kosher not to have the concerns of the disabled at heart or not

to heed the voices of the youth.

Transformation is in essence about recognising who the real bosses are for us. The bosses are the South African public. It is the person listening to and viewing our programmes. It is their needs that determine what we do. That is why we have established an Ombudsman's office.

On the issue of affirmative action, I prefer to refer to it as affirming the majority of South Africans who are black, female and rural.

South Africans must see themselves on our TV screens and must listen to themselves speaking from their radio speakers. The SABC must be a microcosm with all the diversity that it implies.

The nature and composition of the staff is mainly white, male and urban. I still have to see a disabled person in the corridors of the SABC.

Change must come and we will accept that change better when we all make a commitment to it.

Until now the board has been virtually invisible. The board is something that was born not such a healthy baby. It is our responsibility to see how healthy we can make it. You have to help the board to clarify in its own mind the things about which it is unclear.

The transformation of the SABC is yours as well as ours.

M-Net split: Doubling the magic?

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(267)

M-Net may still be your best bet. But which M-Net? **Reg Rumney** looks at the company's linked-share restructuring

THE split of M-Net last week into Starnese twins for eventual surgical separation took the market by surprise but has by no means fuelled the share price for take-off yet.

Mid-week the M-Net share price was 565c, down from the initial upward blip to 600c after the announcement that M-Net would be separated into a pay TV channel, M-Net, and a subscriber management services company, Multichoice, including the European investments Both are destined for eventual listing on the Johannesburg Stock Exchange

change
Whether the reaction would have been different had M-Net, as some analysts had expected, hived off its foreign interests à la Richemont to make a rand-hedge stock is an open question. Since the Multichoice arm already contains the major overseas investment, Film-Net, it is to some extent a rand-hedge stock — if and when Film-Net starts to become the licence to print money the M-Net management expects it to be. Management is confident the small percentage of the market Film-Net has allows room for big new growth
Financial director Steve Pacak reckons what will have an effect on the share price is the eventual delinking of the shares, once the necessary arms-length relationship between the

two companies has been achieved. This could be six to 18 months away. Then shareholders will be able to take a view on their choice of investment
"We are merely trying to reorganise our affairs in a way more typical of the industry worldwide"

With around 30 percent penetration of the South African TV market, M-Net has ripened into a good cash generator with prospects of some growth, but with none of the fireworks that made it a JSE favourite in the past. By contrast, US pay-TV, also mature, has around 20 percent penetration

Multichoice, which employs 1 250 people, will receive some cash for managing subscribers on behalf of M-Net, splitting the monthly fee 50-50. It will do the same for any other new subscription channel that starts up in South Africa and possibly in the rest of Africa.

The M-Net channel operation still has potential for growth, particularly in Africa. M-Net this month added Ghana to the southern African states that receive the channel
Multichoice Kaleidoscope, formerly M-Net subscriber management operations, chief executive Hans Hawkins has pointed to a world-wide trend in subscription TV to thematic channels, dealing exclusively with, say, sport, news, or document-

aries and the likelihood that new thematic channels will enter the African market soon.

Multichoice already has an agreement with French African entertainment channel Canal Horizons to provide decoder sales and services to subscribers in 18 African countries
Multichoice will also inherit the 75-percent holding in M-Net International Holdings M-Net International has an effective 45 percent stake of Film-Net and 50 percent of Holland-based technology company Irdeto

It will also have Comtech, which targets specific markets, such as Business Television and the International Gaming Network, transmitting video footage of racing to the gaming industry.

Comtech's main claim to fame is that it has a 30 percent interest in the MTN consortium bidding for the second cellular telephone licence. The other partners are the UK's Cable & Wireless and black investment group Nafel.

If it gets the go-ahead, which is by no means certain, managing director Koos Bekker believes the cellular phone venture will imitate M-Net's initial heavy investment followed by a steady earnings stream. A rights issue to raise R150-million will be necessary, while it is estimated the venture could soak up R600-million and take three years before realising a profit

Another reason for being into the cellular telephone market is the belief in the industry that technologies are beginning to converge.

Getting into this sector would, admits Pacak, represent a diversification away from TV, though it would at least represent a logical diversification

Customer service and marketing synergies exist, in that selling or renting out a phone is similar to selling or renting a decoder. M-Net spends about R50m of its R500-million a year turnover on marketing alone
Having one company providing the M-Net channel and another acting as a conduit for other channels may seem a foil for pending re-regulation of the media. It is not certain M-Net would be allowed to launch multiple channels itself. Multichoice will be able to offer access to subscribers through the 35 spare channels now available on the M-Net decoder, and new technology will increase the available number of channels

Pacak insists this did not play any part in the thinking behind the move, and believes an undivided M-Net would easily be able to offer the same service

Pacak notes the effect of regulation on the newspaper shareholdings has nothing much to do with the operation of M-Net itself. Bekker, however, pointed out that no big media business in the US confines itself to one medium alone.

M-Net may be deprived of some invisible goodwill from the newspapers which own big chunks of the company, in the form of a certain receptiveness to the pay-TV's innovative marketing

Bazooka to take over from the peashooter

(ZLD)ARC 18/9/93

■ Watchdogs of the SABC will have a bazooka instead of the usual peashooter in their hands when next year's election finally comes to pass, writes **BRENDAN TEMPLETON**.

IN terms of the Independent Media Commission (IMC) Bill now before parliament, broadcast news will no longer be under the control of the National Party. Instead it will fall into the hands of an independent commission with wide-ranging powers to review it.

This will be the first time in South Africa's history that broadcasting regulations fall in line with international broadcasting laws by ensuring that all political parties get fair coverage.

Articles 19 and 21 of the United Nations' Universal Declaration of Human Rights require democratic elections and free, unbiased broadcasting.

While this is the intent of the IMC, its powers also raise another question: Is it wise to put a bazooka into hands more accustomed to wielding a peashooter?

This is a concern which has been expressed by people closely associated with the IMC Bill's passage through negotiations at the World Trade Centre and it is a worry which will remain until polling day.

Fines of up to R100 000 lie in wait for any radio or television station which does not obey IMC rulings and their licences can be withdrawn if they continuously refuse to co-operate.

At the same time, the IMC will have to make fast, binding decisions under tense, volatile conditions regarding fair coverage of parties and issues.

All of these will have to be done without the wealth of experience which other democratic countries can fall back on. There is the distinct possibility of something going wrong.

Countries like the United States and Canada have well-established procedures and guidelines to refer to when political parties cannot agree on what free coverage entails.

The Canada Election Act has detailed rules which determine how much advertising and free time each party should be allocated. The major determining factor is parties' showing in the previous election.

South Africa has never had true, non-racial elections and so support for different parties will be difficult to gauge.

The United States Communications Act has developed guidelines regarding equal access and fair coverage since 1934. These are so well-known and accepted by all politicians that candidates are able to finalise prices of advertising spots and free coverage before the election gets under way.

This kind of precedent is not something which the IMC will have at its disposal. Instead, it will have to try and make up rules relating to allocation of free political messages on radio and "fair coverage" as it goes along.

The chances of the IMC bazooka misfiring will be there — it will be up to the IMC commissioners, politicians and broadcasters to ensure that if a salvo is fired, it hits its mark.

Great pains have been taken to ensure that the IMC acts independently of political organisations. Commissioners will not be allowed to belong to any party, or to have belonged to one for the past 12 months.

They may not have any compromising links with either the broadcast or the print media and they must all be South African citizens of good standing drawn from all population groups.

To further ensure their impartiality, they face R100 000 fines if they fail to disclose any vested interests.

But as one participant in the drawing up of the IMC Act remarked: "If the SABC plays fair, it has nothing to fear."



GOING LIVE . . . veteran announcer Anita Armand, one of the first voices heard yesterday on the Afrikaner Volksfront's Radio Pretoria, broadcasting from historic Donkerhoek

Picture: JON HRUSA

Flags and boeremusiek as Radio Right takes to the air

By JAN TALJAARD

WITH Vierkleur flying, the Afrikaner Volksfront captured the airwaves round Pretoria yesterday, broadcasting from Donkerhoek, site of Boer General Louis Botha's last stand against the British army led by Lord Roberts 93 years ago.

Radio Pretoria, broadcasting on 102,5 megahertz FM, was housed in a mobile home and small studio with veteran announcer Anita Armand as the only permanent broadcaster, assisted by freelancer Johannes van der Walt.

The rather staid patter was interspersed by music — mostly boeremusiek, martial music and popular Afrikaans songs by the likes of Janita Claassen and Danie Botha.

News was broadcast on the hour, statements by members of the Conservative Party and the AVF were given air time,

and listeners were given the latest cricket score from Sri Lanka. AVF leader General Constand Viljoen told listeners the radio station was a vital tool and "powerful cultural weapon" in Afrikaner hands.

Broadcasts were announced to run daily, but Home Affairs spokesman Niel du Bois said the station had been issued with a temporary licence, to broadcast for 10 hours yesterday only. The licence was issued on condition no political statements were broadcast.

Asked what would happen if the station continued to broadcast, Mr du Bois said it would be up to the Postmaster General to confiscate the transmitter.

The department had received 130 applications but it was up to the Independent Broadcasting Commission to issue permanent licences, he said. (260)

Probe after licence expires

Rightist radio station won't go off the air

Star 20/9/93

■ BY ESTHER WAUGH
POLITICAL CORRESPONDENT

Postmaster-General Ters Oosthuizen will take a decision on whether to take action against a right-wing radio station — which has reportedly continued to broadcast after a temporary licence expired — after investigating the matter.

Radio Pretoria was given a temporary licence to broadcast for 10 hours on Saturday provided no political statements were aired.

Sapa reported that armed rightwingers were guarding the station premises at Donkerhoek, east of Pretoria, and said they would oppose attempts to shut down the station.

Oosthuizen last night told The Star that officials from his office travelled on Saturday to the radio station on a farm outside Pretoria to close it down.

However, on arrival they heard Afrikaner Volksfront leader General Constand Viljoen thanking Home Affairs Minister Danie Schutte for granting the licence. Broadcasting licences are issued by the Department of Home Affairs and not the Postmaster-General.

Oosthuizen said that in the

NEWS and 'boeremusiek' are broadcast with armed guards posted on the premises (260)

normal course of events, the station would have been closed. However, because of the "sensitivity" surrounding the Independent Broadcasting Authority (IBA) Bill, before Parliament this week, he would probe the matter further before taking a decision.

The IBA Bill forms part of a package of draft legislation underpinning the transition, which was agreed to at the Negotiating Council.

Radio Pretoria on Saturday broadcast "boeremusiek" and news. It was officially opened by Viljoen.

According to Home Affairs spokesman Niel du Bois it was up to the Postmaster-General to confiscate the transmitter.

The department had received more than 130 applications to broadcast.

It was now up to the Independent Broadcasting Commission to issue permanent licences, Du Bois said.

LOCAL

Two radio stations square up

Battle for the airwaves begins

Star 20/9/93 (210)

BY JACQUELINE MYBURGH

A battle is looming between two temporary radio stations as independent broadcasters jockey for position in anticipation of new legislation to deregulate the airwaves

The Independent Broadcasting Authority Bill, which will enable an independent council to allocate radio frequencies, is due to be passed by Parliament this week.

George Bottome of Showtime Music Radio (SMR) — the officially endorsed "peace station" which was until recently broadcasting on the FM 99.2 MHz frequency — has claimed that another independent station has hijacked SMR's listenership.

Well-known deejay Tony Sanderson's Solid Gold FM Stereo was granted a second temporary licence and will start broadcasting on SMR's frequency the day after SMR's licence expires on Friday

"This way, they will pick up on our audience," Bottome complains. He believes both stations should be allowed to operate permanently.



Tony Sanderson ... delays over new regulations could open airwaves to piracy.

The stations' temporary status also makes it difficult for them to convince advertising agencies that they have a regular audience, he says.

Sanderson says Solid Gold FM Stereo will start broadcasting

from the Fourways Mall, north of Johannesburg, on Saturday. He says he is "pushing, through the appropriate channels," for the authorities not to procrastinate once new laws have been promulgated.

Sanderson's chief concern is that delays will open the airwaves to piracy and he thinks it is important to allocate frequencies before a new government tries to control broadcasting again.

The administrative secretary of broadcasting at the Ministry of Home Affairs, Jack van der Merwe, says the Solid Gold FM licence was granted before another application was received from SMR.

"It was just a case of bad timing," he says.

Meanwhile, he warned that the Minister would not grant temporary licences unless broadcasters made convincing applications. Temporary licences are granted to broadcasters who have been commissioned to promote a specific event or organisation.

► Rightist station — Page 6

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Volksfront postpones 10 plagues protest

PRETORIA — The Afrikaner Volksfront is confident many Nationalist MPs will refuse to toe the party line and will vote against the Transitional Executive Council Bill due to be tabled in Parliament today.

Volksfront spokesman Mr Stephan Maninger said the planned right-wing protest at the gates of Parliament this week had been suspended to give MPs a last chance to turn away from the route set at multi-party negotiations.

After a marathon meeting here at the weekend, Volksfront leaders decided to put their "10 plagues" campaign on hold.

However, details of Volksfront resistance to multi-party plans had been finalised and would be announced, "probably later this week".

Right-wing sources said the plans included strategic stayaways.

Meanwhile, an Afrikaner "cultural" radio station has been granted a temporary licence to broadcast in the Pretoria area. Volksfront co-leader Gen Constand Viljoen went on the air at the launch of Radio Pretoria on Saturday.

Commando members at the launch said they would not allow the government to stop transmissions.

(344) (260)
CT 20/9/93

Postmaster to probe Radio Pretoria's licence

The Argus Correspondent

JOHANNESBURG — The Postmaster General is to investigate, whether Radio Pretoria is broadcasting without a licence

A spokesman for the Ministry of Home Affairs, which granted the Afrikaner Volksfront a licence for Saturday only, said it was up to the Postmaster-General to investigate and decide what to do, adding that any broadcasts today would be illegal and that the

station could be closed down

But a spokesman for the self-proclaimed "Radio with boundaries" said it had a temporary licence valid for two months, and would be broadcasting

Station manager Chris Conradie said at the opening of the station on Saturday, it would broadcast today from 6 am to 9 am and again from 4 pm to 6 pm on 102,5 Mhz. Postmaster General Ters Oosthuizen last night said officials from his office went on

Saturday to the radio station on a farm outside Pretoria to close it down, but heard Afrikaner Volksfront leader General Constand Viljoen thanking Home Affairs Minister Dame Schutte for granting a licence. Broadcasting licences were issued by the Department of Home Affairs and not by the Postmaster General.

Mr Oosthuizen said that in the normal course of events, the station would have been closed

But because of the "sensitivity" surrounding the Independent Broadcasting Authority (IBA) Bill before parliament this week, he would investigate before taking a decision.

General Viljoen told station personnel at the opening to "be truthful in their broadcasts".

He said Radio Pretoria would not become "the mouthpiece of any one political party", but would be "the voice of the Afrikaner".

26/1/1978

Kulturbond still on the air

PRETORIA — The Afrikaner Kulturbond's FM radio station in Pretoria, continued its broadcasts yesterday in contravention of the conditions of a temporary licence to broadcast over the weekend. *B/Day 21/9/73*

This means the postmaster-general is bound to act to shut down the transmitter at Donkerhoek. *(260)*

But it is understood the situation is complicated by reports that a boerkommando of Pretoria is providing security at the premises.

No indication could be obtained from official quarters yesterday afternoon when the authorities might act. The postmaster-general was not available for comment.

Kulturbond chairman Mossie van den Bergh, who was granted the temporary licence for a special one-off weekend broadcast, declined to comment when told Home Affairs Minister Danie Schutte had declined to extend the temporary licence for two months. — Sapa

New campaign for TV diversity

A CAMPAIGN aimed at ensuring more airtime for independent and locally made television programmes was launched in Johannesburg yesterday by a range of organisations representing the SA film and video industry.

The Campaign for Post-Apartheid Television said the right of freedom of expression and principle of diversity of opinion needed to be part of a new broadcasting order and entrenched in legislation.

It claimed 60% of the top 10 programmes on television were local productions, yet local content on SABC was about 50% of airtime and on M-Net about 5% to 10%.

In addition, the amount of work commissioned by the SABC over the

past two years had dropped by 40% in financial terms "which equates to a drop of 60% to 70% in real terms", and the SABC had expanded its own production through in-house companies Satriel and Television News Productions.

"The net effect has been a steady deterioration of the SA production industry and of relationships between the SABC and independent producers," it said.

Draft legislation relating to the Independent Media Commission and Independent Broadcasting Authority contained some of the campaigning organisations' demands but excluded actual percentages for local content and independent production quotas for television.

The campaign had therefore been launched to insist on the regulation of local content and independent quotas, the percentages of which would be finalised over the next two months.

The campaign is to culminate in a national conference and television festival in March 1994.

The organisations involved in the campaign are the Film and Allied Workers' Union; the Independent Producers' and Directors' Association; the Black Film and Television Foundation; the African Film and Television Collective; the SA Film and Television Institute; the SA Scriptwriters' Association; the Performing Arts Workers' Equity; and the Association of Community Art Centres. — Sapa.

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New campaign for TV diversity

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Postmaster-General warns pirate radio

Right-wing radio to defy 2-month broadcast ban

Star 21/9/93

■ BY JACQUELINE MYBURGH

The Minister of Home Affairs, Danie Schutte, has denied the right-wing radio station — Radio Pretoria — which has been broadcasting illegally from a farm outside Pretoria since Saturday, a licence to broadcast for the next two months.

However, the wife of the station manager and Pretoria Conservative Party councillor, Chris Conradie, said earlier that the station would continue to broadcast "with the permission of its listeners".

Heavily armed

The Postmaster-General's office warned yesterday that it was prepared to act "in a strong manner" against Radio Pretoria.

The station is allegedly operating from a heavily armed makeshift studio in Donkerhoek outside Pretoria.

According to senior manager, radio and terminal equipment

AN 'ILLEGAL' radio station says it will continue broadcasting from its makeshift studio outside Pretoria

licensing Dirk de Jongh, the Postmaster-General's office was concerned about the situation and would consider calling in the help of the police if the pirate broadcaster's apparatus had to be sealed.

The FM station yesterday continued to broadcast its morning and afternoon "drive show" programmes of boeremusiek, German marches and Afrikaner homilies on the 102,5 MHz frequency.

Conradie was allegedly granted a temporary licence to broadcast for 10 hours on Saturday during Bibliathon '94.

He could not be contacted for comment yesterday.

However, De Jongh said papers from the office of Home

Affairs Minister Danie Schutte, allowing the Postmaster to issue a temporary licence, did not arrive in Pretoria on time and the Radio Pretoria broadcast went ahead on Saturday — without a licence.

Schutte said in his statement that applicants for a temporary broadcast licence had to fulfil three requirements.

Applications

These were: the establishing of the radio station should not entail large capital expenditure; during the period of broadcast it should publicise a specific event; and the temporary granting of a licence should not compromise future decisions by the Independent Broadcasting Authority

His office had received more than 200 applications for permanent radio broadcast licences, but indications were that only between 30 and 40 new radio stations would be accommodated within the broadcast industry.

Rightist radio station defies ban

The Argus Correspondent

PRETORIA — Heavily armed rightwingers cordoned off Radio Pretoria's Donkerhoek transmitter with razor wire today to prevent people from approaching or leaving the area.

Many of the rightwingers were in khaki and carrying automatic rifles.

A police helicopter flew over the area, but no other police were seen.

The mood was reported to be "tense" with rightwingers saying they would first have a meeting before allowing any further movement at the transmitter.

A defiant Radio Pretoria continued broadcasting in spite of a warning by the postmaster-general's office that police would be called to silence the station if necessary.

Home Affairs Minister Danie Schutte said yesterday the radio station's application for a two-month temporary broadcasting licence had been rejected.

The station, owned by the Afrikaner Kulturbond and run under the auspices of the Afrikaner Volksfront, started broadcasting on Saturday with a one-day licence only.

Mr Schutte said the conditions for the one-day licence — that broadcasts would be aimed at promoting "Biblicathon '94" and a ban on political programmes — had been deliberately ignored by the station.

"Those conditions were not met, as the chairman of the Afrikaner Kulturbond, Dominee Mossie van den Berg, admitted," he said.

In a broadcast today, Mr Van den Bergh called on the "thousands" of listeners who had responded positively to the establishment of the station to express their views to Mr Schutte by telephone or fax in Cape Town.

Mr Van den Bergh insisted that the conditions of the licence granted earlier had not been contravened.

Liedjies play on as Radio Pretoria defies ban

PRETORIA — A festive braai atmosphere prevailed at the heavily guarded Radio Pretoria site yesterday as the station defied its ban and cordoned off its transmitter with razor wire. *B/Say*

The illegal broadcasts continued from the Donkerhoek transmitter, despite warnings that the equipment could be sealed and confiscated. Home Affairs Minister Dame Schutte refused to grant a temporary licence to Radio Pretoria's owner, the Afrikaner Kultuurbond, on Monday.

About 300 people, some armed, gathered at the site to braai and listen to broadcasts

DIRK VAN EEDEN

of news, Afrikaans songs, German marching music, and speeches by former prime minister D F Malan. *22/9/93*

A spokesman for the postmaster-general said no decision had been taken on a course of action. If necessary, "under extreme circumstances", the police would be asked to execute a summons to close the station.

Schutte's office confirmed it had received about 260 faxes and telephone calls in three hours after Afrikaner Kultuurbond chairman Mossie van den Berg called on

listeners to send messages and show their support for the station. *(260)*

Speaking on the radio yesterday, Van den Berg said the launching committee had decided to continue broadcasts and negotiations with Schutte. It had also decided to secure the site and called on the Afrikaner Volksfront to lead the defence.

He later said the state would not be challenged if it made a final decision to close the station. However, he could not guarantee supporters' actions. He denied that the organisation had not complied with the temporary licence provisions.

Broadcasting Bill removes govt authority

CAPE TOWN — A Bill to regulate broadcasting was tabled in Parliament yesterday — the last of four Bills emanating from World Trade Centre negotiators.

The Independent Broadcasting Authority Bill will regulate broadcasting in SA, removing authority from government for the first time and granting power to a multiparty body to allocate the airwaves

Broadcasters will be unaffected for the duration of their current licences but the Bill could allow the creation of new radio stations. *Monday 22/9/93*

The Independent Broadcasting Authority will manage the broadcasting frequency spectrum plan and monitor compliance

TIM COHEN

with a code of conduct by licensees.

The code says a fundamental principle is that the freedom of all licensees should be the same as that of an individual — the right to be informed and to receive and disseminate opinions freely. (260)

But it says broadcasting licensees shall not broadcast any material which is indecent or obscene or offensive to public morals; offensive to the religious conviction or feelings of any section of the population; or likely to prejudice the safety of the state or the public order or relations between sections of the population.

Airwaves bill tabled

CT 22/1/93

Political Staff

(260)

A BILL to regulate broadcasting was tabled in Parliament yesterday — the last to be published of the four bills that emanated from World Trade Centre negotiators.

The Independent Broadcasting Authority Bill will regulate broadcasting in South Africa, removing authority from the government and granting a multi-party body the power to allocate airwaves.

The passing of the bill will not affect existing broadcasters for the duration of their current licences, but it could allow many new radio stations to emerge in the near future.

The Code of Conduct appended to the bill says that the fundamental principle to be upheld is that the freedom of all broadcasting licensees should be the same as that relevant to an individual — the right to be informed and freely receive and disseminate opinions.

Rightist station under guard

CT 22/9/93

(260)

PRETORIA. — Razor wire was yesterday erected around the Radio Pretoria station as a pre-emptive step to prevent the Postmaster-General from closing down the station, which is broadcasting illegally, a police source said.

Some guards were armed with hand weapons, which they said were for self-protection, he added.

The right-wing station has decided to continue its broadcasts despite the Minister of Home Affairs' refusal to extend its licence.

The chairman of Radio Pretoria's launch committee, Dominee Mossie van den Bergh, announced on the FM station yesterday that broadcasts would continue amid visible security at Donkerhoek.

He called on the "thousands" of listeners to express their views to Home Affairs Minister Mr Danie Schutte whose office was yesterday flooded with messages from angry listeners.

A spokesman for the Postmaster-General said yesterday no decision had been taken on what action would be taken. — Own Correspondent, Sapa

SATV gets Sky News

(260)

CT 22/9/93

Own Correspondent

JOHANNESBURG. — Round-the-clock television news service Sky News will be available in South Africa for more than 12 hours a day after an agreement between the SABC and Sky News

SATV chief executive Mr Quentin Green and Sky News head Mr Ian Frykberg said yesterday that from October 3, the largely UK-based service would be broadcasting daily on CCV from channel closing until 6am

It would continue on TSS until 9am and from 10.30 to 1pm.

Programmes broadcast by Sky News, via the Intelsat satellite, include CBS Evening News, ABC World News, Financial Times: West of Moscow, World Business Report and Nightline with Ted Koppel

Green would not say how much the deal was worth, but said the agreement also created a co-operative news gathering exchange between Sky News Europe and the SABC

High on a hill, 'volk' radio defies close-down threats

Postmaster-General fears 'sparks could fly'

The Argus Correspondent

PRETORIA — Radio Pretoria today continued its defiant broadcasts amid fears by the Postmaster-General that "sparks could fly" if the government decided to act against the pirate station

The rebel rightwing radio station's defiance today flew in the face of an assurance by the Conservative Party to Home Affairs Minister Danie Schutte that broadcasting would stop

Mr Schutte said today that he had discussed the issue with CP leader Ferdi Hartzenberg last night and had understood him to say that the pirate operation would not continue illegally

Pieter Mulder of the CP confirmed this today, adding that the intention was not to silence Radio Pretoria in the interests of diversity but to "play by the rules" and apply for another temporary licence

While the government could not make up its mind what to do about the "very sensitive issue", Radio Pretoria dug in its heels and prepared for a long stay on a hill near Donkerhoek outside Pretoria

The station today set up a fax machine at the studio to receive news bulletins, advertisements and messages of support

Government officials were today still unsure how to react to the rebel radio — and Postmaster-General Ters Oosthuizen said "further discussions"

were needed before any action was taken

"This is a very sensitive issue and while I want to carry out the law I must also move with the times," said Mr Oosthuizen

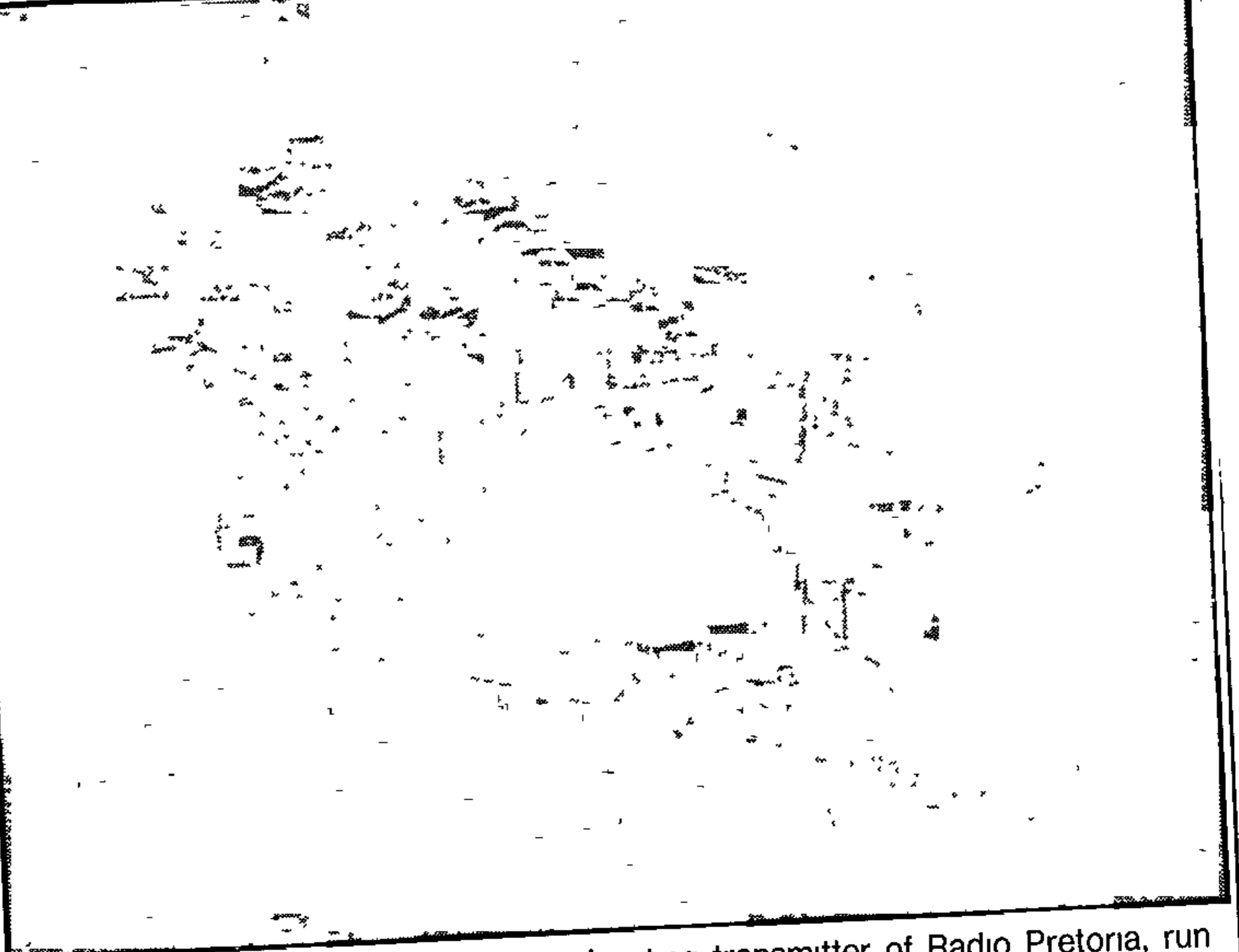
Mr Oosthuizen also expressed concerns over how his department would overcome the security network set up

around the transmitter, including armed guards at the gate, an electrified razor wire fence and a spotter with high-powered binoculars on the tower

"From what I've heard of their security, there are sure to be sparks if we move against them," he said

He said the Minister of Home Affairs had also invited the radio to submit an application for a licence and he (Mr Oosthuizen) would be "stupid to act if the minister is considering such an application"

A radio expert said the Post Office could "jam" the broadcasts if it wanted to



FROM THE AIR: An view of the broadcasting transmitter of Radio Pretoria, run by the Afrikaner Volksfront near Donkerhoek outside Pretoria

Minister to try 'talking first' to pirate radio

ARG 23/9/93
260

□ Schutte to meet delegation

The Argus Correspondent

PRETORIA — The steering committee of pirate broadcasters Radio Pretoria has agreed to meet Home Affairs Minister Danie Schutte here tomorrow

Mr Schutte said today that there was no doubt that Radio Pretoria was transgressing the law but in an attempt to find a negotiated path through a thorny issue he had invited the station organisers to meet him and they had accepted.

Mr Schutte said there were ways of shutting the radio, such as by blocking the signal — "but, I thought we should first talk".

The responsibility for action against Radio Pretoria's defiant broadcasts has been shifting between the Ministry of Home Affairs and the Postmaster-General, in whose hands the authority usually lies.

Last night Postmaster-General T. Oosthuizen referred all queries to Mr Schutte's office and said "the

lead has now to be taken by the Minister of Home Affairs"

"He has to take the necessary action to do what we believe needs to be done"

It has become clear that the political implications of the airwave voice of the Afrikaner Volksfront has become something of a tricky challenge

Government sources fear that the broadcasters and their political masters on the far right are intentionally seeking confrontation and might be hoping the authorities will order a police crackdown.

The government seems at pains to avoid this. Mr Schutte had talks with CP leader Ferdi Hartzenberg yesterday and he gave the minister the assurance the station would stop broadcasting and negotiate a temporary licence.

Conservative MP Piet Mulder confirmed this and said he was surprised to hear the radio was still transmitting

Station expects shut-down

CT 23/9/93

(260)

PRETORIA — Right-wing pirate station Radio Pretoria is to “negotiate rather than fight” when government officials try to shut it down

The Rev Mossie van den Bergh, chairman of the FM station’s launch committee, said the government was obliged to act against it

“When they do arrive, the committee would prefer to negotiate rather than fight — but this will depend on them,” he said

The station continued its illegal broadcasts yesterday, which were due to be discussed at cabinet or ministerial level

Home Affairs officials said that in terms of the Radio Act and after Home Affairs Minister

Mr Danie Schutte’s refusal to extend the station’s licence, Radio Pretoria should be shut down, but red tape had delayed action.

The Democratic Party’s northern Transvaal executive has backed Radio Pretoria’s right to broadcast saying this is in line with “democratic principles” — Sapa

Bush Radio to be prosecuted

Staff Reporter **260**

BUSH Radio, Cape Town's community radio station, is to be prosecuted for broadcasting, allegedly for contravening the Radio Act in April.

The Salt River radio station went on the air on April 25. On April 30, police sealed the transmitter.

CT 23/9/93
Unlicensed community radio stations face fines of up to R15,000.

The case against the station is to be heard on October 13 in the Cape Town Regional Court.

BSP aims for the airwaves

JOHANNESBURG. — The Boerestaat Party (BSP) had applied for a radio transmitter in April and planned to go on the air before the end of the year, BSP leader Mr. Robert van Tonder said yesterday.

"The BSP's application is based on the fact that the SABC broadcasts about 80% British-American culture daily as against 20% Afrikaans culture," he said.

CT 25/9/63
"Besides, Afrikaans is losing the language struggle" — Sapa

SABC chief opposes TV violence

260

CT 23/9/95

Own Correspondent

DURBAN — There is too much violence on television and radio and the SABC board might have to correct this, SABC Board chairwoman Dr Ivy Matsepe-Casaburri said yesterday

Addressing a lunch forum hosted by the Institute for a Democratic Alternative for South Africa she said it did not make sense to screen peace advertisements while feeding "a highly-unacceptable violence content" into TV and radio programmes

"Violence in South African radio and television programmes is of an unacceptable proportion. This is an issue where the board might have to interfere in an attempt to put the situation right," Dr Matsepe-Casaburri said

In her first public address since her appointment as board chairman, she said she had been criticised for not

watching enough television — but on-air violence had turned her off

"We need to find a way to synchronise our message of peace with what we feed our viewers," she said.

Accountable

She said formidable challenges faced the new SABC Board, which had limited financial resources. The refusal by some members of the community to pay for television licences was exacerbating the problem

The SABC had a vital role to play in informing and educating all South Africans in a fair, just and democratic manner, Dr Matsepe-Casaburri said

"The SABC must be accountable to the public. It must build on diversity and encourage a new culture, values and images. It must create a culture of a free media for a free society. The public, management and staff should help the board shape policy."

DP backs radio station

(260) ARG 23/9/78

PRETORIA — The Democratic Party's Northern Transvaal executive has come out in support of the rebel Afrikaans radio station, Radio Pretoria, which has been on the air in defiance of government broadcasting regulations since last Saturday.

'Exciting times' for broadcasting

CAPE TOWN — Broadcasting in SA was on the brink of exciting but challenging times, Home Affairs Minister Danie Schutte said yesterday in Parliament.

Introducing the Independent Broadcasting Authority Bill, Schutte said broadcasting, as the most powerful means of communication, would play an increasing role in establishing community values and promoting public debate

The Bill, one of four from negotiators at the World Trade Centre, was the culmination of discussions between government, the SABC and the broadcasting industry, a two-year inquiry by the Viljoen task group, and intensive discussions at negotiations.

The task group report recommended deregulating the airwaves and allowing more television and radio services

An important feature of the Bill was that it proposed the creation of a policy framework within which the proposed independent broadcasting authority had to carry out its regulating functions

TIM COHEN

Provision was made for the appointment of members of the authority by the President on the advice of the transitional executive council. *BIDA4*

The Bill provided for limitations on foreign and other control of private broadcasting services, and on cross-media control *24/9/93*

DP MP Peter Soal said the sooner licences were granted to new broadcasters the sooner there would be true "democracy of the dials" *(260)*

One of the first tasks of the proposed authority would be to make rulings on limiting cross-media control. Only once this had been done could the authority consider the large number of applications for licences

The most important aspect of the Bill was that regulation of the frequency spectrum would be under the control of an independent body accountable to all of SA

'Exciting' times in the air

BROADCASTING in South Africa was on the brink of exciting but challenging times, Minister of Homes Affairs Mr Danie Schutte said in Parliament yesterday

Introducing the Independent Broadcasting Authority Bill, he said that as the most powerful means of communication, broadcasting would play an increasing role in establishing

community values, entertainment and promoting public debate. The bill, one of the four passed by negotiators at the World Trade Centre, was the culmination of extensive discussions between the government, the SABC and the industry, a two-year inquiry by the Viljoen Task Group

The Viljoen Task Group report recommended the deregulation of the airwaves and allow-

(260) CT 24/9/93
ing further national, regional and local television and radio services

One of the first tasks of the proposed Broadcasting Authority would be to rule on limitations on cross-media control of private broadcasting. Only when this had been done could the authority deal with the many applications for licences already submitted

Moving up to the Ivy league

WM 24-30/9/93

260

In her first in-depth interview with the media, Ivy Matsepe-Casaburri talks candidly to **Mark Gevisser** about being black, female, short — and the chairman of the SABC

TO call the SABC opaque," says Dr Ivy Matsepe-Casaburri, "is an understatement. With the best intention of the world, you might set about trying to restructure it, but it's almost impossible to figure out how it works. So the first thing you have to do is open it up and have a look."

Here the new chairman of the vast SABC opens up her palms and pushes her hands outwards in small, taut circles, as if clearing the reeds of a particularly muddy pool. But it's an ambivalent gesture: she could also be paddling against a powerful current, trying desperately to stay afloat.

Her detractors say she is way out of her depth and sinking fast. Her supporters say she only appears to be sinking, and that in her short tenure she has amassed a vast store of knowledge about the arcane workings of Auckland Park. Her exterior is cautious, inarticulate and even shy, they say, but it cunningly masks a steely resolve and a porous mind.

Word has it, in fact, that SABC's management is fast discovering she is not the pushover they expected her to be. And her relationship with senior management, while cordial, is taking the strain. She suspects, for example, that some people in the SABC have definite vested interests in keeping the waters as muddy as possible.

"I have had experiences where you could accuse people of withholding information from me, but I'm not quite sure what the reason is. It might just be that they are unused to collecting the data I require — data, for example on racial and gender staff breakdowns. But it might also be that there are some at SABC who are being deliberately obstructive."

She is not surprised, however: "For the first time, SABC management is confronted with a board that is very different from it. We don't sit in the same clubs, we don't go to the same churches, we don't go to the same parties. In the past there was something of a fusion of vision between the board and the executive. Now it's something all sides have to work at."

Neither is she surprised that there might be widespread fear among all levels of SABC staff: "Why shouldn't they be terrified? They've never had to deal with someone like me. They don't know who I am, what I am, what I will do. They look at me and maybe all they see is a big gogga from outside."

What she is trying to understand, though, "is whether people are unsettled or whether they are fighting me. You don't need to fight back in a situation where people are not fighting you — all you need to do is help settle them down again."

But what if there are employees who need to

be unsettled? "Of course, our task is to identify those who will not settle down — those are the ones the corporation will have to do without. All of SABC's staff need to be given a chance to prove themselves. There cannot be place in the SABC for those who do not want change."

But while she sees the need for the SABC, a national resource, to be more reflective of South Africa's population, she steers away from what she calls the "affirmative action numbers game". Rather, she says, "the SABC needs to look at its enormous credibility problem. And this means affirming the majority of South Africa — through staffing, of course, but also through programming, vision and a whole new value-system."

While she insists on deferring large decisions about the future of the SABC, she does not mince her words when talking about its past. On electoral coverage, for example, she says: "Given the history of the organisation, you cannot just leave it to management as to how they are going to cover the upcoming elections."

And she shows thinly veiled contempt for the SABC's vision of public broadcasting: "Management's plan is to turn TSS into the public broadcasting service, and to keep TV1 and CCV as commercial channels. But how can you call TSS a public broadcaster when it only reaches 700 000 people as opposed to the millions that the other two reach? Surely the definition of a public broadcaster is to reach as much of the public as possible? We really have to re-define what public broadcasting means in this country."

The problem, however, is that the board has decided to focus itself on "pressing" electoral issues like voter education and

an editorial code and to put off restructuring until after the election. Meanwhile, the SABC management is continuing its process willy-nilly of consolidating TSS into the corporation's public broadcaster.

This points to the "lame duck" assignation that the new SABC board has earned itself in some quarters. Why have heads not already rolled? How can senior management be entrusted with establishing a new broadcasting dispensation given its commitment to the old one? And, in trying to balance the imperatives of transformation with the need to maintain the confidence of the SABC's staff, is the new board erring fatally on the side of caution?

Perhaps the most controversial decision the Matsepe-Casaburri board has made was its first one: to renew the contract of the SABC's group chief executive, Wynand Harmse, for a further year. Matsepe-Casaburri admits this was hasty: "It is something the board did not really have a chance to think carefully about.

'They don't know who I am, what I am, what I will do. They look at me and maybe all they see is a big gogga from outside.'



Climbing the castle walls — SABC chairman Ivy Matsepe-Casaburri PHOTOGRAPH: RUTH MOTAU

I'm not so sure when people sit back now whether they think it was the right thing. But we were faced with the need to make an immediate decision. And we had to think — if we don't retain him, will we catapult the whole SABC into confusion? So we made the decision and now we must stand by it."

Strangely, she has experienced neither racism nor sexism in the corridors of Auckland Park. "It's true," she concedes, "I am black and I am female and I am small, and all these towering white men aren't used to a small black woman being in a position of authority. But I find that the people at SABC are very polite to me. You know, there are many old-fashioned values that Afrikaners share with African people — like a respect for education."

At first the erstwhile Comrade Ivy was surprised that everyone called her "Doctor Casaburri". "But I'm coming to see that a doctorate is something that is taken seriously, and that people do respect my position."

Is she still Comrade Ivy? "I'm a member of the African National Congress and I make no apologies for that. But I'm known to be a very impartial person. I'm not the kind of person

who runs with an ANC flag ahead of me."

Matsepe-Casaburri remains nearly as opaque as the SABC she is trying to open up. She does not return calls, she shies away from interviews, and she will not be drawn into any conversation on her personal life and background.

And, three months after her appointment to the board, she will commit herself to vision, but not to practical policy. She admits that media is entirely new turf for her and is still, she says, doing her homework.

She is dogged rather than enthusiastic, and she exhibits a resigned approach to her new career: she has, she says rather forlornly, asked to be relieved from her responsibilities as executive director of the Education Development Trust.

And despite her caution, she does express some impatience with the constant need to assuage those wild signals of fear currently zapping around Auckland Park's airspace: "If people are threatened by change, well, that's a risk they have to take. I can't make it any nicer. How did I feel? I had to make adjustments in my life to take on this post. We're all going to have to make adjustments ..."

Right ready to 'defend' station

260 WIM 24-30/9/93

Jan Taljaard

AT THE same historical site where Boer general Louis Botha made his last stand after Pretoria was taken by Lord Roberts' armies in 1900, Radio Pretoria was this week digging more than just electronic trenches.

Still defying a government ban on the station's broadcasts, right-wingers were this week preparing to "defend" their station — with armed force if need be.

Apart from strict control measures along the road leading to the station, a high barbed wire fence was also erected on Tuesday around the structures housing the station.

Earlier that morning, members of the 1 000-man Pretoria Boerekommandogroep were "called up" after rumours started circulating in rightwing circles that the authorities were on their way to demolish the transmitter's mast.

And a man who has been described by former colleagues as "possibly the best single operator during the Namibian/Angolan conflict" has been in charge of the station's security since day one. He is commandant Willem Ratte, a former intelligence officer with 32 Battalion.

Politically disillusioned, Ratte had resigned from the South African Defence Force to throw his weight in with the emerging right. He is also one of the driving forces behind the pirate station, and apparently instrumental in acquiring and setting up a lot of the hi-tech equipment.

On the psychological front the right has already fired its first salvos.

Permanent broadcaster Anita Armand this week rather coyly cautioned "those people who have threatened to disrupt the whole country's communication, if Radio Pretoria was stopped".

She asked them not to revert to such serious measures while the station's management was still trying to negotiate for a licence. Only when the latter avenue was completely closed should they start thinking of more



Right to the airwaves ... Radio Pretoria's Chris Conradie, Mossie van den Berg, Prof PG Nel, Johannes van der Walt and Peet Pieters with the Vierkleur-bedecked mast

PHOTO: KEVIN CARTER

drastic measures, she cautioned.

Radio Pretoria was formally launched last Saturday after trial transmissions had been conducted over the past months and a temporary licence was acquired for a day.

Situated on a dusty kopple about 30km east of Pretoria, the mobile structures housing the studio nestle underneath the sparse wire-frame shade of a tall broadcasting mast with a Vierkleur fluttering on top.

Inside, Armand, formerly of Radio Oranje and Radio Jakaranda, and freelancer Johannes van der Walt were telling of the "bruisende geesdrif (bubbly spirit)" at the statio.

A continuous and patriotic medley of boeremusiek, Teutonic martial

music, and renditions of Afrikaans standards by various artists formed most of the content during the first week. On day one a single concession was made when Armand extended a word of welcome to "English-speaking patriots".

Advertisers were scarce on day one, but the Rio Grande Spur at the Holiday Inn came through, punting a special on pork ribs.

Since then advertising revenue seems to have risen quite sharply, with Pretoria-based small businesses weighing in. This coincided with myriad well-wishers phoning, faxing or turning up in person at the station, some of them with thick manilla envelopes under their arms.

Let's hear the good news

(260) Wm 24-30/9/93
Farouk Chothia

THE new chairman of the SABC Board indicted the South African media for giving too much coverage to violence and ignoring "good" news.

Speaking at a function organised by the Institute for a Democratic Alternative for South Africa in Durban earlier this week, Dr Ivy Matsepe-Casaburri said there was an "unacceptable proportion" of violence in both television news and drama programmes — at a time when "we say we want to talk peace".

Matsepe-Casaburri later said the media as a whole needed to break out of the culture that "bad news is news and good news is no news".

She said she did not expect the media to ignore the violence but "it is one thing to report on violence and quite another to focus on violence and only violence because that is news".

She added that if the media did not report on "positive" news they risked portraying only "one aspect of society".

■ See PAGE 43

Fresh look into the ANC archives

(26) W/M 24-30/9/93

At first SABC wouldn't touch it — but now TV1 has changed its mind and decided to screen a highly watchable documentary on the history of the ANC.

Charlotte Bauer reports

IT is useful to know — and the producers make no secret of it — that the new television series on the history of the African National Congress was made with the cooperation of the ANC and is unashamedly sympathetic to it.

Once this nugget has been digested, it is safe to sit back and enjoy what is possibly the most gripping political documentary series ever screened in this country.

Ulibambe Lingashoni (*Hold Up the Sun*), produced by Afravision in association with Toron International, began a five-week run on M-Net last Sunday in the dead-as-a-door-nail time slot of 2pm. Executive producer, Carl Fischer of Toron, says he's not complaining: "M-Net were the only people who would take it."

But three days ago, SABC's TV1 changed its mind and will soon be screening the remaining three episodes. Times and dates remain unconfirmed.

The five episodes cover the liberation history of most of this century, from the declaration of the Union of South Africa in 1910 (in response to which the ANC was formed two years later) to the unbanning of resistance organisations in 1990. Each episode

is in the hands of a different director and each part lasts 52 minutes. Jonas Gwangwa composed the original soundtrack.

It could have been indescribably boring, going the way of several hand-wringing attempts to redress the distortions of history before it. But if the first two episodes are anything to go by, *Hold Up the Sun's* first, most striking quality is its watchability. The producers set out to be "educating and entertaining" and they did not forget the latter promise two minutes into production.

Photographer and researcher Lesley Lawson directed *Roots of Struggle*, the first episode, tracking events up to the National Party's election victory in 1948, at which point, as Govan Mbeki said, "the door shut on our faces". But then, as Nelson Mandela remembered, it did sort of simplify things: at least with the Nationalists in power, the enemy was more obvious than it had been during the era of Jan Smuts, the general who often tried to keep his political candle alight at both ends.

MK veteran Graham Morodi was one of thousands of blacks who, seduced by Smuts' promises that conditions would improve after World War II and that pass laws would be abolished, joined the army.

Not only did the "dompas" remain, but, as Morodi recalled "We were very disappointed after the war: white soldiers were given houses in Turfontein. We were given bicycles."

One of the series' joys is its eclectic use of archival footage (from dusted-off *African Mirror* newsreels to movies like *The Magic Garden* and *Come Back Africa* and even a

rare cut from a film made by Paul Robeson), and the diversity of witnesses, its researchers unearthed. The "heads" are there, of course: Sisulu, Mandela, Tambo, Gwala — but even they put aside the rhetoric and assume the cloak of raconteurs. The rest are ordinary people — some very ancient indeed — who were involved in events that were only ever written down as headlines like "Rebellion Put Down — 100 Natives Dead" in white newspapers.

The second episode, *Enter the Masses* directed by Brian Tilley, recalls the development of the ANC into a more militant animal. The Fifties saw the ANC's paid-up membership surge from under 10 000 to over 100 000. The trials, the marches, *Drum*, Sophiatown, the Freedom Charter ... the era of empowerment has been so romanced by plays, music and movies, it is all the more credit to Tilley that this episode never flags for want of fresh footage or views.

Hendrik Verwoerd was Minister of Native Affairs when Bantu Education was introduced mid-decade. On camera, he gets to the point: "It will take a very long time to complete the separation between races, but we have set our foot in (sic) that road, and we will do it eventually ..."

Episode three deals with the repeated setbacks encountered by the ANC during the Sixties, and details the formation of the Pan Africanist Congress. Video News Service founder, Lawrence Dworkin, directs.

Dworkin is also the overall series director. Other directors include returnee filmmaker Clarence Hamilton and Afravision's Mokonyanya Molete.

Media bill becomes ⁽²⁶⁰⁾ law ^{CT 25/9/93} just

Political Staff

THE boycott of the remainder of the parliamentary session by the CP, initially robbed the House of Assembly of a quorum to pass the Independent Broadcasting Authority bill yesterday.

While the decision by the house was unanimous in favour of the bill, there were only 86 MPs present to vote.

Chairman Dr Helgard van Rensburg then called a second vote.

One minister, Dr Kraai van Niekerk, was rushed in and three MPs were found to boost the total to 90, the quorum needed for the house.

The measure, which deregulates the airwaves, was passed unanimously in the other two houses.

Radio over, but not out

By SHARON CHETTY

REBEL broadcaster Radio Pretoria went off the air last night — but will be back within weeks if a temporary licence is granted for a cultural festival.

After a marathon meeting with Home Affairs Minister Dame Schutte this weekend, the launch committee of the right-wing pirate station accepted the government was no longer responsible for issuing licences and that a permanent licence would have to be approved by the Inde-

pendent Broadcasting Authority

Mr Schutte said the application for a temporary licence would be viewed "sympathetically".

"The government acknowledges that cultural groups, of which the Afrikaner is one of the most important, have the right to further their interests with the use of community radio stations," he said, emphasising that temporary licences would be granted only for cultural, not political, purposes.

At Donkerhoek yesterday, a steady stream of visitors lent a festive air to the dry, dusty veld which has been home to Radio Pretoria for the past week.

The IBA bill was approved by Parliament on Friday and the body's first task will be to sift through more than 200 licence applications. (260)

A panel appointed by the State President and recommended by the Transitional Executive Council will deal with the applications.

● See Page 15

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Radio stops ²⁶⁰ making waves

PRETORIA — Right-wing radio station Radio Pretoria suspended its illegal broadcasts at 7pm on Saturday and urgently applied for a temporary licence.

Home Affairs Minister Mr. Danie Schutte had undertaken to consider the application sympathetically and as soon as possible, according to a joint statement by the minister, the steering committee of Radio Pretoria and the Afrikaner Kulturbond — Sapa.

Iscor draws up strategy to increase value-added exports

EDWARD WEST

ISCOR would increase its involvement in the manufacturing and construction sectors because economic progress depended on increased export of value-added products, chairman Marius de Waal said in the steel group's 1992 report. *Biday*

For this reason Iscor was compelled to become a full partner in secondary industry. The group's mining interests would also be expanded, De Waal said. *27/1/93*

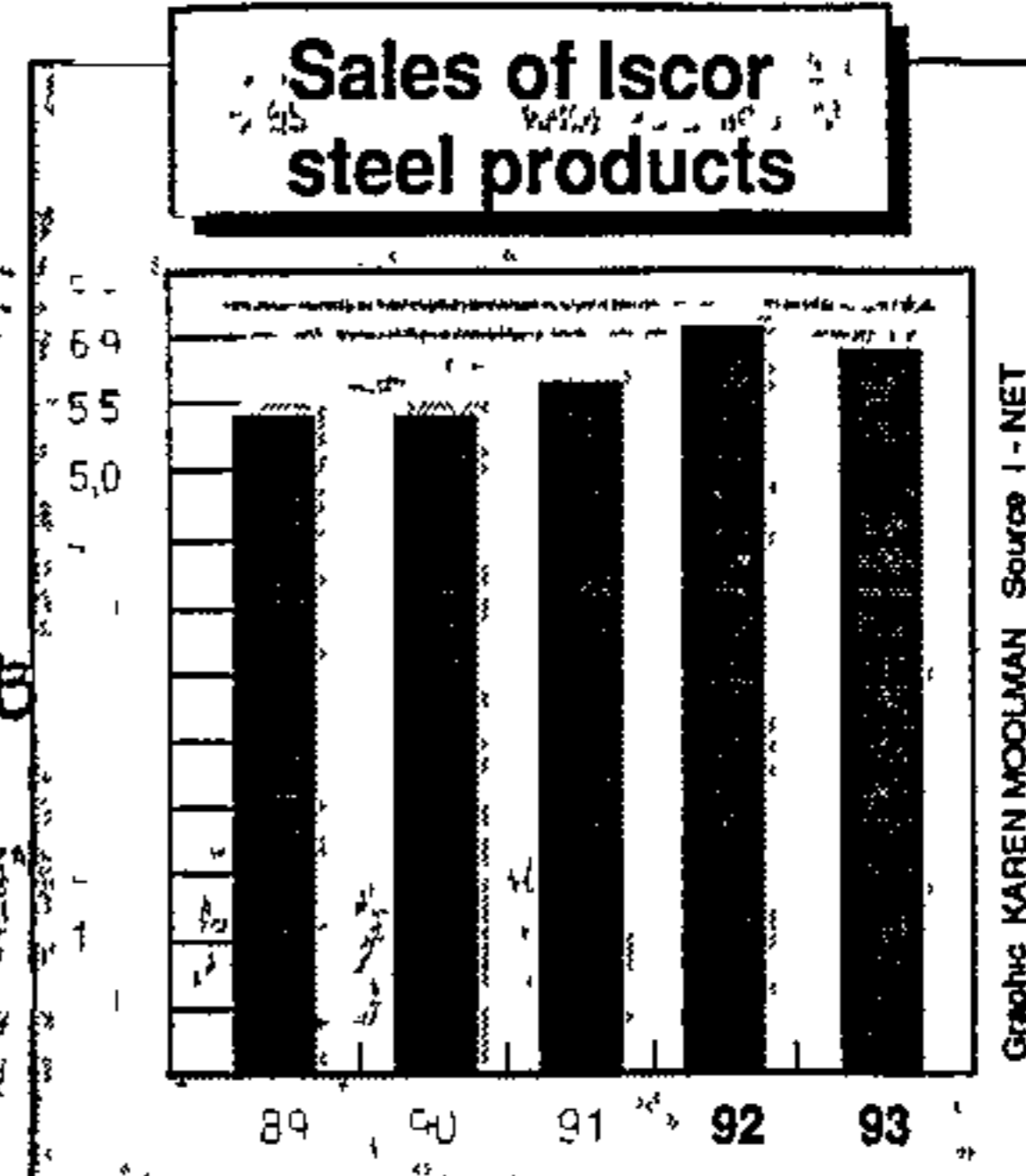
Earnings were forecast to improve this year. Local demand would continue to be affected by political and economic factors but export prospects for both steel and mining products had improved considerably, De Waal said. *(FRSA)*

Management had used the downswing in the economic cycle as an opportunity to improve products and processes, streamline the organisation, lower production costs, upgrade technology and strengthen its export effort. *(260)*

Former MD Willem van Wyk said Iscor was well placed to take advantage of improvements in the local and international economies in the coming year.

The stronger gold price, a more realistic rand/dollar exchange rate, lower inflation and relatively lower interest rates were encouraging developments.

Dollar export prices of steel were expected to firm this year as further rationalisation took place on international markets. These factors would benefit Iscor's primary steel exports and also the local



manufacturing sector.

Mining exports continued to hold up well and new markets were being explored. China looked particularly promising and steps, including opening an office in Beijing, were being taken to ensure further development in this market.

Local short-term growth prospects were not encouraging and nearly all Iscor's major local market segments expected demand to remain flat or weaken in the next six to nine months, Van Wyk said.

In the year to end-December 1992 Iscor sold 5,86-million tons of steel compared with 6,04-million tons the year before. Liquid-steel production totalled 7,38-million tons compared with 7,66-million in 1991.

Iscor offers 4 000 early retirement

From EDWARD WEST

JOHANNESBURG. — Steel producer Iscor would reduce its 55 000-strong workforce by offering retirement packages to 4 000 employees 50 years and older, newly appointed MD Hans Smith said yesterday.

Smith said retirement packages would be funded by the Iscor Pension Fund which was currently overfunded.

He said it had become necessary to reduce the number of employees to ensure Iscor's long-term existence.

Certain key employees qualifying for the package would be retained to maintain Iscor's effectiveness. Qualifying employees had to exercise their option before December 31 1993 and could retire between January 1 and March 31 next year, said Smith.

National Union of Metalworkers of SA (Numsa) spokesman Bafana Ndebele said he was unsure whether the issue had been taken up with union organisers.

However, he said Numsa would oppose the retirement package as it represented a unilateral move by Iscor to change conditions of employment.

CT 29/1/73
**Licence — but
no politics.** (260)

PRETORIA. — Radio Pretoria has been granted a temporary licence for October, Minister of Home Affairs Mr Danie Schutte said last night.

But no political broadcasts will be allowed in terms of the licence conditions.

"The broadcasts must be fundamentally directed at the maintenance and promotion of Afrikaner culture and must not be used by political parties for political purposes," Mr Schutte said in a statement. "Recordings of all broadcasts must be kept by Radio Pretoria, and must be given to the minister on request" — Sapa

ber 30 1993

FW wins Asian and coloured support

Biday 30/9/93

THE NP, and in particular President F W de Klerk, enjoyed majority support among coloureds and Asians, according to a Markinor Gallup poll released yesterday.

The poll was conducted among 400 coloureds and 400 Asians in metropolitan areas during July 1993

The ANC came in second strongest, mustering 16% of first votes by coloureds and 17% among Asians

Markinor deputy MD Christine Woessner said the poll showed NP support among the two groups could grow to 50%. However, up to 30% of people interviewed would not answer the question. "If there were elections tomorrow, which organisation would you vote for?"

De Klerk, 31% of coloureds said, was leading the country "very well", while 47% felt he was leading the country fairly well.

Among Asians, 23% said De Klerk was leading the country very well and 50% felt he was leading the country fairly well. However, only 6% of blacks felt De Klerk was leading very well but 29% felt he was leading fairly well. Just less than a quarter of whites thought he was leading very well.

Asked "Who should lead all South Afri-

PATRICK BULGER

cans?", 58% of coloureds and 46% of Asians and whites answered De Klerk.

Nelson Mandela scored badly with coloureds and Asians with only 14% of respondents saying they would like him to lead.

Among blacks, however, Mandela emerged as the undisputed leader with a 70% vote. Only 3% of whites favoured the ANC president.

DP leader Zach de Beer was one of the few other leaders who elicited a mention. Allan Hendrickse, Mangosuthu Buthelezi, Clarence Makwetu, J N Reddy and Joe Slovo did not feature at all among coloureds and Asians

Asked to score the leaders on a scale of one to 10, Buthelezi received a score of 4,2, Mandela fared slightly better but De Klerk emerged as the clear winner among coloureds and Asians.

"Coloureds and Asians are thus largely positioned in the political centre with little inclination towards radical movements," Woessner said.

"The NP and De Klerk are in the clear lead with the ANC and Mandela second. The gap between the two parties at present is still substantial. It remains to be seen how the situation develops."

Licensed liedjies back on the air

Biday 30/9/93

PRETORIA — Radio Pretoria went back on the air yesterday after Home Affairs Minister Danie Schutte granted it a temporary licence to broadcast during October.

Mossie van den Berg, chairman of the owner, the Afrikaner Kulturbond, said yesterday's broadcasts were "test transmissions" approved by Schutte

The licence had been granted on the condition that the station, opened 11 days ago by Afrikaner Volksfront chairman Gen Constand Viljoen, promoted Afrikaner culture and did not broadcast political programmes.

Boerestaat Party leader Robert van Tonder said yesterday that government was guilty of the most severe form of bias

DIRK VAN EEDEN

by imposing the restriction.

"All existing transmitters daily broadcast left-wing propaganda, and the SABC's transmissions are filled with long speeches by government politicians and left-wing academics"

He said he hoped government would come to its senses so Radio Boerama (the Boerestaat Party's proposed radio station) could unashamedly fight for the Boer nation's cause.

Van den Berg said the Kulturbond would continue to apply for temporary licences until it was granted a permanent one

Sasol subsidy must go, says Engen

DURBAN — Government had to scrap the multimillion-rand a year subsidy for synthetic fuels producer Sasol if deregulation of the oil industry was to work, Engen MD Rob Angel said yesterday. ^{30/9/93}

Speaking at the Genref refinery, Angel stopped short of making an outright call for deregulation but said "The synfuel subsidy must go. It's just not right for a subsidy of that degree to be in place for the benefit of a few stakeholders' pockets."

Sasol, regularly ranked as one of the world's most profitable oil companies, received a R670m hand-out from government in 1992/93, contributing to a 14% jump in attributable earnings to R1,3bn, on sales of R8,25bn. Other regulations include those fixing the price at which oil companies buy crude oil and sell petrol, as well as restricting who can sell petrol.

Angel said Engen, which had the biggest slice of the SA petrol market, would "vio-

^{B. Isaacs}

MATTHEW CURTIN

lently oppose" any attempt at only a partial deregulation of the sector. Engen was not prepared to compete on anything other than equal terms with other producers.

He said the synthetic fuels industry should not be abandoned and reiterated his suggestion that Sasol's synthetic fuels business be split from its mining and chemicals operations and turned into a public utility.

If subsidies were scrapped and Sasol's synthetic fuels business was shown to be "cash positive", Engen would support regulations requiring oil companies to buy its output. "We would buy synfuel at a negotiated and transparent price." Engen currently sourced 55% of local output from the Genref refinery and 45% from Sasol.

"A better understanding" of the oil industry's circumstances was required before Engen could call for deregulation.

²¹⁰

ISCOR

Make or break year ahead

Activities: Vertically integrated steel producer
Chairman: M T de Waal, MD H J Smith
Capital structure: 1 869m ords Market capitalisation R2,2bn

Share market: Price 119c Yields 4,2% on dividend, 12,8% on earnings, p e ratio, 7,8, cover, 3,0 12-month high, 156c, low, 61c
 Trading volume last quarter, 53,5m shares

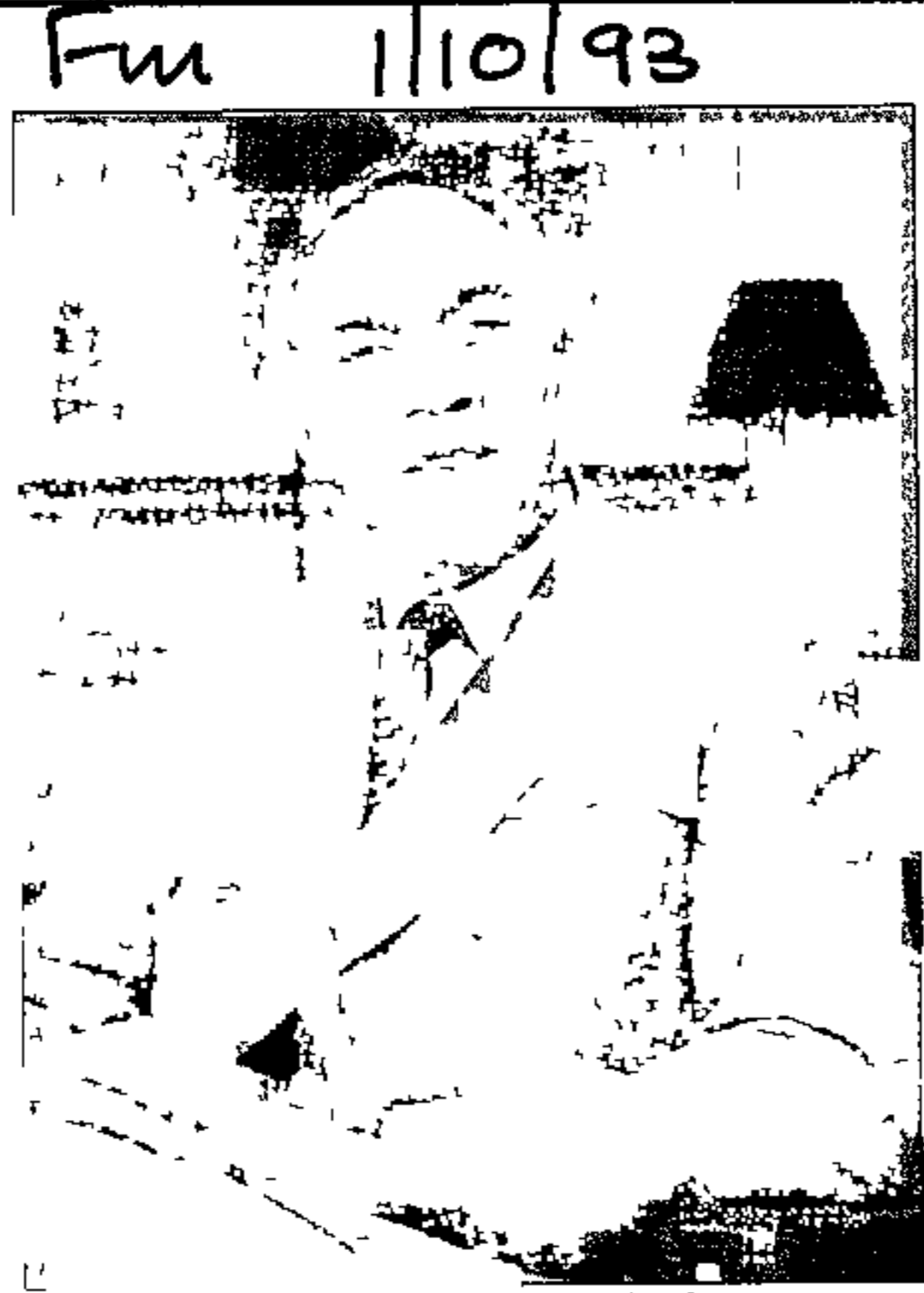
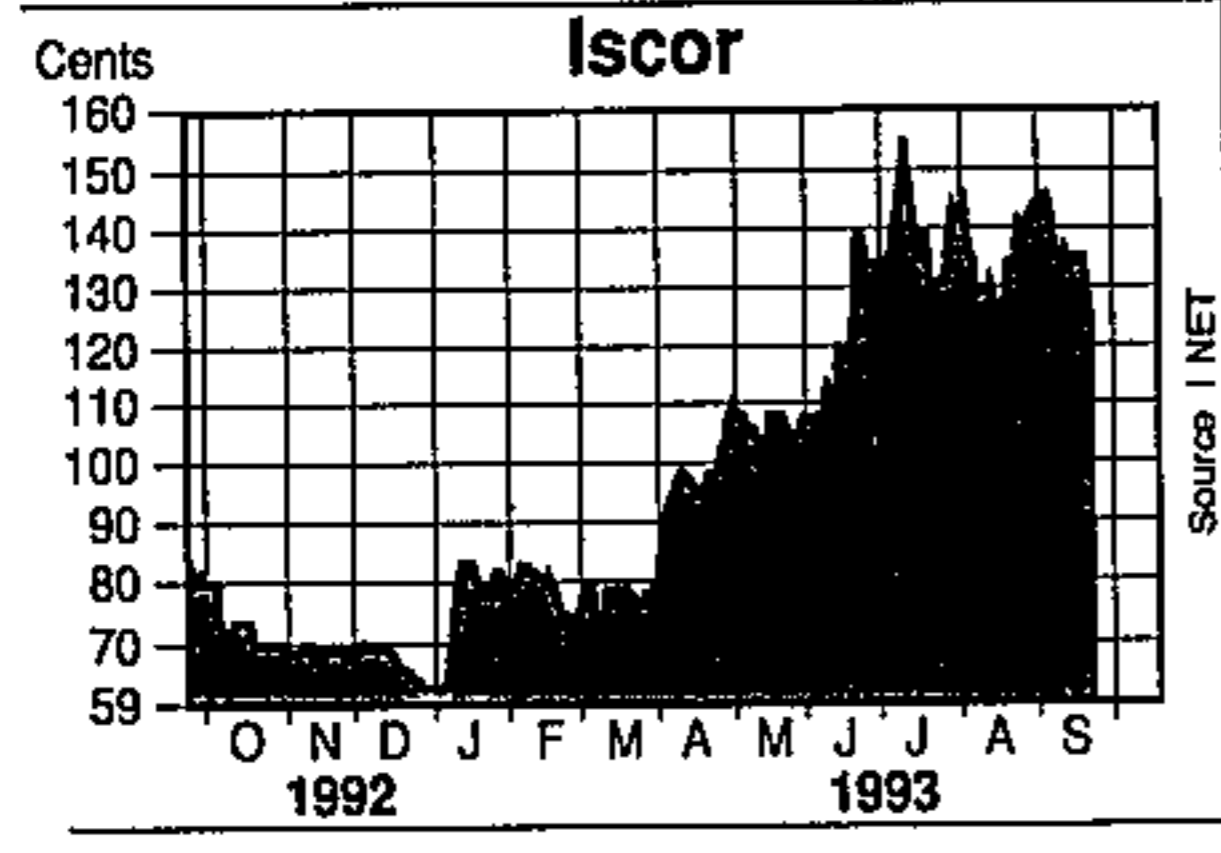
Year to June 30	'90	'91	'92	'93
ST debt (Rm)	18,9	718,2	651,8	513,9
LT debt (Rbn)	0,88	1,10	1,70	1,76
Debt equity ratio	0,12	0,26	0,28	0,32
Shareholders' interest	0,72	0,67	0,63	0,63
Int & leasing cover	n/a	4,92	1,91	2,00
Return on cap (%)	13,4	8,3	6,6	5,7
Turnover (Rbn)	6,92	7,39	8,62	8,83
Pre-int profit (Rbn)	1,14	0,80	0,71	0,58
Pre-int margin (%)	16,1	10,8	7,9	6,2
Earnings (c)	50,1	33,4	18,0	15,2
Dividends (c)	17,6	11,0	6,0	5,0
Tangible NAV (c)	326	348	356	345

This is the year many will regard as presenting Iscor with its sternest test it could well be the steelmaker's watershed

First, seen from an investment perspective, 1994 is widely perceived by analysts — and, indeed, the company itself — as the year the group will start pulling out of its nosedive. Factors such as higher dollar prices for steel products on world markets, a weaker rand and better supply/demand equilibrium after years of over-supply are expected to provide a boost to earnings, despite the probability that domestic offtake will remain sluggish. This would provide welcome relief for shareholders who have suffered consistent underperformance by the group ever since its listing in November 1989.

At the same time, however, it may be necessary to temper short-term optimism with longer-term pragmatism. The reasons for this is that, in less than a year, Iscor (like the rest of SA) will be living under a new government — and quite possibly one less sympathetic towards pricing policies that favour local producers than has been the norm.

If the current fracas over the petrol price is anything to go by, the whole question of local steel pricing could prove at least as contentious. It is common cause the profitability of Iscor's steel exports (53% of total steel sales)



Smith watershed

year
 (260) (180)

is, at best, marginal, and most of the profits earned come from domestic sales — for the simple reason local steel prices are substantially higher than those overseas.

By extension, it could be argued (and is in some quarters) that local steel users have for years been prejudiced by this pricing differential, just as motorists are said to be prejudiced by the support for the two local synfuel producers through the petrol pricing structure.

The difference, of course, is that SA petrol, by most international standards, is still cheap just what will happen when attention is turned to products like steel, where the reverse is true, is anybody's guess — and, fortunately, beyond the scope of this review except to say an indefinite continuation of present pricing policies should not be taken as a foregone conclusion.

The question that needs to be asked, therefore, is whether Iscor is ready and able to cope with an upset of this nature. Objectively, and notwithstanding the prospect of improved export profits, the answer must be "not really." This does not deny that, in the context of international steel producers, Iscor is a strong performer — as ex-MD Willem van Wyk (he retired at end-August) notes with some pride, Fortune 500's 1992 ratings of the world's 32 largest metals companies ranked Iscor third in terms of profits as a percentage of sales.

But in absolute terms, a 6,2% trading margin in a capital-intensive industry utilising about R1,16 in assets for every R1 of turnover is simply inadequate. So is a gross return on total assets of 5,7% and a net return on equity of 4,4%.

All these ratios (and others) were still tilted in the wrong direction in Iscor's latest financial year and while 1994 may see some relief on this front, the enormous task confronting the group is underscored by the fact that pre-interest profits, currently R582m, need at least to double if Iscor is to escape its present financial constraints. These include negative profit gearing and continued operation on a cash-negative basis despite severe curbs on capex.

To summarise it is probable that in the short term Iscor will show improved results. If, as deputy MD Nols Olivier expects, overall group margins recover to around their 1992 level (Fox September 3), EPS could improve by between 5c (33%) and 7,5c (50%) as tax should remain minimal.

Looking beyond 1994, if present steel pricing policies remain in place, the recovery would probably continue under its own momentum — cash flow might improve sufficiently to allow for a reduction in borrowings and the consequent interest savings would provide further impetus to the upturn — quite an important consideration given that finance charges currently absorb half the group's operating profit.

But if politics get in the way, just about anything could happen. And this realisation may well explain the gyrations in the share price. From a low of 61c at end-December, the price recovered to 156c in July — a few weeks after the June financial year-end. More recently, despite favourable reaction to the 1993 results, Iscor has been a noticeably weak counter in a soft market. It is almost 24% off the top and, on a PE of 7,8 and a 4,2% dividend yield (both historic), it is clear the market is less sanguine about the future than was the case a few weeks ago.

Brian Thompson

Boycott threat as TV1 boosts its time rates

MANY JEAN WOODS

THREE major companies, which spend in excess of R50 million a year on advertising on TV1, have threatened to boycott the station because of a new advertising pricing policy which will see the price of an ad spot increasing by an average of 55 per cent from October 1. ARG 2/10/93

The increase came about with the introduction of a new three-tier pricing policy in August which became effective yesterday.

"We are of the opinion the introduction of the three-tier pricing structure was to camouflage the increase in rates," said Cape Town Media Directors' Circle (MDC) chairman Wesley Hill.

"Blatant inflationary increases like this are causing agencies and their clients to schedule alternative stations. M-Net and CCV have managed to confine their increase to a respectable 13 per cent," he said.

He said TV1 had introduced the three-tier pricing system — which would simply reward businesses who booked advertising time early by slightly discounting the cost of an ad and penalising businesses who booked late by increasing the cost of an ad — in order to improve its "bottom-line".

"Basically, TV1 has been seeing its revenue levels declining and has switched from a 'demand' driven pricing structure to a 'business' driven pricing structure. In other words — as Mr Hill suggested — TV1 would charge what they needed to, according to their "bottom line requirements".

Efforts to increase advertising on TV1 through the use of various advertising packages and discounts for volume have resulted in more advertising spots, but less revenue, said Mr Hill.

An analysis by the MDC has shown that if one compared the rates charged in November 1992, the average increase would amount to 55 per cent. In some cases, however, increases amounted to 123 per cent.

At the same time, says Mr Hill, audiences have dropped.

"Take an average TV series example. In November 1992 it cost R12 400 to flight a 30-second ad. This year it will cost R27 600. The audience-rating (AR) for last year was 18,9 and in August this year it was only 16. So advertisers are having to pay much more, but are reaching fewer viewers for their money," said Mr Hill.

A meeting is being planned for representatives from TV1 and advertisers in which they can discuss the issue, said Mr Hill.

"These advertisers are looking seriously at alternative places to advertise because of this. Already, clients are scheduling less television advertising because they cannot afford the exorbitant rates," Mr Hill said.

TV1 management said their response would be published next week.

Row rages over inflated cost of local uranium

S/Times 3/10/93

525 260

By DIANA STREAK

A ROW has erupted over continuing government support for the Atomic Energy Corporation, which produces vastly overpriced enriched uranium — then sells it to another state agency.

Eskom, the country's main electricity supplier, is compelled to buy much of the uranium for its nuclear facility at Koeberg from the AEC for nearly twice the world market price.

At least part of the additional cost — R40-million a year — is thus carried by electricity consumers, adding to the cost of living and making the country's industry even less productive.

The Democratic Party and experts in the field of nuclear technology this week called for the closure of the corporation's controversial Z-plant at Pelindaba, which

produces the enriched uranium.

And Eskom's nuclear-energy spokesman, Mr Andre van Heerden, said that, with world markets now opening up, Eskom wanted the freedom to purchase supplies more economically on world markets.

A spokesman for the AEC admitted this week that the cost of production at its plant was "65 per cent higher than the accepted market norm".

Mr Roger Hulley, DP spokesman on energy matters, said the plant's annual R160-million cost of production could not be justified, as enriched uranium could be bought at nearly half the price on the international open market.

Eskom this week confirmed that it bought enriched uranium from the AEC to run Koeberg at \$120/kg per separative work unit, based on the US Department of Energy price for long-term enrichment contracts

"The spot market price for enrichment is approximately \$68 a kg SWU," an Eskom spokesman said.

"Eskom's fuel strategy for Koeberg should ideally include a combination of long, medium and spot contracts. Sanctions have prevented this combination and, thus, the Z-plant has provided a strategic source of enrichment."

Mr Hulley has called the AEC plant a "mini-Mossgas" which sells its product more cheaply to foreign buyers than to Eskom, its "captive market".

The AEC refused to confirm this, claiming that "confidentiality clauses" in its commercial contracts prohibited the release of any details on exports.

"South Africa has, in my opinion, been subsidising a mini-Mossgas in the form of this uranium-enrichment plant for more than a decade," Mr Hulley said.

"It has cost us countless millions of rands. The situation has been disguised by the sanctions era, but that has been over for two years, ever since we signed the Non-Proliferation Treaty."

Because Eskom was forced to buy from the AEC and not on the international spot market, it was paying about R80-million a year for its requirements, though it could be paying closer to half that amount for the fuel it required.

"The AEC is reviewing its strategy regarding continued operation of the Z-plant," an AEC spokesman said this week.

No need for probe, says Brooks

Sasol, AECI joint venture gets go-ahead

B/Day 6/10/93

THE Competition Board has given the green light to plans by Sasol and AECI to merge their petrochemical and plastics interests in a joint venture company with annual sales of R2,5bn.

This clears the way for AECI's R400m revamp of its PVC plant. (182)(260)

Board chairman Pierre Brooks said last night the board believed it would not be necessary to launch a formal investigation into the transaction at this stage. (232)

The merger was approved on condition that the chemical companies stood by undertakings not to discriminate in the supply of monomer feedstocks — ethylene and propylene — to rival chemical producers Sentrachem and Hoechst. The new plant would be SA's sole feedstocks supplier.

Brooks said the vertical integration of major suppliers of monomers did provide cause for concern, particularly for Sentrachem and Hoechst, but "the essentially monopolistic structure of the monomer market" was left intact.

"The corporate realignment and restructuring that will take place is, however, potentially not more conducive to anti-competitive behaviour than was the pre-merger position. Should Sasol/AECI and the new company, contrary to expectations, default on their assurances and undertakings, the Competition Act enables the board and government to take swift, effective remedial action"

MADDEN COLE

Sasol executive director Andre du Toit said his company was "very happy" with the decision. "The top management (of the new company) will be appointed shortly and we will also be able to proceed full speed with the planning and implementation of the PVC conversion project."

AECI MD Mike Sander said the project allowed AECI to capitalise on Sasol's competitive advantages as a feedstocks supplier to create a "world class business competitive on an international scale".

It joined Sasol's ethylene, propylene and polypropylene operations with AECI's chlor alkali cyanide, PVC, polyethylene and associated downstream converting companies. This amounted to a "a vertical merger" of Sasol and AECI interests

AECI's current production of PVC used carbide feedstock, an uneconomical process which made local PVC output uncompetitive on international markets and seriously undermined the viability of PVC manufacturing in SA. The joint venture would use ethylene rather than carbide as the PVC feedstock, a cost-effective change. Conversion costs were substantial and could be effected only by pooling the resources of the two companies.

The joint venture was announced in June and the partners plan to list the new company on the JSE. Sasol would hold 60% and AECI 40% of the company.

SABC offer paves way to lifting of Equity ban

GARNER THOMSON
The Argus Foreign Service

LONDON. — Equity's ban on the sale of television and radio programmes to South Africa now seems certain to be abandoned after concessions announced by the SABC.

SABC chairwoman Ivy Matsepe-Casaburri has written to Michael Crosby, of the International Federation of Actors, whose affiliated organisations include the British actors' union, giving a virtual guarantee that Equity will be recognised as a negotiating partner.

Dr Matsepe-Casaburri also said the SABC would introduce domestic programme quotas and ban racial discrimination in all foreign purchases.

Mr Crosby said: "The commitment appears to remove the need for Equity's ban on programme sales."

"I think we have to take what the SABC says at face value. I haven't yet spoken to Equity, but from their point of view I think they will be very pleased with what is a virtual guarantee of recognition."

The speed of reform in the SABC has taken the federation and Equity by surprise. While the latter describes the SABC statement as peripheral to a vote this month on ending the South African ban, it could swing undecided voters.

● Equity says it has no plans to lift its warning to members planning to appear on stage in South Africa.

It will continue to advise against signing contracts until a recognised counterpart union has been formed here.

260

ARC 7/10/93

OIL DEREGULATION

Fm 8/10/93

Coming down the pipeline

Ever since Mineral & Energy Affairs Minister George Bartlett's decision in May to take the shutters off the heavily regulated oil and synthetic fuel sector, pressure has been inexorably building to free the fuel market from government control

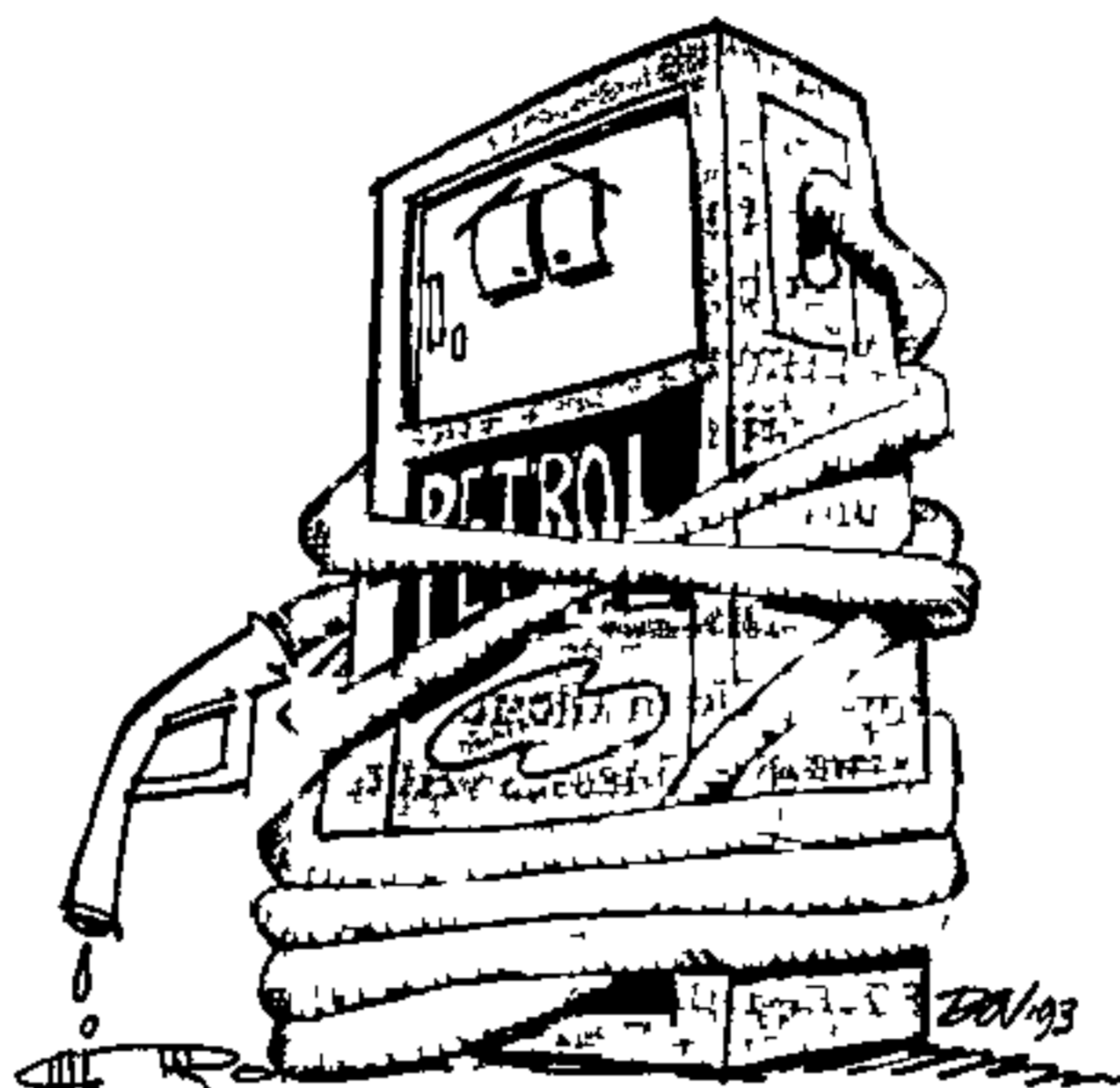
Last week's sharp attack by Engen CE Rob Angel on the protected synfuel industry, and the ongoing battle over the recent petrol price hike — led by Pick 'n Pay and the taxi industry — have added to the growing support for a radical deregulation of this tightly supervised and secretive industry. Government is under increasingly pointed criticism over its handling of the industry from the National Economic Forum, the DP, ANC and other parties, consumer groups, economists and others, while Sasol — one of SA's most profitable companies — is being forced to respond to calls for its virtual abolition

Indeed, this week the forum's Liquid-Fuel Industry Task Force suggested that any study and restructuring of the R23bn-a-year sector should take place under its auspices. If accepted, the forum — made up of representatives of government, organised labour and business — would oversee much of the deregulatory process, and probably drive it a lot further than Bartlett's department would

The regulatory web entangling the sectors contains these elements.

- The in-bond landed cost crude oil pricing mechanism, by which refining margins for oil companies are based on the theoretical landed cost in SA of refined product from Singapore or Bahrain, even though most of SA's oil is imported more cheaply in crude form and refined in SA;
- Pump subsidies to support synfuel producers Sasol and Mossgas totalling R840m/year (payments to Sasol are based on how far the price of oil is below US\$23 a barrel, the world price is about \$15 a barrel),
- The Rationalisation Plan, or Ratplan, which sets quotas for petrol stations and restricts competition among retailers,
- Retail price maintenance, under which government fixes the retail price of petrol countrywide,
- Levies and taxes paid at the pump that together amount to about two-thirds of the price paid by motorists, and
- Fixed retail profit margins

In the fight to scrap these costly controls, Sasol and Mossgas have become the main targets. Engen's Angel drew the battleline last week by saying the synfuels industry "is totally uncompetitive and will probably remain so for all time." But government believes it must protect uneconomic synfuel operations — which were developed in apartheid years as insurance against an oil cut-off



that never came and grew into the world's largest synfuel industry — and this underpins the regulations' complex structure.

Nevertheless, Sasol defends itself strongly. "Sasol's synthetic fuels enjoyed protection to the value of R629m during the 1992-1993 financial year, which cost motorists 3,56c/l if spread over all transport fuel volumes," says Sasol CEO Paul Kruger. "Most manufacturing industries in SA and in many other parts of the world enjoy protection though they operate in a deregulated environment. And, as the current 14,6% protection level on the value the company adds to its inputs does not allow Sasol to earn an excessive return on investment, we feel that it is more than justified."

Angel believes support for the synfuels industry must end. "It is not right that synfuels plants are paid subsidies to go into the pockets of a few stakeholders"

Adds ANC-affiliated, Cape Town University economist Patrick Ncube: "The position of the so-called paranoia corporations (created to counter sanctions) will have to be reconsidered in the new SA"

Kruger, for his part, points out that the regulations also hurt Sasol. He says that, if the market were deregulated, Sasol should also be allowed to retail petrol refined from crude oil to the public (a limited percentage of its output is now sold at specially designated "blue pumps" in the Transvaal, Free State and northern Cape) in competition with the oil companies. This would allow for higher profits at the lucrative wholesale and retail levels

Angel adds that oil companies should be freely allowed to import crude oil at the world price, while government's role in procuring oil should be abolished. Kruger agrees, adding that government could do a much better job of setting the petrol price. "The pump price should be adjusted on at least a weekly basis," Kruger says. "This would allow the retail sector to pass on global price movements on a weekly basis, giving

motorists an indication of the impact of crude oil price movements on pump prices"

One argument against deregulation heard over and over is that it would allow for self-service petrol stations, endangering the jobs of 60 000 pump attendants. Angel says petrol attendants cost around 4c/l. He adds that "over a fairly short period, about a third of service stations would close because they would sell too little to compete."

Proponents say there could be a temporary or permanent moratorium on self-service (Pick 'n Pay has proposed five years) to avoid dumping so many workers on a depressed jobs market. They add that deregulation, even without self-service, will vastly offset any jobs lost because motorists and companies will save billions through lower petrol prices, thus spurring the economy

As for the petrol stations, deregulation advocates argue that the vast overbuilding that has taken place under government protection is no reason not to deregulate. Any neighbourhood that unsuccessfully fought another petrol station setting up around the corner will be glad to see it close. ■

INDUSTRIAL POLICY

Sacob's big muddle

The SA Chamber of Business last week came out with another document on industrial policy and, again, it's a muddle — lots of bad ideas with few good ones

The aim of the 31-page discussion document, *The Formulation of a New Industrial Policy for SA*, is to place SA on the same growth path already followed by the successful Pacific Rim economies. But its first mistake is to trumpet something that won't help SA at all

Sacob suggests an Industrial Policy Forum made up of the "golden square" (representatives of government, labour, business and technology), along the lines of the Industrial Structure Council of Japan's Ministry of International Trade & Industry (Miti). This would be assisted by Sectoral Strategy Committees made up of the same representation but based on sectors

Critics say another forum of elites left to deal among themselves and stick the consumers and taxpayers with the bill is no answer to SA's problems. They add that the proliferation of committees and councils that the document proposes is better suited to a socialist ANC policy paper than the market approach the chamber professes to support. They point out that, if anything, Miti has done more to hold back the Japanese economy than to boost it

Volksfront geared up for nationwide protest

BIDAY 8/10/93

PRETORIA — The Afrikaner Volksfront is embarking on the first phase of its protest action, knowing it will not only be a show of power, but also a test of numbers.

Announcing the planned protest meetings all over SA on Saturday and in Pretoria on October 16, Volksfront deputy secretary general Joseph Chiolé said he was confident "quite a few thousand people" would show up for the meetings. ~~35,000~~

Parliament's acceptance last month of the Transitional Executive Council legislation would be central on the protest meetings' agendas. Establishment of the council was effectively the establishment of a communist interim government, Chiolé said.

The Volksfront had decided to hold protest meetings as the first phase of its campaign against "the despicable way government is handing over SA sovereignty to communists".

The mass protest meeting at Church Square, Pretoria, on October 16, would mark the end of the first phase. It would be addressed by Volksfront leaders Ferdi Hartzenberg and Constand Viljoen.

By that time the Volksfront would be ready to announce details of the second phase of the protest action.

Chiolé would not give any indica-

DIRK VAN EEDEN

tion of the nature of the second phase. Volksfront director Tienie Groenewald said earlier that civil disobedience against the authority of the TEC would "definitely" form part of the campaign.

Meanwhile, Sapa reports that former Rhodesian prime minister Ian Smith said after meeting Viljoen yesterday that there would be no honest election on April 27 next year.

He said that if the elections did proceed, which he did not foresee, the poll would not be an honest one.

□ Yesterday the Afrikaner Volksume said ANC leader Nelson Mandela showed by his statement in Portugal on Wednesday that his organisation had no intention of accommodating federalism.

Volksume negotiator Corlia Kruger said Mandela's statement, if implemented, would lead to civil war.

She was reacting to media reports quoting Mandela as saying the Inkatha Freedom Party could expect no further concessions on regions.

She noted that Mandela's statement had come on the eve of a Cosag leader's summit and would almost certainly impact on any decisions taken there.

Black radio gets pre-poll boost

PATRICK BULGER

THE SABC has launched a major project to increase the reach of black radio stations for the April 27 election. BIDAY

Station coverage now varies from about 53% to 90%. SABC signal distribution company Sentech is erecting extra transmitters for African-language broadcasts to enable every black radio station to reach at least 85% of its target audience. 8/10/93

According to SABC research, 17,6-million adults listen to SABC radio services every day. African language stations pull in the biggest listenerships. Of the 17,6-million, 11,2-million adults tune into black radio. (260)

The importance of radio in the election was stressed by a visiting delegation of the International Commission of Jurists which studied conditions for a free and fair election. The jurists were told by ANC and Inkatha Freedom Party members that they would not allow campaigning by opposition groups for the election.

Delegation member John Macdonald said the use of radio meant intimidation that might arise from door-to-door canvassing could be avoided. He said that while it might not be possible to have debates in hotspots, such debate could be conducted on radio.

260

Sasol earns its place

FOREIGN-currency savings of R4-billion a year and wealth creation of R4,3-billion are enough for Sasol deputy chairman Paul Kruger to justify Sasol's tariff protection at a floor price of \$23 a barrel for synthetic fuel

Mr Kruger gave his plans for the development and expansion of Sasol at a presentation to the Investment Analysts Society in Johannesburg this week

Mr Kruger's most-likely scenario for deregulation of the fuel industry includes a reduction in Sasol's tariff protection to a floor of \$20 a bar-

rel. He also expects a maximum and minimum retail price for petrol, the lowest becoming the market norm

Mr Kruger was asked why Sasol aims to set up its own service-station network (talk is that it will take over Total outlets) when returns on investment have been calculated at below 8,5% Sasol would also become a competitor of its customers

Mr Kruger says returns look low because calculations were based on revalued assets Sasol produces 49% of petrol sold at pumps and it is unreasonable for a single retailer to sell all that, he says

The Blue Pump agreement has outlived its usefulness, but Sasol was precluded from

selling through its own outlets by Government

Sasol's share price has dived in line with the JSE's fall since midyear and because it is regarded as vulnerable to deregulation

Referring to the results for the year to June 1993, Mr Kruger says the 20% growth in operating income before tax came on the back of reduced costs and improved volumes There was no change in tariff protection income other than a 14c slip in the exchange rate to an average of 297c to the dollar

The current exchange rate is about 345c, giving Sasol a rand-hedge appeal

"Remember, we sell hardly anything in rands, other

than a few fertilisers and explosives," says Mr Kruger

A cost-cutting programme throughout the group saved R500-million in operating expenses — "about the same ballpark as the protection Sasol synfuels enjoys, which is moderate even in international terms. It is not 'money for a few shareholders' as the press likes to put it Sasol is part of everybody's pension fund, it belongs to the people"

Petrochemical prices have been flat and Mr Kruger says a Korean company that sold at lower than feedstock cost has gone out of business

In the past financial year, 4 000 jobs were shed, leaving the total at 26 000 Renova-

tions at Sasol One were commissioned, the wax slurry-bed reactor working better than had been hoped. Also commissioned were a fibre project, anode coke, the AECI-Sasol joint venture, in plastics won approval and Sasol companies were restructured into five groups, all of which could be listed

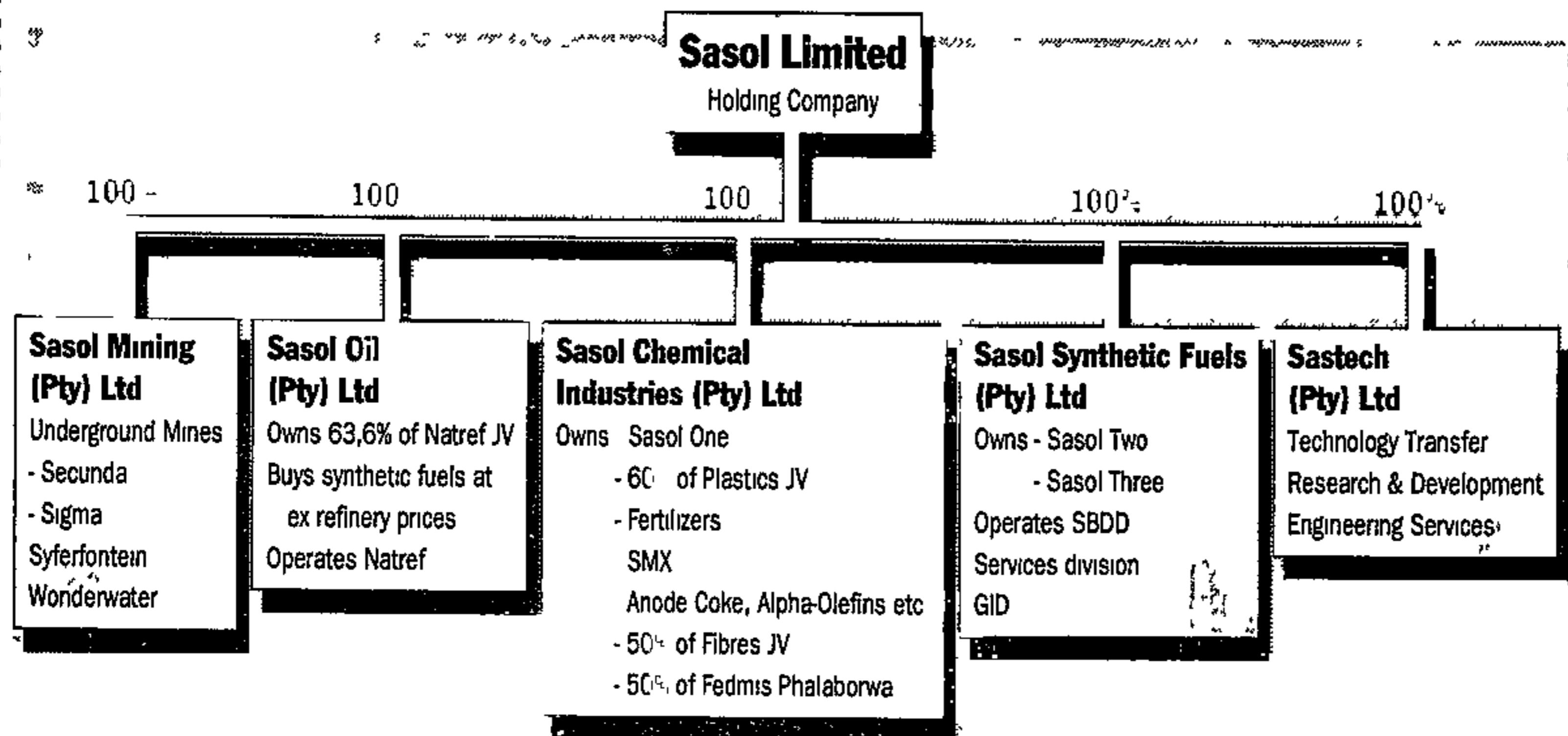
They are Sasol Chemical Industries, Sasol Oil, Sasol Mining, Sasol Synthetic Fuels and Sastech They operate at arm's length to one another.

Synfuel contributed 41% to group operating profit, coal 22%, oil 25% and petrochemicals, fertiliser, explosives and polymers 12%. Mr Kruger says that in a more normal year, they should be roughly equal.

He expects Sasol to increase profits in the current year in spite of low international petrochemical and crude oil prices, low refining margins, a higher corporate tax rate and a bigger interest bill because of a cost-reduction programme, larger volumes from new plant, the R100-million tax equalisation reserve and the weaker rand

He says Sasol's success and profitability flow from efficient and effective operations It receives no subsidies or guaranteed profits

Sasol shares jumped 140c to R18,75 on the JSE after the presentations, having recovered a little in expectation of positive news



Graphic FIONA KRISCH Source SASOL

STIMULATED BY ISS Iscor's tight-fisted grip

By CIARAN RYAN

THE gap between South African and world steel prices has widened in many cases over the past two years, indicating the extent to which domestic users are subsidising Iscor's exports.

According to figures from the Metals Bulletin, Iscor's domestic prices were an average of 60% above those in Europe and 20% higher than for US-Mexican Gulf coast in July. Iscor's price for heavy sections was 17% above America's two years ago — now it is 39.5% higher.

The price difference between Iscor and European hot-rolled coil widened from 48% two years ago to 54.7% and for cold-rolled sheets from 40.7% to 48.9%. The difference between SA and Europe for galvanised sheet rose from 62% to 70.5%.

Iscor's prices for merchant bars are double those in Europe and 20% more than in America.

Robin Bosomworth, executive director of the Independent Wire Converters' Association, says: "When you look at how Iscor charges its dom-

estic users, is it any wonder that the economy doesn't work?"

"I estimate that volumes are as much as 50% down on some of Iscor's domestic markets. This means it is under tremendous pressure to increase domestic prices to maintain profitability."

"What is happening in the steel market is no different to what is happening in fuel. Is it right that the entire domestic consumer base is discriminated against to keep a few shareholders rolling in profits?"

SA is one of the world's cheapest steel producers, the result of Iscor's vertical integration. It owns the mines which feed its mills and controls the merchandising of steel.

Yet its domestic prices are well above those of high-cost producers such as the US, which has attacked cheap imports by launching a wave of anti-dumping investigations.

Iscor was investigated by the US for alleged dumping in terms of the gener-

al export incentive scheme (Gels). It could still be vulnerable to anti-dumping actions in terms of its two-tier pricing.

Iscor is the largest recipient of support from Gels, worth up to R250-million a year, says one estimate.

Mr Bosomworth says: "Iscor is very much involved in the determination of the country's industrial policy."

"It managed to get steel products, one notch below fully built-up cars, classified as Category 3 in terms of Gels which gives it a 7% subsidy on exports. It is almost as if Gels was made for Iscor."

Mr Bosomworth says Iscor responded to declining domestic demand for steel by removing discounts. Although price lists reflect increases in line with inflation, the removal of discounts has sent some prices up 40% in a year.

SA customers pay up to R1 485 a ton for wire rod compared with R1 000 a year ago.

Users have asked the Government to investigate Iscor's two-tier pricing which discriminates against them. Iscor says two-tier pricing is com-

mon among steel producers and that it is forced to export at below the domestic price to recover fixed overheads.

Export steel is generally 3% to 5% more expensive than the European price compared with 60% in SA. The price of wire rod in Germany is \$300/ton compared with an export price of \$250/ton, a difference of 3.3%.

In 1989, 68.7% of Iscor's production was sold in SA. Earnings' a share for the year were 43.9c.

In the year to June 1993, exports accounted for 53% of sales. Earnings a share fell to 15.1c, the result of the declining domestic market.

In an attempt to break the steel cartel, manufacturers have started to import wire rod from Europe at 20% below the SA price. They are challenging the two suppliers of wire rod, Iscor and Davsteel, to launch an anti-dumping investigation against them.

Mr Bosomworth says if Iscor and Davsteel bring an anti-dumping investigation against importers, it will expose the fact that the two SA suppliers are dumping on the world markets at 40% below the SA price.

DIAGONAL STREET

Sasol earns its place

STIMWAD BRUSSJ 19/10/93 2100

FOREIGN-currency savings of R4-billion a year and wealth creation of R4,3-billion are enough for Sasol deputy chairman Paul Kruger to justify Sasol's tariff protection at a floor price of \$23 a barrel for synthetic fuel.

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Sasol's share price has fallen in line with the JSE's cause it is regarded as vulnerable to deregulation. Referring to the results for the year to June 1993, Mr Kruger says the 20% growth in operating income before tax came on the back of reduced costs and improved volumes. There was no change in tariff protection income other than a 14c slip in the exchange rate to an average of 297c to the dollar.

The current exchange rate is about 345c, giving Sasol a rand-hedge appeal. "Remember, we sell hard-ly anything in rands, other than a few fertilisers and explosives," says Mr Kruger.

A cost-cutting programme throughout the group saved R500-million in operating expenses — "about the same ballpark as the protection Sasol synthetals enjoy, which is moderate even in international terms. It is not money for a few shareholders' as the press likes to put it. Sasol is part of everybody's pension fund. It belongs to the people".

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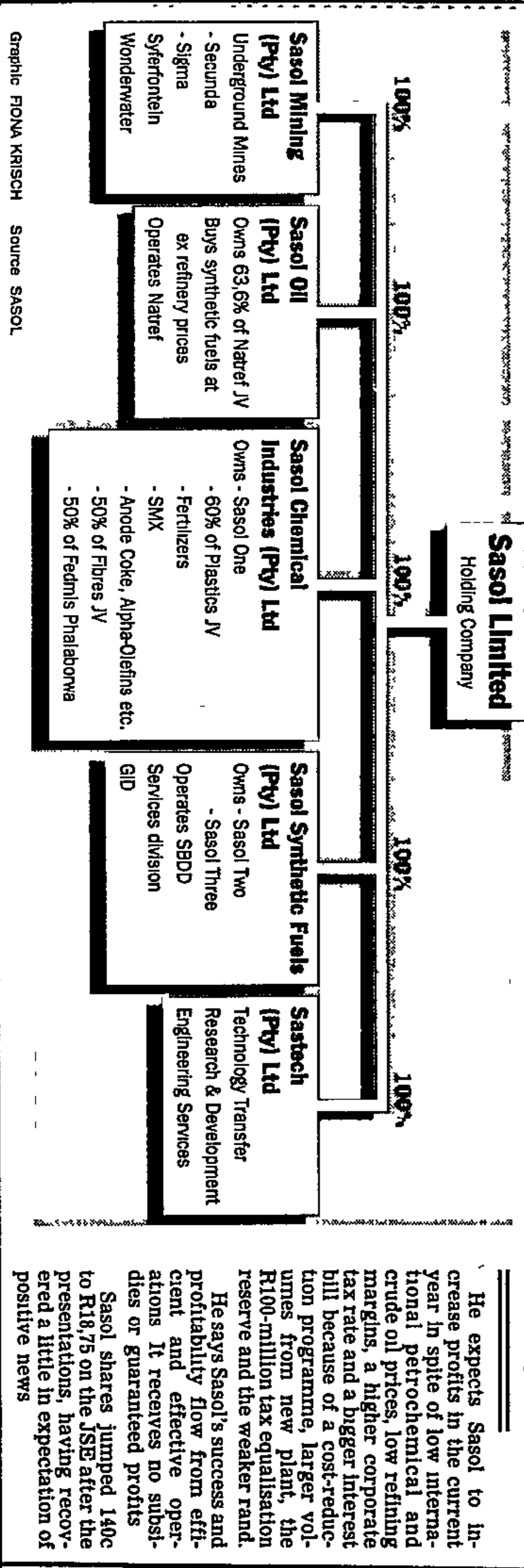
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Graphic: FIONA KRISCH Source: SASOL

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Tariff breakthrough for local TV industry

CT 12/10/93 (260)

From MATTHEW CURTIN

THE Board on Tariffs and Trade has recommended a radical revision of the tariff regime applied to the television manufacturing industry to rescue the sector from a flood of duty-evading imports.

Plans by Anglo American Industrial Corporation (Amic) and South Korean conglomerate Daewoo to build a R600m colour TV tube plant in SA depends on the survival of the near R1bn-a-year industry which has been hit by cut-price imports at a time of falling sales.

The interim measures are aimed at protecting manufacturers from these "grey goods" but are likely to form the basis of a permanent overhaul of the industry's tariff protection. Industry sources say Amic and Daewoo are anxious that a revised tariff regime provides

start-up protection on a par with measures available overseas.

The board has recommended the 38% excise on completely knocked down sets be replaced with a 10% excise plus a 60% customs duty on TV tube imports, which have enjoyed duty-free status to now.

Amic alternate director Laurie Olivier said he welcomed the new tariffs because it was in the interests of Amic and Daewoo for the TV assembly industry to survive.

Basis for discussion

"The simplified interim duty structure may provide a good basis for future discussion of tariffs for the industry," he added.

Initial impetus for the new tariffs has come from the Radio and Television Manufacturers Association. The association asked for the changes because of

"the gross evasion of the rules of the existing manufacturing programme causing the survival of the industry to be threatened", a board spokesman said yesterday.

The changes came into effect on Friday, and the new tariffs would be published in the Government Gazette for comment.

TV manufacture is one of the most heavily protected industries in SA, with duties amounting to 83% applicable to imports of fully built-up sets. Local manufacturers have complained that sales have been hit by smuggled goods, and sets imported from Lesotho as knocked-down units — qualifying for reduced duties — when they were in fact semi-knocked down.

As well as the new duties, the board has recommended that registered television manufacturers qualify for a full rebate of the TV tube duty.

Eskom signs power agreement with Egypt

Star 12/10/93

■ STAR AFRICA SERVICE

Eskom has signed a power-supply agreement with Egypt, significantly advancing its efforts to establish an Africa-wide electricity network.

The agreement brings together for the first time Africa's two major economic powers in an energy-sharing pact that could lead to a Cape-to-Cairo power grid linked to Europe and the Middle East.

South Africa has been concentrating on developing a network in southern Africa while Egypt has been promoting a network in northern

Africa with links to Europe and the Middle East.

Both countries are interested in tapping the vast hydro-electric potential of the Zaire River at Inga in Zaire, which has the capacity to supply 60 000 megawatts.

Since the whole of Africa at present consumes only about 40 000 MW, and provides some of this from other sources, the Inga project would have a surplus for export to Europe and the Middle East at present consumption rates.

The co-operation agreement signed in Cairo last week by Eskom chief execu-

tive Ian McRae and Mohamed El-Said Issa, chairman of the Egyptian Electricity Authority, is the 12th that Eskom has concluded with an African country (Z60)

While there are no plans at present for a continental agreement, co-operation agreements of the kind signed in Cairo have a knock-on effect that eventually could be continent-wide.

For instance, South Africa has an agreement with, among other countries, Zimbabwe, which has an agreement with Zambia, which has an agreement with Zaire, and so on.

Soweto electricity threat

ESKOM announced yesterday that it would cut off electricity to 22 500 Soweto homes from Monday and warned it could suspend all operations in the township if attacks on its employees and theft of its property did not stop. **Biday**

Eskom sales and customer service manager for Johannesburg Ken Green said letters had been sent to non-paying residents warning them of the cut-offs.

"Eskom also undertook steps to encourage customers to pay their electricity bills. These included letters, public meetings and visits to individual customers. A list of non-payers was also sent to all branches of the Soweto Civic Association, which undertook to encourage residents to pay."

Of the 125 000 Eskom customers in Soweto, 22 500 had not paid the R33,80 monthly rate introduced in February 1992 in Greater Soweto, and in May 1992 and this

WILSON ZWANE

February in Dobsonville and Diepmeadow.

Green said businesses also had failed to pay their bills. "Out of 1 300 commercial customers, only 5% pay regularly."

More than 20 of Eskom's employees had been attacked and 24 Eskom vehicles hijacked in Soweto this year. If the situation deteriorated further he would have to withdraw staff from Soweto. **5/10/93**

Soweto Civic Association general secretary Pat Lephunya said Eskom's threat to suspend services was "out of order". The organisation had asked Eskom to tell it where its people would be working, so that they could be protected. Eskom had not done this. **(1257) (260)**

Green said it was "virtually impossible" to contact the civic every time as 60% of the utility's work was at short notice.

The search for seven wise people

FM 15 110 193

(26)

The process of selecting the seven members of the Independent Broadcasting Authority must begin within two months. With the general election only six months away, the need is urgent. The IBA will decide on the future nature of the SABC and, flowing from this, allocate broadcasting licences to about 100 applicants.

The process will begin after the Transitional Executive Council appoints a panel to conduct the selection — probably before the end of the year. A public forum similar to that which produced the new SABC board is expected to be set up.

"You don't have the same problems because you are not looking for 25 generalists but seven people with specific skills and experience," says David Dison of Media & Broadcasting Consultants. "You are looking for hands-on executives."

In the words of the Act, the seven wise men and women shall be people who, "when viewed collectively, are suited to serve by virtue of their qualifications, expertise and experience in broadcasting, media law, frequency planning, business practice, marketing, journalism, entertainment and education."

Unless the SABC is successfully redefined, says Dison, "the IBA's ability to re-regulate broadcasting under a rational and even-handed system will be severely hampered. This is why the Act required an inquiry into the role of the public broadcaster before it issues any licences."

"It is no use for the IBA to say it is handing out FM broadcasting licences when the SABC occupies the FM broadcasting frequency bands almost in their entirety. It is no use re-regulating broadcasting when the frequency plan has been drawn up with the interests of the SABC, not those of commercial or community broadcasting, predominantly in mind."

Cross-media ownership

"The IBA will also consider the kinds of cross-media ownership limitations that need to be imposed on commercial broadcasters and conditions regarding local TV content, independent TV production and SA music. For independent film and music producers, the challenge of re-regulation relates to whether agreement can be reached regarding the parameters and percentages for local content and whether they can successfully win these demands at the IBA inquiry on local content and independent production."

But the feasibility of commercial broadcasting depends on factors not defined by legislation. With the increase in the number of broadcasters, will the adspend cake grow (as it did in Brazil) or stay the same (as in

Australia)? Conventional wisdom says it will grow only in response to economic growth, not increased competition.

But, as he points out, when M-Net was launched, it seemed to attract advertising without adversely affecting SABC's revenue. On the other hand, this was happening when adspend was shifting from print to TV anyway. In a more stable market, the result might have been different.

"Conservatively, one might expect some advertising revenue to shift from the SABC to independent commercial stations," says Dison. "The critical issue is whether the fiscus will continue to protect the SABC." It now enjoys massive tariff protection on imported capital equipment and operates under the umbrella of State support, which includes licence-fee policy. If it loses money, the State picks up the tab. ■

Is it back to white sounds on Capital?

C/Press 17/10/93

By FRED KHUMALO

THE Durban-based radio station which prides itself on being "the station with an Afritude" is now a station without a boss

On Thursday, the sword of Damocles came down on Capital Radio's head of programmes David Smith, the man who introduced the controversial "Afritude" concept, and his post is now vacant

"The daggers are out at Capital. It's sad that the person who has fallen victim is the very person who resuscitated an ailing station into a vibrant voice of the voiceless," said a source close to Capital

Smith introduced the Afritude concept at the station when he took over as head of programmes early this year.

At the time he said: "There is a lot of talent in the country. It is now time we tapped that talent, and gave opportunities to many people who, because of their colour, were not given the chance to try out their abilities and talent"

He roped in some young deejays and journalists to make his Afritude dream a reality, but in the

Afritude man gets the boot

(260)

process provoked acrimonious bickering within the station

The old white staffers felt threatened by the changes which they regarded as a radical Africanisation of the station

The Afritude format entails the airing of relevant talk shows and the promotion of local African music at the expense of Western pop

Smith was booted out seven days after his sidekick and radio production consultant Francis Rolt was shown the door.

Three weeks ago, Smith received a letter from Capital managing director Herbert Jikela informing him that he was being transferred to Johannesburg where he was to head the station's national sales team

Perturbed by this letter, he showed it to Rolt and other staff members, seeking their opinion

But station management then came down hard on Rolt and fired him, accusing him of passing on a confidential letter to staff members

The letter in question was the one informing Smith about his being transferred to Jo'burg

No reasons were given for the dismissal of Smith, except to say his contract had been prematurely terminated

"I'm very angry. We are considering taking legal action against management for unfair dismissal," said Rolt, a BBC World Service veteran

Jikela was not available for comment

Insiders say black staffers are angry, while whites are triumphant at the sacking of the Afritude man

There are fears that the Afritude concept is in jeopardy as a new head of programmes might just take the station back to where it was 14 years ago - into the thick of Eurotude!

It's a duty - Civic Association

Eskom to switch off Soweto non-payers

BY ABDUL MILAZI
Eskom will go ahead with its planned electricity cuts to 22 500 defaulters in Soweto today.

SOWETO residents who have not paid their bills are to have their electricity supply cut off today.

Eskom sales and customer service manager, Ken Green said the company had been forced to take strong action against freeloaders after residents ignored several warnings that their electricity would be switched off if they did not pay.

Green said only residents who came to the Eskom office today to discuss terms of payment would be saved from the darkness that will blanket many homes in Soweto. He said 22 500 of Eskom's 125 000 customers in Soweto had not paid the R33,80 monthly flat-rate tariff since it was introduced last year.

Electricity is the only service which is no longer subject to the civic association-led rent and service boycott. According to a Government spokesman, Soweto residents are paying a mere 4 percent of the cost of other municipal services such as refuse removal, water provision and sewage disposal.

Last week Transvaal MEC Piet Coetzer stressed that the province had no money left to subsidise boycotts.

And Steve Burger, administrator for Soweto and Diep-

meadow, said local authorities might face service breakdowns and labour unrest at the end of this month.

An urgent meeting of the Ad Hoc Soweto Crisis Committee is scheduled for Thursday. It will address, among other things, the refusal of political organisations and the civic to suspend the boycott while Dobsonville's councillors remain in office.

Soweto Civic Association president, Isaac Mogase has appealed to residents to be responsible and pay their electricity accounts. He said it was their duty to pay for essential services that were efficiently delivered.

Eskom has also threatened to cut off electricity to businesses which did not pay accounts regularly.

Green said only 5 percent of the 1 300 businesses in Soweto paid their electricity bills regularly. Letters have been sent to those concerned warning them that they would be disconnected if they did not pay regularly.

Power cuts 'a recipe for disaster'

POLITICAL and civic organisations have urged Eskom not to cut off defaulters in Soweto, saying such a move will be a "recipe for disaster".

Eskom threatened to cut power to 22 500 Soweto residents from today and warned that it could suspend all operations there if attacks on its employees and theft of property did not stop. (25) (26)

SA National Civic Organisation (Sanco) southern Transvaal general secretary Dan Mofokeng said the cutoffs could not be allowed to happen, especially as lighting would be needed in the run-up to elections.

"They must first discuss the issue with the civics," Mofokeng said.

He blamed government for causing the

THEO RAWANA

problem by not acceding to Sanco's call for appointed interim structures in the southern Transvaal before the end of the year

"We called on Johannesburg to urgently become one with Soweto, and that non-residential revenue should be shared"

ANC PWV media spokesman Vusi Kunene said it would be "a disaster" if Eskom cut the power supply and that the move could trigger boycotts and other actions

Inkatha Freedom Party West Rand chairman Humphrey Ndlovu said his organisation was against a switch-off in Soweto, "especially at this time".

Eskom postpones Soweto power cuts

^{B/Sov}
19/10/93
THE threatened cut in electricity to 22 500 Soweto households was postponed yesterday after the Soweto Civic Association undertook to get residents to pay their bills, Eskom sales and customer service manager Ken Green said yesterday. ~~(25)~~

Eskom last week threatened to start cutting power because residents had not paid the monthly R33,80 flat rate tariff introduced in April last year. ~~(26)~~

Green said the utility had cut power to 216 Pimville households before agreement was reached with the association to postpone the switch-off until November 1

The switch-off had not been planned as a wholesale, single-day operation but would be carried out "over time", Green stressed

Responding to calls by organisations such as the ANC, the Inkatha Freedom

THEO RAWANA

Party and the SA National Civic Organisation that Eskom should hold talks with them before acting, Green said Eskom would talk to anyone about the problem.

"We spoke to the civic association because they have been the most active organisation on the issue," he said.

Sapa reports that association president Isaac Mogase said he was optimistic that Soweto residents would pay their bills by November. At a meeting in Diepkloof about 3 500 residents had said they were willing to settle their arrears

Green said residents whose electricity supply was cut off yesterday would have to sign an agreement of intent to pay before their electricity was reconnected

Eskom agrees to electrify Kagiso

WILSON ZWANE

ESKOM has undertaken to install a safe overhead electricity network in the West Rand township of Kagiso. **BIDAN**

In terms of an agreement between the utility and the Kagiso Negotiating Forum, the construction of the network will start later this month and is expected to be completed by July next year.

Eskom said yesterday the new network would bring electricity "safely" to 4 900 homes in the central Kagiso — the oldest part of the township which has never been formally electrified. **20/10/93**

The utility said between 70% and 80% of these homes were connected dangerously to a network supplying the new houses. The connections had been made under Operation Khanyisa, a project initiated by the Kagiso Civic Association about two years ago. **(260) (55)**

Eskom stressed that these unsafe connections would be removed only as the

construction of the network progressed.

Meanwhile, Sapa reports the electricity supply to the Brakpan suburb of Geluksdal has been switched off for safety reasons, leaving the estimated 12 000 residents without power for weeks.

Brakpan Town Council spokesman Eddie Chapman said residents had damaged pillar boxes and mini-substations and had made illegal electrical connections in the wake of power cuts by the council as a result of a boycott of monthly payments.

Geluksdal Action Committee spokesman Mike Moses said residents were boycotting water and electricity payments and demanding a negotiable flat rate of R30 because of "exorbitant" accounts.

The Brakpan Town Council and the committee are scheduled to meet tomorrow to try to resolve the deadlock.

New broadcasters face licence cutoff

BIDAY 22/10/93

GOVERNMENT is likely to impose a cut-off date for the issuing of temporary broadcast licences, setting the scene for a showdown with mushrooming private radio stations.

Home Affairs Ministry spokesman Jack van der Merwe yesterday said Home Affairs Minister Dame Schutte was investigating temporary licences and would probably make a decision by next Thursday.

Van der Merwe said the imposing of a freeze on licences would be necessary at some stage to give the proposed independent broadcasting authority (IBA) a clean slate.

He said if any more temporary licences were issued, broadcasters would be able to claim a permanent licence in terms of a "grandfather" clause in the IBA Bill which guarantees a permanent licence to

LLOYD COUTTS

holders of unspecified licences immediately prior to the date on which the Act comes into effect.

He added that the IBA would not be in a position to issue licences before the April 27 elections for logistical reasons. (260)

The IBA Bill had not been promulgated and the authority had not yet been constituted. Even once this had been done, the authority would first have to investigate three important issues

- A spectrum plan to identify available frequencies;
- The funding of the SABC and the effect of deregulation on the public broadcaster; and
- Cross-ownership by the electronic and print media.

Van der Merwe agreed that broadcasting appeared to be in limbo.

"Basically we're in the hands of the politicians because the process must be completed. They have to come to some agreement and get the ball rolling again," he said.

Various sections of the Bill could come into operation at any time and government and the industry could be "walking into a minefield".

"The intention of the Minister is not to leave a mess for the IBA. For that reason, no matter how unpopular it is, we have to have a cut-off date and stop issuing temporary licences," Van der Merwe said.

The temporary licence issued to Solid Gold FM, a Johannesburg-based station, expires on Sunday, and the station has threatened to continue broadcasting if its application for an extension is not granted.

Van der Merwe said an extension of Solid Gold's licence was unlikely. Any illegal broadcasting, he said, would be a violation of the Radio Act and punitive action would then have to be taken by the Postmaster-General.

Operators of the right-wing Radio Pretoria have also threatened to continue broadcasting. Other stations broadcasting with temporary licences are Peace Radio in Cape Town and the Portuguese station Radio Cidada.

LL C
DIREC

see the only
computer company
to have such faith
in South Africa, its
people and its future
that it put them all to



Eskom raises R1bn from capital market

TIM MARSLAND

ESKOM had raised a third of its estimated R3bn funding requirement for 1994 from the capital market over the past few weeks, but other parastatals had yet to begin funding, sources said yesterday. 22/10/93

Eskom's pre-funding operation followed the launch of its new E172 stock in July.

Sources said Eskom used funds raised from the sale of E172 issue to purchase government's R147 stock, which pays a higher interest rate.

It then sold off the R147 as part of its pre-funding exercise, raising at least R1bn, although some sources said the amount raised may have been higher.

Eskom expects to have a net funding requirement of about R3bn for 1994. Eskom figures show it raised R2bn from the market in the current year.

The utility traditionally pre-funds in the last quarter of the year, but executive director finance Willem Kok declined to comment on the market speculation.

However, he said the market's interpretation of Eskom's activities were not necessarily correct. He declined to confirm whether any pre-funding had taken place because he did not want to disclose Eskom's funding strategy.

A conference was planned next month when the market would be informed about Eskom's current position, he said

Market sources said Eskom's pre-funding was well-timed as it seemed yields had bottomed for now.

Telkom treasury chief Willie Landman said Telkom had no need for finance at the moment as it had sufficient cash from operations. (260)

He said Telkom was concentrating on reducing its debt to equity ratio. Trade in Telkom's bonds remained active, despite the lack of funding requirements.

Transnet said it was too early for pre-funding.

Rightwingers have TV sets sealed

By SHARON CHETTY

TELEVISION sets sealed in canvas bags are fast becoming the new symbol of rightwing protest. *SI Times*

The Conservative Party and other right-wing movements have started a campaign to vent their anger against "propaganda" on SABC channels. *24/10/93*

To show dissent, they are refusing to pay for licences and are asking that their television sets be "sealed".

SABC spokesman Mr Eric van der Merwe said Auckland Park was receiving hundreds of letters daily from rightwingers asking that their sets be sealed.

"We have received between 3 000 and 4 000 so far," he said. The letters will be passed to the Post Office — the agent for the selling and inspection of licences — who will be responsible for sealing the sets. *(260)*

In addition to sealing sets, they may be confiscated by the State, said Mr van der Merwe.

Post Office spokesman Mr Flip Eksteen said there had not been a sudden demand for the sealing of sets, but the request was "quite common".

"People who have televisions in holiday homes or are going away for long periods ask us to seal them," he explained. "Then there are those who do not want to pay for a licence and prefer to have sealed sets."

Mr Eksteen said that, if a subscriber wanted to watch TV again, a licence would have to be purchased before the seals were broken.

The deadline for TV licences was September 30. A period of grace expires on October 31.

"If anyone should fail or refuse to renew his licence, he is liable for the payment of all monies in arrears, including penalties," Mr van der Merwe said.

"Should he still refuse, he may be sentenced by a court to a fine of R2 000 or six months imprisonment," he said.

LOCAL

Public floods The Star with petitions

Solid Gold to meet FW over licence

Star 25/10/93
260

■ BY JACQUELINE MYBURGH

Owners and sponsors of the Solid Gold FM Stereo radio station will meet President de Klerk tomorrow to discuss the decision by Home Affairs Minister Dame Schutte not to grant the station another temporary licence, station manager Cal Kennedy said yesterday.

Solid Gold is the officially endorsed "peace station" and broadcasts voter education messages every hour.

The Star has been inundated with petitions from members of the public calling for Solid Gold to be kept on air.

Kennedy expressed strong dissatisfaction at what he perceived to be double standards being applied by the Minister.

"We are disappointed: Radio

MINISTER is accused of double standards over his decision not to grant radio station another temporary licence

Pretoria is using violence to stay on air and we are not prepared to get violent

"We are doing all the good causes like voter education," Kennedy said

He said Solid Gold management would "note with interest" whether the temporary licence under which the TSS television channel operates is renewed in December

"God help them if TSS does

not come off the air in December — we'll sue them (if it doesn't)."

Kennedy said the issue had become "highly political", with the ANC, the DP and the Peace Secretariat having come out in support of the radio station

He said the 18 permanent staff members at Solid Gold would continue to be supported by management if a new licence was not granted, with overheads amounting to about R100 000 a month.

Kennedy said Solid Gold had a listenership of about 250 000 on race days, and between 30 000 and 150 000 on other days

The Department of Home Affairs could not be contacted for comment yesterday.

Broadcasting changes create gap for print

BIDAY

IMMINENT deregulation of broadcasting will result in the fragmentation of the electronic media and an increase in opportunities for print media, says Newspaper Press Union (NPU) president Roy Paulson

He felt this was likely to happen with the establishment of the Independent Broadcasting Authority. 26/10/93

Rates and the cost of production would make TV more expensive, particularly if an advertiser wanted to cover all regional stations which might be established

In addition, electronic media was a significant user of print for the dissemination of information and details. (260)

An increase in the number of stations would benefit print media in terms of additional advertising revenue. (260)

Paulson said print had a more difficult task than electronic media in terms of marketing itself. But this did not mean it was not actively promoting itself

The NPU had a small budget which could not be compared with what TV stations spent on themselves.

Nevertheless, the NPU's 30/30 media synergy campaign — a first in international media research — and the latest "Print Makes a Better Impression" campaign had been successful.

Paulson said newspapers publicised themselves daily through posters and the presence of papers on street corners, so the effect of print advertising to a large extent was 'subliminal.'

Newspapers marketed themselves in a different way, including special promotions like Weekend Winners in the Sunday Times. "Our general thrust is not state of mind awareness," he said

Many publications, such as Business Day, were niche market publications which were well known to the larger agencies and to clients.

This meant that above the line advertising was not necessary.

The newspapers also had teams of advertising representatives who were constantly selling, so they were very proactive in that respect.

Paulson said TV stations knew their programme schedules well into the future, and therefore could market themselves on that basis. Newspapers were more restricted in terms of their marketing, but he believed print was doing what it could to improve its share of the market

Generally, circulations were either static or growing despite pressure on advertising volumes

Decision expected this week

Minister reconsiders temporary licences

Star 26/10/93

■ BY JACQUELINE MYBURGH

Home Affairs Minister Danie Schutte is "taking another look" at the granting of temporary radio licences in view of the controversy over an application by Solid Gold FM for an extension of its licence, the Minister's spokesman said yesterday.

Jack van der Merwe said Schutte was conducting further inquiries within the broadcasting industry to determine how he should handle the matter. He would make an announcement later.

"He has to be very careful to grant another licence if that station is going to be on air when the Independent Broadcasting Authority (IBA) comes into operation, it can

insist on being godfathered in," he said.

"After Thursday we will know more or less how we will deal with the temporary licence situation and, if necessary, the (Solid Gold's) licence can be reconsidered."

National Association of Broadcasters chairman Stan Katz said allocations should be done by the rules.

"The IBA is being set up to prevent this very situation of the allocation of temporary licences being up to ministerial discretion."

Katz said he did not blame Solid Gold for having "taken the gap" and establishing a radio station. "The Minister appeared not to have considered the implications of granting temporary licences,

he said.

"Where do you draw the line? If Solid Gold is entitled to a licence, then so is everyone else," he said.

Solid Gold station manager Cal Kennedy said he understood the problem facing the Minister since 30 other radio stations were also clamouring for licences.

He believed the best solution would be to allocate all frequencies available to those now applying for licences, and for the IBA to reconsider these licences once it was established.

Kennedy added he would sue the department if the TSS television channel continued to broadcast beyond December, when its temporary licence expires.

260

The fuss when the SABC board was appointed will have been child's play when it starts looking at the challenges. Jacqueline Myburgh reports

All eyes are on Auckland Park

Star 27/10/93

260

We have all noticed the subtle changes on our television screens. Kruger Day celebrations on October 10 were item No 0 on the 8 o'clock news (in the "bad old days", wouldn't it have been the first?), black faces get more coverage than on the old "white" news that we had become so accustomed to.

Not so subtle has been the change in image of the SABC, with the appointment of not only a black board chairman, but a female black board chairman.

These visible changes are only a taste, however, of the actual movement afoot on Broadcast Hill in Auckland Park, where the shape of the public broadcaster is undergoing dramatic changes, or experiencing severe pressure to do so.

According to observers, within and without the corporation, the future of the SABC, and particularly its independence under a new, probably ANC, government, is the issue causing the most debate and concern.

The message, loud and clear, from the news department is that "we cannot and will not take steps back to where we came from", a source said — a firm challenge to the new board if it was considering leaning the way a new government suggested it should lean.

Some say the board's chairman, Dr Ivy Matsepe-Casaburri, made a fatal mistake in declaring her membership of the ANC in a newspaper interview. A senior journalist suggested she should have qualified her statement, saying that her political allegiance would not interfere with her work on the board.

"We knew Christo Viljoen was a Nationalist, but he never said it," he said.



Matsepe-Casaburri . . . revealed ANC membership.

SABC staff and those closely observing the reformation of the corporation say there is a real danger that the ANC will try to influence the public broadcaster.

"All governments try to do it," the same journalist said.

The first hint of involvement by the board in the news gathering process has come during discussions with staff of a new code of conduct for the corporation.

The board's proposal has been that SABC staff accept a "healing and reconciling" role — anathema to a newsperson who has been trained to do nothing of the sort and simply to reflect the news as it stands.

Raymond Louw, chairman of the Campaign for Independent Broadcasting (CIB), which has been involved behind the scenes in facilitating restructuring at the SABC, said the CIB had submitted a proposal on the code of ethics to the board.

The CIB has suggested that two codes be drawn up: one for entertainment and magazine programmes which could include such noble thoughts as healing and reconciling, and another for the news and current affairs department requiring only independence in reporting.

The senior administration of the corporation is still an issue that dogs the board and something it is likely to be called to address in the near future.

Many say that group chief executive Wynand Harmse has to go and that the board was ill-advised to renew his contract. They felt that new blood with a new direction was needed.

However, another senior journalist said the "old" management should stay and the matter would work itself out: "Leopards don't change their spots, but human beings do. Faced with losing their positions, they will

change."

John van Zyl, media studies professor at the University of the Witwatersrand and chairman of the Broadcast Monitoring Project, believes the SABC is the cutting edge to what is going to have to be done in the civil service.

"The SABC is the first Government institution that is being addressed by progressive forces. It will show how the civil servants will have to be given the golden handshakes and how they have to be restructured."

Louw sees the primary job of the board and the soon-to-be-established Independent Broadcasting Authority as establishing how the SABC is to be funded in the future.

"Unless we know how it's going to be paid for, we are not going to get the (public) broadcaster we are hoping to achieve," says Louw.

The SABC and M-Net currently absorb the greatest portion of advertising revenue available, leaving precious little for a developing broadcast industry.

Louw said the SABC, which gets about 75 percent of its revenue from advertising, had to get away from being a commercial operation disguised as a public broadcaster.

Obviously, government subsidies in the South African situation carried dangers, but they had worked in other countries without the government calling the tune.

The survival of the SABC once broadcasting has been deregulated is another issue under intense scrutiny.

It is believed the corporation will choose to shed about half its radio stations, concentrating largely on TV1 and CCV as the money-spinners.

Dismantling apartheid's mouthpiece

The fuss over the appointment of the new SABC board will seem like child's play once members start addressing the mammoth challenges facing the corporation. JACQUELINE MYBURGH reports. (260)

WE have all noticed the subtle changes on our television screens. Kruger Day celebrations on October 10 were item-number-nothing on the 8 o'clock news (in the "bad old days", wouldn't it have been the first?), and black faces get more coverage than on the old "white" news that we had become so accustomed to.

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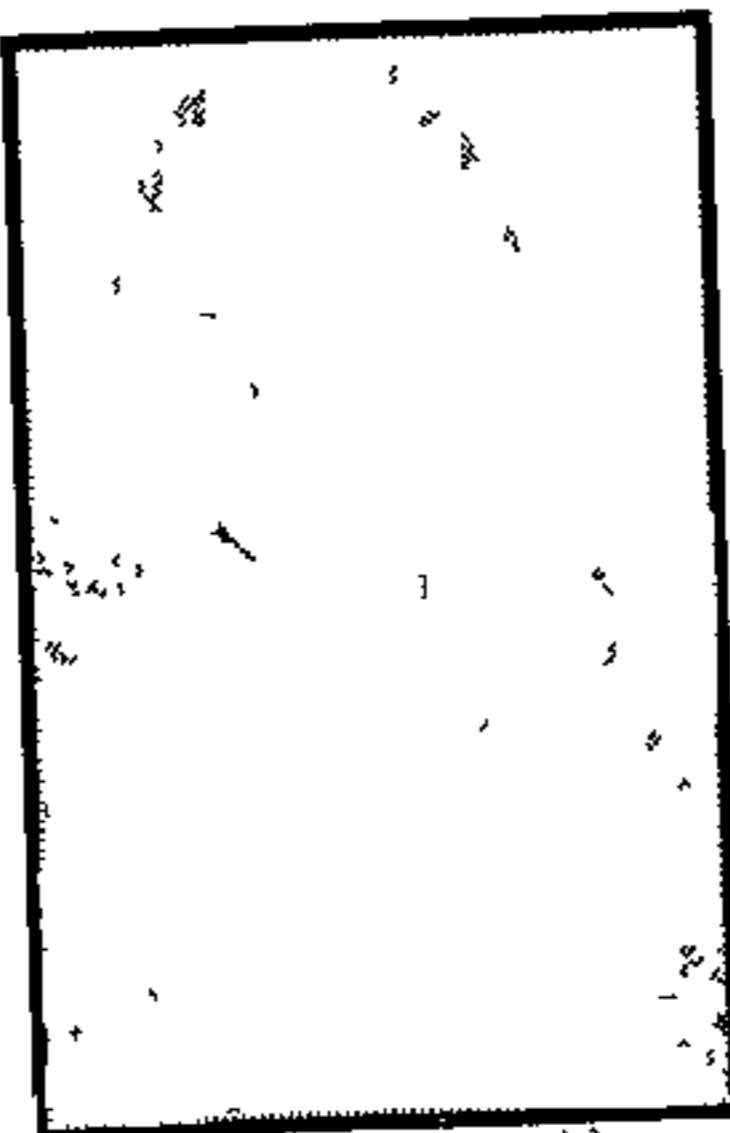
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New SABC chief, Dr Ivy Matsepe-Casaburri

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The survival of the SABC once broadcasting has been deregulated is another issue under intense scrutiny. It is believed the corporation will choose, in the future, to shed about half of its radio stations, concentrating largely on TV1 and CCV as the money-spinners.

Battle is on to rule the air waves

IRVING STEYN

Weekend Argus Reporter

210
AG 30/10/93

WITH about 200 applications for broadcasting licences piling up for consideration after the industry is deregulated, Cape Town's two main stations — Radio Good Hope and Radio Kontrei — are squaring up to corner the major share of the local market.

Radio Kontrei has been on an image-building campaign since its broadcasts started — including the greater Cape Town area — which, according to programme manager Mervyn Gers, necessitated a change in emphasis.

While maintaining a target age group of between 25 and 49 compared with Good Hope's younger

listeners, it is aiming to shed its parochial country bumpkin mantle.

To expedite this they have poached Good Hope DJ Steve Wood to replace the popular Amoré Bekker, who is leaving to do some broadcasting in Greece.

Wood will occupy the 9am to noon slot on weekdays, starting on Monday.

"The acquisition of Steve is of enormous strategic importance to Radio Kontrei," said Mr Gers.

"It is part of an aggressive and increasingly high-profile approach to attract more listeners .. Steve represents the new direction in which we are leading the station — relaxed and adult-friendly."

Kontrei started broadcasting in 1991, aiming mainly at a middle-of-

the-road, predominantly Afrikaans audience.

It has since, it is claimed, become the fastest growing regional radio service in the country.

Steve — he is dropping his surname in the new venture — says he decided to join Kontrei because it is young and dynamic.

At the same time, he had become "increasingly disenchanted" with Good Hope's music selection.

"There is something morally bankrupt about having to listen to songs where the percussion track has been bought by the metre.

"As an ageing hippy I'm going to relish being part of Kontrei's sound, which is the best music from the 60s, 70s, 80s and today," he said.

Bad debts overload Eskom bills

SI Times (Buss)

31/10/93

260

By ZILLA EFRAT

ELECTRICITY users are paying hundreds of millions of rand to cover non-payment of Eskom bills in black townships.

Eskom's bad debts — including interest — are now R600-million, adding to the price consumers pay for electricity and making it difficult for Eskom to hold tariff increases below the inflation rate and to extend its services.

The debt problem may add one percentage point to the next annual tariff rise. An announcement of this increase — believed to be below the rate of inflation — was to have been made this week.

The announcement was apparently delayed so that consultation with users and politicians could take place.

Eskom executive director of distribution Jac Messerschmidt says the bad debts total R20-million a month and stem from consumer boycotts and non-payment by some town councils since 1990.

Eskom's monthly revenue is R1,2-billion.

Mr Messerschmidt says rising bad debt threatens Eskom's pledge to cut electricity prices by 20% in real terms by 1996.

"But we still believe we can reach our targets because of improved efficiency and productivity, as well as innovative approaches."

Eskom, which supplies 55% of SA's electricity directly, has provided fully for bad debts.

Loans by investors to Eskom stand at R27-billion. Its debt-equity ratio is 2:1. This is an improvement on the 3:1 ratio Eskom faced several years ago.

Its assets exceed R40-billion, but Mr Messerschmidt says rising bad debt means that Eskom will reduce its debt-equity ratio at a slower pace than it would have liked.

Eskom expects to reach the internationally accepted norm of 1:1 by 1997.

There are increasing concerns that South African industry will lose one of its few competitive advantages — low-cost power.

The Electricity Association of the United Kingdom says SA has the second-lowest electricity prices in the world after New Zealand, which benefits from cheap hydro-electric power.

Normalisation of services and payment is being hotly debated in the National Electrification Forum.

If the problem is not resolved, there are fears that it could impede Eskom's drive to bring stability to black communities by providing electricity for millions.

Eskom hopes to recover some debt over time through negotiations with civic organisations and community representatives.

Mr Messerschmidt says it is taking legal action wherever possible against defaulters.

Eskom's Johannesburg sales and customer service executive assistant, Dave Krumm, says payments will improve as the dismal service provided under "the old dispensation" is upgraded and customer trust increases.

He says Eskom has had much success since it took over the supply of electricity to Soweto 18 months ago. Payments then were virtually nil.

By June this year, about half of Soweto's households were paying their bills, albeit intermittently.

Mr Krumm expects similar results in other townships where Eskom is taking over the supply of electricity. The townships include Daveyton, Vosloorus, Katlehong, Sebokeng and Sharpeville.

In spite of violence and theft of equipment in many areas, Eskom believes it will come close to meeting its target of electrifying 200 000 households this year.

The cost of this programme is R600-million a year and a return on investment is expected over 15 years.

All new electrification involves pre-payment meters which eliminate bad debts.

Mr Krumm says that less than 3% of households manage to "interfere" with this system.

Theft of copper wire, however, has become a major problem, especially on the Witwatersrand.

Tune in to Radio Gogo

C Press 31/10/93

260

By ALI MPHAKI

FORGET about Radio Pretoria! The day is not far off when you could have "Radio Phola Park - the action station" or even "Radio Madala Hostel - the station for Ama-Genis".

These are just a few of the radio stations which could proliferate when broadcast deregulation bids us farewell! Consequently your radio dial is likely to be the most overworked gadget in your house when the old legislation that prohibited individuals and communities from owning private radio stations finally goes.

To this end, the first International Broadcasting Conference was held in Johannesburg this week, to strategise how black economic empowerment could be extended to radio and television ownership.

Organised by the Broadcast Interest Group, the conference dealt with the opportunities and challenges faced by black entrepreneurs or communities hoping to start a radio station or a TV network.

Drawing on an array of both international and local speakers, the well-attended conference heard that a major problem faced by budding broadcasters is the dwindling advertising cake, which provides the revenue to run a radio or TV station.

SABC chief executive Wynand Harmse told delegates that the harsh reality of the South African advertising market is that it is demand-driven and already developed and over-exploited.

He said that while the importance of radio cannot be overemphasised, in that it reaches five times more people than the total number of all newspaper readers combined, there exists "little potential for budding broadcasters who would have to share in the advertising cake that is spread between print and electronic media."

But in the view of Edward Moyo, a regional communications advisor for

Radio waves could flood SA skies . . .

southern African countries, there was plenty of advertising potential lying untapped in black communities.

He said one way in which budding broadcasters could make inroads into the advertising market would be to charge communities for services such as personal or business announcements etc. Government officials could also be charged for making announcements on these radio stations, he said.

Moyo said setting up a radio station need not be a big problem for black communities, as the equipment would only cost about R15 000.

Gene Jackson of World African Network, a black-owned TV company based in the US, said he was surprised that SA with its large infrastructure had only a few radio and TV stations as compared with the USA.

He told the conference that in the US there were 11 000 radio stations and 1 000 TV services.

"Your PWV area alone could have 40 economically viable radio stations in the next six months. You must just know it is possible because the potential definitely exists," he said.

"We are on the threshold of opportunity and should start engaging in coordinated efforts whereby each one teaches the other. Owning these services like radio and TV is not complicated," he said.

Thami Mazwai, editor of *Enterprise* magazine, cautioned that most people speak of black economic empowerment in romantic terms and show no commitment to it.

He warned that about 90 percent of the new radio stations to be operated by blacks could collapse within six months of operation.



TUNING IN . . . Edward Moyo, from Namibia, talking radio while media executive Douglas Mills listens.

■ Pic: TLADI KHUELE

'MK' wants black TV over Africa

By ALI MPHAKI

WHEN there were catering delays at the first International Broadcasting Conference held at the SABC in Auckland Park this week, you could swear that Matthews "MK" Molefane was visibly aging.

Naturally, as the organiser of the conference, MK thought the gods had deserted him when all the delegates, including those from abroad, arrived on time but the refreshments were nowhere to be seen.

But this incident is just one of the many hurdles "MK" has had to contend with in his quest to start the first Black radio and TV channel in SA. The drinks and eats finally came, and so it appears, has MK's vision of creating a black radio and TV channel to serve SA and the countries up north.

It has been a long, hard and winding three years for "MK", whose plans to start the TV network have met with resistance and sometimes outright hostility from major business.

"It's been so frustrating but now I can at least see some light at the end of the tunnel," he said. "MK", whose company is known as the Broadcast Interest Group, hopes to start operating from April after his network acquires the necessary licence.

He says the imminent arrival of this station comes only after a series of high-powered meetings between local black business, local companies and international broadcast industry players.

According to "MK", the short-term aim of the company is to set up an independent regional television station and later expand countrywide.

He says the five-year development objective will be to create a truly pan-African television network that will broadcast programmes via satellite to "open a window on Africa".

His company already enjoys the support of both the ANC and PAC, and has cordial relations with the SABC, which allowed the free use of their auditorium for the conference.

"We hope to be commercially viable within two to three years. Training of our technical personnel has already started and we are busy finalising our business plan and our prospectus," he said.

The TV and radio station network would be owned by the people through equity shares.

SABC 'spying' on own staff

Staff Reporter

THE SABC is using hidden cameras and microphones to spy on its staff, it was revealed at the weekend

A weekend newspaper article said covert surveillance was used to "monitor" the activities of Ms Helena Nogueira, the producer of 16 weekly Portuguese programmes for the SABC

Ms Nogueira was quoted as saying she was confronted by SABC management after one of her programmes included inserts on child labour in Portugal, and was accused of "bias" and having "leftist" views.

A letter from SABC management alleged Ms Nogueira had been using the editing facilities after hours for freelance work without any records being kept or permission granted. Surveillance was done for this reason

The SABC, which has denied any political aspect to the action, has admitted to Ms Nogueira that they installed secret cameras in three TV editing suites at their Auckland Park studios and taped her working there

Although Ms Nogueira has since been cleared of any wrongdoing the corporation has refused to give her access to the surveillance tapes, saying they are the property of the SABC and she is not entitled to see them

The SABC has also refused in writing to apologise for its actions, saying no formal accusations or allegations were eventually made against her

Efforts to trace SABC spokesmen for comment yesterday were unsuccessful

● The SABC's links with Ms Nogueira, who did not have a formal contract with the corporation, were terminated about a month ago

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CT 11/11/93

NEWS

'Money will be no problem'

Star 11/11/93

BIG plans for black TV station

BY JACQUELINE MYBURGH

The Broadcast Interest Group (BIG), which has been lobbying support for the establishment of an independent television channel, is now changing gear and forming a business consortium with the aim of going on the air by July — if not earlier.

So says BIG chairman Matthews "MK" Malefane, in an address to an international broadcasting conference in Johannesburg last week.

Malefane said the channel would be a joint venture of international investors, black businesses and Toron Studios.

He said BIG had been promised as much money as it needed — estimated at R200 million — to start up the channel.

The short-term objectives of the channel would be to be independent of the State, political parties, the SABC and established power groups such as the press and white business.

He said the channel would be regional to begin with and the demographic profile of the channel's viewers would move away from the A and B income groups.

Last week Zoli Gunene of the East Rand business Gunene Brothers,

Troy Msimango of National Sorghum Breweries, Andrew Lukehele of the National Stokvel Association, David Moshapalo of the National Taverners Association and Eastern Cape businessman Lee Samuels said they supported the venture.

Malefane said the future independent broadcasting authority would only allow a foreign investment of 20 percent in a television channel and the rest would be contributed by Toron and other outside parties (probably 30 percent) and big and small black businesses about half.

Broadcast initiative for voter education

THE country's largest voter education initiative was launched yesterday when the SABC and 51 community-based organisations banded together to create "a culture of democracy". *Biday*

The Democratic Education Broadcast Initiative will take the form of a wide variety of innovative education programmes which reflect all the complexities of SA society.

SABC board member Ruth Teer-Tomaselli emphasised the project would be strictly non-partisan and, by ensuring community participation, it would increase its acceptance

KATHRYN STRACHAN

Speaking at the launch in Johannesburg, Catholic Archbishop Stanley Napier said the project went further than teaching people the mechanics of voting *211193*

"It seeks to create a culture, a mentality of democracy and human rights *(260)*"

"(The Initiative) stands for new hope in our history, the transfer of power through negotiations," he said.

The programmes will be phased in over a campaign period of 26 weeks ending with the election on April 27.

A post-election campaign, concentrating on the rights of voters and the importance of accepting the outcome of the election, will complete the campaign

SABC CE Wynand Harmse said airtime amounting to more than R70m had been donated to the project, while SABC board chairman Ivy Matsepe-Cassaburi said the project symbolised the placing of the SABC firmly within the public sphere.

"This must belong to all of us... it is making organisations rethink the role of the SABC," she said.

Police 'need training more than matric' *Biday 211193*

STEPHANE BOTHMA

PROPER training of policemen and adherence to a code of conduct were more important than entry requirements, the ANC said yesterday

Commenting on the move by the SAP to lower the minimum education requirements for admission into the permanent force from matric to Std 8, ANC spokesman Carl Niehaus said the standard of training — even for those policemen with a matric — was currently inadequate and should be improved *(260)*

"The issue is not really if a recruit has a matric or Std 8 qualification when he joins the SAP. What does matter is the training he receives after being accepted into the force and the establishment of a code of conduct for policemen," Niehaus said


The lowering of entry requirements will allow thousands of assistant constables to join the SAP on a permanent basis. The move comes amid growing tension between the SAP and the Police and Prisons Civil Rights Union (Popcru)

However, the SAP denied the lowering of standards was a concession to Popcru demands

"It has nothing to do with Popcru. We merely decided that we could not throw all these people (assistant constables) out on the street," a police spokesman said

In September the SAP announced that it intended phasing out the 14 000 assistant constables

see the only computer company in South Africa who have achieved the ultimate standard of world quality. Guess which one?



SYSTEMS ICES 06973



Radio Pretoria licence on hold

PRETORIA — Home Affairs Minister Mr Danie Schutte is expected to announce tomorrow whether Radio Pretoria's temporary licence would be extended, said his spokesman Mr Niel du Bois.

The announcement on the right-wing radio station is awaited with keen interest by other broadcasters. — Sapa

'Mass action to be considered'

Eskom starts electricity cuts

Star 3/11/83

■ BY JACQUELINE MYBURGH and SAPA

Eskom has started to cut electricity to 20 000 Soweto households with unpaid bills, spokesman Ken Green said yesterday.

And about 10 000 Lenasia South residents also had their power supply terminated after a payment dispute with the township's management committee.

Two weeks ago, the switch-off to about 23 000 Soweto households was delayed after Eskom and the Soweto Civic Association agreed to extend the deadline to Monday.

About 3 000 accounts had been either fully or partially paid, Green

30 000 homes in Soweto and Lenasia are without power after Eskom starts power cuts

said.

The ANC said the cutting of electricity was not a "viable option". It went against the spirit of agreements made at the Local Government Negotiating Forum and would exacerbate violence and crime in Soweto.

The ANC yesterday also called for the electricity crisis in Lenasia South to be negotiated alongside the Soweto

payment crisis, and for residents to qualify for a flat rate.

ANC local government spokesman Mathole Motshekga said he would address a public meeting in Lenasia this evening to find out how residents wanted to deal with the crisis. Mass action was "high on the agenda".

"We are very disturbed because any cut-off of essential services is an inhuman act that we cannot tolerate."

Residents claim that the management committee — currently the subject of an inquiry into irregularities — is demanding exorbitantly high electricity payments and will not accept payments in instalments.

SABC 'has come a long way'

KELVIN BROWN

THE SABC had come a long way in the past three years in shedding its image as the upholder of apartheid, SABC TV CE Quentin Green told a conference on Formulas for Winning yesterday. *Bisau*

Separate business units had been created and decision-making had been moved down the line. The SABC had moved away from racially based channels.

"Research showed the audience was much happier with a better quality product," he said. *3/11/82*

The SABC had added to its programme content to attract those who had not been catered for. Programmes would soon be screened on Soweto; the history of the liberation movement and stories from Robben Island.

But Green said the SABC still needed to give more coverage to the black market. *(260)*

The country desperately needed a public sector network, independent of commercial funding, which could provide TV coverage for minority black groups.

TV had an important role in the new SA because of its power to influence society, Green said.

Eskom gives private briefings on tariffs

MATTHEW CURTIN

ESKOM has delayed the announcement of its 1994 electricity tariffs because of a last minute decision to brief all stakeholders before the news is made public, so avoiding possible accusations of unilateral action.

Issues affecting the utility are particularly sensitive as the National Electrification Forum gears up to present its recommendations for restructuring the industry.

Eskom cancelled a scheduled announcement of the yearly tariff adjustment last week. An official announcement is now expected early next week.

Although the tariff increases are not up for negotiation, Eskom directors have spent the past week briefing representatives of the ANC, trade unions, civic associations, municipalities and the forum.

Corporate communications manager Kevin Morgan said yesterday the Electricity Council — which has wide representation from Eskom stakeholders — had approved the tariff increases, but wider consultation was deemed necessary because of "the huge impact tariff increases have on industry and the public".

The decision was part of new Eskom policy to make its business "as transparent as possible".

Morgan said the new tariffs would be in line with Eskom's commitment in 1991 to bring down the real cost of electricity in SA, already one of the cheapest sources worldwide, by 20% in the five years after 1992. Real prices fell 4,9% in 1992.

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CT 4111 93

Radio defies broadcast ban

PRETORIA. — Radio Pretoria continued broadcasting yesterday in violation of a ministerial directive to suspend transmissions

A spokesman for the radio said shutting the station would lead to great financial loss.

They would continue to broadcast in anticipation of approval of its application for a monthly extension of its licence, he said.

Acquitted Chris Hanu murder trialist Mrs Gaye Derby-Lewis was the guest on yesterday's talk show. The broadcaster was on the cutting-edge of the struggle by conservative whites, she said.

It was incomprehensible that whites had handed the SABC on a plate to the African National Congress. Australians would not tolerate having to listen to Japanese on their public broadcasting systems all day, yet Afrikaners had to listen to Mr Nelson Mandela on theirs, she said.

The station has finally obtained a crackling telephone line to its mobile-home studio, and one caller after another came on the air to express admiration for Mrs Derby-Lewis. — Sapa top

Eskom told to redesign its bond

Bank ruling deters foreign investment

Biday 4/11/93

ESKOM is developing a new township electrification bond specifically for foreigners after the Reserve Bank banned foreign investment in the recently launched Electrification Participation Notes (EPNs) (260)

The exchange control authorities believe the potential returns in commercial rands for foreigners who invest in the notes through the financial rand will be too high. The electricity utility has successfully placed about R600m in EPNs in the domestic market, but its efforts to market EPNs overseas have been stymied by the Bank.

The New York City pension fund has indicated an interest in investing in EPNs but the Bank's move will hold up the investment until a new instrument has been designed.

Bank exchange control GM John Postmus yesterday confirmed that the EPNs had fallen outside the ambit of investment through the finrand allowed in terms of "normal" exchange control regulations. He was waiting for a new Eskom proposal.

Eskom financial director Willem Kok confirmed that the electricity supplier was working on a new proposal which would allow foreign investment in township electrification. One option being considered was to issue EPNs in dollars rather than finrands, which would be tantamount to raising a normal foreign loan. Such a move would bolster the reserves by bringing foreign exchange into the country, which was not the case if investment took place through the finrand.

"The Reserve Bank's concern relates to

GRETA STEYN

the absence of a cap on the returns foreign investors can earn in commercial rands on a finrand investment. We are also considering ways of introducing a limit," he said.

EPNs have two ways of providing returns to the investor — a fixed interest component and the variable rate component. The Reserve Bank's problem lies with the variable rate part, which is an additional return based on the sales of electricity under the electrification programme. This component introduces the possibility of high extra returns, but is linked to an element of risk. The fixed interest component carries a 6% rate, paid in two instalments each year on the nominal value of the bond.

The Bank's decision follows fruitless representations from the Life Offices' Association, which co-operated in devising EPNs, and from the ANC. The bonds were discussed with potential foreign investors during last month's SA roadshow in the US. The US Investor Responsibility Research Centre at the weekend said New York City had shown an interest in investing in EPNs.

The Bank's decision follows a move to ban foreign investment in Transnet's Equity Linked Fixed Interest investment. The ELFI also has two components, the one linked to the stock exchange and the other a fixed interest part. The JSE-linked part of the instrument fell foul of the Bank, which banned investment in it through the finrand because returns through the commercial rand were potentially too high.

Minister to address controversy

Plea to scrap system of broadcast licences

Star 4/11/93
(260)

■ BY JACQUELINE MYBURGH

Home Affairs Minister Danie Schutte is under pressure to scrap the present system of allocating temporary broadcasting licences and to introduce in its place a "developmental licence" to aid the development of an independent broadcasting infrastructure.

The suggestion comes from the SA Local Broadcasters' Association (Salba), an organisation claiming to represent 40 would-be broadcasters. Radio Cidade, which previously broadcast to the PWV's Portuguese community, supports the move.

Schutte is expected to announce today what steps he will take to deal with the row

Meanwhile, the right-wing-

backed Radio Pretoria yesterday continued to broadcast, in defiance of the fact that its temporary licence had expired on Sunday.

Home Affairs spokesman Neil du Bois said this — and the fact that Gaye, wife of jailed CP MP Clive Derby-Lewis, had appeared as a guest during the rebel broadcast — would be addressed by the Minister today

Radio Pretoria chairman Mossie van den Berg said the station had fulfilled all the requirements for the allocation of a temporary licence and he hoped the Minister would address the "ridiculous situation" of having to apply for a new licence every month.

A spokesman for Salba said a developmental licence should require an applicant to prove that a specific number of staff were

being trained in broadcasting, thereby addressing the desperate need for a broadcast infrastructure to be built up outside of the SABC before the Independent Broadcasting Authority (IBA) is established next year.

"The day the IBA starts issuing licences, we are going to need about 600 trained staff overnight," he said.

The developmental licence would be an interim measure, and stations holding these licences would have to go off the air 24 hours before the IBA starts its work and then reapply for a permanent licence

"No matter who's in charge, it would be irresponsible to let (the opening up of the airwaves) happen without an infrastructure being established," he said

'Spying is not SABC's style'

BY JACQUELINE MYBURGH

SABC group chief executive Wynand Harmse has hired an independent "outside person of repute" to investigate weekend reports that management spied on freelance employee Helena Nogueira.

It is believed that the board insisted on the appointment of an independent party to look into the incident (260)

Members of the board could not be contacted yesterday.

In a memorandum to

Star 4/11/93
staff circulated on Tuesday, Harmse said the alleged surveillance of a member of staff was "neither my style nor that of management".

He added: "I have never instructed anyone to monitor or spy on any member of staff."

Suspicion

"In spite of numerous leakages to the press over the years, I have always refused adamantly — even against advice — to have any member of staff monitored or to have their phone tapped, even when there was a strong suspicion about

certain people"

Defending the case in question, Harmse said management had responded to wrongful use of equipment outside normal working hours.

Surveillance had been a "security/equipment control measure".

The surveillance had nothing to do with the "differences of opinion" between Nogueira and her manager over the content of her recent programme.

The Sunday Star reported Nogueira had been accused of bias and questioned about her political affiliations.

'Radical' new union for SABC

13/5/93 4/11/93
ERICA JANKOWITZ

SABC workers are planning a new "more radical" union aimed at getting a bigger say in the corporation's transformation.

Initiators said yesterday the Media Workers Association of SA (Mwasa), once viewed as being among the most hardline of SA's labour groupings, had become a "management sweetheart". A number of leaders had been promoted to top positions in the SABC, they said. (260)

A preliminary meeting of the new union yesterday was attended by about 200 workers who elected 12 organisers to recruit members from throughout the electronic media sector.

The need for an alternative union, provisionally called the Broadcast Workers Union, became apparent when the SA Broadcasting Staff Association and Nactu-affiliated Mwasa decided not to join the transformation committee, a source said.

The transformation committee was established to ensure workers had a say in restructuring the SABC.

The union would probably be launched at the end of the year.

The source said it would be more radical and militant than the other unions. It would also be involved in the political transformation of SA.

Sowetan 4/11/93

SABC to probe spying allegations

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THE board of the South African Broadcasting Corporation said yesterday it would appoint a commission of inquiry to investigate allegations of surveillance of staff, members and outside contractors doing business with the corporation.

The announcement follows recent Press reports on allegations made by freelance television producer Helena Nogueira that she had been spied on while working at the SABC.

The Vaal sub-region accounted Springs

(260) ARG 4/11/93

(260) ARG 4/11/93

New broadcasting licences urged

The Argus Correspondent

JOHANNESBURG. — Home Affairs Minister Dame Schutte is under pressure to scrap the system of allocating temporary broadcasting licences and to introduce a "developmental licence" to aid the development of an independent broadcasting infrastructure.

The suggestion comes from the SA Local Broadcasters' Associa-

tion (Salba), an organisation claiming to represent 40 would-be broadcasters, and has been supported by Radio Cidade, which previously broadcast to the 430 000-strong Portuguese community in the PWV.

The rightwing-backed Radio Pretoria yesterday continued to broadcast — in defiance of the fact that its temporary licence expired on Sunday.

Sample extracts

SABC to inquire into internal spying charges

JOHANNESBURG — The SABC's board has announced that it will appoint a commission of inquiry to investigate allegations of surveillance of staff members and outside contractors doing business with the corporation.

This follows recent allegations by freelance television producer Ms Helena Nogueira that she had been spied on while working at the SABC.

In an internal communique, SABC group chief executive Mr Wynand Harmse said he had always "refused adamantly" to allow monitoring of staff or tapping of telephones — Sapa

(26) CT4/11/93

New Eskom bond for foreigners

58 260

ET 4/11/93

From GRETA STEYN

JOHANNESBURG. — Eskom is developing a new township electrification bond specifically for foreigners after the Reserve Bank banned foreign investment in the recently launched Electrification Participation Notes (EPNs).

The exchange control authorities believe the potential returns in commercial rands for foreigners who invest in the notes through the financial rand will be too high. The electricity utility has successfully placed about R600m in EPNs in the domestic market, but its efforts to market EPNs overseas have been stymied by the Bank.

The New York City pension fund has indicated an interest in investing in EPNs, but the Bank's move will hold up the investment until a new instrument has been designed.

Bank exchange control GM John Postmus yesterday confirmed that the EPNs had fallen outside the ambit of investment through the finrand allowed in terms of "normal" exchange con-

trol regulations. He was waiting for a new Eskom proposal.

Eskom financial director Willem Kok confirmed that the electricity supplier was working on a new proposal which would allow foreign investment in township electrification. One option being considered was to issue EPNs in dollars rather than rands, which would be tantamount to raising a normal foreign loan. Such a move would bolster the reserves by bringing foreign exchange into the country, which was not the case if investment took place through the finrand.

Returns

"The Reserve Bank's concern relates to the absence of cap on the returns foreign investors can earn in commercial rand on a finrand investment. We are also considering ways of introducing a limit," he said.

EPNs have two ways of providing returns to the investor — a fixed interest component and a variable rate component. The Reserve Bank's problem lies with the variable rate part, which provides an additional return based on the

sales of electricity under the electrification programme. This component introduces the possibility of high extra returns, but is linked to an element of risk. The fixed interest component carries a 8% rate, paid in two instalments each year on the nominal value of the bond.

The Bank's decision follows fruitless representations from the Life Offices Association, which co-operated in devising EPNs, and from the ANC. The bonds were discussed with potential foreign investors during last month's SA roadshow in the US. The US Investor Responsibility Research Centre at the weekend said New York City had shown an interest in investing in EPNs.

The Bank's decision follows a move to ban foreign investment in Transnet's Equity Linked Fixed Interest investment. The Efi also has two components, the one linked to the stock exchange and the other a fixed interest part. The JSE-linked part of the instrument fell foul of the Bank, which banned investment in it through the finrand because returns through the commercial rand were potentially too high.

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'Radical' new union for SABC

Own Correspondent

JOHANNESBURG — SABC workers are planning a new, "more radical" union aimed at getting a bigger say in the corporation's transformation.

Initiators of the new union said yesterday the Media Workers' Association of SA (Mwasa), once viewed as being among the most hardline of SA's labour groupings, had become a "management sweetheart". A number of Mwasa leaders had recently been promoted to top positions in the public broadcaster, they said.

A preliminary meeting of the new union yesterday was attended by about 200 workers who elected 12 organisers and charged them with recruiting members from throughout the electronic media sector.

The source said the new union would probably be officially launched at the end of the year and affiliation plans would be discussed thereafter.

New conditions announced

Clampdown on issuing of radio licences

Star 5/11/93

■ BY JACQUELINE MYBURGH

Home Affairs Minister Danie Schutte has clamped down on the issuing of temporary broadcast licences.

He announced yesterday a list of new and stringent guidelines and conditions for applicants

The announcement follows controversy over the continued broadcasting by right-wing Radio Pretoria after its licence had expired and complaints by other independent broadcasters that the ministry was not being consistent in applying its criteria.

However, Radio Pretoria executive committee chairman Mosie van den Berg said in response that the station would continue to broadcast and had not yet decided whether to apply for a new licence.

Schutte said approval had been granted in principle for the Portuguese station Radio Cidade, Radio Pretoria, Solid Gold and Radio Fish Hoek to be granted new temporary licences if they complied with the new re-

TEMPORARY licences will expire the day before the Independent Broadcasting Authority is established

(2/60)

quirements.

New conditions include

■ All broadcasters must acknowledge that their temporary licences will expire a day before the establishment of the Independent Broadcasting Authority.

■ Any broadcasters requesting listeners to make representations on their behalf to the licensing authority for the granting of extensions are immediately disqualified from obtaining further licences.

■ No broadcasters will be allowed to erect their own transmitters except in the case where they have existing transmitters.

Home Affairs spokesman Jack van der Merwe said an original condition that no party-political programmes be aired still stood.

No politics for community radio

PRETORIA — Community radio stations applying for temporary broadcasting licences would be subject to a new set of stringent conditions and guidelines, Home Affairs Minister Mr Danie Schutte announced yesterday.

Approval had been granted in principle for temporary licences to be issued to Radio Pretoria, Radio Solid Gold, Radio Cidade and Radio Fish Hoek provided they complied with requirements, he said.

The guidelines, which Radio Pretoria and Solid Gold look unlikely to be able to meet, were approved by the cabinet yesterday and will remain in force until an independent broadcasting authority is established.

According to the guidelines, broadcasts must be aimed at promoting a specific event or campaign of public importance. No party political views may be aired and broadcasts are limited to 50 days out of a three-month period. (260) CT 5/11/93

ADRIAN HADLAND

PRETORIA — Community radio stations applying for temporary broadcasting licences would be subject to strict new conditions and guidelines, Home Affairs Minister Danie Schutte said yesterday.

Approval had been granted in principle for the issuing of temporary licences to Radio Pretoria, Radio Solid Gold, Radio Cidade — a Portuguese station in Johannesburg — and Radio Fish Hoek on condition they complied with the requirements.

It will be difficult for Radio Pretoria and Solid Gold to meet the guidelines, approved by Cabinet yesterday. They will remain in force until the Independent Broadcast Authority is established. (260)

The introduction of the guidelines was

Stiff guidelines set for radio stations

necessitated by a considerable increase in licence applications, Schutte said. The conditions imposed on radio stations had been severe to prevent complicating or preempting the decisions of the Independent Broadcasting Authority. B1 Day

In terms of the guidelines, broadcasts must be aimed at the promotion of a specific event or campaign of public importance. No party political views may be aired and broadcasts are limited to 50 days out of a three-month period. 5/11/93

Other guidelines include:

Temporary broadcasters can reapply

To Page 2

Radio stations

From Page 1

only once the current licence expires;

Advertising time will be limited to a maximum of four minutes an hour;

The Minister has the right to revoke licenses with immediate effect if conditions are not honoured; B1 Day

Detailed daily programme schedules need to be provided with the application;

Setting up a temporary station should not require large capital investment;

Registration with the SA Music Rights Organisation is compulsory; 5/11/93

A broadcaster requesting listeners to make representations regarding licences is immediately disqualified from obtaining further licences, (260)

Suitable frequencies and transmitters must be available;

All broadcasts must be recorded for scrutiny by the licensing authority, and

Organisers or sponsors of events to be touted by the station must provide evidence of their support and co-operation.

With the deregulation of the SA broadcasting industry, temporary licences would be granted in the interim to satisfy the need for community radio stations, Schutte said. It would be up to the Independent Broadcasting Authority, however, to issue permanent licences. Non-SA citizens could not apply for temporary licences.

Sapa reports that Radio Solid Gold spokesman Tony Sanderson said it would be back on the air on Monday. The guidelines were fair, and would curb "any Tom, Dick or Harry who wants to broadcast from his garage from getting on the air".

Radio Pretoria management committee chairman Mossie van den Bergh dismissed the conditions as economically unfeasible.

Moment of truth arrives for SABC

S Times 7/11/93

By SHARON CHETTY

THE view from the 27th floor office of SABC, chief executive Wynand Harmse is breathtaking — on a clear day you can see as far as Pretoria and the Magaliesberg.

That, however, is the only constant in the Piet Meyer building at Auckland Park — home to the men who control southern Africa's largest broadcaster. The corridors are filled with the tension and strain of a corporation in flux. But Mr Harmse, the man at the hub, is confident of surviving the storm.

And once the excruciating labour pains are over, a new SABC — independent, productive and representative of all the people in this country — will be born, he believes.

"We don't have an easy task and there's lots of fear and tension, but the pressure has to be taken. Management has to marry the hopes and fears of staff in

such a way that people are not hurt," he said.

Transforming the SABC from a bureaucracy with a top level made up almost entirely of white males and managing a staff that is 70 percent white, is not easy, he's quick to point out.

Meetings have been held with staff unions to tackle some of the issues.

It is hoped these steps will help the corporation to weather its reincarnation. Results, he says, should be expected within two months.

"News staff are discussing an editorial code and the board will soon be given a revised draft," he said.

"I can feel a strong desire among news people to be independent and fair. They want to be professionals who reflect the truth in a medium that most people have access to.

"This is not a top-down approach — the code will

belong to the people who decided it. They will also implement it," he added.

A management development centre has been formed to look at shortcomings in management, help identify people with potential and channel talented people in the right direction.

In 1989 there were only 14 black people in management positions — even the nine black services were headed by whites. Now there are more than 100.

Priority has to be given to correcting historical imbalances and, while in the past it was difficult to attract good people, that is changing.

"We are trying to build a core group that can move through the ranks."

For the 53-year-old, this period is his second milestone in a 30-year career with the corporation. He is proud not to have been a political appointment, but rather a bureaucrat who

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There's
lots of
fear and
tension,
but the
pressure
has to be
taken,

worked his way up through the ranks.

He was part of the team involved in implementing local television.

The board sees the SABC as a "bridge builder" and an instrument for "healing and reconciliation" in this strife-torn country.

"Management has a good relationship with the board and there is a spirit of trust," he said. "There's no need for me to have

sleepless nights. I hope we are proving that we have no hidden agendas.

"The changes taking place are not simply a matter of following the new board, or a question of survival.

"For the first time we have a board that sees things in a broad perspective and not only within a white framework.

"We know we have to move away from a bureaucracy to a sound business," he said.

The multi-billion rand corporation swallows 40 percent of the country's advertising revenue.

Three out of four rands is earned that way. The rest comes from licences and, to a lesser extent, the sale of programmes and other activities.

His main concern is the SABC's reliance on advertising revenue, which he says is unique for a public service broadcaster.

And while the SABC will have a head start in infrastructure when the airwaves are deregulated, it will still have to decide on whether or not to continue the TSS channel.

Radio stations may also

have to be rationalised. "I cannot disclose our strategic plans. But we will make strong representations to the Independent Broadcasting Authority on the protection of public

service broadcasts," he said. Mr Harmse's contract was renewed on October 1.

When asked what he would have done had he not served another term, he said jokingly "Time's run-

ning out for me to be a guide in the Drakensberg."

Next year he wants to spend more time reading, listening to music and hiking in the Drakensberg with his family.

Mandela defends role of media

UMTATA — An African National Congress government would not suppress the fundamental functions of the media, said ANC president Mr Nelson Mandela.

Speaking at the launch of a new ANC monthly publication, *Ilitha*, at the University of Transkei, he said any government seeking to suppress the media would not be serving the

interest and aspirations of the people

The media were the most important foundation for democracy, he added

Addressing the year-end function of the Transkei Rugby Football Union at the Umtata Police College yesterday, he said sports boycotts had been the best weapon the liberation movements could use to bring

the government to the negotiating table

Today Mr Mandela is scheduled to address businessmen, politicians and teachers' unions at the Umtata City Hall. Then he will address civil servants at Independence Stadium

On Saturday, Mr Mandela launched the "Let the People

Speak" campaign at Uitenhage — an attempt by his organisation to get supporters on the ground involved in policy-making

The meeting took place in the shadow of the suburb of Rooihogte, where the AWB is reported to have many supporters. There was a substantial police presence in the suburb

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CB/11/93

Democratic government will depend on a probing media

(260) CT 8/11/93

By DAVID WELSH

Professor of Southern African Studies, UCT

IN ITS current efforts to obtain and secure democratic government, South Africa has to contend with a long tradition of highly secretive and unaccountable government

There was a long list of issues on which the Press could not report, far-reaching censorship, and a general hostility to the prying eyes of journalists. To an increasing extent the executive's actions became shrouded in secrecy.

A study of ministerial responses to parliamentary questions would show a distinct trend towards decreasingly informative answers, some would be refused altogether on grounds that the information was "not in the national interest".

Increasingly secretive and paranoid government resulted in secret operations of all kinds, from the ludicrous antics of the Info Scandal to the sinister operations of the CCB and other dirty tricks operations of the 1980s.

"Security" became an all-purpose justification not only for massive displays of authoritarianism but for a style of government that was cloaked in secrecy. Restrictions on transparency result immediately in the decline of accountability — and that inevitably means the erosion of democracy.

As a rule of thumb I would say that the less secret government the

better for the health of democracy, and, furthermore, no secret function of government, however sensitive it might be, should be beyond the scrutiny of a parliamentary committee, if only in respect of its funding.

The trade-off between transparency and secrecy in any democratic political system will be a balance between reasonable requirements of confidentiality and the reasonable requirements of open government. Where exactly the line will be drawn is impossible to say in advance.

Transparency is partly to be secured through political mechanisms and constitutional provisions. By political mechanisms I mean principally those antidotes to the natural secretiveness of politicians and bureaucrats that exist within the parliamentary system.

What I have in mind is a vigorous system of parliamentary select committees whose task it is to scrutinise the activities of every executive department or agency.

The most powerful committee system among democratic legislatures is that in the United States Congress, where both individual legislators and committees are supported by sizeable investigative staffs.

In major respects the degree of transparency is determined by the vig-



PROTESTING Journalists in Cape Town held placards to show their opposition to South Africa's Emergency media restrictions in 1988.

our with which the legislature tackles its job of controlling the executive. Here is a major problem. A striking feature of all systems of government in this century has been the growth of the executive's functions and the concomitant decline of legislatures.

Parliaments in many systems have become little more than rubber-stamps since disciplined parliamentary majorities faithfully pass legislation initiated by the government.

In a presidential system like America's, on

the other hand, the constitution itself sets up a marked degree of antagonism between the legislature and the executive.

Congress is anything but the creature of the executive, and there can be no doubt that this has made American politics more open than in parliamentary systems derived from the British model (I have often wondered whether Watergate, had it occurred in Britain, would have been uncovered, given the self-sealing qualities of the British system and the strong instinct on the part of the "establishment" to protect its own).

Politicians, and even more, bureaucrats have a natural tendency to shy away from the glare of investigative scrutiny, and mechanisms have to be found to counteract this. I have alluded to some already, notably a vigorous select committee system. In principle, every cent of money collected by the state and expended by it has to be accounted for to Parliament. South Africa's forthcoming democracy will also need a revitalisation of the ancient institution of the parliamentary question, as well as the effective

reinstitution of the principle of ministerial responsibility, which has sadly decayed. An independent auditor-general and attorneys-general are also crucial.

However comprehensive this battery of safeguards may be in principle, it will almost certainly never be enough, but half-light or even twilight is better than total darkness.

Of all the institutions of civil society, I would single out the Press as having the most important role to play in promoting transparency.

They require, in the first place, the protection of a bill of rights before they can do this, but they also require newspaper proprietors who are prepared to risk the resources and the odium that serious investigative journalism will incur.

There will always be tension between the requirements of confidentiality and transparency, where exactly the line will be drawn — and it will never be static — is going to be determined partly by the protection afforded by the constitution, but, more importantly, by the vigilance and courage of those whose first commitment is to an open society.

Union rivalry

Sowetan 8/11/93

By Joshua Raboroko

A SERIOUS battle is looming between trade unions at the SABC following plans by some "radical elements" to form a rival workers' representative body (260)

Plans to form a Broadcast Workers Union are likely to conflict with the interests of the already existing Media Workers Association of South Africa and the South African Union of Journalists. It is understood that at a meeting held at the corporation offices, Mwasas and SAUJ members were informed of the plans

Sources said some of the workers walked out in protest because they suspected that the new union was aimed at "politicising" workers.

Those who remained formed a committee. Workers are apparently dissatisfied with Mwasas because they feel the union was a "management sweetheart" and is not representative of the employees' interest, especially in the wake of the corporation's restructuring proposals.

Mwasas's general secretary, Mr Sithembele Khala, yesterday said it was committed to freedom of association

Section 205 to change

PRETORIA — The contentious section 205 of the Criminal Procedure Act, which makes it an offence for a witness to refuse information in court, is to be amended by Parliament later this month

Announcing this at the weekend, Justice Minister Mr Kobie Coetsee said the decision followed discussions with the Press Council of South Africa and other media interests

Mr Coetsee said the amendments

⁽²⁵⁾ ⁽²⁶⁾ CT8/11/93
would reflect the following

● Judges of the Supreme Court, in addition to magistrates, may be approached to hear a matter under the section, and

● A person who refused to give required information in court would not be found guilty of being a recalcitrant witness unless he had no just excuse, or that the information was necessary for the maintenance of law and order

Members free to join new union

Sowetan 9/11/92

260 ~~273~~

By Joshua Raboroko

THE Media Workers Association of South Africa has reiterated its commitment to the principle of the freedom of association

The union would not have any problem with its members joining a union of their choice, Mwasa general secretary Mr Sithembele Khala said yesterday

He was reacting to reports that some Mwasa members at the SABC planned to form the Broadcast Workers' Union because they were dissatisfied with their union

'Sweetheart' union

The workers claimed that Mwasa leaders had sold them out after they were promoted to senior positions and that the union had become a "sweetheart" union

In a statement, Khala said Mwasa did not have problems with members forming a

union but any union worth its salt would know that the struggle of the workers had made great advances and that mudslinging threatened the interests of worker unity

Basic objective

"The take-off point of the new broadcast union at the SABC is therefore faulty. The basic objective of a trade union is to fight for the betterment of the working and living conditions of its members

"It is regrettable that a union should be criticised when members are promoted to senior positions. We want change but will remain committed to our aims and objectives," Khala said

Mwasa did not want its members to remain stagnant in positions of slavery. Mwasa was not a political organisation, although political organisations loved and supported the union, Khala added

Iscor disputes claims on prices

Biday 9/11/93

EDWARD WEST

SA's largest steel-maker, Iscor, has disputed claims that its local steel prices were up to 60% higher than those of major Western economies.

A survey of world steel prices published in Metal Bulletin Research and a survey of Iscor's domestic prices in July 1993 by the Independent Wire Converters' Association showed local consumers were at a disadvantage compared with the main industrial countries in Europe and the US.

The comparison indicated Iscor's local steel prices were on average 20%-60% above rand steel prices in the UK, US, France and Germany — in spite of Iscor ranking as one of the world's lowest cost producers.

Iscor said the survey did not compare its list prices with those of top

international steel producers. In the case of hot rolled steel, Iscor's local price was 45c a ton lower in April than that quoted by British Steel.

The survey did not consider quality and volumes which affected price.

Iscor said it was common practice worldwide to follow a multitiered pricing system and for export capacity to be exported to spread fixed costs, which in turn contributed to keep prices down. (SEPP)

Iscor's export prices were lower than its domestic prices. (260)

Iscor supplied 17% of local steel sales in the year to June 1993 for the manufacture and export of secondary

steel products; discounts were negotiated individually with each secondary manufacturer, the group said.

The association questioned SA producers' need for tariff protection given the perceived relatively high local prices and the natural geographic protection enjoyed by SA producers.

SA's offer to the General Agreement on Tariffs and Trade lifted the import tariff to a ceiling of 15% — the current tariff was 5%.

Iscor said although there was no protection on steel between countries in Europe, ad valorem duties ranging from 15% to 45% were applicable in many countries.

These included South American states, Korea, Taiwan, India and the Philippines.

TV piracy rampant

LLOYD COUTTS

THE television licence fee system is losing legitimacy and piracy figures are unacceptably high, according to the SABC newsletter Interkom. *Biday*

An article in the newsletter said anti-licensing campaigns had politicised the issue and other sources of financing for the SABC would have to be found.

Between R600m and R800m would have to be found to make up for the loss of advertising revenue to new broadcasters. *9/11/92*

Up to R200m could be lost to new radio stations, and R300m to R500m if an open television licence was issued. *(260)*

The replacement of the licensing system would cost R300m.

The SABC had developed into a "colossus" — taking 90% of all radio adspend and 75% of all television adspend in SA — and was probably occupying far too large a portion of the "playing field" in SA.

□ Next year's election would cost the SABC R66m in free air time and programme costs, including voter education programmes.

□ Sapa reports that submissions on a language policy for the SABC have been invited from the public.

The proposals will be studied by the SABC board's language committee, which is to formulate a language policy for the corporation.

The deadline for submitting proposals has been extended to December 31.

SABC too white, says Harmse

THE SABC ratio of 73 white to 27 black staff is unacceptable for an organisation serving the public, says CE Wynand Harmse.

Harmse told a recent senior management forum that those with whom the SABC maintained relations were mainly "white-oriented" and that contracts with outside parties were still focused on white businesses.

A report in the SABC newsletter Interkom quotes Harmse as saying management was working hard to address these issues.

"People are talking about affirmative action, but much of what we are doing in this regard is already part of our normal planning," he said.

Harmse told the forum the SABC found itself at the centre of the changes in SA and had to reflect these positively, acting as a bridge builder between communities.

He emphasised management's role in the period of transition at the SABC.

"It is very important that, as the politicians out there have to address in a positive manner both fear and hope, so it must be done within the SABC," Harmse told the forum.

□ ADRIAN HADLAND re-

LLOYD COUTTS

ports from Pretoria that SABC board chairman Ivy Matsepe-Casaburri has appealed to the scientific and engineering community to tailor its research and energies for the advancement of women and the uneducated.

Speaking to the Science and Technology Club in Pretoria on Friday, Matsepe-Casaburri said SA's human and technological resources had been spent traditionally on nuclear, military or scientific endeavours to the benefit of the privileged.

Accessible technology that could be developed for the use of the less privileged could have a significant impact on SA's development status, she said.

Automatic bank teller machines, for example, that were simple enough to be used by the semi-literate would aid savings and the financial management of low-income households.

The lack of scientific literacy among women directly affected the living standards and health of the majority of SA's population, Matsepe-Casaburri told the club.

She said women's knowledge of the environment had been undermined and undervalued.

Matsepe-Casaburri appealed to scientists and engineers to shape research policies that would not only help people in SA but which could be exported internationally to developing countries.

Equity decision opens TV treasure-trove

LONDON — The actors' union Equity yesterday lifted its 17-year ban on the sale to SA of British-recorded material.

The SABC and M-Net will have immediate access to a treasure-trove of British shows, but may have to wait for Equity to change British employer agreements.

Equity general secretary Ian McGarry said changes to standard employment clauses at the BBC would take "a matter of weeks" But more complex independent television contracts could take up to a month to change. South Africans could sign final contracts in preparation for immedi-

B/Day
CHRIS BATEMAN

ate screening once these technicalities were completed. *10/11/93*

McGarry said Equity's Australian counterpart had also lifted its sales ban.

The Equity ban — imposed in 1976 to protect black actors from employment discrimination in the former SABC's choice of programmes — became redundant with the election of a new SABC board. *(260)*

However a referendum was needed to reverse Equity policy and yesterday the change was agreed to by 75.2% of the 7 083

members who responded to a postal ballot. Equity has more than 43 000 members.

SA actors' union PAWE, the ANC and SABC chairman Ivy Matsepe-Cassaburi had assured Equity that the new SABC board would not discriminate racially when buying British programmes.

McGarry disclosed that veteran Equity member Marius Goring had withdrawn his appeal against a British court ruling supporting the ban. Equity had also reached an out of court settlement with Goring on the costs of the civil suit.

To Page 2

Equity *B/Day* *10/11/93*

From Page 1

Spokesmen for BBC Enterprises (Marketing) and Channel Four Television expressed "delight" at Equity's decision.

Channel Four's Chris Griffin-Beale disclosed that the first co-production with the SABC — a three-part contemporary thriller called *A Time of Violence* — would be screened in March. *(260)*

KATHRYN STRACHAN reports that M-Net wasted no time in taking advantage of the Equity decision, with the announcement minutes after the move was confirmed that Rowan Atkinson's series *Mr Bean* would take to the air tonight for a season of nine episodes.

Head of programmes Sheryl Raine said an agreement in principle had been reached with distributors Thames Television, subject to the ban being lifted.

Other British programmes lined up included the comic series *Fawlty Towers*, *Fortunes of War* with Kenneth Branagh and Emma Thompson, and *Prime Suspect* starring Helen Mirren.

Raine said international co-production opportunities between SA, Australian and British producers was possible.

A senior SABC programming manager said many British programmes had been previewed and contracts would be sealed at London's annual TV programme previews next week.

SABC spokesman Johan van Rheede said: "It will be very exciting, giving us a far wider market to choose from. We don't have the variety here, and there are not enough programmes to fill the schedule."

Star 10/11/93

Eskom accused of sidestepping community

Krugersdorp Civic Association has distanced itself from Eskom's R9 million project to install a safe overhead electricity network in Kagiso, claiming Eskom is trying to undermine it.

Eskom denies the charge.

The project was announced last month jointly by Eskom and the Kagiso Negotiating Forum which claimed to have reached agreement "after full consulta-

tion with the community".

KCA's Ben Ntsimane accused Eskom of sidestepping bona fide community representatives by setting up the forum to undermine the civic. — Staff Reporter.

(260)

M-Net delivers as Equity ban ends

Own Correspondent

JOHANNESBURG — The first British programme to be screened after yesterday's lifting of the Equity ban is on M-Net tonight.

Minutes after the Equity move was confirmed, M-Net announced that Rowan Atkinson's series Mr Bean would start tonight and run for nine episodes. SATV is expected to quickly follow

suit and could have unbanned programmes on air within six weeks. Other British programmes lined up for M-Net are the comedy series Family Toppers, Fortunes of War with Kenneth Branagh and Emma Thompson, and Prime Suspect. A senior SABC programming manager, who did not want to be identified, said many British programmes had already been previewed and confirmed. Head of programmes Ms Sheryl Raine said M-Net aimed to bring the best of British classic comedy and drama to its viewers. She added that programme previews next week

He declined to disclose the names of series being targeted in case opponents decided to bid for the same programmes. SABC spokesman Mr Johan van Rheede denied the introduction of British programmes would affect South African production houses, as local productions would always be popular, he said.

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2710/11/93

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NEWS Electricity hike of 7 percent from January ● Khethisi's men to appear

Eskom tariffs up by 7 percent

By Joshua Raboroko, Sapa

ESKOM is to increase electricity tariffs by seven percent from January 1.

Municipalities will pay more for electricity and they in turn might increase their tariffs for consumers

Eskom chief executive designate Mr Allen Morgan told *Sowetan* yesterday that consumers who got electricity directly from Eskom would be expected to pay seven percent more, depending on readings from their meters

In the case of Soweto, the corporation was negotiating with the Soweto Civic Association to install meters in the townships where residents were paying a flat

rate of R33,80

He was not sure what the position would be in Soweto but said the matter would have to be negotiated — possibly the split on would-split when meters were installed

Soweto residents have not been paying electricity tariffs and Eskom has threatened to cut off the supply.

Morgan said service payment boycotts, particularly on the Witwatersrand, since July 1989, had led to a debt of R650 million Eskom's total monthly sales to black local authorities on the Witwatersrand amounted to R25 million of which Eskom collected about 15 percent, he said

Sowetan 12/11/93



Firemen work in Bordeaux, France, after a tanker carrying gasoline burst into flames yesterday, causing a pile-up of 30 passenger cars and five trucks on a major highway. Fourteen people died.

ESKOM

Fm 12/11/93

Redistributing the power

In June the ANC reacted explosively to what it called Eskom's premature plans to consolidate the vast power distribution network into a small number of State-controlled regional authorities while keeping the monopoly on generation and transmission (*Business & Technology* June 25).

For the next few months nothing was heard of the proposal. Now it has been publicly endorsed by the Cape Town University-based Energy Policy Research & Training Project (funded by the EC) and it wouldn't surprise anyone if the 200-strong National Electrification Forum, which represents Eskom, the political parties, trade unions, municipalities and consumer groups, endorsed the proposal in the next few weeks.

"We hope to finalise our deliberations and to propose an alternative distribution structure to the Transitional Executive Committee by the end of the year," says Johan Kruger, chairman of the forum's powerful management committee. Until then, he adds, any suggestions bandied about amount to kite flying.

UCT researcher Grové Steyn says the reason behind the proposed rationalisation is that the 452 electricity distributors (the municipalities, homeland authorities and local governments that distribute 45% of the country's electricity) have used their statutory monopoly powers to collect an estimated annual surplus of R1,3bn from the resale of electricity bought from Eskom.

By charging an average of 15%-20% above cost, white municipalities, for instance, are able to keep down property rates.

Allen Morgan, who will succeed Eskom CE Ian McRae in April, says he wants to cut the number of distributors to between four and 25 regional entities. He believes Eskom should continue to generate and transmit 98% of the country's electricity, mainly because of the economies of scale, but under a new division. The division is tentatively named GenTran, though Eskom avoids using the name because it doesn't want to be seen to be restructuring on its own.

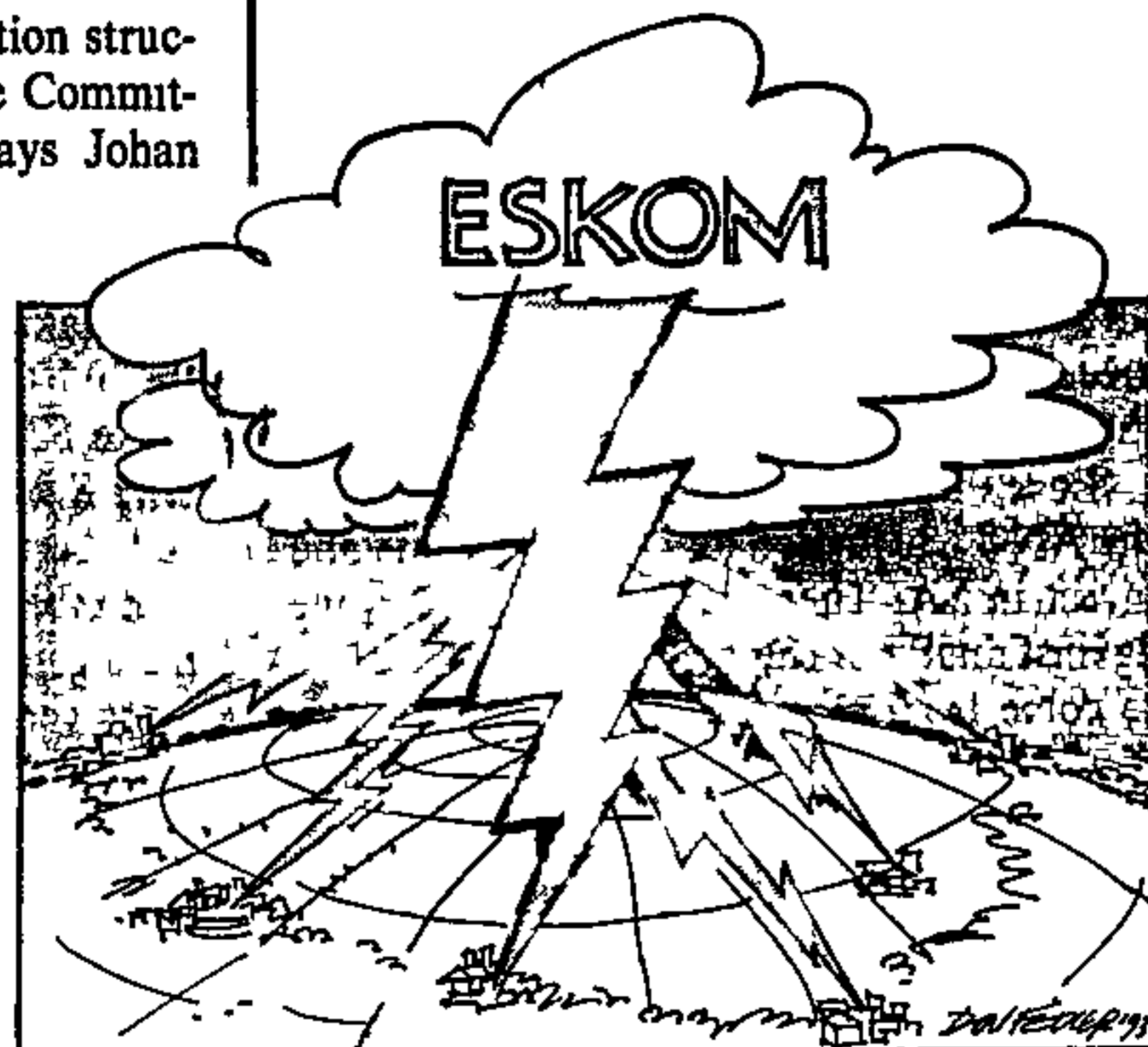
Morgan suggests the distribution side of Eskom's business, which employs half of its 42 000 staff, should be hived off to the proposed new regional distributors. Eskom distributes about 55% of the national supply but would distribute none under the proposal.

Says Morgan: "On average, the existing 452 distributors have about 6 000 customers each. This compares with a global average of about 500 000, showing the poor economies of scale operating here. With 3,5m urban

households still without electricity and 75% of the population without power, the existing distribution system has not worked."

Morgan, however, sees the problem as resting solely with the distribution side, the only part Eskom does not monopolise. Steyn supports Morgan and says that while Eskom still has much room to improve the productivity of its core business (generation and transmission), it is quite effective. Steyn believes the "mess" lies in distribution, and this is where the solution must start.

But could it be that the reason only a fraction of South Africans have access to electricity is that Eskom has monopolised generation and transmission and controlled more than half of the distribution structure?



The UK also had a limited number (12) of regional distribution monopolies, but offered them for sale in 1990 because government felt that the stifling public-sector control hampered the industry and did not allow proper accountability to electricity customers.

Free Market Foundation director Eustace Davie is critical of creating new regional monopolies. "It would be better to retain the local government distribution setups but to complement these with private competitive suppliers in their respective areas. Competition, from whatever source, is better than creating alternative statutory monopolies."

With the current political thinking that says government cannot be excluded from any aspect of business, there doesn't seem to be much chance that the private sector will be allowed to compete with the newly created monopoly distributors.

Nevertheless, unelectrified communities should consider themselves lucky if things are at least run along commercial lines: one option presented to the forum was the creation of one giant government utility with

generating, transmitting and distribution rights to all domestic and commercial customers, as in France

Also under consideration by the forum is reducing the number of different electricity tariffs, which now number about 1 000. While Davie would like the market to determine tariffs on a competitive basis, Morgan says that at least for an interim period, a national regulator would have to oversee the tariffs, while a National Electricity Development Corp would be created to determine financing and infrastructural demands and priorities. Morgan feels that privatised competition could only follow the restructuring of the current distribution system, which should take between two and five years.

Steyn says a nationally regulated tariff system, with a 4% levy, could become a source for additional funding for electrification. "A fairer tariff system at retail level should also benefit commerce and industry, which now have to bear the brunt."

One thing that's certain is that the municipalities will not react meekly to losing their cash cow. According to the Department of Mineral & Energy Affairs, 39% of total white local authority income, by far the largest input, came from electricity sales in 1989.

Johannesburg City Council director, electrical engineering, Alton Lock, says suggestions that electricity tariffs should no longer be a revenue source for local governments are simplistic.

Says Steyn: "Apart from this misuse of the electricity tariff as a revenue-earner by white municipalities, the situation in black areas is even worse. With little or no commercial or industrial base, black households have to bear the brunt of the high tariffs. This is aggravated by these authorities having to pay higher unit costs to Eskom due to the excessive peak-load and very low trough-load periods daily in the townships. This is caused by the lack of commercial and industrial use in these areas during the day."

Coupled with township administrative mismanagement and politically inspired boycotts, the mess has led to a virtual breakdown in services in many black urban areas. And, with black municipalities in arrears to Eskom for about R600m, it has taken over many township distribution networks.

After April's general election, the boycott climate hopefully will fade away, allowing Eskom to step up its rate of electrification from the current 200 000 households a year to 500 000. "At this rate, we could eliminate the backlog in seven years," Morgan says.

And how long would it take if the private sector were let loose to compete for some of that business? We'll probably never know. ■

(260)

Eskom will switch on 300 000 homes, says CE

Monday 12/11/92

ESKOM's electrification programme, currently connecting 25 000 to 30 000 households a month, is on course for its 1993 target of more than 300 000 new connections despite disruptions related to PWV violence, says incoming CE Allen Morgan.

However, Morgan said yesterday at a press conference that SA needed a uniform tariff structure and the elimination of flat payment rates. Development capital, perhaps international aid, was needed to take electricity to isolated areas where electrification costs were highest. (260)

He said the main impediments to the programme were the cost of electrification — put at R3 000 a household and R9bn for the whole country — and the affordability of supply.

The electrification of SA required national co-ordination within an economic development strategy. (26)

Morgan said developing such strategies was the critical task facing the National Electrification Forum.

He noted that Eskom, one of SA's 450 electricity suppliers, had access to only a third of the country's households without electricity. Also, its tariffs directly affected only these

MATTHEW CURTIN

customers, as municipal authorities imposed their own, hence SA's cumbersome 2 000-strong tariff structure.

Morgan added the forum was looking less at an unbundling of the electricity industry than at "a bundling up" as participants sought to restructure supply and pricing.

Chairman John Maree said there was a commanding business logic to maintaining supplies to townships, even if payment was erratic, and proceeding rapidly with electrification. Eskom had to sustain custom and its supply infrastructure to reap the longer-term benefits from domestic electricity consumption.

Research showed there was an enormous multiplier effect once a household was connected with electricity, in the purchase and use of domestic appliances and the establishment of small businesses.

Maree said he had visited small shacks in the Orange Farm squatter settlement whose occupants used 11 appliances, while it was estimated 1-million jobs would be created with the electrification of 1-million new homes.

Eskom cuts real price for 7th year

MATTHEW CURTIN

IN WHAT will be a multibillion-rand boost to the economy next year, Eskom has cut the real price of electricity for the seventh consecutive year by announcing a 7% increase in the average electricity price to 9,8c a kilowatt hour in 1994. **Biday 12/11/93**

The increase is the smallest rise in the utility's tariff structure in 10 years. The new price is at least 2% below Eskom's forecast of 9%-9,5% inflation next year and will represent estimated savings for the economy of R5,5bn. **12/11/93**

Eskom is still on track to meet its 1991 commitment to reduce the average price of electricity 20% in real terms by 1996.

Finance executive director Willem Kok said yesterday that seven years of below-inflation tariff increases had ensured that electricity prices now lagged the rise in the consumer price index by nearly a third and were equivalent to cumulative savings for consumers of more than R20bn in the period. **(260) (55)**

Chairman John Maree said New Zealand was the only country with cheaper electricity. By the time the 1991 price compact was fulfilled, SA would have the world's cheapest electrical power, turning the country into a global haven for heavy industry in the same way that California's Silicon Valley had become the major centre for the computer industry.

Kok said the tariff increase was tailored to Eskom's projections for electricity demand and the performance of the economy in 1994. He forecast moderate GDP growth

□ To Page 2

Eskom

Biday 12/11/93

□ From Page 1

of 1,5%, flat inflation, some easing in interest rates, with a deceleration in the increase in electricity sales. Demand would rise about 1,2% compared with higher than expected growth of 3,5% this year.

Eskom ensured that the real decline in tariffs was matched by a similar fall in overall operating, capital and financing costs in order to prevent the utility being caught in a debt trap. Financing costs were the biggest element in reducing Eskom's cost structure. The utility's borrowing rate had been lower than government's since 1989 — although roughly the same in the past six months. **(260) (55)**

Declining interest rates had helped, but Eskom continued making good progress towards cutting its debt to equity ratio to parity. The utility's projected debt to equity ratio would fall to 2:1 in 1993 (2,2:1) as net borrowings rose marginally to R27,8bn (R27,6bn) against improved capital reserves of R14,1bn (R12,5bn).

Kok said real gains in reducing costs

would derive from Eskom's improving capacity utilisation — as economic recovery and electrification ate up spare generating capacity — which lowered capital costs and improved cash flow. He expected Eskom would successfully lower real electricity costs well beyond 1996 and the expiry of the 1991 price compact.

He said the impact of the R600m in outstanding debts acquired as Eskom took over electricity supply from black municipalities, where non-payment was common, had a negligible effect on the utility's financial position. Total sales to black domestic consumers represented only 1,7% of Eskom's overall R13bn sales.

In addition, the 15% collection rate of electricity payments from the townships in question was still higher than the marginal cost of supplying the communities with electricity. Eskom would be worse off if supplies were stopped.

● See Page 3

Eskom to raise tariff by only 7%

Star 12/11/93

■ BY CLAIRE GEBHARDT

Eskom has announced its lowest percentage price increase since 1984.

Good news for consumers is that it will increase its tariff by only 7 percent in January 1994 — two percentage points less than an estimated inflation rate of between 9 and 9,5 percent next year.

The announcement comes on top of news that the country's Gross Domestic Product rose an unexpected 8 percent in the third quarter and producer price inflation has dropped to its lowest level in 21 years. (260)

Chairman Dr John Maree says Eskom's lower increase is in line with the undertaking given to customers in its Price Compact in 1991.

Maree estimates that the cumulative impact of eight consecutive years of keeping Eskom's annual increase below the national rate of inflation has put R5,25 billion in consumers' pockets.

Economists yesterday welcomed the announcement, saying it would contribute to an overall lowering of the inflation rate and leave consumers with more disposable income.

Maree said a 20 percent real price reduction would be effected over a five-year period and would have positive spin-offs on South African exports — enabling exporters to be competitive on international markets.

He added that electrifying South Africa should be a national priority and that total capital costs could come close to R10 billion.

The multiplier effect of electrification was so great that electrifying a million homes could create close to a million jobs.

Maree also said Eskom currently ranked as the second cheapest supplier of electricity in the world.

SABC fundings crucial

Star 10/11/93

Harmse

THE SABC's future will revolve around one key issue: the funding of public service broadcasting, according to SABC chief executive officer Wynand Harmse.

At present, the SABC's total budget is R13 billion, of which R260 million comes from licence fees, he says. Advertising revenue makes up almost 80 percent of the SABC's income. Public service-type programming cost R400 million a year to broadcast.

The Independent Broadcasting Authority (IBA) — charged with issuing licences to radio and television stations — would have to carefully investigate the funding of public service broadcasting before it issues any licences, he says. "South Africa's public service broadcasting is very dependent on advertising revenue

NEW broadcasting stations would cut SABC's advertising revenue, placing it in jeopardy. The corporation must be funded by a new government or else loss-making services would have to be cut.
MANDY JEAN WOODS reports.

unlike in other countries, where it is generally funded by the government"

The entry of other broadcasters into the market could detrimentally affect advertising revenue and, thus, public service broadcasting

Harmse estimates that private radio stations could take R200 million out of the adspend cake, rising to between

R300 million and R400 million if a private, national television station were licensed by the IBA

Alternative sources of funding are limited, he says.

"The big question is what will the new government's approach be to making money available for public service broadcasting," Harmse says

"Generally, the feeling is that the Government sees public service broadcasting as a priority. Some think it is the Government's duty to make funding available. But there are many other demands being made on its limited funds," he says.

If licence piracy were not ramped out, the future of public service broadcasting would be in jeopardy. "We are looking at a decoder option but at this point it is not practical."

If no alternative sources of funding are found, the SABC itself would have to cut expensive loss-making services," Harmse says.

Radio Islam wants licence to broadcast nationwide

By MARLAN PADAYACHEE

STAND by for Radio Islam

A Durban-based business agency for Muslims has applied to the government for a broadcasting licence

Mohammed Bayat, spokesman for the Islamic Business Development Corporation, confirmed a public company had been formed to launch the Islamic Broadcasting Corporation Limited.

Mr Bayat said the plan was to broadcast nationally three months after the launch of a regional station based in Durban.

"We are calling on other religious groups to follow our example of promoting religion and culture," he said.

The proposed radio station has received the blessing of Ahmed Deedat's Durban-based Islamic Propagation Centre International

"The objectives will be to promote Islamic culture. The Muslim community is conscious of its religion and culture and has cherished the idea of hav-

ing its own organ to reach out to the community at large," Mr Bayat said.

He said the station's board of directors had made it clear the station would be apolitical and would not be used for political campaigns. (210)

"We will also not be party to any political viewpoints," he said.

He said programmes would deal with current affairs, cultural events, Islamic history, household hints, cookery and phone-in shows

● Capital Radio 604 lost its bid to transmit on the FM frequency during the summer holidays

The Home Affairs Ministry turned down Capital's application for a temporary licence

Managing director Herbert Jikela said Capital was disappointed it could not broadcast traffic and tourism information during the Christmas holidays

Temporary FM licences were granted to stations in the Transvaal and the Cape.

Eskom rise won't affect Jo'burg rates

Star

■ BY JUSTICE MALALA

The Johannesburg City Council announced yesterday that electricity consumers in the city would not be affected by Eskom's 7 percent tariff increase, which will come into effect in January 15 1993

Management committee chairman Ian Davidson said the council would absorb the increase and not pass it on to the consumer (260)

"We are able to do this because the city generates roughly 50 percent of its own electricity requirements and because of cost savings achieved. We also have increased efficiency in the working of the council as a whole."

Eskom announced the 7 percent increase, the lowest since 1984, on Thursday. It is 2 percentage points less than an estimated inflation rate of between 9 and 9,5 percent for next year.

Eskom chairman Dr John Maree said the lower increase is in line with the undertaking given to consumers in Eskom's Price Compact in 1991.

It was also welcomed by economists, who said it would contribute to the lowering of the inflation rate and leave consumers with more disposable income.

Harmse admits hidden cameras used

JOHANNESBURG — SABC chief executive Mr Wynand Harmse has admitted for the first time that the corporation used secret sound-recording equipment and hidden cameras for internal security.

The Johannesburg office of the Portuguese news agency Lusa reported yesterday that Mr Harmse said the use of concealed cameras to check on suspected unauthorised use of edit-

ing suites at night had been justified and had not been aimed at anyone in particular.

However, the use of sound equipment had been questionable.

An inquiry would be held into top SABC management's decision to record the conversations of Portuguese producer Ms Helena Nogueira and her assistant Mr Frederick Roll. Ms Nogueira caused a public out-

cry recently when she disclosed she had been spied on while producing a weekly Portuguese programme at the SABC.

Mr Harmse said he had authorised the use of cameras but had not been told they would be concealed. He had not authorised the surveillance of any individual.

He said he had always refused when approached to tap his staff's

telephones. But he refused to deny categorically that the approaches had come from the intelligence establishments, members of the National Party or other political parties.

Mr Harmse said the inquiry would aim to devise a strict set of rules for the use of hidden cameras and microphones to check on security of equipment. — Sapa

210 CT 15/11/92

Eskom planning R750m upgrade

Biday MATTHEW CURTIN 6/11/93

ESKOM plans to spend more than R750m upgrading its electricity transmission facilities in 1994, compared with capital expenditure of more than R1bn in 1993.

A spokesman for Eskom's transmission group, responsible for 25 000km of transmission lines, said yesterday a major portion would be spent upgrading and extending electricity lines in southern Africa.

Eskom was increasing supply to the Botswana Power Corporation as it proceeded with the project to connect SA to the Zimbabwe Electricity Supply Authority.

In addition, Eskom was upgrading its link to the Swaziland Electricity Board and expanding the transmission system supplying Richards Bay to meet demand from Alusaf's new R7,2bn smelter.

The spokesman said the R757m spending programme had been unveiled at a suppliers' forum last week (260) (55)

Eskom would spend R243m on transmission lines, R290m on substations and substation extensions, and R169m on telecommunications, protection and related work.

The spokesman said Eskom relied heavily on its national radio network to ensure it could service facilities promptly, and was introducing digital radios to replace outmoded analogue systems.

Refurbishment would account for a further R55m chunk of the group's capital spending plans. Eskom's total capital spending added up to R3,8bn in 1992, compared with R3,3bn the year before.

Plenary session
live on TSS

Staff Reporter

SOUTH AFRICANS will be able to watch the Negotiating Council's plenary session live on television this afternoon.

According to a TSS publicity statement, the session and broadcast are scheduled to begin at 4pm and may continue for two or three hours.

The bonus sport broadcast between 6pm and 7pm may be disrupted, TSS warns.

Work begins soon to restart Cahora Bassa scheme

Aid for hydro-electric plan

BY JOE LATAKGOMO
STAR AFRICA SERVICE

Work is due to begin soon on the construction of pylons for the rehabilitation of the Cahora Bassa hydro-electric scheme, Eskom chief executive Dr Ian McRae announced yesterday.

In a press statement following a meeting of the Permanent Joint Committee on Cahora Bassa in Maputo, McCrae said that major international agencies had expressed willingness to provide the funding which was needed to restart the project, which was halted by the war between the Mozambique army and the rebel Renamo movement.

He said that the withdrawal of promised funding by the Italian government had caused a shortfall of about \$45 million (R157 million).

"Fortunately other agencies such as the Norwegian Aid Organisation, the European Bank and the European Community have said that they are willing to make funds available to make up the shortfall," McCrae said.

The statement said that the Permanent Joint Committee had been advised of major international participation which would meet the financial requirements of the project but did not give details. However, the London-based bulletin Africa Analysis report-



Eskom's Dr Ian McRae.

ed that France had stepped in to provide a loan for the 900 km line from Cahora Bassa to Pafuri in South Africa, and was also providing export

credit for Zimbabwe for its line from Cahora Bassa. "The importance (of the project) to Mozambique and other countries of the southern African region cannot be overstressed."

"Not only is it an economically viable project that could provide job opportunities in Mozambique, but it will also play a role in the Mozambican peace process, especially in terms of creating job opportunities for demobilised soldiers," McCrae said.

He said field work would begin in about April and that it would take two to three years before the system was operating at full capacity and with acceptable efficiency.

ESKOM Fm 19/11/93

Juggling the numbers

The Eskom public relations machine was working flat out again last week. It was the once-a-year exercise to convince the press and the public that the State-owned utility is bringing down the real cost of electricity dramatically and saving people millions of rands.

The programme works well — until someone looks at the numbers. (260)

Two years ago, Eskom pitched the idea of a five-year compact with consumers in which it promised to cut the real price of electricity by 20% in 1992-1996. Last week it announced a price increase of 7% for next year while projecting that inflation would be at 9%-9,5%. It assured everyone that it was "on

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(260)

track" to reach its 20% target.

But Eskom is nowhere near its target. Electricity tariffs have hardly been cut in real terms compared with consumer inflation and have actually increased when compared with producer inflation.

In the first year of the compact, Eskom raised prices by 9% and projected inflation at 15%, a difference of six points. For this year, it raised prices 8% and projected inflation at 12%, a difference of four points. This led Eskom to announce a year ago that it had cut real prices by 10% and that it was already

rate to be about 7%-9%.

And AHI senior economist Nick Barnardt predicts that next year's consumer inflation rate will be about 7,5%, with PPI as low as 6%. And, he adds, by the end of this year, both consumer and producer inflation may be at 6% — well below this year's 8% rate increase.

"With the impact of the Vat increase falling away next April, the CPI is bound to take a sharp drop. Currently, the underlying inflation rate (if Vat were taken out) is running at about 7,1% — and falling."

Tricky maths Eskom's mythical real cuts in rates

1992: Eskom raised rates by 9%, projected inflation for the year at 15%, and said this was a 6-point real reduction. Wrong. The consumer price index was only 9,6% and the producer price index was 7,7% (December year-on-year).

1993: Eskom raised rates 8%, projected inflation at 12%, and claimed a 4-point real reduction. But CPI is now expected to come in at 7-9%, and PPI at 5-6%.

1994: Eskom is raising rates by 7%, projecting inflation at 9-9,5%, and claiming a 2-2,5% real reduction. But other projections put next year's CPI at 6-9% and PPI at 5-7%.

Source: ESKOM AND CSS

halfway to its target in just two years (*Business & Technology* October 23 1992). Not only were the mathematics faulty but the assumptions didn't hold up.

Consumer inflation last year reached only 9,6%, not 15% (December year-on-year), so the real cut was only marginal. Producer prices last year went up only 7,3%, so Eskom's wholesale customers (which take 48% of the supply) actually got an increase in real terms.

Falling inflation

In its defence, Eskom says it uses the consumer inflation figure based on the average of the monthly inflation rates for the year. Last year this figure was 13,9%.

This year inflation is also below the Eskom projection. The latest consumer figure, for September, puts inflation at 9,1% and falling. And the September producer figure was only 5,5%.

For next year, the questionable arithmetic continues. With a price rise of 7% and an inflation projection of 9%-9,5%, Eskom states that "the electricity price had thus been reduced in real terms by another two to two-and-a-half percentage points" — even before the year begins.

Aside from Eskom once again jumping the gun, the assumptions might not work out. Boland Bank economist Louis Fourie, for one, expects next year's consumer inflation

Eskom has always compared its rate increases with consumer, not producer, inflation, despite the fact that bulk sales make up almost half its output.

Eskom financial planning manager Dirk Els says it is "international practice" to compare any price increases with the so-called "headline inflation."

But he admits it's arguable that Eskom should be seen as partly a wholesaler and that its price increases should, in part at least, be compared with the producer inflation rate. "To be fair, one may have to compare the price increase with both inflation rates."

Eskom Electricity Council chairman John Maree has the final word. "No matter how you manipulate the figures, the fact remains that SA electricity is the second-cheapest in world," after New Zealand, according to the Electricity Association of the UK. ■

M-Net: R125m rights offer

(260) CT 19/11/93
Own Correspondent

JOHANNESBURG. — M-Net will go to the market next month with a rights offer to raise R125m to fund its investment in cellular telephone company Mobile Telephone Networks (MTN).

Announcing the move at the release of M-Net's interim results yesterday, CE Koos Bekker said the group would take a 25% equity stake in MTN under the umbrella of MultiChoice, formed in September when M-Net split into two companies

Bekker said the financial characteristics of cellular telephony were similar to those of pay-television

With major developments in European pay-television and local cellular telephony being undertaken simultaneously, he expected substantial losses in MultiChoice over the next two years

The MTN consortium was awarded one of two cellular licences by the government in September with the second licence going to Vodacom. MTN consisted of UK-based Cable & Wireless, black investment consortium Naftel, Transtel, Fabcos and M-Net/MultiChoice.

In the lead-up to the rights offer, MultiChoice announced yesterday it had formed a new company, M-Tel, with an expected market capitalisation of R25m. CEO Peter McBride said M-Tel's sole purpose was to be a service provider for the cellular telephone market and would provide exclusively to MTN.

Meanwhile M-Net reported earnings growth of 5% for the six months to September

The subscriber base of the M-Net domestic and international channels grew steadily to reach 812 000 households

The lower company tax rate resulted in profit after tax increasing by 64%. Losses incurred by associates, mainly attributable to developing Filmnet, amounted to R22,7m. The net result was earnings before extraordinary profits of R13,6m.

M-Net declares and pays a single dividend in March each year.

Low advertising volumes hit TML

CT 19/11/93

Own Correspondent

JOHANNESBURG — Times Media, the publisher of the Cape Times and other newspapers, entered a phase of consolidation in the six months to end-September

The first half's turnover was virtually unchanged at R184,8m against R184m in the corresponding period of 1992 as the closure of the premium rate telephone services eliminated a new revenue source and as a drop in advertising volumes affected the trading of some of the group's press interests

However, good performances by core publications, particularly the Sunday Times and Business Day and, to a lesser extent, the Financial Mail, went some way to offsetting poorer trading elsewhere

Despite the poorer interim performance, MD David Kovarsky is confident that this year's second-half prospects are better than last year's

The interim operating profit

dropped by a quarter to R23,6m (R31,8m) and a lesser charge for abnormal items, notably lower costs on the staff share participation scheme, left the interim operating profit after abnormal items down by a fifth at R23,6m (R29,6m). The first half's pre-tax profit was R23,9m (R29,4m)

● A lower tax bill of R10,3m (R14m) gave rise to an interim pre-tax profit of R13,6m against R15,4m in the comparable period of 1992

● The share of associated companies' earnings was lifted to R7,1m (R6,9m), helped by a slight increase in M-Net earnings achieved in spite of greater losses from its FilmNet operation

Earnings dipped 5% to 93c (98c) a share but the interim dividend was unchanged at 24c a share

Kovarsky said that if the results of premium rate telephone service Call-Net were excluded from the previous year, turnover would have been 11% higher and profit before extraordinary items would have risen 8%

Community media lives!

South 1911 - 23/11/93

Community Media is about to make a bid for recognition as a crucial sector of South Africa's media industry.

The future of community media is a hotly-debated topic among media workers in South Africa. Much of the discussion has focused on the funding squeeze which has accompanied political change in South Africa and has seen the demise of well-known community media such as Grassroots, Learning Roots and the Other Press Service (Tops) in Johannesburg.

However, the heart of community media is still pumping — often in some unexpected places — and a conference taking place this weekend under the auspices of the Western Cape Media Trainers Forum (WCMTF) aims to network community initiatives and form a pressure group for the sector.

Vibrant community media continues to be produced in rural areas of the Cape, with both "Saamstaan" and "Namaquanus" regularly distributed in the Western and Southern Cape respectively.

Relative newcomers to the scene are "Nemato" in Port Alfred and "Towerberg Indaba".

Educational and media NGOs in Cape Town have formed a consortium to produce "ChalkLine", an educational supplement targeted directly at the school community.

Campus media is thriving in print and on air.

When the country's airwaves finally open, there is likely to be a buzz of community initiatives.

Already Bush Radio has clashed with the authorities over the right to broadcast. Meanwhile Radio Zibonele, a primary health care station based in Khayelitsha, reaches about 20 000 people in its 5km broadcast radius.

The Community Arts Project continues to operate in Cape Town and community media projects have been established in the Eastern Cape and De Aar.

Training horizons are also broadening. In addition to the South African Development and Education Programme's three month course at the University of the Western Cape, the Peninsula Technikon is examining the possibility of a course aimed at community media journalists. **(260)**

Despite these initiatives, many community media developers and trainers feel insecure about the future and question whether projects are sustainable.

Access to funding is one of the key problems. Not only do community media projects have to contend with the changes in funders' priorities, but they have to compete for funding with other bigger organisations.

Says WCMTF's Fahdiel Manuel: "We are understaffed, over-worked and seldom find time to discuss and debate the threat that community media might become a 'collectors item' in the near future."

"Everybody is fighting for their own survival in the absence of a coherent sectoral approach, yet we have a common goal — building community media."

It is not only the print media

sector that faces problems. Community radio will have to compete in a market dominated by the SABC and other private sector initiatives.

Chris Vick, who previously spearheaded Tops, argues that communities need to be "brought on board" and a community media society developed which could become part of South Africa's general media society.

"Ideally, such a movement could unite the trainers and the practitioners into a coherent body which can push for greater recognition of the community media field," Vick said.

Manuel said that earlier this year the WCMTF went through a "visioning process" which pointed to some options for the sector.

These included broadening the forum to include all stakeholders in community media, investigating the idea of a community media college and setting up community media networks (Commnet).

The proposal to establish Commnet arises from these discussions.

The network which will be discussed at the Community Media Conference this weekend is intended to identify key needs, strategise, form a pressure group and provide a network for community media organisations.



Media conference for the Cape

Community media groups throughout the Cape are coming together this weekend for a conference which aims to map a way forward for the sector.

The weekend-long conference is being hosted at Community House in Salt River by the Western Cape Media Trainers Forum (WCMTF).

According to conference organiser Martina Della Togna, community media need to develop a coherent response to the coming elections and work out what role they can play in building a future democracy.

The conference aims to:

- promote community media development
- assess the role of community media during and after transition
- launch a network of community developers who will act as lobby groups for community media.

The open session of the conference kicks off on Friday at 6pm. Dr Eronini Megwa, who heads the Department of

Journalism at the Peninsula Technikon, will give the keynote address on "Lessons from Africa: The role of Community Media in a Democratic Society". This will be followed by a panel discussion on the future of community media in South Africa. Panelists include Work In Progress editor Chris Vick, Zubeda Jaffer of the South African Development Education Programme (Sadepe), ANC publicity secretary Pallo Jordan, and Ruth Tomaselli, a noted media theorist.

During the closed sessions, participants will discuss how to build the community media sector. Discussion is likely to focus on a proposal placed on the table by the WCMTF for media organisations to form a community media network (Commnet) in order to strengthen the sector's ability to strategise, lobby and strengthen itself.

Anyone interested in participating in the conference and the network should contact the WCMTF office at 448-1222.



Sasol has a treasure-chest of opportunities, says MD

B1 Day 24/11/93

MATTHEW CURTIN

SASOL and SA were yet to maximise the opportunities for making petrochemicals from the group's oil-from-coal process, presenting foreign companies with opportunities for investment or joint ventures, MD Paul Kruger said yesterday.

Addressing the Financial Times Business Conference in London, Kruger said competitiveness of Sasol's petrochemical output remained dependent on the competitiveness of the oil-from-coal process

"If synfuels cannot be produced at a positive net margin in competition with fuel derived from crude oil, it will erode the competitive position of petrochemicals derived from the process," he said.

Sasol had "a treasure-chest" of unexploited petrochemicals available from its synfuel refineries, in addition to R1,5bn worth of new or upgrading projects in process, with a range of further projects earmarked for development.

Kruger set out Sasol's assessment

of the viability for the synthetic fuel industry, bringing the strongly-worded debate — in which fuels group Engen has been Sasol's keenest sparring partner — about controversial synfuel subsidies and possible deregulation to an international audience.

Kruger said that judged on "the hard economic criteria" of Sasol's contribution to the SA economy or the pockets of its shareholders, the group "unequivocally" made SA wealthier and provided investors with a satisfactory return.

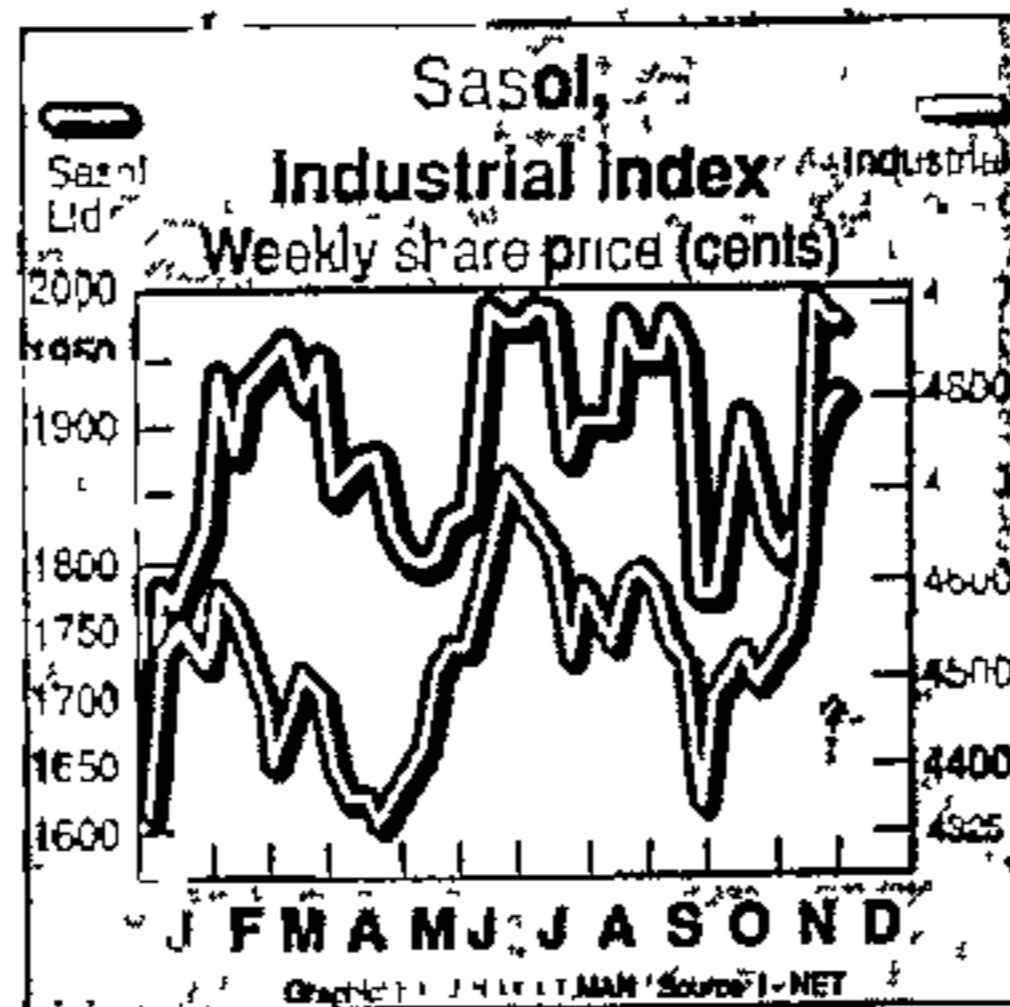
Sasol added more than R5bn to the

SA economy in the past year through converting 40-million tons of low grade coal into chemicals and fuels for sale in domestic and foreign markets. Kruger said tariff protection for the industry had on average been "an extremely modest 12,5%". (2to)

While real oil prices had tumbled 70% since 1980, "the real level of protection for the synfuels industry was reduced by nearly 60%". Less protection had been matched by the improved productivity of Sasol's mines and plant, in addition to improvements to coal gasification and synthesis technology.

Kruger said the source of Sasol's competitive advantage in petrochemical manufacture derived from its pioneering "one-step high-temperature Fischer Tropsch synthesis technology" which provided basic and intermediate petrochemicals without the need for large investment in naphtha crackers and downstream processing plants

The competitive edge could be found in the difference between the opportunity cost of a synfuel and petrochemical at much higher prices



Inquiry to be held into 'SABC's surveillance' (260)

JOHANNESBURG — A commission of inquiry into alleged surveillance of freelance television producer Helena Nogueira at the South African Broadcasting Corporation will hold public hearings on December 3, 4 and 6. *ARC 24/11/93*

The commission was appointed by the SABC board on November 3 after a Sunday newspaper reported the corporation had used hidden cameras and microphones to spy on Ms Nogueira, who management allegedly deemed politically liberal.

A statement yesterday said the commission would submit a report on its findings to the SABC board.

The commission is to be co-chaired by Kobus van Rooyen, the chairman of the Press Council of South Africa and the Broadcast Complaints Commission of South Africa, and media lawyer David Dison.

The public hearings will take place in the ground floor auditorium at SABC broadcasting centre in Auckland Park, Johannesburg — Sapa

Eskom plans international bond

B/Dow 25.11.93

ESKOM planned to return to international capital markets next year to raise R500m of its borrowing requirement, the electricity utility said yesterday. (260)

Details of Eskom's borrowing plans show its demand for finance from the local capital market is diminishing rapidly. Aside from the international bond issue and foreign trade finance, the corporation will generate enough internal funds to meet a major portion of its spending needs.

The overall borrowing requirement for 1994 is R2,4bn — against 1993's R3bn. Borrowing will again be less than budgeted capital spending (R4,3bn). Capital expenditure in 1993 was budgeted at R3,5bn. Es-

GRETA STEYN

kom finance director Willem Kok said Eskom was generating enough funds for it to borrow less to meet capital spending and loan redemption commitments.

Plans to issue a dollar-denominated bond were "very much on the drawing board". Although discussions were continuously taking place with foreign banks keen to get involved, details would be arrived at only after the election.

Eskom is budgeting to raise R100m through export credit finance, while R1,8bn will be sourced from the domestic

To Page 2

Eskom

B/Dow 25.11.93

From Page 1

capital market. Corporate treasurer Johan van den Berg said R1,2bn had been secured through pre-funding. An interest rate ceiling of 13% had been placed on the remainder of the borrowings by using options.

"Although our view is that rates should decline further during 1994, we thought it prudent to protect the whole requirement against the real possibility of higher interest rates which could result from uncertain conditions before the general elections."

Kok said Eskom planned to become a net repayer of debt by 1997. "This is based on two main assumptions: that the struc-

ture of the organisation will remain largely unchanged and that its electrification programme will proceed according to schedule. Should this be the case, then Eskom will begin reducing its total borrowings by 1997 and could achieve a debt-to-equity ratio of better than one-to-one."

Eskom's modest funding requirement on the local market would suit the bulls in the capital market, analysts said. The rate on Eskom's long bond, the E168, ticked down another two points to 12,21% yesterday after a 20-point fall on Tuesday.

Investors could bring in billions

Star 25/11/93 Tempting bait for foreign projects

LOW-COST power will provide a powerful incentive for capital-intensive projects with electricity as their main cost component

■ BY JOHN SPIRA

Eskom is to make a concerted drive to attract major foreign investment projects, potentially worth many billions of rands, to South Africa.

Chairman John Maree says the initiative is based on the highly competitive price — internationally — at which electricity is sold in South Africa.

"Eskom's electricity is the world's second-cheapest and we'll soon be the cheapest. This has to provide a powerful incentive for capital-intensive projects with electricity as their main cost component.

"I firmly believe that what Silicon Valley was to the computer industry, South Africa



John Maree ... position of economic prosperity.

can be to world's energy-intensive industries. Eskom is actively going to target those industries." (260)

He points out that Alusaf, the huge aluminium producer, is a massive consumer of electricity.

It imports its raw materials, processes them here and ex-

ports the final product. Its viability lies in cheap electricity and inexpensive labour.

Stainless steel producer Columbus operates on much the same principle.

"We think we can attract foreign industries to South Africa similar to Alusaf and Columbus, in addition to helping make our existing industries more competitive internationally."

Maree believes a basic motor of economic growth for SA is an abundant supply of electricity at a low price.

"Accordingly, Eskom is immensely important in ensuring that South Africa will soon return to a position of economic prosperity — a situation which would be enhanced should we be successful in attracting substantial foreign capital investment."

Maree is unable to quantify the foreign investment Eskom could attract, but suggests that, owing to the nature of the projects Eskom would be targeting, it was bound to run into billions of rands.

Spinoff from Eskom scheme

R10bn boom in appliance sales forecast

BIDAY 26/11/93

SALES of household electrical goods are expected to rocket to R10bn a year in 1998, from R4,1bn in 1992, as the Eskom-led national electrification scheme brings electricity to 800 000 new homes over the next five years.

Eskom executive director Jan de Beer said yesterday that in 1991 and 1992 demand for goods from newly electrified households and small business added R77m and R354m to sales, with a R719m boost expected this year, and a R2,7bn increase in 1998 when sales would exceed R10bn.

Industry research shows the compound growth rate in the next five years could reach 17% a year — turning the sector into a high-growth business. (260)

The experience in newly electrified townships showed that demand for electrical goods rose sharply once a household was connected, with the major portion of spending on appliances taking place in the first two years. The surge in demand for irons, hot plates, TVs and fridges promises lucrative business for retailers. (182)

It is also likely to lead to a shake-up of appliance manufacture in SA, which is tariff protected, highly competitive, and buffeted by declining real sales in its underlying market. The main manufacturers are Barlow Rand, TEK, Tedalex and Power-tech subsidiary Gentech.

Gentech MD Simon Nash said electrification offered "attractive opportunities for the bigger players willing to invest in upgrading their manufacturing plant".

Electrification could provide the platform for an internationally competitive regional appliance manufacturing industry if tariffs on goods and input materials

MATTHEW CURTIN

like plastic and steel were dropped to GATT levels, he said.

However, physical constraints to the programme, because of violence, the issue of non-payment, and general pressure on consumer spending, might upset what he considered ambitious forecasts.

Increased electricity use, as households buy electrical goods, is essential if Eskom and municipal suppliers are to recoup the cost of electrification which, while absorbing a small fraction of Eskom's generating capacity, is expected to cost R830m a year to the year 2005 in nominal terms.

De Beer was commenting on a research report by stockbrokers Edey Rogers which represents the first detailed attempt to quantify the impact electrification will have on the appliance/TV market.

Analyst Franco Busetti said: "To make electrification financially viable for Eskom and other suppliers, electricity consumption will have to be reinforced by the marketing of white goods and appliances."

An Anglo American Industrial Corporation spokesman said research showed households tended to buy TVs first once electrified. Newly electrified homes would be responsible for a quarter to a third of colour TV sales, worth about R750m this year and more than R1,25bn in 1998. Amic recently tied in with Korean conglomerate Daewoo to manufacture colour TV tubes.

Busetti said new sales of TVs could amount to R2,2bn in 1998, with R3,1bn for stoves and R2,7bn for fridges, accounting for 80% of the total because of high demand and their above-average prices.

P-T.0-7

R12 billion owed for electricity

South

26/11 - 30/11/93

THE Western Cape is R52 million in the red in electricity payments, a conference heard recently. Speakers at the event, organised by the Western Cape Economic Development Forum, revealed the largest areas in debt were Langa, which owed R17 million, and Atlantis, which owed R9 million.

A spokesperson for the technical committee of the Western Cape Electrification Forum said the reasons people could not pay included

- The huge difference in tariffs, which resulted in people refusing to pay out of protest;
- Service providers issuing people with monthly bills, while most township residents are paid on a weekly basis, and
- Problems with the delivery of accounts, which were not sent regularly, or sent to people after the due date of payment, or sent with incorrect amounts.

He said the supply of electricity to townships was often of poor quality, with fluctuations in voltage which damaged household appliances.

Some townships like Guguletu were also experiencing blackouts, said one delegate. One delegate at the conference suggested arrears be written off as a "cost of apartheid". He said Eskom was owed R800 million countrywide and total arrears for the country

stood at R12 billion — more than 25 times the debt of the Western Cape.

Another delegate dismissed earlier suggestions that a proposed levy of 10 percent be placed on all future electricity accounts to help pay off arrears.

The conference also unveiled a regional plan for training, delivery and restructuring in the industry.

Mr Ronnie Kingwell, Eskom's general manager in Cape Town, who also serves on the electricity forum's technical committee, said the forum had developed a training kit which would be sent to all areas in the Western Cape as part of their strategy.

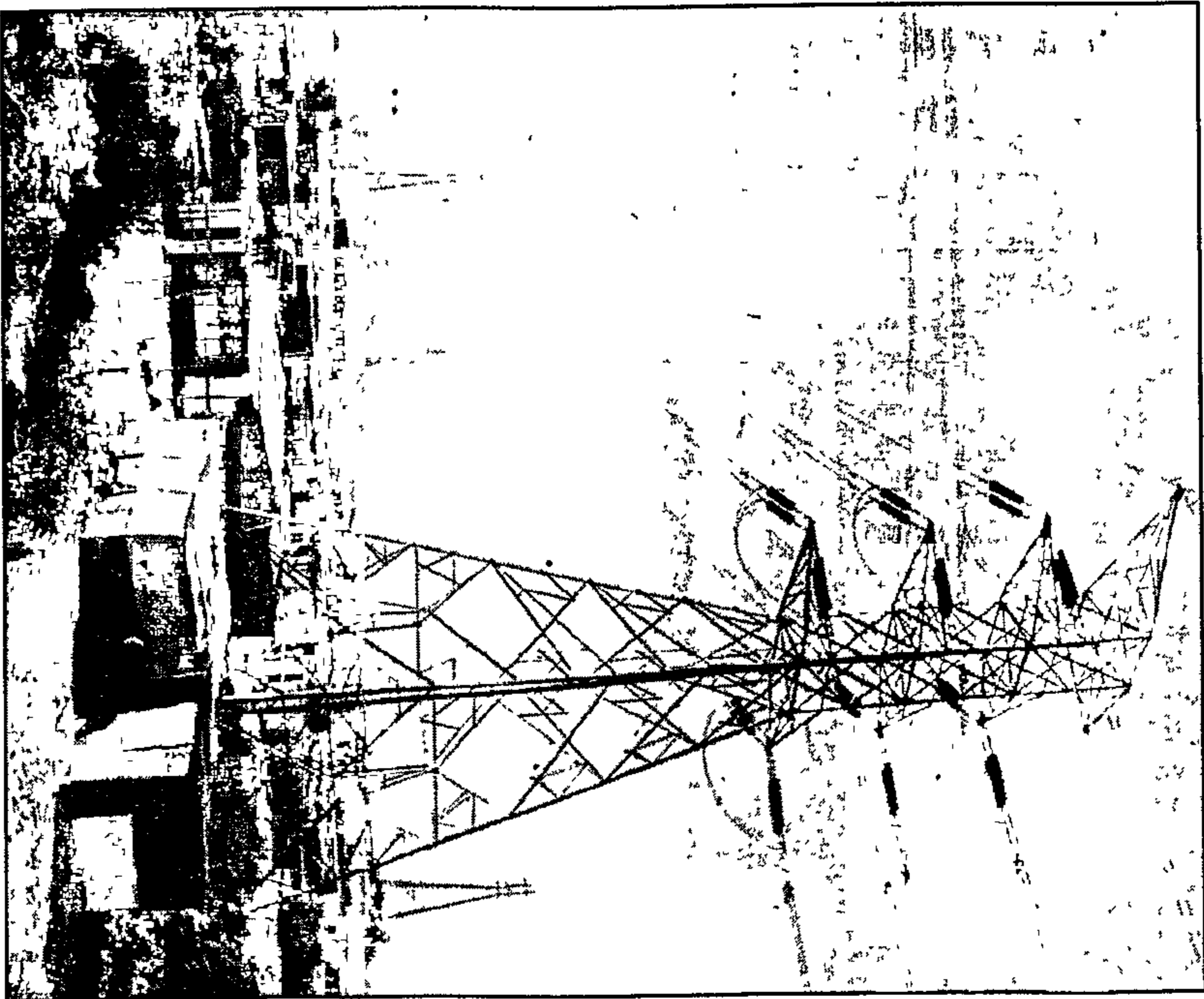
The cost of the training programme, which includes employing a person from the community to run it, would be borne by the local authority in each area.

Kingwell said that the process of consultation with community organisations would continue.

● A plan to electrify 50 000 Khayelisha homes in the next three years was announced by Eskom last week.

The joint project, between Eskom and two foreign companies, would install pre-paid electricity meters in 3 000 Khayelisha homes in the first year.

The meters are an attempt to combat the problem of arrears. Khayelisha, with a population of 500 000, has electricity for only 6 500 houses at present.



LIGHTS OUT: The Western Cape owes R52 million in electricity bills

Agglitering future in store for Eskom

BY ALIDE DASNOIS

Cape Town — SA electricity could be the cheapest in the world within five years, says Eskom chairman John Maree.

Speaking to delegates at an international conference yesterday on oil and minerals in sub-Saharan Africa, Maree said SA had the potential to become the world's "electricity valley", attracting electricity-intensive industries from other countries.

At present SA was a net exporter of electricity. But in the

long term it would have to import electricity, relying on generating capacity in other southern African countries

Maree said the huge hydro-electric potential of the Zambezi valley and the Congo basin could provide electrical power for the region.

Zaire alone could meet the entire region's needs

As the fifth-largest power company in the world, Eskom was prepared to share its expertise with SA's neighbours

Regional co-operation would bring huge benefits to all coun-

tries concerned.

Despite surplus capacity in the region, countries like Zimbabwe and Tanzania had power shortages

Increased regional trade in electricity would make for more efficient use of resources and ensure reliable supplies

Coal-based electricity could be replaced by cheaper and environmentally more acceptable options.

Water resources could also be more evenly shared through a comprehensive hydrology study of the region. SA and Bo-

swana lacked water, but the region as a whole had enough resources

Maree said that as South Africa returned to the world community, a window of opportunity was opening in the region.

Apart from mineral resources, SA could offer strong infrastructure, industrialisation, financial services, and an efficient agricultural sector which made it one of only seven food-exporting countries in the world.

"Our common goal is economic well-being and growth. The government will not be able to survive without economic growth and the same applies to the rest of Africa.

"By working together we have a better chance of showing the world that we can be an effective participant in the world economy."

Kuwait was eager to help African economic development by ensuring a stable oil supply and by participating in the development of African oil industries, the Minister of Oil Ali Ahmad Al-Baghi told the conference.

Al-Baghi, who is the first Kuwaiti official to visit SA, said sub-Saharan Africa was an attractive prospect for oil-producers because of its enormous growth potential.

Kuwait had taken two and a half years to rebuild its economy after the devastation of the Gulf War and his government hoped a similar "miracle" could take place in Africa.

SA could be a catalyst in this process, he said. "We in Kuwait would like to be a partner in that adventure."

SABC and world gear up for poll

■ BY JACQUELINE MYBURGH

An international broadcasting centre — described as bigger than the average Olympic Games media centre — is being established at the SABC in anticipation of massive international coverage of the election next year.

Overseas networks such as the American Broadcasting Corpora-

tion (ABC), the British Broadcasting Corporation (BBC) and the European Broadcasting Union are reported to be bringing in extra staff members to cover one of next year's top international news events. (260)

In preparation for live television broadcasts before, during and after the election, BBC TV is building a studio on top of its building in Richmond. Bureau chief John Har-

rison said a glass window in the studio would enable viewers to see the Johannesburg skyline while watching programmes filmed there.

William Thomas, bureau chief here for ABC, said the election was regarded by overseas networks as one of the major news events for 1994 "that they know about and can plan for".

ABC would hire extra staff locally.

Biday 30/11/93

Sky's the limit, says Eskom

CAPE TOWN — Southern Africa could become "the electricity valley of the world", Eskom chairman John Maree said yesterday

Speaking at the oil and minerals conference, he said hydroelectric power potential in Zaire could provide electricity for the entire region.

Figures showed the potential existed to generate about 150 000MW of hydroelectric power in southern Africa, while current installed capacity was only 45 000MW — mostly coal-based.

(260)
"Some of the countries in Africa, like Zaire, Zambia, Zimbabwe and Mozambique, have large hydroelectricity potential, while others — Zimbabwe, Botswana and Swaziland — have sizeable coal reserves.

"The potential for gas in Mozam-

bique and Namibia, and the Cabinda offshore region of Angola, had been described as one of the most prospective regions for oil in the world," Maree said

There was scope for SA to become involved in other areas of development such as mining and transport.

SA had an internationally competitive mining equipment sector and could be the "hub" of technical support for the regions' minerals development sector

Maree said the development of inter-regional transport networks was essential as very few routes existed to support inter-regional economic activity.

"SA will seek to promote harmonised and integrated economic development in Africa," he said — Sapa.

Fund to stimulate black business

Massive boost for development aid

Star 11/2/93

■ BY BRUCE CAMERON

Cape Town — Billions of rands in foreign and local money is about to be unleashed for social and economic reconstruction and affirmative business action, ANC head of economics Trevor Manuel announced yesterday

Plans include

■ Establishing a special fund in co-operation with US fund managers to fund social infrastructure development and the stimulation of black business.

■ An initiative to be announced "within days" by a major, unnamed South African life assurance company to release millions of rands for socially responsible development projects.

SOCIAL and economic reconstruction projects in South Africa will benefit from billions of rands of foreign and local money

■ A post-election, international, special reconstruction bond to allow foreigners interested in SA to help fund development.

Manuel announced the plans at a breakfast of the Independent Business Forum in Cape Town.

Visiting US Secretary of Commerce Ron Brown, who made an unscheduled appearance at the

breakfast, announced it was the intention of President Bill Clinton to move rapidly to provide economic assistance and advice to ensure economic as well as political equality.

He said a special section of an investment agreement under the auspices of the American foreign assistance agency, the Overseas Private Investment Corporation, scheduled to be signed by himself and Finance Minister Derek Keys yesterday would make provision for affirmative action investment by US businessmen.

Manuel said a new government would also do everything it could to encourage foreign and local investment.

SABC to get new blood

Star 11/2/93

■ BY JACQUELINE MYBURGH

The SABC Board is expected to announce the appointment of four new senior executives at the corporation tonight.

The appointments are likely to be finalised during the monthly meeting of the board today.

Two of the positions will be new. One is that of assistant to group chief executive, Wynand Harmse, and the other is an assistant to the chief executive: television, Quentin Green.

It is not yet known who the new executives will be, but sources

indicated that some top journalists and media specialists are in the running for the jobs.

The board was criticised in some quarters earlier this year for renewing Harmse's contract for another year and not introducing new blood at management level. (260)

Other positions to be filled are those of chief director personnel and manpower which became vacant last month when Dan Esterhuyse died in a aircraft accident, and a chief director of radio — vacant since Carel van der Merwe left.

SA to give India mobile clinic

Cape Town — South Africa was going to supply a mobile surgical theatre to India for use in the area hit by the recent earthquake, the chairman of the House of Delegates, Dr Bhadra Ranchod, said yesterday.

Speaking in debate on the Administrations' Adjustments Estimate, he said the unit would be paid with contributions of R500 000 from the Administration and R500 000 from the Department of Foreign Affairs.

The unit had been acquired and was in the process of being shipped. — Sapa.

39 held after cave raid reveals guns

Star 11/2/93

■ BY DIRK NEL
NORTHERN TRANSVAAL BUREAU

Pietersburg — Police have arrested 38 men and a woman in a cave in the Strydpoort Mountains, south east of Pietersburg for allegedly conspiring to disrupt the coming election and the illegal possession of firearms

SAP spokesman Major Arno Vogel said four men claiming to be commanders of the group were evidently members of the Azanian National Liberation

Army (Azania), the armed wing of the Black Consciousness Movement of Azania.

Journalists taken to the cave yesterday were shown where detectives had found an AK-47, an R1 rifle, a Z88 pistol and large amount of ammunition.

Police received a tip-off from hikers who had explored the cave and found evidence of the presence of the fugitives

The 39 were arrested on Monday and are being questioned.

The cave in the Donkerpoort

area, about 70 km from Pietersburg, is obscured by dense bush. The group had put a steel door at the entrance. (260)

Another passage from the entrance leads into several large chambers, and the living quarters used by the group is about 800 m into the cave.

The general secretary of the Harare-based Black Consciousness Movement of Azania, Mpontsheng Kgokong, said he was unaware of the existence of the alleged training camp.

Eskom assessing gilt options business

ESKOM would reduce its business in gilt options if the market continued to burgeon at present rates, Eskom corporate treasurer Johan van den Berg said yesterday.

The electricity supplier — which makes a market in its own gilts and options — was reluctant to let its turnover in options exceed half the trade it did in its underlying stock, he said. (260)

Options give the holder the right to either buy or sell stock at a certain price. One of the key components in pricing an option is volatility, effectively how much the price of the actual stock has moved over a certain period.

Those levels had been met, with the past year's turnover in physical stock at R200bn and options at R100bn.

Eskom and the Reserve Bank are the two major writers of gilt options. The Bank has reined in its options business by limit-

BID 97 1112 193
TIM MARSLAND

ing the size of trades to R10m. Larger volumes have to go through the market.

The lack of available options had also pushed option prices to record levels. Increased volatility in the gilts market had added to the pressure on prices.

It was virtually impossible to do transactions worth more than R50m at a time, a dealer said. "The banks don't want to do business of that size anymore."

Another dealer said institutions seemed reluctant to write new options. The income earned might not be worth the risk of the gilts market becoming even more volatile as the elections drew nearer.

A dealer said option prices had been historically cheap in SA and the higher prices meant they were being brought in line with international levels.

New radio station on the air

IAIN MACDONALD
Staff Reporter

ARC 2/12/93

A NEW radio station, C FLAT — started broadcasting in the Cape Town area yesterday on a temporary licence.

The station is broadcasting for a month on 101,3FM and is a community service station, run on behalf of the Department of Home Affairs.

It was launched on Aids Awareness Day. One of the station's main functions is to promote awareness of Aids among the community of the Cape Flats.

A spokesman for the SABC's marketing arm, Radio Active, said yesterday two other temporary stations would be coming on air this month.

These are CTFM, which is scheduled to start broadcasting from December 15, and Fish Hoek Radio, which will broadcast officially from the same date, but may be on air as early as Sunday, if current negotiations between the station managers and the department prove successful.

CTFM — one of the first independent festival radio stations in the country — was first launched two years ago as part of the Cape Town Festival.

It is being re-launched on a temporary licence to cover the December festive season.

Slabbert resigns from SABC board

Star 2/12/93

■ BY JACQUELINE
MYBURGH

Dr. Van Zyl Slabbert, chairman of the Central Witwatersrand Metropolitan Chamber and former SABC board chairman, resigned as a member of the SABC board last night due to the increasing pressure of his other commitments

Slabbert said he had had to weigh up where he could play the most effective role and he would not — at this critical stage — leave the Metropolitan Chamber and the local government transition process.

Meanwhile the SABC board last night discussed and confirmed the appointment of three new

top executives within the corporation.

Sources said two new positions are to be created: that of assistant to the group chief executive, and that of assistant to the chief executive: television.

A head of radio is also to be appointed following the resignation of Carel van der Merwe earlier this year

An SABC spokesman said the board had indicated the appointments would be publicised "later" once package negotiations have been completed.

■ During the same meeting, the board placed on record its confidence in the competence of its chairperson, Dr Ivy Matsepe-Casaburri

Falling oil prices increase subsidy

Sasol in line for R1bn govt handout

Biday 2/12/93

(260)

SASOL could gain a R1bn handout from government in the year to June 1994 if the slide in world oil prices below the \$15 a barrel level continues.

The record subsidy, outstripping last year's R670m handout, is the result of the synfuel protection formula.

Government pays Sasol a floor dollar oil price of \$21,84 a barrel for its 150 000 barrel a day synfuel output, irrespective of the level at which crude oil prices trade on world markets. Oil prices are currently languishing at five-year lows.

The mounting synfuel subsidy will add to calls from the rest of the sector, most notably from rival fuels group Engen, that the protection Sasol receives must be eliminated in any attempt to deregulate the SA oil industry.

The liquid fuels task force investigating the industry is expected to deliver its first report to the National Economic Forum by the middle of this month.

Government pays for Sasol's subsidy through the equalisation fund, which derives its income from the equalisation levy on petrol, diesel and paraffin sales.

The floor price was adjusted in October from \$23 as Sasol undertook to absorb the 2c/l cut in the petrol price, mostly made up by Mineral and Energy Affairs Minister George Bartlett's decision to lop 1,3c off the 7c/l equalisation levy. The petrol price decrease followed public outrage at the

MATTHEW CURTIN

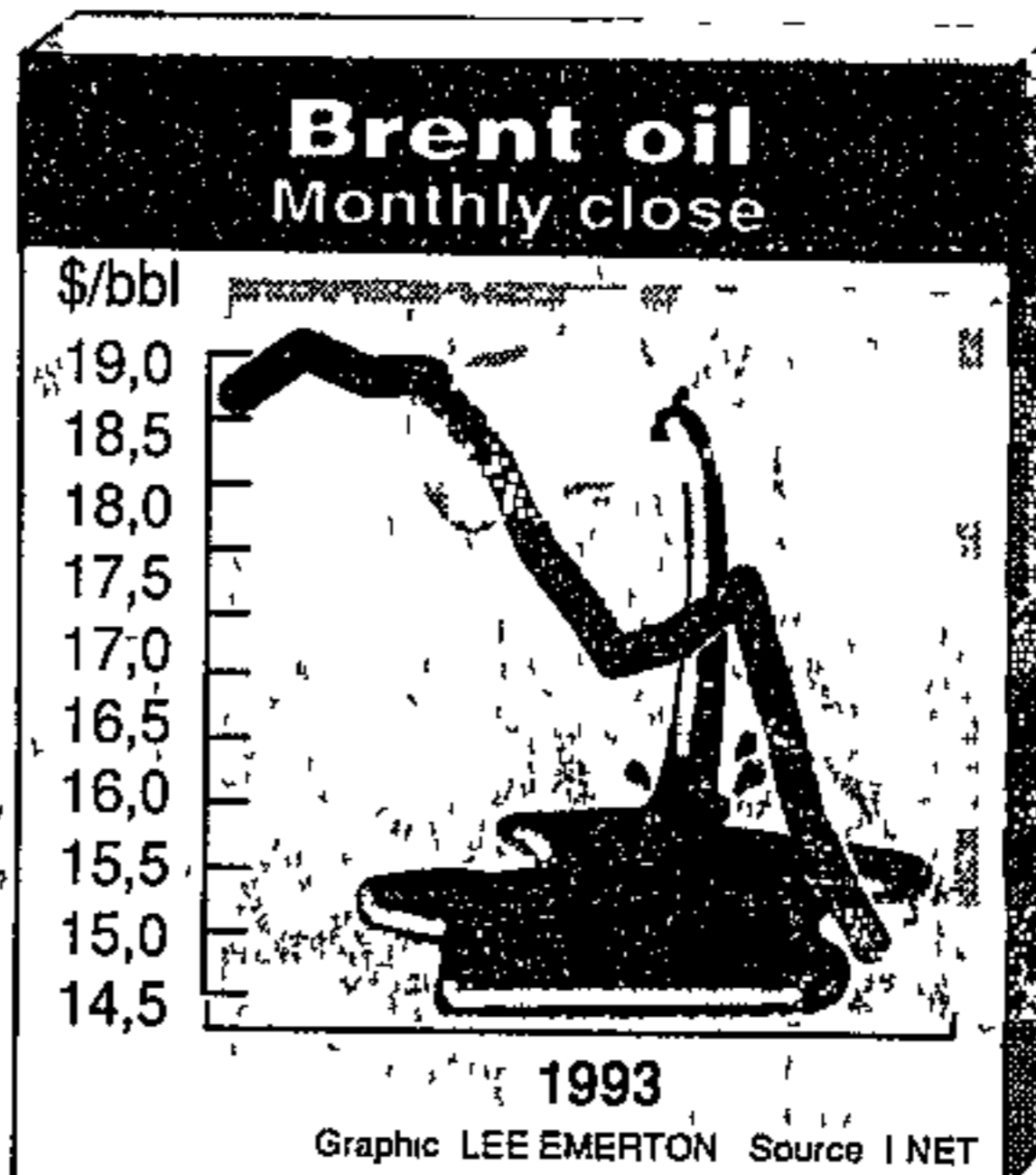
unilateral 7c/l increase announced by Bartlett the previous month.

The equalisation fund and taxpayers meet the difference between the Sasol floor price and world oil prices.

January Brent crude was trading at \$14,43 yesterday afternoon, with Dubai crude quoted at \$12,78. It is understood that government uses a world oil price roughly equivalent to Dubai plus a dollar in the synfuel formula.

An oil marketing source said yesterday

□ To Page 2



Sasol

Biday 2/12/93

□ From Page 1

that the failure of Opec ministers to agree on reduced production quotas and the threat that Iraqi oil would again reach world markets, pending a partial lifting of UN sanctions, could send prices below this week's \$14-\$14,50 trading range for Brent crude. Rumours that Iraqi products would return sent prices scuttling to \$14,18 at the weekend before recovering to above \$14,40 this week.

A Sasol official refused to detail the size of the subsidy the group would receive but confirmed the payment increased as oil prices declined. Sasol turned in operating profit of R1,96bn in the year to June 25 on sales of R8,25bn, compared with R1,76bn on turnover of R7,86bn the year before.

Market sources said at current oil prices Sasol would receive at least an R800m-R900m boost to operating profit in the

current financial year. They said Engen MD Rob Angel's comments in October that the whole synfuel industry, including Sasol and Mossgas, would receive more than R1bn in subsidies now looked conservative.

Analysts said Sasol would earn an extra \$8 a barrel for its oil-from coal output if current prices were sustained, a figure exaggerated in rand terms by the currency's weakness against the dollar.

Since the \$23 floor price was put into effect in 1989, Sasol has received synfuel handouts equivalent to R478m in 1989/90, R223m in 1990/91, and R538m in 1991/92 before last year's R670m payment.

But Sasol MD Paul Kruger has said that the protection Sasol received has averaged only "a modest 12,5%" since 1979, on a par with tariff protection afforded the oil industry worldwide.

SABC to appoint 3 new top executives

The Argus Correspondent

JOHANNESBURG — The board of the SABC discussed and confirmed the appointment of three new top executives, but failed to release any names pending the negotiation of the nominees' salary packages, sources said. *ARC 2/12/93*

It is believed that top journalists and media specialists have been interviewed for the posts by the board's staffing committee.

Frontrunners for two of the posts are speculated to be Sunday Nation editor Zwelakhe Sisulu and deputy director of the Institute for the Advancement of Journalism Govin Reddy. *(260)*

Star 3/12/93

SABC spy probe hears producer first

■ BY JACQUELINE
MYBURGH

The freelance producer who accused the SABC of spying on her will be the first person to give evidence today as the SABC Board-appointed commission of inquiry into allegations of surveillance on staff members begins to hear submissions (260)

The appointment of the commission last month followed press reports in which the producer, Helena Nogueira, alleged she had been spied on while working at the SABC.

An SABC official said

at the time of the allegations that the hidden cameras that filmed Nogueira had been a security measure to establish who was using corporation equipment illegally.

Commission convener and board member Brigalia Bam explained that the three unions represented at the SABC had been invited to attend the commission.

She added that all proceedings in the auditorium of the main broadcasting centre were open to the press and public.

The commission will sit today, tomorrow and on Monday.

SABC takes a lashing — staffers set to join broadcasters' union

The Argus
Correspondent

JOHANNESBURG — Leaders of a planned new SABC trade union have lashed out at the corporation for what they call its "rampanant corruption, unilateral decision-making, unpopular policies, old-style paternalism and lack of transparency and accountability"

Several hundred SABC staffers are expected to join when the Broadcast Workers'

Union is set up at the SABC's K1 auditorium today

Union spokesmen say their message is. "Enough of divisions between black and white workers who want the transformation of the SABC into a public broadcaster the whole of South African can be proud of."

And "Enough of divisions between unions at the SABC, which only allow the old management to press ahead with their plans to rule

us while we remain divided"

They accuse the corporation of corruption and a lack of transparency, and criticise its policies, paternalism and decision-making style

Between 200 and 250 pledges of support have been received by the BWU

The union intends that workers should speak with one voice to the management and the SABC board on the

transformation process, and will argue for a rational restructuring of the SABC, to enable it to meet its public service obligations.

The union will also fight to ensure its input on issues such as news policy, training and affirmative action

It will also fight for decent wages and working conditions.

Today's meeting will adopt an interim constitution and elect an executive

ARLT 4/12/93

260

'Spying' on staff: SABC probe begins

The Argus Correspondent, ²⁶⁰ART 3/12/93
JOHANNESBURG. — The freelance producer who accused the SABC of spying on her will be the first person to give evidence today as the board-appointed commission of inquiry into allegations of surveillance on staff members starts to hear submissions.

The appointment of the commission last month followed press reports in which the producer, Helena Nogueira, alleged she had been spied on while working at the SABC.

An SABC official said at the time of the allegations that the hidden cameras that filmed Nogueira had been a security measure to establish who was using corporation equipment illegally.

Media lawyers David Dison and Lauren Jacobson, advocate Khomotso Moroka, Johan van der Westhuizen, of the University of Pretoria's Centre for Human Rights, and four board members will serve on the commission.

Commission convener and board member Brigalia Bam said the three unions represented at the SABC had been invited to attend the commission, and all proceedings in the auditorium of the main broadcasting centre were open to the press and public.

The commission will sit today, tomorrow and on Monday.

Sisulu given position as top executive

(260)
CT 4/12/93
JOHANNESBURG —
The SABC has appointed
Mr Zwelakhe Sisulu, edi-
tor of the ANC-aligned
New Nation newspaper,
as special executive to
group chief executive Mr
Wynand Harmse.

Mr Sisulu is the son of
ANC deputy president
Mr Walter Sisulu. His
journalistic career
began at the Rand Daily
Mail in 1975.

An SABC statement
said former ANC Radio
Freedom journalist Mr
Solly Mokoetle, now with
the Canadian Broadcast-
ing Corporation, has
been appointed senior
general manager, radio.
Mr Govin Reddy, 50, of
the Institute for the Ad-
vancement of Journal-
ism, becomes executive
head of radio — Sapa

Call to recuse SABC chief

JOHANNESBURG — The SABC commission of inquiry into covert surveillance of SABC staff is to rule today whether SABC group executive Mr Wynand Harmse should recuse himself from the commission. (260) et 4/12/93

The commission is trying to establish whether the SABC was justified in its surveillance of a former SABC employee, Ms Helen Nogueira

Ms Nogueira's attorney, Mr Richard Treisman, requested Mr Harmse's recusal on the grounds that his position as group executive would not allow him to be objective, and Mr Harmse could be of greater service as a witness. — Sapa

SABC camera to 'spy' on strikers

(260) CT 6/12/93

Own Correspondent

JOHANNESBURG — SABC officials had bought a special surveillance camera the size of a packet of cigarettes to spy on its workers during last year's strike, security personnel disclosed at a public hearing at the weekend.

Security manager Mr John Morgan told the hearing into allegations that journalists had been spied on by the SABC, that the camera had been bought to monitor strikers because they were "riotous from time to time".

As the usual cameras had been destroyed and cameramen assaulted by the strikers, the idea was to use the

miniature camera

But Mr Morgan claimed it was never used for this purpose "because we took alternative security steps that were satisfactory and effective". He did not elaborate.

Various SABC officials testified about how the camera came to be used for another purpose: spying on journalists working in an editing suite.

The officials said the camera was used only to monitor the editing suite when it was not booked in an attempt to find out who was using it without permission.

Lawyer Mr Paul Kennedy said that secret surveillance of journalists was an invasion of privacy.

Editor for SABC

Sowetan 6/12/93

NEW Nation editor Mr Zwelakhe Sisulu (47) has been appointed special assistant to the SABC's chief executive Mr Wynand Harmse

Sisulu, ANC deputy president Mr Walter Sisulu's son, founded the newspaper in 1987

The other three appointments are

Mr Solly Mokoetle senior general manager for radio, Mr Govin Reddy of the Media Institute of South Africa and Institute for the Advancement of Journalism was appointed executive head of radio, Radio Zulu manager Mr Hawu Mbatha is now the general manager, Natal Broadcasting Services.

Political comment in this issue by Aggrey Klaaste and Joe Thloloe
Newsbills, sub-editing and headlines by Mike Tissong and Sy Makaringe
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Sowetan 6/12/93

SABC spying probe told of surveillance

Camera used to catch offenders, inquiry told

Star 6/12/93

■ STAFF REPORTER

The same video camera used to monitor the strikes by SABC employees in May last year was used to spy on former producer Helena Nogueira.

Hidden

This was said at the weekend by the corporation's security services acting manager John Morgan during a commission of inquiry into the spying allegations first revealed in the Sunday Star

Nogueira had allegedly been caught, by means of a hidden camera, using SABC editing equipment without authorisation.

Broadcast Complaints Commission chairman Kobus

MANAGEMENT used cash payments and promotion without merit to woo union officials, John Bishop tells meeting

van Rooyen and media lawyer David Dison are chairing the commission, made up of four SABC Board members. Board chairman Dr Ivy Matsepe-Casaburri, although not a member of the commission, has attended both days of the inquiry.

Morgan told the commission on Saturday that he had suggested that the cigarette-

sized camera — the only one of its kind owned by the SABC — be installed in an attempt to catch the guilty parties (260)

The camera had been installed to monitor the misuse of facilities, not people

■ An attempt by lawyers representing the Campaign for Open Media and Nogueira to have SABC group chief executive Wynand Harmse recuse himself from the commission was blocked on Saturday. The commission ruled that he should remain a member

The hearing continues today

■ Management has used cash payments and promotion without merit as "sweet-heart" tactics to woo union officials in the SABC, John

Bishop, television news reader and a member of the ad hoc Transformation Committee recently established by staff at the corporation, said at the weekend.

Bishop was addressing about 50 people at a pre-launch meeting of the Broadcast Workers' Union.

Bridge

The union aimed to bridge the gaps between all the different media workers and unions at the corporation, organisers said.

The Transformation Committee is an overarching body aimed at organising workers to speak with one voice to the SABC management and the board concerning changes at the SABC

'Rush to join SABC union'

ERICA JANKOWITZ

HUNDREDS of SABC staff had joined the newly formed Broadcast Workers' Union, the union claimed at the weekend 6/12/93

The union has adopted an interim constitution, executive and resolutions. It was agreed regional structures would not be launched until 500 members had joined.

Three unions are recognised by the SABC: the SA Broadcasting Staff Association, the SA Union of Journalists and the Media Workers' Association of SA. The new union is not opposed to members belonging to other unions. (2/10)

SABC bought spy camera

KATHRYN STRACHAN

SABC officials had bought a special surveillance camera the size of a packet of cigarettes to spy on workers during last year's strike, security personnel disclosed at a public hearing at the weekend into allegations that journalists had been spied on through hidden cameras. **B112143**

Security manager John Morgan told the hearing the camera had been bought to monitor the strikers because they were "riotous from time to time"

As the normal cameras had been destroyed and cameramen assaulted by the strikers, it was decided to use the miniature camera. But Morgan claimed it was never used for this purpose "because we took alternative security steps that were satisfactory and effective". He did not elaborate on these steps. **6112143**

The same camera, with a 7,5mm lens, is now the focus of the commission of inquiry appointed by the SABC board, with various SABC officials testifying how it came to be used for another purpose spying on journalists while they were working in an editing suite.

The officials said the camera was used only to monitor activities during periods when the editing suite was not booked in an attempt to identify individuals misusing

the facilities outside the hours for which they were booked. However, no explanation has been forthcoming as to why it was necessary to install, separately at a later stage, a microphone to monitor conversations.

The officials did not consider the surveillance an invasion of privacy. The whereabouts of the camera and tapes remains a mystery after two days of hearings. **(260)**

The legal representative for the Campaign for Open Media and the SA Union of Journalists, Paul Kennedy, told the hearing that secret surveillance of journalists was an invasion of privacy which jeopardised the free flow of information, freedom of expression, labour relations and the credibility of the SABC.

The reports of secret surveillance have come at a time when the SABC has embarked on a new course, and the hearing — the first public hearing in the history of the SABC — is regarded by the Campaign for Open Media as the litmus test for the corporation's commitment to transparency and public accountability. Kennedy said the public perception that the free flow of information was not impeded was particularly vital in the light of the elections.

Row over bill led to surveillance

SABC producer *Star* 7/12/93 'against spying'

■ BY JACQUELINE MYBURGH

Ria Bonthuis, the SABC's Safritel producer of cultural programmes, said yesterday during a commission of inquiry that she was opposed to the covert surveillance of staff at the corporation.

The SABC Board-appointed commission of inquiry into allegations of secret staff surveillance was established following reports in the Sunday Star in which one of Bonthuis's employees, freelance producer Helena Nogueira, claimed she had been spied upon and harassed regarding her political views.

Nogueira had been producing *Contacto Portugues*, a cultural programme for the Portuguese community in South Africa.

Bonthuis told the commission that the surveil-

lance occurred following a dispute between herself and the SABC's video editing maintenance supervisor over an exceptionally high bill sent to her department for the use of editing suites.

She said she did not request the installation of the camera. The supervisor Lukas van der Westhuizen had said he would find a way of proving that the bill was correct.

"By the time we knew (about the installation of the camera) the evidence (against Nogueira) was damning," she said.

A hidden camera had recorded that Nogueira was making unauthorised use of the editing suite.

Legal counsel for the Campaign for Open Media Paul Kennedy expressed concern to Bonthuis that it was not appropriate behaviour

for a supervisor to go along with the covert surveillance of a member of staff. (260)

Bonthuis said she had requested that a microphone be installed in the editing suite to pick up what material Nogueira was working on.

Van der Westhuizen later testified that the microphone he had installed had been the same as the clip-on microphones used in television interviews.

Nogueira's legal representative Michael Gaganakis put it to Bonthuis that she had attempted to blackmail Nogueira by telling her she had proof that she had been editing private material, but she actually had not had such evidence.

The commission of inquiry will hear closing argument by all parties on January 21.

focus on ~~the SABC~~

ANY who fought the National Party in past elections will have scrambled emotions about the growing chorus of whinging and whining from the NP about the ANC's "politicising" of the SABC

On the one hand, they will want to sit back and enjoy the discomfort of those who unscrupulously politicised radio and television for their own ends over more than four decades

On the other, though, will be the realisation that if it was politically corrupt for the NP to have done so, it remains politically corrupt for anyone else to do the same

For instance, if the impression has gained ground, over decades of NP abuse, that it is normal for the ruling party to manipulate the electronic media for its own purposes, how is public outrage to be mobilised against such practices?

If in the public mind the SABC has become an instrument of the state — a government department rather than an autonomous and neutral public body — by what argument are the masses persuaded that those who control the might of the state ought not to have control of the electronic media?

Likewise, if the police have become identified in the public mind as the instruments of the state, the enforcers of apartheid, rather than the neutral upholders of law and order, is it surprising that the masses should demand partisan policing in the townships in the form of "self-protection" units and "community-based police", and should support a police union like Popcru which has clear affiliations to the ANC?

By and large the masses do not play cricket. They cannot be expected to readily grasp the British concept of fairplay upon which is based the management of state-owned broadcasting systems, and state-funded police forces, in many democracies elsewhere — a concept in which the state owns and manages an organisation but does not take unfair advantage of such control

We had a close call on the Constitutional Court. For 45 years the NP has interfered with the course of justice in pursuit of apartheid. It has overruled the courts and undermined their stature both for ideological reasons and in order to ensure its own survival

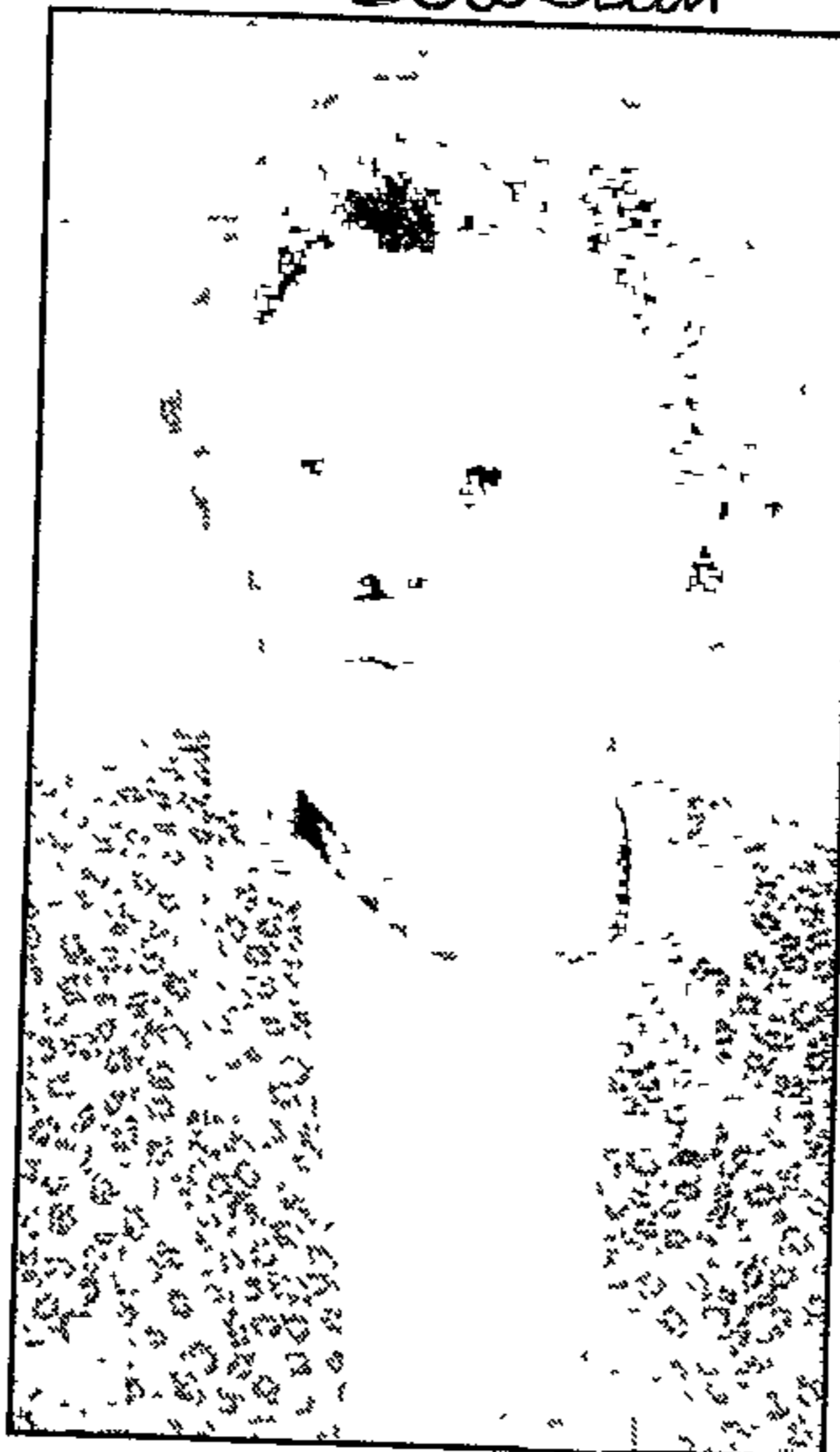
It was hardly surprising, then, that the ANC apparently should have seen nothing wrong with the idea of a politically-appointed majority on the court which would determine the constitutional validity of decisions and actions of a future government

For most of its ignominious rule the NP interfered in sport, setting up a ministry to ensure that apartheid was introduced at every level of every game, and bringing upon itself international censure and the establishment by the ANC of something akin to a counter-ministry-of-sport-in-exile and the international sports boycott

To a very large extent, that counter-ministry has now taken over the administration of sport in

Once political corruption has become entrenched, it is inordinately difficult to eradicate — even when a new political order emerges and claims to have the very best of intentions. **Hugh Robertson** comments on new developments at the SABC:

Sowetan 9/12/93



Dr Ivy Matsepe-Casaburri

(260)

South Africa. While it has been comparatively benign so far in the use of its new-found power (barring some absurd pettiness over symbols and other trivialities) the need for its existence is questionable, and the motives of the ANC in perpetuating the whole misadventure of politics in sport even more so

In the case of the SABC, the incipient signs of imitating the past are most disconcerting. Just as the NP's opponents of yore questioned whether elections were free and fair when the NP controlled and manipulated the most powerful media in the country, so the question could arise again — with the ANC in the dock

At this stage much of the NP whinging about the SABC is exaggerated and perhaps stems from a murky familiarity with the depths to which political corruption was possible in the past

Dr Ivy Matsepe-Casaburri has acknowledged that she is a member of the ANC, but she appears to have an altruistic commitment to being an impartial chairman of the board and has said and done nothing so far to cloud that impression

But less reassuring was the appointment this week of a deeply committed ANC ideologue, Zwelakhe Sisulu, as special assistant to Wynand Harmse, the corporation's chief executive, whose contract is to expire next year and whose intended successor Mr Sisulu appears to be

And thoroughly disquieting were the reported comments of Johan Pretorius, editor-in-chief of the SABC's television news productions, that recently some SABC journalists had been intimidated by politicians

Is the SABC simply changing political hands, or is there to be a genuine movement away from the political corruption of the past? The question, and its answer, have a vital bearing on whether or not the April 27 election will be free and fair. Given the fact that some 60 percent of those who will vote are illiterate, and thus will not be influenced by newspapers, radio and television could well be pivotal in determining the outcome

As it is, and always has been, radio and television have by far the greatest reach of all media — a captive audience which in the case of a majority of whites has been led by the nose of political error in successive elections for decades

The jury is still out on the ANC, but its capacity to imitate the past mistakes of the NP when confronted by the temptations of power appears to have been demonstrated. The need for it to show beyond doubt its determination to make a real break with the past, and to break the momentum of political corruption which has gathered force for so long, is now greater than it has ever been

Just as the NP's opponents of yore questioned whether elections were free and fair when the NP controlled and manipulated the most powerful media in the country, so the question could arise again — with the ANC in the dock

SABC choices for posts queried

Star 9/12/93

■ BY JACQUELINE
MYBURGH

Concern has been raised, privately and publicly, among journalists over the appointment of Sunday Nation editor Zwelakhe Sisulu and others to senior executive positions at the SABC.

Sisulu, the son of ANC deputy president Walter Sisulu, has been appointed special executive to group chief executive Wynand Harmse

Govin Reddy, deputy director of the Institute for the Advancement of Journalism and founding editor of Africa South magazine, is the new executive head of radio.

Solly Mokoetle, currently working for the Canadian Broadcasting Corporation and a former broadcaster with Radio Freedom in Addis Ababa, Ethiopia, has been appointed senior general manager in charge of regional radio (260)

Columnist and Tribute editor Jon Qwelane said the new SABC board, in appointing three people with strong ANC links, was guilty of exactly the same kind of intervention for which it had criticised the NP Government

He said the best people for the job would have been those with more broadcasting experience

The Media Workers Association of South Africa said that broadcast experience and a track record of impartiality in the handling of news were definitely not a consideration in recent senior appointments

Eskom close to meeting target of 200 000 new connections

BIDAY 10/12/93

MATTHEW CURTIN

ESKOM is on the verge of meeting its target of 200 000 new connections in 1993 at an estimated cost of R600m. The utility's accelerated electrification drive has partially shrugged off problems caused by violence in the townships and pressure on its cash flow.

Eskom will have electrified 25% more households and small businesses than it did in 1992 and remains on course for the 800 000 new connections it hopes to make in its five-year programme started in 1991. The programme has led to 488 000 new connections so far.

Spokesman Kevin Morgan said yesterday the running total of new connections this year was 182 862 with a year-end forecast of 199 112. Eskom made 145 522 new connections in 1992.

However, he reiterated Eskom had access to only about a third of unelectrified homes in SA as it was one of 450 electricity suppliers: hence the importance of industry negotiations being conducted at the National Electrification Forum aimed at jump-starting a national electrification programme tied up with the restructuring of the industry.

The Energy for Development Research Centre at Cape Town University has estimated that

23-million people in SA lack electricity, including the vast majority of people in rural areas.

It has advocated the formation of a R22bn national electrification programme which would increase the rate of new connections to 500 000 a year by 1995, resulting in 90% of households being linked to electricity by the year 2010. (260)55

Morgan said the total number of new connections which could be linked to Eskom activities would be more than 275 000 this year.

The group's financial incentive scheme offered to farmers for connecting their workers' homes had led to nearly 14 000 new connections this year, with 14 231 expected to be completed by December 31.

In addition, the R400-a-connection subsidy Eskom offered municipalities to help defray their electrification costs had led to an estimated 50 000 to 55 000 households being hooked up to the Eskom grid, with a possible 63 000 connected by year end. The average cost of connecting a home is R3 000.

Investors take heart as Iscor share price posts solid gains

ART 10/12/93

MARC HASENFUSS
Business Staff

RENEWED interest in Iscor has pushed the share price close to 200c — the price that the steel giant was listed at four years ago

The share firmed 4c on the Johannesburg Stock Exchange yesterday to settle at 196c. Trade was typically heavy, with almost two million shares changing hands.

The handful of "leftover original" investors will take heart at the recent bull run, after watching the share crumble to a 60c low during last year's "rust run".

The share, however, is still at a considerable discount to its net asset value of 341c a share.

Although the Iscor has been pulled up by improving sentiment on the JSE, there are a number of fundamentals supporting the recent share price gains.

New managing director Hans Smith has already indicated that Iscor's half year results to end February would give investors an indication of a turnaround.

This has been supported by analysts, some of whom are predicting substantial profit gains in the current financial year.

Iscor has also embarked on a major strategic planning exercise — due for completion this month.

According to reports, Iscor's negative cash flow position has been reversed since Mr Smith took over the reins.

The group's hefty interest bill has been a major stumbling block. Unless Iscor's debt gets a chronic overhaul, interest paid will ruin the profit gains squeezed from an expected uptick in the domestic and international steel markets.

■ Meanwhile the investment community has reacted favourably to developments at ICS Holdings — which until recently was considered the

weakest of the major food companies, reports Stephen Cranston from Johannesburg.

The share is trading at a high of R20 and Guy Woolford, manager of the Syfrets Growth Fund recently described ICS as an excellent recovery share.

That ICS has been restored to financial health is apparent. In 1990, earnings per share slid from 147,4c to 96,2c.

But in the subsequent three years they have risen steadily to 164c.

Return on shareholders' funds has gone from 9,9 to 13,9 percent and interest cover from 2,7 to 10,5 times.

This has all been achieved when volumes in its main markets — milk, red meat and poultry — have been in decline.

One reason for the success, says chairman Robbie Williams in the annual report for the year to September, has been that the group has addressed under-performing assets, while moving the focus of the business away from basic protein commodity products to higher-margin branded products.

Iscor acquired a further 12 percent of Sea Harvest, a leading fish processor.

The overcapacity in the milk market is being addressed in a merger of DairyBelle's Clayville operation and Neils-Bliss to form D&B Foods.

The processed meat business will be rationalised with the merger of Renown and Foodcorp's Enterprise, to form Enterprise Foods.

As part of the deal, Foodcorp has acquired 50 percent of the Cold Chain distribution network.

Half of DairyMaid was sold to Nestle, which has already led to the launch of new products and will allow the company to benefit from Nestle's marketing, processing and technological expertise.

Unions clash on top jobs policy at SABC

□ Doubts cast on impartial election coverage

The Argus Correspondent
JOHANNESBURG — Tensions over the future political direction of the SABC have surfaced, with the country's two largest trade union federations opposing senior appointments.

And Inkatha Freedom Party leader Mangosuthu Buthelezi has questioned the impartiality of election coverage

He expressed "grave concern" over the appointment to the SABC of "well-known members or persons linked to the African National Congress"

He claimed the board was trying to give the ANC "an upper hand in the management of the SABC", that news unfavourable to the ANC would be "throttled", and that the election campaign was therefore "already rigged"

Cosatu and the National Council of Trade Unions (Nactu) voiced different views on whether the appointments would compromise the SABC

ANC-aligned Cosatu said it was "appalled" by the response

of the media to the appointments of Zwelakhe Sisulu, Govan Reddy and Solly Mokoetle, particularly its accusation that they were too close to the ANC

On the other hand, Nactu said "the independence of some, if not all, is questionable", and that "there are a lot of people who have served the SABC for many years who should have been appointed, or trained for the positions"

It is understood there is a strong support among the SABC's black news staff for the PAC and black consciousness-aligned groups, as well as a fairly strong IFP presence.

Mr Sisulu, son of ANC deputy president Walter Sisulu, is founding editor of New Nation Mr Reddy, to be executive head of radio, is deputy director of the Institute for the Advancement of Journalism and founding editor of Africa South magazine Mr Mokoetle, to be senior general manager of regional radio, worked for the Canadian Broadcasting Corporation, and formerly broadcast for the ANC's Radio Freedom from Ethiopia

(260) ARG 10/12/92
Cosatu accused the media of being silent over the reappointment of director-general Wynand Harmse, who had admitted presiding over SABC policy of stifling government opposition, and over the continued "stranglehold" of the Broederbond

Cosatu said Mr Sisulu had spent many months in prison "because of his devotion to press freedom and his refusal to bow to apartheid censorship"

Mr Reddy, through his work with the institute, had helped to foster a culture of independent and critical journalism.

The three appointees "know more about fighting censorship and party political propaganda than the entire SABC management put together", said Cosatu, adding it had full confidence in their independence and integrity

Nactu said it was concerned because the posts had not been advertised. Instead people had been offered them secretly, but had refused on the grounds the approach was "political".

SABC prepares for a new master's voice

□ 10 years of bannings, jail failed to dampen Sisulu's journalistic cause for blacks

SITTING in a cold cell in solitary detention back in the 1980s, veteran journalist Zwelakhe Sisulu could not in his wildest dreams have imagined he would one day hold the most powerful position in the field of broadcasting in this country

Yet this is the direction his life seems to be taking, with the announcement that he is to be a "special executive" to group chief executive Wynand Harmse

Mr Harmse's present contract lapses in September and all indications are that Mr Sisulu is being groomed for the job

Although some concerns have been expressed in journalistic circles that Mr Sisulu lacks the broadcasting experience required for the job, he does bring with him a long and varied career in newspaper journalism and the painful but, some may say, valuable experience of having fought censorship laws during the apartheid years

His newspaper career started in 1975 when he joined the Rand Daily Mail after matriculating, but according to Sisulu's friends and colleagues, he first rose to prominence on October 19 1977

That was the day — to be dubbed "Black Wednesday" — when the government banned 18 political organisations and the The World newspaper where Mr Sisulu was news editor

He and five other journalists got together that same evening to plot the formation of an organisation that would for many years be one of the few avenues for black protest

This was the Writers Association of SA (Wasa) of which Mr Sisulu became the first president

The following month, on November 1, Mr Sisulu led a protest march of 27 journalists against the general election

All were arrested, but re-

Sunday Nation editor Zwelakhe Sisulu has been appointed executive assistant to SABC group chief executive Wynand Harmse. Argus Correspondent JACQUELINE MYBURGH looks at the man who is crown prince to the most powerful position in the South African broadcasting arena.

PEOPLE IN THE NEWS

ZWELAKHE SISULU

leased once their fines had been paid

Mr Sisulu was first imprisoned in 1979, when he was sentenced to nine months for refusing to testify against a colleague in connection with the Terrorism Act. He was acquitted on appeal

By 1980 Masa had nearly 100 members, but it remained a specialist union for writers only

It was proposed that the union look to other media workers for support and so Masa became Mwasu — the Media Workers' Association of SA

At the launch of the new union, Mr Sisulu spoke of the role of black journalists

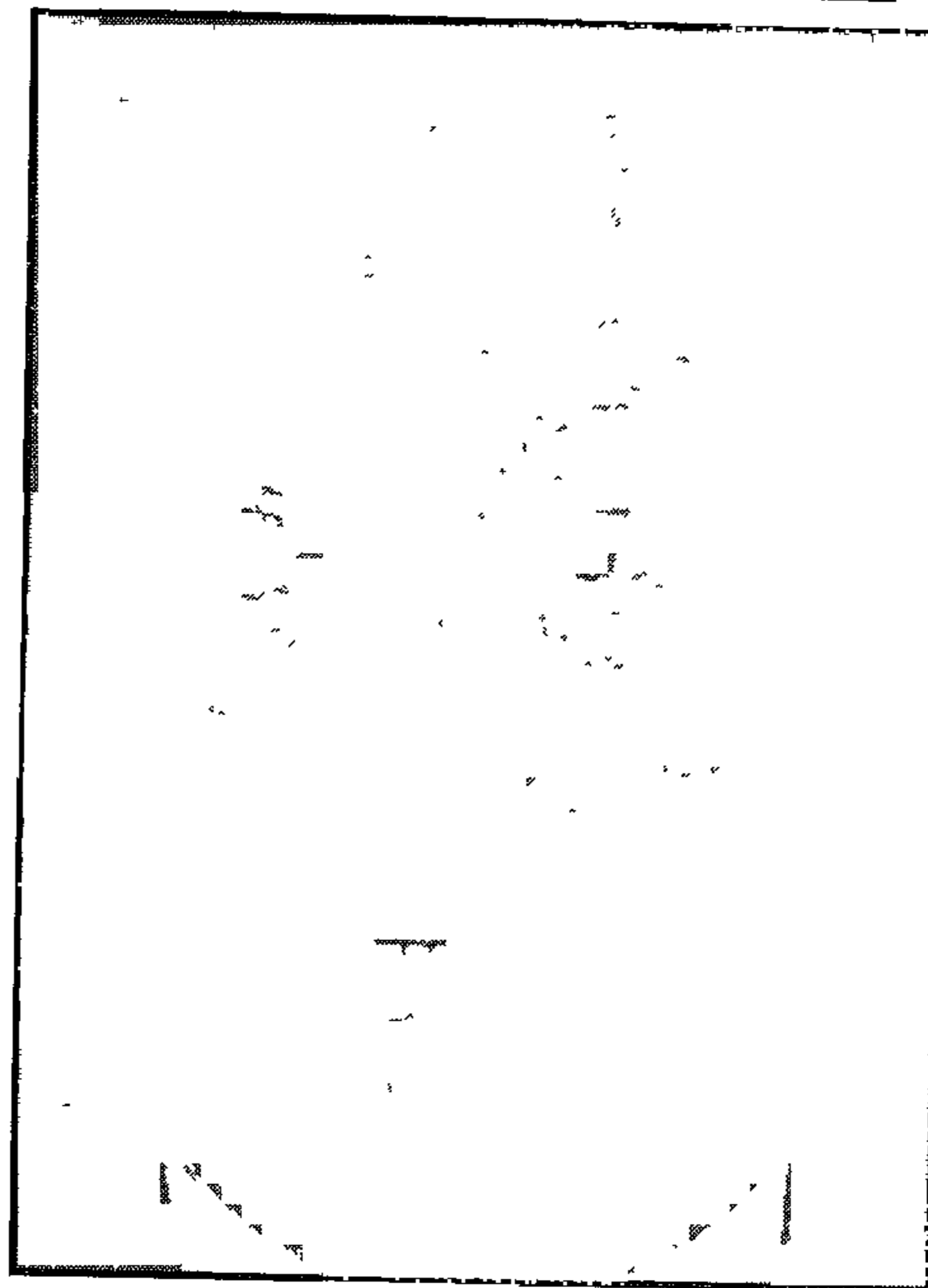
A colleague remembered him telling members that they had to choose between being "collaborationist propagandists" or "activist propagandists"

His choice was that of activist propagandist and he told his colleagues that they were black before they were journalists

Elected president of Mwasu at that meeting, Mr Sisulu later in the year led his members on a two-month strike — the longest ever media workers' strike

Although all the strikers were fired, they eventually regained their jobs and won substantial salary increases

That same night, after the strike had been resolved, the government banned the Post (which had replaced the



NEW POST: Sunday Nation editor Zwelakhe Sisulu who has been appointed executive assistant to SABC group chief executive Wynand Harmse, making him the crown prince to the most powerful position in the South African broadcasting arena.

World) and at the same time placed its news editor, Mr. Sisulu, and other top journalists under banning orders. This banning lasted for three years. The next 10 years would

prove to be a succession of bannings and detentions for Mr Sisulu — broken only by a year's study at Harvard University after he was awarded a Nieman Fellowship. He also did a spell at the Sowetan during this period

It was when he came back from America that Mr Sisulu began his own newspaper, the New Nation, in January 1986

Later that year he was detained for two years — allegedly for his activities on the National Education Crisis Committee

During his detention, the high profile editor and son of one of South Africa's most famous families, became a symbol for all journalists who were subjected to the oppressive emergency regulations

On his release in December 1988, Mr Sisulu was placed under some of the harshest banning orders imposed upon a journalist

As a result he was unable to edit his newspaper which was also banned under the state of emergency

The son of ANC deputy president, Walter, Mr Sisulu has been described by some of his friends as the kind of personality that alters the appearance of a room the minute he enters

He has an extraordinarily quick wit and many have referred to his engaging manner

He has also displayed a certain toughness in his running of the New Nation, say people who have worked with him

Critics say he sometimes displays a lack of flexibility and a bureaucratic style of management, but they acknowledge his other side

Mr Sisulu is the recipient of a number of international awards, including the Rothko Chapel medal for human rights, an award from the Union of Swedish Journalists and an award from the International Human Rights Law Group in Washington

Mr Sisulu was not available for an interview this week

(260)
ARG 10/11/93

Licence dilemma for city radio

(260)

CT 10/12/93

THE new CTFM radio station — operating from Spaced Out Sounds studio in District Six/Zonnebloem — has a temporary licence for one month, and not for three, as incorrectly stated in publicity material sent out on its behalf on Wednesday.

Stressing this yesterday, station manager John Butterfield says he expects the State President to sign the Act enabling an Independent Broadcasting Authority to be set up during the current session of Parliament.

This places him in a quandary, because he has been told that the radio station must then immediately stop broadcasting and apply for a permanent licence — but this cannot be done until the Independent Broadcasting Authority has been constituted.

“We have written to the State President’s office asking if we can complete the time on our temporary licence, and the option we were given to apply for another 20 days, while we are waiting.”

“We are hoping that a licence will be granted to enable us to remain permanently on the air, and that we will be allowed to broadcast on a temporary licence until then. But until this happens we cannot enter into any long-term advertising contracts.”

Eskom to probe pension fund chief

ET 10/12/93 (260)

Own Correspondent

JOHANNESBURG — The Eskom Pension Fund is to investigate why it recruited Christo Auret — convicted of illegal share deals worth R900 000 — to head its investment fund, one of the largest in the country

A spokesman for the R5,4bn pension fund, which has more than 40 000 members, said yesterday the investigation would also cover the circumstances surrounding Auret's conviction. Auret, who joined the fund as investment manager in June, has been suspended on full pay pending the outcome of the investigation.

He pleaded guilty last week to 45 criminal offences relating to irregular share transactions when he was investments GM at Lifegro, now Momentum Life. He paid R67 500 admission of guilt fines, although the State said

the deals had netted him a profit of more than R900 000

The fund said the trustees' board, which had voted unanimously to appoint Auret, had voted unanimously on Wednesday to carry out the investigation. It had been mooted after Auret pleaded guilty, but it had taken a week to bring together the trustees' board — consisting of Eskom directors, employee representatives and independent members.

The fund refused to say who had proposed Auret as financial investment manager, who had proposed the investigation, or who would be in the investigating team.

At the time of Auret's appointment as financial investment manager he was reported to have said he would resign should he be found guilty of the criminal charges

By Quentin Wilson

OVER 800 families in Crossroads benefited last week from Eskom's "Electricity for All" drive when their homes were connected with electricity for the first time.

Paraffin lamps, gas stoves, candles and batteries were all relegated to storage as relieved residents switched to electric hotplates, kettles and, in some cases, television sets.

"I can't tell you how much easier this has made our lives," said Mrs Patricia Futschane, 35.

"I was so happy. For the first time I could put my feet up and watch television in my own home."

"I don't have to worry anymore about my six children and all the gas we used to have in the house — it was very dangerous, expensive and difficult to work with," she said.

But the greatest bonus, as far as Futschane is concerned, is the boost

SOUTH 10112 - 14112193

And there was light

it gives to her job. As a cook who sells her food to tuckshops, she does not have to cart all her pots and ingredients to Mandela High's kitchen anymore — she can now cook in her own kitchen.

"I believe everything will be OK now. We are just getting to feel comfortable with electricity. Our lives have been really difficult here in Crossroads, but now I think life will be easier," she added.

Her neighbour, Mr Timothy Duna, agreed the electrification scheme could only help bring stability to Crossroads.

"There used to be so many fires caused by our paraffin lamps and so

on, but now life will be a lot easier. There are so many things I had to do before which I don't need to do anymore — electricity saves a lot of time," he said.

Mr André Kuhn, Eskom spokesperson, said the Crossroads connections were part of Eskom's drive to provide electricity for all.

"Two years ago, Eskom started a campaign, 'Electricity for All', and this is part of that drive.

"There are lots of reasons for us committing ourselves to a campaign of this nature. Firstly, we are a business, and the more customers we have, the more business for us.

"Secondly, electricity in all areas

would certainly help to build the economy of the country. Once people have electricity, it is easier for them to start businesses.

"Also, electricity will help the level of education in the country. Pupils and students will be able to study far more effectively with electrical light than with a candle.

"All in all, it is an important way to build real stability in our country," Kuhn said.

He said the Cape Town metropolitan area could currently enjoy a higher level of electrification than any other region.

"It is difficult to say because of all the different projects underway all the time. But a rough estimate puts the greater Cape Town area as the frontrunner in terms of the number of electrified homes," he said.

"At present, roughly 50 percent of the country is electrified. In the Cape Town metropolitan area, that figure stands around 85 percent — and that is a conservative estimate."

Voter education programme to be aired today

Star 10/12/93

■ BY JACQUELINE MYBURGH

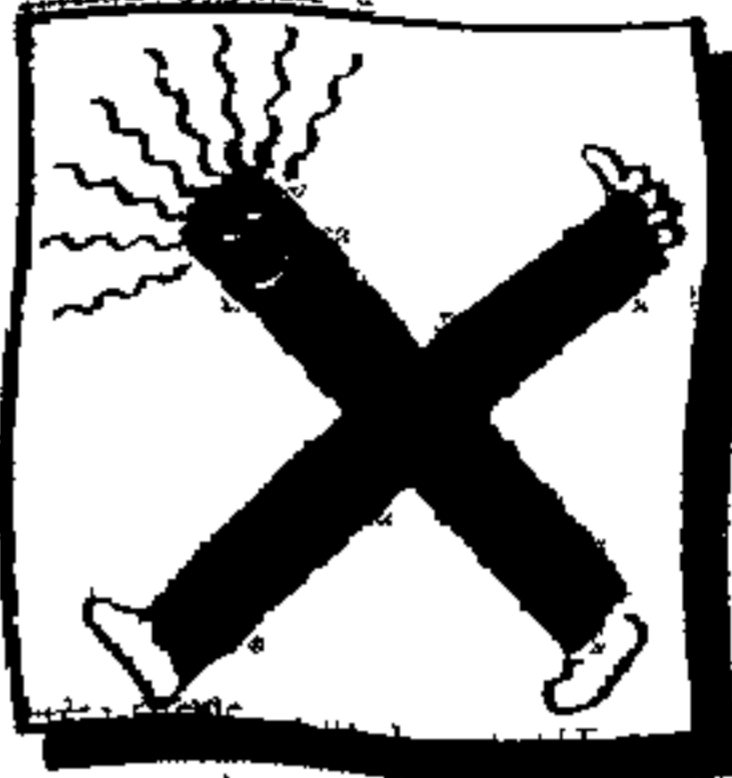
The SABC's voter education programme takes to the air today, with regular advertisements, documentaries, game shows and a soap opera to be used as vehicles for the campaign.

The programme, to be called Democracy Education Broadcast Initiative (Debi), is the product of three months of consultation with 50 organisations from civil societies — none of them political or profit-making.

Ruth Teer-Tomaselli, an SABC board member and convener of the working group on voter education, said this week that Debi had been structured in such a way to reach as large a section as possible of South Africa's future electorate and to achieve the highest possible degree of voter literacy.

Particular emphasis would be placed on reaching women, the youth, rural communities and people in townships, hostels and informal settlements.

She said attempts were being made to break



~~260~~ 260

down apparent barriers in society and the voter education broadcasts would be conducted in all 11 national languages.

In addition to black actors speaking English and Afrikaans, white actors would speak in black languages.

Teer-Tomaselli said the SABC and the Department of Home Affairs were financing the initial phase of the voter education campaign, but the bulk of the money would come from the Transitional Executive Council once the Independent Electoral Commission had been established.

According to current schedules, Debi will occupy R63 million worth of SABC air time and production costs are about R9,5 million. Existing material from the Matla Trust and Idasa are also being used.

Cosatu 'appalled' at media response

Star 10/12/93

Tension over SABC posts

■ BY PAUL BELL
LABOUR CORRESPONDENT

Tensions over the future political direction of the SABC surfaced yesterday after last week's senior appointments to the corporation.

And Inkatha Freedom Party leader Mangosuthu Buthelezi weighed in by calling into question the impartiality of SABC election coverage.

He expressed "grave concern" over the appointment of "well-known members or persons linked to the ANC".

He claimed the board was trying to give the ANC "a better and upper hand in the management of the SABC", that news unfavourable to the ANC would be "throttled", and that the election was "already rigged"

Cosatu said it was "appalled" at the media response to the appointments of Zwelakhe Sisulu, Govan Reddy and Solly Mokoetle.

But the National Council of Trade Unions (Nactu) said "the independence of some, if not all, is questionable", and that there were many people "who have served the SABC for many years who should have been appointed, or trained" for the posts.

It is understood that there is strong support among black news staff for the PAC and Black Consciousness-aligned groups, as well as a fairly strong IFP presence

Sisulu, son of ANC deputy president Walter Sisulu, is founding editor of New Nation.

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head of radio, is deputy director of the Institute for the Advancement of Journalism and founding editor of Africa South magazine.

Mokoetle, to be senior general manager of regional radio, was working for the Canadian Broadcasting Corporation, and formerly broadcasted for the ANC's Radio Freedom from Ethiopia.

Cosatu accused the media of being silent over the reappointment of director-general Wynand Harmse, who had admitted presiding over SABC policy of stifling government opposition, and over the continued "stranglehold" of the Broederbond on the SABC.

Of Sisulu, Cosatu said he had spent many

months in prison "because of his devotion to press freedom and his refusal to bow to apartheid censorship".

Reddy, through his work with the institute, had helped to foster a culture of independent and critical journalism.

The three appointees "know more about the need to fight censorship and party-political propaganda than the entire SABC management put together", said Cosatu.

Nactu said it was concerned that the posts had not been advertised. It claimed that several people had been secretly approached over the posts but had refused them because of the manner of the approach to the appointments, which they regarded as "political".

Old order unchanged, claims report

A bias towards the Government in much political reporting and many of the "old-style myths and prejudices" still occurred in SABC news coverage despite the appointment of a new SABC Board almost six months ago, according to the annual report of the Broadcast Monitoring Project

The report was presented at a function in Johannesburg last night.

After six months of monitoring, outgoing chairman Govan Reddy reported that SABC news coverage as a whole, and TV1 and Radio South Africa in particular, had adopted an "us and them" attitude when reporting on the transition process; there were ethnic and racial differences between CCV and TV1; and stations with white listeners had more resources. - Staff Reporter.

Difficult times lie ahead for SABC, says Harmse

BIDAY 10/12/93
LLOYD COUTTS

THE year ahead would be difficult for the SABC, with the corporation facing advertising revenue losses to private broadcasters and a restructuring of its financial composition, according to CEO Wynand Harmse (260).
In a New Year message published in the SABC magazine, Interkom, Harmse said the corporation would have to investigate new methods and sources to finance public broadcasting programmes on radio and television.
"This will be a difficult year. We are already experiencing the pressure and tension building up in the run-up to the establishment of the Independent Broadcasting Authority (IBA) and the upcoming general election."
The nature of the corporation would also be challenged. In its licence application to the IBA, the SABC would have to set out clearly its role in broadcasting.
"Our news and actuality programmes will also have to aim at creating an informed public, especially with a view to the upcoming election. This is why the voter education programmes are so important," he said

IFP rebukes ANC over SABC

DURBAN — The Inkatha Freedom Party has strongly condemned what it claims are efforts by the African National Congress to pack the SABC with ANC members

IFP political director Ziba Jiyane was reacting to the appointments of Zwelakhe Sisulu, Solly Makhoetle and Govin Reddy to senior positions in the SABC.

Dr Jiyane said the ANC was doing what the government had done in the past by making political appointments 11/12/93

But Campaign for Open Media chairman Raymond Louw said that to suggest the

SABC board was acting as an ANC agent was "rubbish"

He said to find a black person with expertise and without political sympathies was almost impossible

"I believe all of us have political sympathies in one way or another, but all of us are professionals who are able to overcome those sympathies and act according to the best interests of the public"

Mr Louw said his only reservation about the appointments of the journalists was that they had been given broadcasting jobs but some had only limited experience in that media. Oth-

er, more qualified people, had been passed over

Dr Jiyane said "The IFP demands immediate cancellation of the political appointments of the three ANC members to key SABC positions"

He said "Can it be honestly said that the playing fields in the transition to democracy are levelled? No, not when even the SABC is to become a mouthpiece of the ANC"

On appointments of this kind, Mr Louw said "Vigilance is the watchword."

He labelled the IFP's criticism of "ANC packing" as "overstated" — Sapa

DP, NP query SABC postings

Political Correspondent

CT 11/12/93
THE National Party and the Democratic Party yesterday spoke out on the recent appointment of people with high political profiles to key SABC positions (260)

The NP said the the SABC's news coverage had recently shown a disturbing favouritism towards the ANC following the appointment of ANC supporters to senior SABC positions

Here is the news -

THE SABC is still broadcasting news that is sympathetic to State institutions while largely misrepresenting or under-representing opposition political organisations, particularly those that have opposed apartheid in the past.

So says research on SABC news programmes conducted over the past year by the Broadcast Monitoring Project. The BMP is an independent research organisation funded by the European Community to monitor the SABC's pre-election news coverage.

In its annual report, the BMP says the appointment of a new board has not yet made an impact.

The corporation has continued to perpetuate a racial division in its news coverage, both by retaining an infrastructure that is essentially based on the policy of separate development, and by marginalising black society, says the report.

Of most concern is the SABC's reporting on violence, politics, security forces, labour and education, and the changing South Africa.

■ On violence: The SABC's reporting on violence contains subtle racism. Incidents of violence are all reported in one news item, usually with the only common factor being that the victims are all from the same race group.

All SABC channels tend to treat violent deaths and injury of black South Africans as mere statistics.

Generally, coverage focuses only on the rising death toll. From March to June this year, the names of black victims of violence were not supplied on any of the SABC's television channels.

■ On political reporting: The National Party and Government continue to be presented in a positive light. Research has shown the SABC tends to rely solely on the Government for its version and interpretation of events. Another common strategy applied by the

RESEARCH by the independent Broadcast Monitoring Project of the SABC's news coverage over the past year has shown that while some changes are taking place, ideological changes are much slower in taking root. MANDY JEAN WOODS reports.

SABC is to access stories which implicate the Government in some sort of controversy through Government denial of any wrongdoing.

Stories which might have disrupted the Government's status are sometimes simply not mentioned.

■ On security forces: The SA Police, in particular, has received favourable coverage. It has been portrayed only as a legitimate law and order institution and the SAP's version of events has dominated the narrative of news broadcasts. Criticism of it has either been underplayed or completely excluded.

■ On labour and education: The SABC can be seen to represent those groups which threaten to disrupt dominant interests as marginal, radical and dangerous. Treatment of the crisis in edu-

cation has been problematic since the beginning of the year. Only when mass action began did the education crisis become newsworthy.

■ On a changing South Africa: SABC news coverage of this has tended to adopt an "us" and "them" attitude, with TV1 portraying the transitional process from a white perspective; issues pertaining to the black community are generally covered in the context of their impact on the white community.

The BMP says. "In the next few months, the SABC's ability to shed its shackles of overt or covert Government control will largely determine its long-term future as an independent, credible public broadcaster."

● This is the final Media and Marketing column for 1993. It will appear again on January 8.

11/12/93 Star
11/12/93
- Slanted like before

BIG plans on TV, radio

12/12/93

THE Broadcast Interest Group (BIG) – the premier vehicle for black entry into the electronic media mainstream – holds its first annual general meeting this Tuesday in Johannesburg (260)

A new board, consisting of 15 people, will be elected at the meeting to be held at the Premier Group Centre, 1 Newton avenue, Killarney. The AGM starts at 5.30pm.

Speakers include Joas Mogale of Fabcos, Gaby Mokgoko of Nafcoc, David Dison of the Independent Broadcasting Authority, Ken Herold of Sentech-SABC and Jean-Louis Sandillon of Groupe France Telecom.

BIG has successfully lobbied both local and international support for black ownership and the operation of independent radio and television in SA.

It has also ensured that the Independent Broadcasting Authority Bill recently legislated in parliament assured black empowerment through the affirmative granting of licences to operate radio and TV stations.

The AGM will focus on:

- Organising broader support for black business community initiatives in radio, TV and telecommunications via the consortium and international joint venture partnership route.

- Black management and technical training in radio, TV and telecommunications.

- Follow-up report on the black-owned commercial TV station venture that begins transmission in 1994.

Black business and representatives of the electronic media industry are invited.

SABC man strives to clear his name

By CHARMAIN NAIDOO

A SENIOR SABC staffer is trying to clear his name after being publicly accused of masterminding a racist smear campaign against the corporation's new boss, Dr Ivy Matsepe-Casaburri.

Damage control is at the centre of a wad of correspondence between SABC group general manager of executive services Sakkie Burger, his lawyers, the Press Council, the SABC board and chairman Dr Casaburri.

The Sunday Times is in possession of documents outlining events since a front-page report appeared in the Sunday Nation on November 7 under the banner headline "Kaffer Meid — The racist campaign to smear SABC's black boss".

Ironically, Sunday Nation editor Zwelakhe Sisulu has just been

appointed special executive to the SABC's group chief executive, Mr Wynand Harmse. *SITIMEO*

Mr Burger — brother of Mr Staal Burger, former Brixton murder and robbery squad chief and senior agent in the SADF's shadowy Civil Co-operation Bureau — refused to comment on the row this week.

In a confidential letter to Dr Casaburri on November 8, Mr Burger pledged his professional loyalty and support to the SABC, to her and the board. *12/12/93*

"I feel humiliated in the sense that I must now, as a result of a malicious false and unsubstantiated newspaper report, ... reiterate my unequivocal professional loyalty and support to the SABC, to you as chairperson and to the board in everything I am involved in officially and personally," he wrote.

The Sunday Nation article did

not name Mr Burger, but his lawyers say it clearly identifies him as a senior executive at the SABC with "strong family and personal links to the state security establishment — his brother, a former member of an SADF dirty tricks outfit, runs a Johannesburg hotel".

Mr Burger repudiated "with contempt" suggestions that he was involved in any attempt to sabotage reforms at the SABC. *(260)*

He said he had not had any official or personal contact with any state security officer or employee during the past five years.

In the letter from his lawyers, Mr Burger denied any participation in or knowledge of any campaign to denigrate Dr Casaburri.

The New Nation article accused Mr Burger of having "leaked rigged stories to the press, designed to por-

tray Dr Casaburri as incompetent, inadequate and anti-white".

Mr Burger denied he had leaked any information to the newspapers.

Mr Burger asked for a special board meeting to resolve "this unsavoury issue" as the question mark it placed over his bona fides had serious implications for his professional future at the SABC.

The board's vice-chairman, Mr Colin Hickling, asked Mr Burger to address a letter to the board and chairman, setting out his defence.

In a statement issued after its meeting on December 1, the board expressed "repugnance at the continuous and distasteful onslaught in certain sections of the press against Dr Casaburri" and reaffirmed its confidence in her.

Dr Casaburri was unavailable for comment.

3 000 defend Radio Right

By DIRK VAN EEDEN

RADIO Pretoria has become a symbol of Afrikaner unity, a binding factor worth protecting at any cost, Afrikaner Volksfront leader General Constand Viljoen said yesterday.

He was addressing about 3 000 rightwingers who gathered round the Donkerhoek transmitters of the pirate radio station.

In an earlier broadcast, Radio Pretoria

board chairman Dominee Mossie van den Berg said the station rejected the authority of the Transitional Executive Council and Independent Broadcasting Authority.

Supporters gathered at historic Donkerhoek, near Bronkhorstspuit, from early yesterday after reports that the police would seal the transmitters.

Access was strictly controlled by heavily-armed AWB guards. By last night, the station was still transmitting.

SITILneo 12/12/93

(244)

(260)

New broadcasters must wait

By SHARON CHETTY

ASPIRANT broadcasters, eager to start their own stations before next April's election, will not get the chance to do so

The Independent Broadcasting Authority will only get going once the politicians at the Transitional Executive Committee "activate" the process

And, according to people in the industry, the ques-

tion of licences for new broadcasters is unlikely to be sorted out before June or July next year.

Jack van der Merwe, of the Home Affairs broadcasting administration section, said the first step would be for the public to nominate participants to serve on the IBA.

"The selection process has to be transparent and the TEC will decide on how to select people," he said

Sources indicated this week that some of the people likely to be nominated include Professor Cobus van Rooyen of the Broadcast Complaints Commission, media lawyer David Dison, Wits university's Professor John van Zyl and former SABC board chairman Professor Christo Viljoen. (260)

Mr Van der Merwe said the IBA would first have to carry out three main tasks,

which would be

- Drawing up a spectrum plan to provide an idea of frequencies and hence the number of stations that can be accommodated in the country;

Licence applications will be decided on the strength of this information.

- The body will have to consider the SABC as the national broadcaster to ensure the granting of new licences will not interfere with its operation;

- Cross ownership of media, and

- No temporary licences will be granted in the interim. A section in the Act makes provision for those who are already broadcasters to automatically qualify for six-year licences. This "grandfather clause" would apply to the SABC, M-Net, Radio 702, Capital Radio and Bop Broadcasting

Mr Van der Merwe said that, although there were about 200 "letters of intent" lodged with his department, the procedures and criteria for new applications were still to be decided

"It will not be a quick and easy process . . . no one can afford to make mistakes when these licences are granted. Therefore the correct thing must be done from the outset."

Rebel radio accepts conditions

Star 13/12/93

STAFF REPORTERS

The right-wing Radio Pretoria last night accepted the Government's conditions for the provision of a temporary broadcast licence and its application, when received, will be considered, Home Affairs Minister Danie Schutte said in a statement.

Schutte's late-night statement followed an earlier one in which he said the Government had been left with no choice

but to "let the law run its course" in dealing with illegal broadcasting by Radio Pretoria.

The Minister's first statement was issued after Government representatives met the station's management to discuss its future.

While the meeting was in progress the station broadcast an appeal for Boere Commando members to report for guard duty at Donkerhoek.

Radio Pretoria announcer Anita Armandt

appealed to all commando members in a 20 km radius to report to the station. (200)

Earlier, Postmaster-General Ters Oosthuizen said the future of Radio Pretoria was an exceptional case which had been decided at Government level. He said Post and Telecommunications employees had been sent to seal the transmitter on Friday but they had been refused entry to the site.

In his second statement last night Schutte

said the station's application, along with a written undertaking to abide by the Government's conditions, would be considered when it was received.

Earlier, Radio Pretoria station manager Chris Conradie warned that any attempt to silence the station could "anger a lot of people very much" and that supporters within the SABC would close down the public broadcaster in retaliation.

SABC officials 'won't interfere'

Star 14/12/93

■ BY JACQUELINE
MYBURGH

SABC Board chairman Dr Ivy Matsepe-Casaburri has reassured staff at the corporation that the board and recently appointed executives with strong ANC links would not attempt to influence management or editorial decision-making.

In an internal memorandum to all staff on Friday, Casaburri said the board had "no intention to interfere in the news departments' daily activities, including news bulletins".

It was the responsibility of the board to drive policy changes and the transformation process at the SABC, but it was management and the staff who implemented these changes.

Casaburri's memorandum was circulated on the same day that the SA Broadcasting Staff Association wrote to her expressing their concerns

over the appointment of Zwelakhe Sisulu, Govin Reddy and Solly Mokoetle to senior posts (2/0)

The letter said this was a "flagrant deviation from the board's own values and vision", in particular "impartiality, equitability... (and) sensitivity to the diverse nature of SA society".

"We view the appointment of publicly ANC-aligned persons to the SABC's executive as a perpetuation of the previous board's political bias," it said.

Casaburri said the appointment of Sisulu and others had been based on their basic journalistic skills, independence and suitability for the jobs.

"It would be grossly unfair to have disqualified persons who have been involved in the struggle against the old system, and on this basis were connected to certain ideological/political groupings," she said.

ANC links: SABC staff assured

(260)

ARG 14/12/93

JOHANNESBURG. — SABC board chairman Ivy Matsepe-Casaburri has reassured staff that the board and recently appointed executives with strong African National Congress links will not try to influence management or editorial decision making.

In an internal memorandum to staff, Dr Matsepe-Casaburri responded to newspaper articles that staff were worried. She said the board had "no intention to interfere in the news

departments' daily activities, including news bulletins".

It was the responsibility of the board to decide on policy changes, but it was management and the staff that had to implement these changes.

Her memorandum was circulated on the same day that the South African Broadcasting Staff Association wrote to her expressing concern over the appointment of Zwelakhe Sisulu, Govin Reddy and Solly Mokoetle.

The letter said this was a "flagrant deviation from the board's own values and vision" and added: "We view the appointment of publicly ANC-aligned persons to the SABC's executive as a perpetuation of the previous board's political bias."

Dr Matsepe-Casaburri said the appointment of Mr Sisulu, the Sunday Nation editor, and others had been based on their journalistic skills, independence and suitability for the jobs.

Sisulu: SABC defends choice

(260)
CT 15/12/93

JOHANNESBURG — South African Broadcasting Corporation board chairman Dr Ivy Matsepe-Casaburri has come out in strong support of New Nation editor Mr Zwelakhe Sisulu's appointment as a top SABC executive

Facing the press on the SABC's Agenda programme last night, she stressed that despite his lack of experience in broadcasting, there was no question about his journalistic capabilities.

"Zwelakhe Sisulu comes with a journalistic experience which will be refreshing in the SABC," she said

The SABC board's appointment recently of top executives with strong African National Congress links, such as Mr Sisulu — son of ANC deputy president Mr Walter Sisulu — has sparked wide criticism and also concern among SABC staff that the corporation could be moving from a National Party mouthpiece to one for the ANC

Dr Matsepe-Casaburri said Mr Sisulu's appointment had been open and democratic and that the top positions filled by people with ANC links had been advertised both inside and outside the SABC

— Sapa

SABC axed us, ANC claims

Political Staff **260**

THE ANC had been excluded from the SABC's Agenda programme today on the significance of December 16, despite an earlier invitation to participate, ANC MP Mr Pierre Cronje said last night. *CT 16/12/93*

He said he had been informed that because uMkhonto weSizwe (MK) would be on the air today, it was no longer necessary for the ANC to be part of the programme.

An SABC spokesman last night denied the claim. A brief sound-bite from Mr Cronje had been included in the programme, he said.

The power struggle is just beginning

What seemed like simple ideas — rationalising the hundreds of local electricity distributors into a handful of regional suppliers, establishing a fund to electrify the country and appointing a regulator to administer a countrywide tariff structure — have tied the National Electrification Forum up in knots.

The 200-member forum has now decided not to go ahead with proposing legislation for the current session of parliament after it became evident that local authorities would not go along meekly.

Johannesburg city councillor Paul Asherson, who is on the forum's management committee, and other city fathers are protesting what they see as a concerted effort by Eskom and the ANC to usurp their power to collect extra revenue by jacking up electricity prices to residents "Eskom dominates the forum show and we are very unhappy about this situation," Asherson says.

Wits University commerce dean Duncan Reekie is also highly sceptical of the process. "It seems that the bureaucrats want to retain their vast powers. One wonders what deals are being struck between the Nats and the ANC about the future of Eskom."

For a while it looked as though the forum would vote to allow Eskom to keep its monopoly on electricity generation and bulk transmission while distribution — now shared between Eskom (55%) and 452 local authorities (45%) — would be bundled into somewhere between five and 25 regional suppliers.

That is the plan supported by Allen Morgan, who takes over as Eskom CE on April 1 (*Business* November 12). He says the regional utilities would be able to benefit from economies of scale and provide a cheaper service, as is the case overseas.

National Electricity Forum chairman Wiseman Nkuhlu also supports rationalisation. "With about 1 000 different electricity tariffs in SA and tariff variations of as much as 130% between different authorities, there is consensus that SA needs a more unified, national tariff structure, though tariffs obviously cannot be the same everywhere."

But as predicted, the local authorities and municipalities want nothing to do with a plan that puts them out of the electricity business. This is because they reap millions in extra income each year by "loading" their electricity accounts by 15%-25% above the cost that Eskom charges them.

The local authorities say they put this extra money towards noneconomic civic projects, such as libraries, museums and road building. Says Johannesburg city electrical engineer Martin Pomeroy: "We feel it is better to load the electricity account, where consumers at least have the choice of cutting down on use, rather than, for example, the rates account, which is an inescapable cost

for property owners"

But the ANC wants to take that power to load the electricity bill away from the municipalities. Instead, it wants the revenues collected from loading the bills — about R500m a year — to go into a national fund to finance the electrification for the 75% of the population without power.

Eskom, which is now electrifying 200 000 households a year and wants local governments to help bump up the figure to 500 000, supports the idea of putting part of the surplus into a fund to pay for electrification. Eskom, in fact, favours anything that would boost sales because it is sitting on a huge surplus generating capacity, the result of skewed planning in the early Eighties.

Reekie says, however, that while Eskom can't be faulted for its efficiency as a generator and transmitter of electricity, it is out of

expanded powers. And they are already making their pitches

"The city council of Durban has, since the late Twenties, been supplying electricity as far south as the Illovo River and as far north as Tongaat," says Durban city councillor Howard Whitehead, who is president of the Association of Municipal Electrical Undertakings.

"We now distribute electricity directly to about 300 000 customers in about 48 local authority areas."

And it's not just distribution that's at issue. Pomeroy also disagrees with the way the forum is leaning towards letting Eskom keep its monopoly on generation and transmission. "Competition is a healthy part of a free market. And, while it may be premature for SA to follow the UK example of having competing distributors, this option should also be held open for the future."

Johannesburg, for instance, runs two power stations, Kelvin at Kempton Park and another in Orlando in Soweto, which were grandfathered into the Electricity Act and provide about half of the city's power. Asherson says the self-generated power source allows the council to keep tariffs low.

Reekie is not afraid to talk about privatising Eskom as a way of bringing more power to the people. "Eskom is one of the few power utilities in the world not on the road to privatisation. From Vladivostok to Buenos Aires, power utilities are being rapidly privatised."

"In the UK about six different generators compete fiercely to sell electricity throughout Britain. This compares with the position a few years back when the Central Electricity Generating Board (similar to Eskom) monopolised generation, distribution and sales."

The UK national grid has now been sold to a separate private company, which is regulated as a "common carrier" and cannot refuse carrying power for any of the competing, privatised generating companies.

Reekie says the best reflection of the freedom of competition in the UK is that an electricity spot market has developed in London, where daily rates are fixed by the six generating companies. "For example, if a small supermarket owner anywhere in the UK does not like the rates quoted to him, he can go to the spot market and buy his electricity at the lowest spot rates offered. This is how a competitive free market is supposed to operate."

With the details of how local governments will operate still to be decided, don't expect any quick decisions. Says Pomeroy: "Because these local authorities (with Eskom) are the major retailers of electricity, the distribution rationalisation debate has a long way to go."



Johannesburg's Kelvin power station ... outside Eskom's grip

line for getting involved in the politics of electrification. "Eskom's job is to generate electricity, not to look after the poor."

Asherson defends the current system, which allows Johannesburg to load its annual R1bn electricity account by about R250m. "Why spoil a system that works well for the sake of electrifying some huts in Lebowa at a cost of R7 000 per connection? With the population of greater Johannesburg expected to grow from the current 3m to about 6m by 2005, we should rather concentrate on the city's own needs"

Asherson, like most others, agrees that an electrification fund is necessary and he would support a national levy of, say, 1c/unit to finance the drive. Pomeroy, however, believes that the fund shouldn't tap electricity consumers, but rather off-shore financing, grants from bodies such as the World Bank, or the fiscus.

Leaders of the big cities believe that if there is to be rationalisation in distribution, they should be at the top of the list for

Radio Pretoria's licence extended

ST 17/2/83
THE Ministry of Home Affairs has extended Radio Pretoria's temporary broadcasting licence (260)

Ministry spokesman Mr Jack van der Merwe said the licence was extended up to and including January 4 following discussions with the station's management on the criteria for the issuing of temporary licences

Radio Pretoria provided live coverage of the Day of the Vow service held near the Voortrekker Monument yesterday — Sapa

focus on the SABC

THE MAJORITY OF South Africans will welcome the day when the blatant political appointments, nepotism, and corruption which have characterised apartheid rule comes to an end

Cosatu has committed itself in our programme for reconstruction to ensuring that proper mechanisms are in place to ensure an efficient, accountable and transparent public service

We have waged a campaign against the attempt to entrench the current apartheid bureaucracy in the interim constitution

No meaningful change is possible if we are saddled with the old Broederbond personnel

This applies to the public service, the parastatals, and our public broadcaster, the SABC.

We have therefore been appalled by the campaign (is it a vendetta?) against three respected black journalists who have been appointed to senior positions in the SABC.

We are told that these three journalists "are too close to the ANC".

Hardly a squeak

When FW de Klerk interfered with the independent process of selection by eminent jurists because their proposal for the new SABC Board was too anti-NP, many of these critics of the new appointments hardly made a squeak

When the SABC Board took the decision to renew the contract of SABC Director General Wynand Harmse, the same man who presided over the SABC policy of silencing extra-parliamentary opposition, there was a deathly silence

When it was discovered that the SABC had been using cameras to spy on one of its own journalists, none of these "fighters for democracy" demanded the heads of top SABC management

When the Broadcast Monitoring Project in an extensive study revealed last week that the SABC continued under its current management to reflect old biases, to engage in selective reporting and to distort the news, your stalwarts for "SABC independence" hardly batted an eyelid

The decision by the SABC to appoint Zwelakhe Sisulu, Govan Reddy and Solly Mokoetle to the posts of deputy director general, head of radio, and head of regional stations respectively, has been the one whiff of hope to come out of the stale corridors of Auckland Park for some time

Cosatu and most South Africans have welcomed this development, not because of the political orientation of these appointees

Rather, for the first time we will have genuine fighters for Press freedom in the ranks of senior SABC management

The track record of the three encourages us to believe that they will use their energies and talents to help turn the SABC into a truly independent public broadcaster, and not a state

Cosatu publicity officer **Neil Coleman** explains why he and his organisation are appalled at the campaign against three journalists appointed to senior positions at the SABC: *Sowetan 17/12/93*



Zwelakhe Sisulu ... appointed to a top post in the SABC.

propaganda organ as it has been in the past

As importantly, they will be sensitive to the needs and aspirations of the majority of SABC viewers and listeners who have in the past been excluded from meaningful access to the electronic media

Workers, people in the rural areas, the majority of our youth will for the first time have some hope that the public broadcaster will give them a voice, instead of giving them a line

The Broederbond stranglehold on SABC management is for the first time being seriously challenged

New appointment

Perhaps this explains some of the hysteria which has greeted the new appointment

If the transformed management of the SABC after April 27 chooses to toe a narrow line of the new government, as opposed to serving the society as a whole, Cosatu will fight that new management in the same way as we have fought the current management

But to assume that these three highly esteemed journalists are there to push a party line, before they have even begun their jobs, is an insult to their integrity and intelligence

What is the evidence that the appointees are "political appointees"?

We are told that they lack experience in broadcast journalism. Two of the three have worked as broadcast journalists, and the third, Zwelakhe Sisulu is a journalist and editor of

For the first time we will have genuine fighters for Press freedom in the ranks of senior SABC management

260

international repute

The same cannot be said about the current SABC director general who is an accountant by training

Further, these three have in various ways suffered and sacrificed in the cause of Press freedom, and attempting to represent the struggles and aspirations of the majority through electronic and print media

Zwelakhe Sisulu has spent countless days and nights in solitary confinement because of this commitment. Govin Reddy and Solly Mokoetle have spent many difficult years in exile as a result of theirs

Secondly we are told that they are "too close to the ANC"

If this was a criterion against appointment, we would exclude the vast majority of South Africans from public service

While the three have made no apology for aligning themselves with the struggle for freedom and democracy, this should be seen as an advantage, not a disqualifying factor

None of them are office bearers of any political organisation, or members of a secret society, something we can't say confidently about the current SABC management and many senior civil servants

We don't expect people to have a political lobotomy before they can serve the public. The test lies in their ability to ensure that the interests of society as a whole are served, rather than narrow class, party, ethnic or other interests

We appeal to the *Sowetan* and other Press to stop crucifying the new appointees, before they have even begun their difficult task

We also challenge them to direct some of their energies at those who are the real threat to Press freedom — the Broederbond clique and conglomerates who continue to exert a stranglehold over the electronic and print media, effectively denying the majority of South Africans a voice at this critical time in our country's history

Negotiating with civics has paid off, says Eskom

ESKOM's policy of negotiating with all township civic organisations before providing an electricity supply was paying off, although the process was time-consuming, Eskom said this week.

Such negotiations were now an essential part of renewed efforts to make township electrification projects successful, Eskom spokesman Peter Adams told media representatives during a tour of Alexandra township on Wednesday.

Eskom's district manager for Sandton, Tom Chapman, said the utility — which in the past exclusively supplied bulk electricity — now provided power directly to residents in 31 townships and was negotiating with seven other townships.

In September 1991, Eskom took over electricity supplies in Alexandra after the rent and services boycotts of the mid-1980s had bankrupted the town council and government had stopped its electricity subsidies. Negotiations with Alexandra's six civic organisations were held over three months before Eskom could establish itself in the area, Chapman said.

Eskom's Alexandra customer service officer, Ernest Sepharatla, said 8 000 dwellings had been connected to the power grid over the past two years, bringing the total of electrified homes in Alexandra to 10 000,

MARIANNE MERTEN

about a fifth of the 48 000 buildings and shacks in the township. Every month Eskom was connecting a further 200 homes.

An additional 7 000 stands in the Far East Bank area had been supplied with basic overhead bundle lines, but the lines would not be used until a local dispute about who was to settle in the area had been resolved, said Sepharatla (260)

Private electrical contractor Peter de Beer said it cost about R749 to connect a home in Alexandra where, unlike Soweto, no substantial electricity infrastructure existed. The fee could be paid off in R100 instalments after an initial deposit of R300

Customers received a readyboard and a pre-payment meter. There were four electricity payment centres, one of which was run by De Beers company Masterlek, in Alexandra where residents paid in advance for the number of electricity units they required

Sepharatla said Eskom had successfully conducted electricity education and awareness programmes for new users. Communication between the company and township residents was vital as residents had been shoddily treated in the past.

SA to feast on British oldies

CT 18/12/93 (260)

From CHRIS BATEMAN

LONDON. — M-Net and the SABC have paid about R2,5 million for eight of Britain's best-loved television programmes — and M-Net is just "weeks away" from sealing a R1,2m deal for five more.

A spokesman for BBC Enterprises, Mrs Mary Collins, confirmed yesterday that each television station had bought four programmes and would broadcast them "any day now"

M-Net's programmes are the hugely popular comedies *Fawlty Towers* and *Yes Minister*, a futuristic chiller called *Edge of Darkness* and the award-winning

World War 2 drama, *Fortunes of War*

The SABC is to screen the rib-tickling *Black Adder*, *Impossible Spy*, a series on Israeli spy Eli Cohen, *Blunt*, a spy thriller involving the famous Guy Burgess, and *Soul by the Sea*, a musical series celebrating Motown

M-Net is about to sign for five more British oldies *House of Cards* (drama), *A Fatal Inversion* (psycho thriller), *Never Come Back* (political thriller), *Only Fools and Horses* (comedy) and *To the Manor Born* (comedy)

In an editorial yesterday the *Times of London* speculated about the "televisual time-warp" in which South Africa would find

itself with the lifting of the Equity ban

"Britain would undoubtedly appear a quaint and stilted place," the paper said, "and South Africans would be much-amused watching the speeded-up evolution of attitudes and social mores.

"They might wonder that there were so few black faces on British television, that there was so much respect still for political authority."

The paper said the old line-up of programmes would "thrill" most domestic audiences in Britain, whom it described as "jaded with tired repeats and second-class pap that now passes for new series"

SABC is biased — towards the ANC

By SHARON CHETTY

SABC news broadcasts are biased in favour of the ANC — and that's official *Si Tunes*

This was acknowledged yesterday by TV news productions editor-in-chief Johan Pretorius. *19/12/93*

But Mr Pretorius said the only reason the erstwhile official government mouthpiece was giving more air time to the ANC was because of that organisation's "professionalism when it comes to communicating with the media, and its ability to read the news scene and make news" *(260)*

Responding to a report released last week by the Broadcast Monitoring Project, which said the SABC continued to favour the government in its newscasts, Mr Pretorius said "... if it's true that any party is being favoured, it could only be the ANC".

This was also the perception held by a wide cross-section of viewers and listeners outside the ANC alliance, he said.

A number of shortcomings pointed out in the BMP report had been acknowledged and had been borne out by an internal SABC news analysis and the problem was being addressed, said Mr Pretorius.

He said it was not true, as the report claimed, that the SABC was not critical of the security forces and their contribution to apartheid.

Electricity consumers 'still paying too much'

BILSON 21/12/93
ROBYN CHALMERS

ESKOM is falling far short of its target to reduce the cost of electricity in real terms by 20% over five years, says NUS national sales manager Rob Mackenzie.

A study undertaken by NUS, an energy cost control service company, showed SA consumers were paying 60% more for electricity than in 1988 (R3) (2.60)

Mackenzie said that in 1988, a medium sized industrial consumer using 283 000kWh a month at an average price of 11,08c/unit would have been charged R31 362. Today, at a cost of 17,67c/unit the customer would be charged R50 010 — an increase of nearly 60%.

This flies in the face of a pledge in 1991 by Electricity Council chairman John Maree to reduce electricity costs by 20% in real terms over five years.

Since the announcement, annual price increases have been 9% in 1992, 8% in 1993 and 7% for 1994.

Mackenzie said the problem was that, during the past two years, the inflation rate reduced more than most people expected.

"Inflation in 1992 was 9,6% so the real terms benefit to consumers was marginal. Inflation this year is likely to be below Eskom's 8% price increase and is projected to fall further next year."

The real benefit to consumers was negligible, said Mackenzie. In addition, many businesses were over-charged for electricity.

Most consumers assumed they were being charged the best price, while the onus was on consumers to determine the most cost-effective tariff, Mackenzie said.

COMPANIES

Eskom defends prices pledge

ESKOM has defended its pledge to reduce the price of electricity by 20% in real terms over five years after a study by energy cost control company NUS showed it was falling short of its target. *BIDAY*

The NUS study said SA consumers were paying 60% more for electricity today than in 1988. *22/12/93*

However, Eskom communication manager Kevin Morgan said the parastatal remained confident that it would effect a real price reduction of 20% by 1998.

"Eskom's annual price increase from 1989 to 1993 was indeed 60%, compounded. Consumer price inflation over this period was 90%, compounded, resulting in a price reduction in real terms of 30%.

ROBYN CHALMERS

"Producer price inflation over the same period was 66%, giving a real price reduction of 6%," said Morgan.

Morgan said Eskom's average price increased 52% between 1989 and 1993. This was a reduction of 38% when measured against consumer price inflation and 14% against producer price inflation.

However, economists said the picture since 1992 shows that in real terms consumers have benefited little as inflation has declined further than expected.

The annual electricity price increase was 9% against inflation of 9,6% in 1992. This year, the price rise was 8% and 7% in 1994. *(2100)*

Eskom suspends cutoff programme

BIDON 27/12/93
WILSON ZWANE

ESKOM had suspended its programme of electricity cutoffs for non-payment in Soweto because of high levels of crime in the area and the threat of its employees being attacked, sales and customer service manager for Johannesburg Ken Green said at the weekend.

Eskom employees had been the victims of numerous attacks by criminals in Soweto recently and a number of the utility's vehicles had been hijacked. (S) (26)

Last week four Eskom employees narrowly escaped death when the vehicle in which they were travelling was shot at in Diepkloof.

Green said the cutoff programme would be resumed next month.

Eskom began cutting off electricity to 20 000 Soweto homes early last month. The affected households were those of residents who had not paid the R33,80 monthly rate, introduced in February 1992 in Greater Soweto, in May 1992 in Debonville and in February 1993 in Diepmeadow.

Green said the level of electricity service payment for December was likely to

□ To Page 2

Eskom

BIDON

27/12/93

□ From Page 1

be lower than in recent months, when up to 70% of residents had been paying. The high rate of payment was apparently a result of the threat of cutoffs, he said. (S) (26)

He said Eskom expected a fall in payments because of households' holiday season expenses.

Eskom spokesman Peter Adams said electricity bill payments were expected to improve throughout the country next year.

He said residents of townships where Eskom had direct supply rights had no excuse not to pay because the utility was providing good service and rendering accurate accounts.

Eskom's East Rand customer services spokesman Laetitia van Staden said the rate of payments in the region currently stood at about 50% of households.

Eskom's bid to cut 20% off electricity costs 'failing'

Star 29/12/93

■ BY STEPHEN CRANSTON

Eskom's attempts to cut the cost of electricity by 20 percent over five years are failing, says Rob Mackenzie, national sales manager of energy cost control analysis company NUS South Africa.

He says in 1988 a medium-sized industrial consumer using 283 000 kilowatts a month at the then Eskom average price of 11,08c/unit would have been charged R31 362. Today, at a cost of 17,67c a unit and assuming static consumption, the customer would be charged R50 010 — an increase of nearly 60 percent.

"Eskom is already falling short of its target. Its annual price increases have been nine percent in 1992, eight percent in 1993 and seven percent for 1994. (260)(85)

"The problem is that during this period the South African inflation rate has reduced considerably more than most people expected.

"In these circumstances, the real benefit to consumers is negligible."

Many businesses also unwittingly pay too much for the electricity that they use.

Mackenzie says that of the businesses taking on the NUS analysis service for the first time in 85 percent of cases it was established that they were overcharged.

"The reason is that most consumers take their electricity expenditure for granted and automatically assume they are being charged the best price. In fact, by law the onus is on consumers to determine the most cost-effective tariff.

FTHEL Mbatha lives with her husband and two small children in a 3x3,5m metal shack in Orange Farm, the township south of Johannesburg.

Orange Farm is unremarkable. The township's population has jumped from 40 000 to about 140 000 in less than five years and is blighted by high unemployment. Schooling is inadequate, there is no street lighting, and the dirt roads become treacherous when it rains in summer, and not much better in winter with the wind and dust.

What distinguishes Orange Farm is its unusual skyline of pylons and a myriad of cables crisscrossing the shacks and small brick houses Eskom started electrifying the township in 1990 and Telkom is now using the electrical infrastructure to run its cables to people's homes.

Unlike 23-million of her compatriots, Mbatha (not her real name) has a home which has electricity. When not working at the local creche, Mbatha spends much of her time watching TV1 — the radio is unplugged and on the shelf — and selling ice from her freezer, as well as orange drink in chilled plastic bags for 20c a go. Then there's the ironing, cooking on the electric hotplate, a new Telkom phone for a chat, the kettle for a quick cup of tea, not forgetting her husband's tools, a grinder and spraygun for repainting cars in his spare time.

Mbatha has eight electrical appliances in her tiny home for which Eskom had to erect a concrete support to carry the electricity cable for fear the shack would collapse under its weight. A pre-payment electricity meter is installed inside the shack. She says electricity has made her life much easier — "there's no smoke, I can cook and watch TV and do many other things" — and a good deal cheaper. Mbatha says she spends about R10 a week on electricity and she and husband earn cash from the little business they do from home. She used to spend R15 a week on coal alone for her stove — now used just as a heater — in addition to candles and paraffin.

The extraordinary impact electrification has borne out by the neighbourhood store. Two years ago, the shop consisted of a dark storeroom from which customers bought tinned food and vegetables, often queuing

Business fails to plug in as Eskom takes power to the people

By **BINA** 30/12/93

MATTHEW CURTIN



in several inches of mud.

Today, customers have to make their way past the old storeroom, children huddled around the three video-arcade games, a rotisserie browing half a dozen chickens, and a fridge with cold drinks to a new building housing the shop, kitchen and storeroom proper. The delicatessen-style fridge holds products typical of any Johannesburg corner shop — milk, cheese, eggs, cold meat. The store is neon-lit, its upwardly mobile status confirmed by the advertising hoardings on the walls outside, while shoppers now queue on a tiled floor.

Electricity has transformed the Voice Education Centre, Orange Farm's curiously named self-help school run by the energetic Alexander Khumalo. The school, with a staff of about 260 teaching more than 10 000 pupils from kindergarten through to matric, has been built from scratch with "zero zero cap-

ital", according to Khumalo. Parents have traded their artisan and other skills for their children's education.

The premises started life as a farm house with two long rows of low-lying buildings housing chicken coops which served as classrooms. Khumalo says in the early days, children squatted on the floor and were taught in the dark.

Today, the buildings have been made taller, the installation of fluorescent tubes mean pupils can see the blackboards and, most important, the revamping of the school can take place in earnest.

Khumalo has installed carpentry and metal-working equipment to transform the mountains of junk the school has collected — old bus seats, wooden crates, glass shower doors — into desks, chairs, burglar bars and flower boxes.

Soon he will have more electricity connections so second-hand "type-

writers, a photocopier and new hawkers' stalls outside the main school entrance can go into action.

National Electrification Forum secretary Johan du Plessis says Orange Farm is one of the most impressive examples of the link between electrification and development, and a taste of the consumer products boom a successful national electrification drive would bring (see graph). He would like to think it helps explain the relative tranquillity of Orange Farm compared with other Reef townships and the energetic self-help culture which is growing and epitomised by Khumalo's school.

However, Du Plessis has reservations about the Orange Farm experience, and more about the chances of replicating it as successfully throughout the country. For all the encouraging signs of small business in Orange Farm, no formal business has taken the plunge and invested there despite its burgeoning population and creeping prosperity.

No Spar, Pep or OK Bazaars, no Plascon hardware store, no dry cleaners or bottle store, no bank, cinema or hamburger joint. In fact, the only formal business enterprises are the two Eskom shops which hook up new homes, sell basic electrical equipment and give free advice. He says this serves as a serious brake on the development of the community because people have no choice but to spend most of their money outside Orange Farm, in Johannesburg or Vanderbijlpark.

Worse, it reduces the economic viability of the electrification process. It is the high rate of electricity consumption by commercial and industrial users in white municipalities which make domestic tariffs as low as they are and which provides Eskom with an adequate rate of return for its investment in electricity provision.

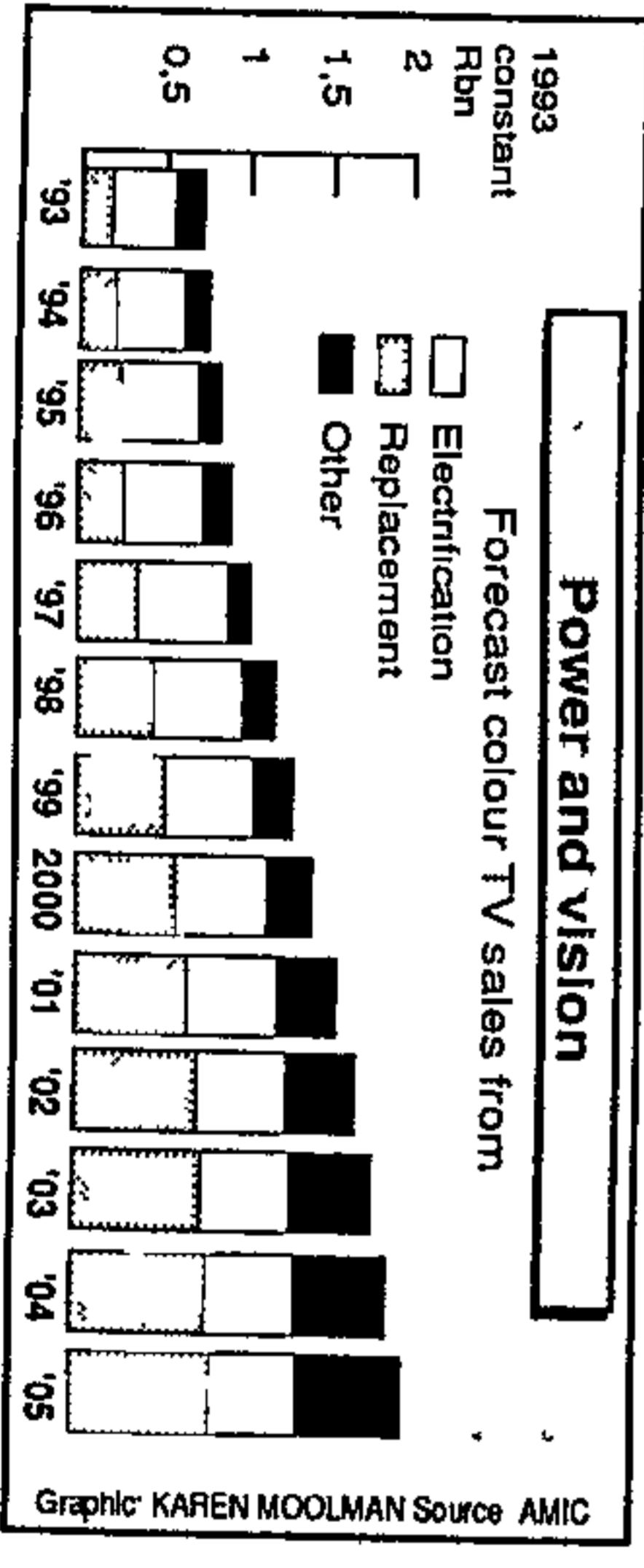
Bringing electricity to Orange Farm was a struggle in itself because the TPA, having acquired the farmland to which it moved squatters in 1989 as the formal development of the township began, proved reluctant to electrify the area. The right of electricity supply was vested in the TPA which argued that it could not afford to electrify homes. In any case, officials said, the people of Orange Farm were not interested in electricity.

An Eskom source says the TPA's tune changed when officials and Eskom CE Ian McRae toured Orange Farm one day in 1989. The utility's argument that it had the resources to electrify the township, if only the TPA would cede the right of supply, had fallen on deaf ears until McRae stopped the mumbos in which the party was travelling and conducted an on-the-spot poll. Orange Farmers said their number one need was electricity.

The forum is yet to devise a strategy to overcome potential and real intransigence by local authorities, the majority of SA's more than 400 electricity distributors, which refuse to take up the electrification burden. They stand against Eskom, trade union and ANC enthusiasm for a drastic shake-up in the industry stems from the important revenue they earn from electricity tariffs which they could lose in a reorganisation. A further complicating factor is the issue of non-payment.

Communications director Hanlie Delpont notes the TPA does not fund electrification from its own budget but facilitates the acquisition of loan finance by local authorities for such projects. She says the TPA has ceded electricity supply to Eskom in a number of cases.

She adds: "The community should decide if it is ready for the responsibilities that come with (electrification). The financial implications should be handled by the community and not by the authorities."



Graphic: KAREN MOOLMAN Source: AMIC

From baasskap to barbed wire barriers

□ Rightwingers are kings of the castle no more

ARG 30/12/93 (260)

PRETORIA — Once masters of all they surveyed in South Africa, rightwing Afrikaners now broadcast their folk music from behind barbed wire and trenches

In the veld 30 km east of the capital, Radio Pretoria broadcasts the rightwing message from a hut surrounded by military-style defences.

A transmission mast gives away the position of the station but the dirt road approach is guarded by a roadblock and signs in three languages forbidding entry.

The broadcast hut and the tower are surrounded by earth ramps, two circles of trenches and a three-metre chain link fence topped with razor wire

Armed guards patrol the fence and a wall of tyres filled with sand protects the announcers from bullets or bazookas

The defences were built to ward off any police action to shut down the station, which began broadcasting earlier this year after the airwaves were deregulated and the government issued temporary licences for several new stations

One of the conditions of the licences was that no political broadcasts be made, a condition the government accused Radio Pretoria of repeatedly violating

In recent months a series of potential armed confrontations between broadcast authorities and Radio Pretoria have been averted by last-minute extensions to the station's licence

Radio Pretoria announcer Anieta Armand said the station could not avoid discussing politics because it was part of culture.

"But we don't broadcast party political messages," she said

"We believe in live and let live, but we have to defend what is ours. We cannot possibly become communists"

Radio Pretoria, which advertises itself as "radio with borders", follows the line of the Afrikaner People's Front (AVF), which demands self-rule for Afrikaners in their own state in post-apartheid South Africa.

It has become a leading torch-bearer for the right wing, broadcasting hours of Afrikaner folk songs and issuing calls to listeners to rally around the cause

About 200 armed men responded to a summons for help that was broadcast when the government last threatened to send technicians to shut down the transmitters.

At present Radio Pretoria has a maximum range of 180 km but Ms Armand said it hoped to es-

ablish relay stations throughout the country in the coming months

This could give the station an important role in mobilising rightwing resistance to South Africa's transition to majority rule, due to culminate in the first non-racial elections on April 27.

African National Congress spokesman Carl Niehaus, himself an Afrikaner, said he sincerely hoped the station would not become involved in any kind of military role

He said the station broadcast dangerous messages of racial incitement which were of deep concern

But Ms Armand said the main role of the station was to provide a voice for Christian values and Afrikaans culture

"Afrikaans is the most beautiful language in the world," she said, adding "I know everyone thinks his own language is the most beautiful"

She said Radio Pretoria also provided an antidote to what she called the slanted news broadcasts provided by other media

"South Africans used to be a happy, laughing people — all of us, including the blacks. But the black man has lost his laughter because of indoctrination" — Sapa-Reuter

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(260) AT 31/12/93

CNN likely to set up Africa HQ in Jo'burg

Own Correspondent

LONDON — CNN International, the 24-hour global television news and information network, is expected to establish its sub-Saharan African and Indian Ocean area headquarters in Johannesburg next month.

Executive vice-president Mr Ed Turner and senior officials will make a "major announcement" on plans to expand CNN operations in South Africa at a press conference in Johannesburg on January 12.

"We cannot reveal more at the moment apart from the fact that the an-

nouncement concerns very significant plans for CNN and South Africa," a spokeswoman at the American group's world news network headquarters in London said.

The presence of a major CNN operation in South Africa, with local staff to be recruited, will significantly increase South Africa's status in the booming age of satellite television news and information.

It is not yet known if CNN's South African operations will be in co-operation with M-Net or the SABC.