Government Service Pension Fund

Q9. Mr. T. G. HUGHES asked the
Minister of Social Welfare and Pensions:

1. What was the value of the capital
securities of the Government Service
Pension Fund at the latest date for
which figures are available?

2. What is (a) the amount of interest
earned annually, (b) the annual con-
tribution (i) by public servants and
(ii) from the Consolidated Revenue
Fund and (c) the amount annually,
paid as (i) pensions and (ii) gratui-
ties.

The DEPUTY MINISTER OF SOCIAL
WELFARE AND PENSIONS:

The hon. member is referred to Part
III of the Report of the Controller and
Auditor-General for the Financial Year
1973-74 at pages 229 and 231 where the
information called for is published for
general information.
Homes for aged White persons

132. Mr. G. N. OLDFIELD asked the Minister of Social Welfare and Pensions:

(1) (a) How many homes for aged White persons are there in the Republic and (b) how many persons are at present accommodated in such homes:

(2) what per capita amount is paid as a subsidy to welfare organizations in respect of each category of aged persons accommodated at such homes.

The MINISTER OF SOCIAL WELFARE AND PENSIONS:

(1) (a) (i) 311 registered homes.

(ii) 8 State homes which include 4 homes administered on behalf of the State.

The number of aged persons accommodated varies from day to day. Provision is, however, made for 18,291 beds in the case of the homes referred to in (a)(i) and 635 beds in the case of the homes referred to in (a)(ii).

(2) The following subsidies are payable to State-aided homes with effect from 1 January 1975:

(a) Normal aged persons—R6.00 per month.

(b) Infirm aged persons—R31.50 per month.

(c) Infirm aged persons where regular nursing services are available—R52.00 per month.

(d) Extremely infirm aged or chronic sick persons—R73.00 per month.
Mr. G. N. OLDFIELD asked the Minister of Social Welfare and Pensions:

(1) Whether his Department is investigating the possibility of introducing a contributory pension scheme in the Republic; if so, (a) what are the terms of reference for the investigation and (b) what steps have been taken or are contemplated in furthering the objects of the investigation;

(2) whether other Government departments are involved in such investigation; if so, which departments; if not, why not;

(3) whether a report will be published after the conclusion of the investigation.

The MINISTER OF SOCIAL WELFARE AND PENSIONS:

I refer the hon. member to the statement made by me in this House on 10 October 1975. Please see Hansard columns 5080 and 5090.

At this stage, I have nothing to add to that statement except to say that my Department is at present engaged in the preliminary work of the investigation, that good progress has been made therewith and that a decision on the final form which the investigation is to take will be made at a later stage.

(2) and (3) fall away.

Mr. L. G. MURRAY: Mr. Speaker, arising out of the reply of the hon. the Minister, can it be accepted that the Cabinet has approved in principle a contributory pension scheme?

The MINISTER: The principle is as I have put it in the statement, namely that we are making investigations on the basis of the possibility that the employer as well as the employee will contribute, but that its contribution will be made thereto on the part of the State.
Homes for aged Indians

134. Mr. G. N. OLDFIELD asked the Minister of Indian Affairs:

(1) (a) How many homes for aged Indian persons are there in the Republic and (b) how many persons are at present accommodated in such homes;

(2) what per capita amount is paid as a subsidy to welfare organizations in respect of each category of aged persons accommodated at such homes.

The MINISTER OF INDIAN AFFAIRS:

(1) (a) 2.

(b) 57.

(2) R3-50 per month in respect of ordinary cases. R19-00 per month in respect of infirm persons.
Homes/subsidies for aged Coloured persons

133. Mr. G. N. OLDIFILD asked the Minister of Coloured, Rehoboth and Nama Relations:

(1) (a) How many homes for aged Coloured persons are there in the Republic and (b) how many persons are at present accommodated in such homes:

(2) what per capita amount is paid as a subsidy to welfare organizations in respect of each category of aged persons accommodated at such homes.

The MINISTER OF COLOURED, REHOBOTH AND NAMA RELATIONS:

(1) (a) 15.

(b) 1 170.

(2) Ordinary cases: R3-50 per person per month.
   Infan cases: R19-00 per person per month.
MONDAY, 17 MARCH 1975

1. Indicates translated version.

For written reply:

Homes for aged Bantu persons

135. M. C. N. CT. DEFIELD asked the Minister of Bantu Administration and Development:

1) (a) How many homes for aged Bantu persons are there in the Republic and (b) how many persons are at present accommodated in such homes;

(2) what per capita amount is paid as a subsidy to welfare organizations in respect of each category of aged persons accommodated at such homes.

The MINISTER OF BANTU ADMINISTRATION AND DEVELOPMENT:

1) (a) Homes for physically able aged
   -133.
   Homes for debilitated aged and others—111.

   (b) Homes for physically able aged
   —1103.
   Homes for debilitated aged and others—1152.

2) The Homeland Governments are responsible for the payment of subsidies in their respective homelands and the present subsidy payable in respect of homes for the physically able aged is R0-40 per inmate per day. In addition to the said subsidy the agents who manage the homes are entitled to R1-25 per month of the old age pension of each inmate. The subsidy in respect of homes for the debilitated aged and others is according to information available, R1-30 per person per day.
Homes for elderly/infirm along False Bay coast: Tourist accommodation

166. Mr. J. W. F. WILEY asked the Minister of Tourism:

(1) Whether consideration is being given to the loss of tourist accommodation caused by the conversion of former hotels along the False Bay coast into homes for the elderly and infirm; if so,

(2) whether any steps will be taken to protect the tourist industry; if not, why not.

The MINISTER OF TOURISM:

(1) No consideration is being given to the matter. The provision of accommodation for tourists is in the hands of private enterprise in the tourist and hotel industry which provides such accommodation on the principle of supply and demand for maximum return against services rendered. If it is more lucrative to convert hotel accommodation into homes for the aged as the case appears to be along the False Bay coast then there is nothing that the authorities can do to dissuade accommodation establishments from such action.

(2) Falls away.
Question

Write on both sides of the paper

25 March 75

Q Column 589

Sea Point-Green Point: Home for the aged

Mr. R. J. LORIMER (for Mr. C. W. Eglin) asked the Minister of Social Welfare and Pensions:

Whether a home for the aged is to be established in the Sea Point-Green Point area with the assistance of his Department; if so, (a) where, (b) when will construction be commenced and (c) for how many aged persons will accommodation be provided.

The DEPUTY MINISTER OF SOCIAL WELFARE AND PENSIONS:

Plans for the erection of such a home have been approved by my Department. My Department does not provide financial assistance towards the building costs of the home in question.

(a) Sea Point.

(b) (i) and (ii) Unknown. My Department has no control over the commencement and completion of the building operations.

(c) 159.
205. Mr. G. N. Oldfield asked the Minister of Social Welfare and Pensions:

(1) How many (a) White and (b) Chinese pensioners were at the end of 1974 in receipt of (i) old age, (ii) blind persons', (iii) disability and (iv) war veterans' pension;

(2) how many of the (a) White and (b) Chinese pensioners were receiving the maximum amount payable in respect of each category of pension;

(3) what was the average annual amount paid per person during 1974 to (a) White and (b) Chinese persons in receipt of each category of pension;

(4) what will be the maximum basic pension payable per annum to (a) White and (b) Chinese persons in respect of (i) old age, (ii) blind persons', (iii) disability and (iv) war veterans' pension in terms of the Budget for the financial year 1975-

(5) (a) what will the maximum free income allowed per annum to qualify for the maximum social pension to be paid to (i) White and (ii) Chinese applicants and (b) what will be the means plus pension limitation in each case.

The MINISTER OF SOCIAL WELFARE AND PENSIONS:

(1) (a) (b)
   (i) 128 645 24
   (ii) 853 —
   (iii) 24 416 12
   (iv) 15 735 —

(2) (a) (b)
   (i) 118 234 24
   (ii) 749 —
   (iii) 23 193 10
   (iv) 13 794 —
Pensions for Indians

207. Mr. G. N. OLDFIELD asked the Minister of Indian Affairs:

1. How many Indian persons were at the end of 1974 in receipt of (a) old age, (b) blind persons', (c) disability and (d) war veterans' pension;

2. How many of the Indian pensioners were receiving the maximum amount payable in respect of each category of pension;

3. What was the average annual amount paid per person during 1974 to Indian persons in receipt of each category of pension;

4. What will be the maximum basic pension payable per annum to Indian persons in respect of (a) old age, (b) blind persons', (c) disability and (d) war veterans' pension in terms of the Budget for the financial year 1975-76;

5. (a) What will be the maximum free income allowed per annum to qualify for the maximum social pension to be paid to Indian applicants and (b) what will be the means plus pension limitation in each case.

The MINISTER OF INDIAN AFFAIRS:

1. (a) 12 075
   (b) 193
   (c) 10 378
   (d) 165

2. Approximately 96%.

3. (a) R311-10
   (b) R305-57
   (c) R318-04
   (d) R382-59

4. As from 1 October 1975
   (a) R408
   (b) R408
   (c) R408
   (d) R468

5. As from 1 October 1975
   (a) R252
   (b) R660
THE REGISTRAR of Pensions, Mr J. W. Louw, has asked the Joint Municipal Pension Fund (Transvaal),—which has 10 000 members—for information on the granting of a R1.7-million bond to a company in the collapsed Repcar Holdings group of companies, following a report in the SUNDAY TIMES.

The SUNDAY TIMES reported the granting of the bond on April 6.

In an interview this week, Mr Charles van Bergen, a director of Repcar Holdings, told me that negotiations for the bond were going on, while the company was facing liquidation proceedings.

The loan, which was being sought by Bree Holdings (Pty) Ltd—one of the Repcar Holdings group of companies—was negotiated subject to the provision that the company should first come out of liquidation.

Mr Van Bergen said that the builders involved in the project had brought liquidation proceedings against Bree Holdings. A business associate of Mr Walter Fughe, one of the principal shareholders, had intervened financially through one of his companies. As a result of a compromise, Bree Holdings had been brought out of liquidation.

The Rand Supreme Court this week granted a provisional order for the recovery of the Joint Municipal Pension Fund (Transvaal) of interest and capital amounting to R413 514.58 from Bree Holdings.

A provisional order was also granted for the payment of 12% interest on the amount in question, R559 400, of which was the first installment of the R1.7-million building bond signed in September 1974.

**Acquired**

Three Bree Holdings properties in Bree Street, Johannesburg, were subject to a provisional order making them executable.

Mr Van Bergen told me that negotiations in which he had taken part had already proceeded with the Joint Municipal Pension Fund (Transvaal) for the building bond and had been concluded in the second half of 1974.

He said that previously Bree Holdings had acquired a series of loans of a similar nature. The last had been from the Icor Pension Fund.

"The full amount, if I recall correctly, was for R1.8-million, of which about R900 000 had already been advanced. At that stage there was an investigation into the Icor Pension Fund," Icor, he said, had apparently been unhappy about its investment in Bree Holdings and the total amount of its case, not sufficient to complete the envisaged Bree project.

The Joint Municipal Pension Fund (Transvaal) had advanced the amount of about R880 000 to liquidate the loan taken from the Icor Pension Fund.

"There was a second bond holder, Modern Leasing, which agreed to allow the Joint Municipal Pension Fund to assume the position of first bond holder—a position which had previously been held by the Icor Pension Fund—because the fund was only prepared to participate on this basis," said Mr Van Bergen.

He said that the remainder of the R1.7-million building bond was to have been advanced for building costs as the project developed. "Apparently no further development took place since then and it appears to have been no more money forthcoming from the pension fund."

"The bond, as I recall it, was to run for 20 years, with repayments of interest only for the first two years and capital repayments over the last 18 years," he said. He was not aware if interest had been paid over the period the bond had been running.

One of the court documents indicated that interest on the original advance of R359 000 had been accumulating since the inception of the bond.

"The spokesman for the Registrar of Pensions office said that pension fund trustees were obliged to take certain precautions in respect of investments,"
Bigger pensions urged for black ex-soldiers

GRAHAMSTOWN - A member of the national executive of the South African Legion has opposed a resolution at the legion's congress here that the means test for persons over the age of 70 seeking to qualify for war veterans' pensions be scrapped, saying that the war veterans' pensions paid to blacks and Coloureds should first be brought more in line with the figure paid to whites.

The support for the blacks and Coloureds came from Mr. Andrew Reup, who said earlier the legion was happy that blacks who served in the last war had eventually been granted war veterans' pensions. He praised the United Party for its role in pushing the issue with the assistance of the legion's executive.

He attacked the discrimination regarding the different means tests applicable to ex-servicemen of different races and the wide powers of discretion given to Bantu Affairs Commissioners in deciding whether a black would be paid such a pension.

He pleaded that greater annual increases be given to Coloureds than to whites.

The Durban branch of the legion proposed that the means test for war veterans over the age of 70 be scrapped if this was approved by the Government. It would mean that any veteran irrespective of means could draw a veteran's pension if he was over the age of 70.

The "proposer," Mr. P. Graham, said that while some wealthy men would benefit, there were far more struggling ones who needed the abolition of the means test. He said the means test has not been revised for three years.

Opposing the resolution, Mr. Hemp said there were more important issues to consider. There was still an excessive difference between the pension paid to whites and Coloureds, and there were limited government funds available for payment of pensions.

"We should not press for abolition of the means test until our Coloureds and black comrades get reasonable pensions when they reach an advanced age," he said.

Mr. Graham's resolution was carried by three votes.

Earlier, the Deputy Minister of Social Welfare, Mr. H. H. Smith, announced to the congress that he had directed his department to undertake a complete revision of the War Pensions Act.

He said the administration of the Act could and should be drastically simplified. "In addition, I think that the benefits payable under the Act need revision and although it is naturally not possible at this stage to indicate that improvements, if any, could be effected to those benefits, we will certainly in the process of revision have a good look at the benefits," Mr. Smith said.

He added that beneficiaries under the Act were in some respects better off than some pensioners under certain contributory pension schemes.

He said not enough publicity was given to the fact that an ex-serviceman suffering from a disablement as contemplated by the Act was entitled to free medical, surgical and hospital treatment.
A National Contributory Pension Scheme?

THE MINISTER OF SOCIAL WELFARE AND PENSIONS HAS ANNOUNCED THAT A DEPARTMENTAL TEAM HAS COMMENCED AN INVESTIGATION INTO THE FEASIBILITY OF ESTABLISHING A NATIONAL CONTRIBUTORY PENSION SCHEME FOR SOUTH AFRICA. THIS INVESTIGATION IS HEARTILY WELCOMED BY ORGANISED LABOUR, AND GOVERNMENT MUST BE COMPLIMMENTED FOR FINALLY TAKING THIS IMPORTANT STEP.

FOLLOWING UPON CONSISTENT REPRESENTATIONS BY TUCSA OVER THE YEARS.

ALL parties concerned with pensions undoubtedly realise that many difficult problems and many issues of principle will have to be tackled, before a concrete and workable plan for a National Contributory Pension Scheme can become a reality.

TUCSA believes that any apparent conflict of interests can be resolved, if all concerned refrain at this stage from taking unduly entrenched positions.

THE Council's Officers' Committee, in the expectation that TUCSA will be asked to give evidence to the committee investigating this matter, has already decided that TUCSA's National Executive Committee will have to examine this matter very closely, in order to determine TUCSA's policy in this regard.

A full discussion relative to establishing the Council's views and compiling planned evidence to this investigation, will thus take place at the next meeting of the National Executive Committee.
For written reply:

War disablement pensions

278. Mr. G. N. Oldfield asked the Minister of Social Welfare and Pensions:

(1) (a) How many (i) White, (ii) Coloured, (iii) Indian and (iv) Bantu persons are at present receiving war disablement pensions in terms of the War Pensions Acts and (b) how many of these persons are (i) widows and (ii) other dependants:

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(i)</td>
<td>(ii)</td>
<td>(iii)</td>
</tr>
<tr>
<td>12,272</td>
<td>2,151</td>
<td>1,220</td>
</tr>
</tbody>
</table>

(b) (i) 3,220 733 618
(ii) 694 73 87
(i) (ii) (iii) (iv)

(2) (a) 872 22
(b) 10,944 2,129 1,220
(c) 9
(d) 409
(e) 38

(3) The basic war disablement pension payable to volunteers are:

(a) (i) R10.80 per month.

(ii) and (iii) R5.40 per month.

(iv) R2.70 per month.

(b) (i) R54.00 per month.

(ii) and (iii) R27.00 per month.

(iv) R13.50 per month.

Statistics are not available in respect of Coloureds and Indians separately.
The Price of Life

Bigger pensions soon but inflation eats the benefits

William Nsemi: "Plulu and beans"

Josephine Mzizi: "I walk on my knees and my husband is a burglar"

Gertrude Bozides: "I can't manage"

Jane Mahawrti: "God will provide"

Louisa Erasmus and her husband: "Worse than dead"

Flora Mwam: "I start suffering"
You try living on this cash, challenges fasting priest Russell

IF THE PEOPLE who set the pensions for Africans had an inkling of what it was like to live on such small amounts then they would not have the audacity to put forward these figures for others.

This is the view of the Rev David Russell, the Anglican priest who lived on an average African pension of R3 a month for six months in 1972.

He was protesting against conditions at Dimbaza resettlement camp and wrote vivid letters of his experiences to the Minister of Bantu Administration and Development.

Since then, African pensions have more than doubled to a maximum of R11.25 a month.

But with food costs alone increasing by up to 17 percent annually in the past three years, most of the increase has been swallowed up.

Mr Russell, who is chairman of the Board for Social Responsibility in the Anglican Diocese of Cape Town, said pensions were not sufficient to cover the cost of food, let alone clothes, transport, hospital fees and so on.

"The people who set the pensions are assuming that the vast majority of old people in this country don't need clothes, don't need blankets, don't need to buy fuel."

Hopeless

"One wishes they would try living on these pensions to get some limited idea of what they are imposing on others.

"With their daily bread forever receding away from the price they can afford, pensioners feel so utterly hopeless, so utterly the victims of circumstances."

"One bears so many stories about encouraging tremors of change in this country, but when it comes to the realities of life for the poor, things are getting worse."

Speaking on the increases in social pensions which are to come into effect in October, Mr Russell said while he was pleased that pensions were going up "it is an appalling fact that the gap between the pensions of different races is actually going to be increased."

Painful

Mr Russell said this gave the lie to a statement by Mr Pik Botha that discrimination purely on the grounds of race was not condoned.

"The Government is actually increasing discrimination in an area that affects a large and helpless part of our population."

Mr Russell said it was painful for pensioners to have to rely on charitable handouts.

"It's humiliating for them to have to beg for help. It's an undermining factor in their lives which makes them feel at a disadvantage in their relationship with others."

"Handouts are not the solution to social problems. The Government should set out to close the gap between Black and White pensions. This discrimination cannot be justified on a Christian basis."

A Tribune investigation by LINDA VERGNANI

a month for tending a neighbour's baby and Mr Mungwe earns extra by cutting grass and doing odd jobs.

There is still not enough money to buy clothes.

- William Msomi supplements his social pension by breeding chickens. He sells them for R1 to R2 each.

He eats one himself every two months. He and his wife live mainly on porridge, putu and beans. When they buy meat it is often.

In the Indian and Coloured areas, a lot of pensioners are in a little easier. They get pensions above the breadline, but they have been hard hit by price increases.

- Mr H. Roberts (96) and his wife, Maria (80), were once well-to-do. They had a house in Pietermaritzburg but the area was proclaimed White under the Land Tenure Act.

No savings

Said Mr Roberts: "We lost everything. We had to sell and go. Now, if it wasn't for our pensions I don't know what would happen. We have no savings left and things are increasing in price day by day."

Mr Roberts said he and his wife receive R25.50 a month each. They pay R9 a month rent and get free medical treatment.

They also get free milk from The Daily News Milk.
Who's taking all the money? asks old James in despair

JAMES NZAMA is shrunken with age.

When he was younger he saved each month for his retirement. Now his money has run out and he no longer cares about death.

"It is no good to stay in the world," he says. "I cannot get what I need. There is no satisfaction."

A dignified man, he lives in a tiny two-roomed cottage near KwaMashu with his wife, Lena.

A smell of rancid fat hangs in the dark bedroom. The walls are grimy and Lena says there are lots of bugs.

She is so old that her eyes have turned misty-blue. Her	
	trinkled grey hair is piled 20 centimetres high on her head and when she smiles one notices that her teeth are stained nicotine yellow by decades of use.

She keeps James going. She scolds him, clowns with him and speaks of their years and years together.

But James gets more despairing.

"I put money in the bank when I worked. It's all gone. Who is going to help me? Who's taking all the money, where is all the money going?"

He says they have applied for a pension but have received only food parcels containing mealie meal, samp, beans, sugar and a little fat.

James clutches his stomach and says "There is something hauling me down. Something is pulling me down all the time. There is no pain, but it wants to pull me down. Who will help me?"

"For a long time I have had nothing fresh in my stomach, nothing good. No fruit, no vegetables . . . I like fresh food. I don't know where to get it. I don't know who can give it to me?"

A social worker said they now receive regular food parcels and would soon be moved to a welfare camp. He would investigate why they had not yet received a pension.

Candles

Mrs Jennifer Williams, an ex-neighbour said: "They can't even use the lights now because they wouldn't be able to pay the bill. They have to use candles."

For White pensioners, the main problem is accommodation. They are lucky if they can find it for under R30 a month.

Some, like veteran demonstrator Miss Gladys Lee, live in the servants' quarters of newer buildings.

Mr D. J. Erasmus (68) lives with his 82-year-old wife, Louisa, in a rambling old building in West Street. They pay R49 a month rent for one room plus a partly enclosed balcony.

"Things are worse than bad," he said. "We never grouse as long as we can live. But today it takes a hell of a lot to live.

"We never go nowhere. There's just a little food in the house. We have a couple of rusks for breakfast and a proper lunch, but no supper. You've got to save somewhere."

Help

"We get a lot of help from TAFTA. They give us a food parcel, which I really appreciate. Without that a person can't live."

Mrs HP, who gets a pension of R54 a month, said she has to think twice before buying fresh food.

"I've been trying to save but it takes me every penny to live. I get help from the Durban Benevolent Society, but with these rent increases I think I will have to try finding a job."

Mr Oldfield said: "I get about 10 letters a day from pensioners and almost every one writes that their standard of living is decreasing contintually as the price of basic commodities goes up. Up to 70 percent of their income goes on food and rent."

"If they are going to retain their health they have to pay more for food and skimp on other essentials."

The introduction of a national contributory pensions scheme would help eliminate discriminatory pensions. People would be paid on the basis of wages instead of race.

Meanwhile the Government should work towards narrowing the gap between the pensions of different races, he said.
FOR thousands of old people the rising cost of living has spelt disaster.

Their life-savings exhausted, they are forced to exist on social pensions—and pensions so low that to stay alive many have to rely on charity.

"Without aid from charitable organisations many would die for lack of nourishment," says Mr Geoff Oldfield, United Party spokesman on welfare and pensions.

Hardest hit are the Black pensioners. Whites receive a maximum social pension of R36 a month; Indians and Coloureds get a maximum of R29.50 a month and Africans only R11.25 a month.

Swallowed

In October pensions are to be increased to a maximum of R42 for Whites; R34 for Indians and R18 for Africans—but these increases are unlikely to enable them to live above the breadline.

A survey by the Bureau of Market Research at the University of South Africa shows that the cost of living in Black areas has risen by 20 percent in the past nine months. Since the pension increases were announced this month, they have given big increases in the cost of milk and maize.

Breadline

Figures prepared for the Sunday Tribune by a University of Natal economist show that now pensions of at least R24.25 a month are needed if old people are to make ends meet.

Africans are being paid less than half this.

The economist, Mr. G. Pillay, research fellow in the Department of Economics at Natal University, said pensioners should get between R30 and R36 a month to live above the breadline.

He calculated that a subsistence-level income for a pensioner in Durban is R24.25 a month. This would provide the minimum level of living acceptable standards.

Basing the figures for food on rations calculated by the Department of Health for people over the age of 55, Mr. Pillay said food would cost a minimum of R10.50 a month. This would allow a nutritious diet.

Accommodation, transportation, clothing, cleaning materials, fuel and lighting would cost R8.50. This would bring the total for necessities to R19.00 a month.

At least R5.37 a month should be added for supplementary items: medical expenses, transport fees, church funds, tobacco and spirits, and miscellaneous items such as postage stamps, writing material, and entertainment.

Goodwill

Mr. Pillay said the pension for Africans was most inadequate.

"The only way pensioners are able to keep body and soul together is by relying on the goodwill of their relatives, friends, and others," he said. "And it's clear that their living conditions depend on the extent to which they are paid their full social pensions of between R30 and R36 a month."

African pensions are paid out bimonthly. Instead of each month as for other race groups—and many old people find their money runs out before the end of the first month. In some townships, African pensioners get free accommodation but even so they have to rely on charity.
violence, hatred
Pass laws tomorrow
Pensions for Coloureds

206. Mr. G. N. OLDFIELD asked the Minister of Coloured, Rehoboth and Nama Relations:

1. How many Coloured persons were at the end of 1974 in receipt of (a) old age, (b) blind persons', (c) disability and (d) war veterans' pension;

2. how many of the Coloured pensioners were receiving the maximum amount payable in respect of each category of pension;

3. what was the average annual amount paid per person during 1974 to Coloured persons in receipt of each category of pension;

4. what will be the maximum basic pension payable per annum to Coloured persons in respect of (a) old age, (b) blind persons', (c) disability and (d) war veterans' pension in terms of the Budget for the financial year 1975-76;

5. (a) what will be the maximum free income allowed per annum to qualify for the maximum social pension to be paid to Coloured applicants and (b) what will be the means plus pension limitation in each case.

The MINISTER OF COLOURED, REHOBOTH AND NAMA RELATIONS:

1. (a) 71 549.

   (b) 1 623.

   (c) 31 807.

   (d) 5 966.

2. Old age pension—62 805.

   Blind persons' pension—1 389.

   Disability grant—29 338.

   War veterans' pension—5 151.


   Blind persons' pension—R298-99.

   Disability grant—R306-82.

   War veterans' pension—R337-58.

4. (a) Old age pension—R408.

   (b) Blind persons' pension—R408.

   (c) Disability grant—R408.

   (d) War veterans' pension—R468 (including an additional allowance of R60).

5. (a) R252.

   (b) R660 per annum.
Department of Social Welfare and Pensions: Privately-run institutions/subsidies

310. Mr. J. W. E. Wiley asked the Minister of Social Welfare and Pensions:

(1) How many institutions registered with his Department, but run by private persons or companies, receive a subsidy in respect of patients;

(2) what is the amount of the subsidy per patient;

(3) (a) what are the names of the (i) persons and (ii) companies concerned and (b) for what period has a subsidy per patient been paid to each;

(4) whether there has been any increase in the subsidies paid since registration with his Department; if so, what increase.

The MINISTER OF SOCIAL WELFARE AND PENSIONS:

Although many institutions are registered by the Department, no subsidy is payable to private persons or companies in respect of such institutions. It is, however, understood that the hon. member is referring to certain homes for the aged conducted on behalf of the Department. These homes are not subject to registration. The under-mentioned information is submitted in respect of them:

(1) 4 Homes for the aged.

(2) The contract price is $4-16 per day per inmate. No further contribution is made in respect of capital or other costs.

(3) (a) Smith, Mitchell and Company,

(b) Since June 1969 to date.

(4) Yes, the contract price has been increased as follows:

(a) 15 cents per day with effect from 1 June 1972.

(b) 15 cents per day with effect from 1 November 1973.

(c) 16 cents per day with effect from 1 April 1974.
Actuarial valuations of Government pension and provident funds

20. Mr. H. H. SCHWARZ asked the Minister of Social Welfare and Pensions:

Whether, any actuarial valuations of the various Government pension and provident funds have been made since 1 April 1974, if so, (a) of which funds and (b) what deficiencies or surpluses did they disclose.

The MINISTER OF COMMUNITY DEVELOPMENT (for the Minister of Social Welfare and Pensions):

Yes.

(a) The Government Non-White Employees' Pension Fund.

(b) A deficit of about R2,767,000 in respect of accrued pensionable service.

Mr. H. H. SCHWARZ: Arising out of the hon. the Minister's reply, does he cont-
R4.5 boost in Indian pensions

Mercury Reporter 7/3/25

OLD-AGE pensions are to be increased by R4.50 a month from this year to keep pace with the rising cost of living. Mr. I. C. Dannhauser, chief probation officer (welfare) of the Department of Indian Affairs, announced at the weekend.

He told a national conference on the aged in Durban on Saturday that in addition to the ordinary and special per-capita subsidies his department also provided subsidies for the initial purchase of furniture and equipment by an old-age home.

He said there were two old-age homes for Indians, one at Pietermaritzburg and Clayton Gardens in Durban.

"I may also mention that the inmates in these old-age homes are in addition to the subsidies paid to them in receipt of old-age or disability pensions at the rate of R23.50 a month which are also to be increased from October 1 this year to R34 a month," he said, speaking on the role of the Department of Indian Affairs in relation to the aged.

Meanwhile, delegates at the conference, held at Durban's Howard College, expressed disappointment that the Mayor, Councillor Dicky Adams, who opened the conference, made no mention of the "burning" issue of travel concessions for the aged—a privilege extended to Whites only.

Mr. Rajendra Chetty, secretary of the Durban Association for the Indian Aged, when moving the vote of thanks at the end of the conference criticised the Mayor for making no efforts to spell out the policy of his Council on matters relating to the aged.

Mr. Chetty said that in spite of repeated representations to the City Council over travel concessions "we have failed to achieve any results."
Bantu old age homes

Mrs H. SUZMAN asked the Minister of Bantu Administration and Development:

(1) Whether any Bantu old-age homes in White areas were closed during 1974-75; if so, which homes;

(2) (a) how many old-age homes are there in each Bantu homeland and (b) how many persons can be accommodated in each home.

The DEPUTY MINISTER OF BANTU ADMINISTRATION AND EDUCATION (Reply laid upon Table with leave of House):

(1) No.

(2) (a) and (b)

<table>
<thead>
<tr>
<th>Homeland</th>
<th>Home for physically able aged</th>
<th>Number of persons who can be accommodated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lebowa</td>
<td>Sekutupu</td>
<td>94</td>
</tr>
<tr>
<td></td>
<td>Bepepeswa</td>
<td>154</td>
</tr>
<tr>
<td></td>
<td>Klipphaadrift</td>
<td>59</td>
</tr>
<tr>
<td></td>
<td>Gelauskpan</td>
<td>68</td>
</tr>
<tr>
<td>Bophuthatswana</td>
<td>T. C. Esterhuysen</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>Boeketwilg</td>
<td>115</td>
</tr>
<tr>
<td>KwaZulu</td>
<td>KwaBadaa</td>
<td>36</td>
</tr>
<tr>
<td>Ciskei</td>
<td>Ekhuphumeni</td>
<td>360</td>
</tr>
<tr>
<td>Basotho Qwaqwa</td>
<td>Witsieshoek</td>
<td>200</td>
</tr>
<tr>
<td>Damaraland</td>
<td>Okombihe</td>
<td>160</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Homeland</th>
<th>Homes for debilitated age and others</th>
<th>Number of persons who can be accommodated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lebowa</td>
<td>Sekutupu</td>
<td>90</td>
</tr>
<tr>
<td></td>
<td>Mathala</td>
<td>107</td>
</tr>
<tr>
<td></td>
<td>Meete-ta-tshelo</td>
<td>54</td>
</tr>
<tr>
<td></td>
<td>Gelauskpan</td>
<td>114</td>
</tr>
<tr>
<td>Bophuthatswana</td>
<td>Boeketwilg</td>
<td>42</td>
</tr>
<tr>
<td>KwaZulu</td>
<td>T. C. Esterhuysen</td>
<td>38</td>
</tr>
<tr>
<td>Ciskei</td>
<td>KwaBadaa</td>
<td>182</td>
</tr>
<tr>
<td>Venda</td>
<td>Montebellai</td>
<td>160</td>
</tr>
<tr>
<td>Basotho Qwaqwa</td>
<td>Peddie</td>
<td>72</td>
</tr>
<tr>
<td></td>
<td>Khathuthahe</td>
<td>112</td>
</tr>
<tr>
<td></td>
<td>Hayani</td>
<td>181</td>
</tr>
<tr>
<td></td>
<td>Witsieshoek</td>
<td>100</td>
</tr>
</tbody>
</table>
It's 50c a day for the forgotten

By LYNN STEVENSON

A MUSTY smell of powder and old cologne pervades the 5 m by 3 m room. A 2 m square kitchen, and bathroom just large enough to stand in, complete the flat.

Its occupant, Mrs Nina le Roux, 77, agreed to swap her home for a furnished Hillbrow apartment, well-stocked with food, for a month, while I became her shadow.

My possessions were to match hers to the last detail. My clothing for the month was no more than the section of her winter wardrobe bought from her pension. This totalled one winter dress, three blouses, three jerseys, four skirts, one cape, one raincoat, two pairs of shoes, one pair of slippers, one warm dressing gown, two peticoats, one vest, one Spencer, two pairs of panthoes, one brassiere, one corset, one overall and an umbrella.

Her reading matter included a Bible, some inspirational booklets and magazines. I was allowed a Bible.

Mrs Le Roux spent last winter without a heater — it broke. She has an iron which also does not work. Creased clothing will be all I have for warmth.

Her larder was stock-
ed. Whatever I eat from it I shall replace.

That may not prove as simple as it sounds. I shall have to pay for everything from R57, the basic State pension for men and women.

Rent for the apartment is R35, with 80c for electricity and gas, leaving me exactly R21.20. From that I must be put away, as Mrs Le Roux tries to save that much a month for large expenses and emergencies.

That leaves R16.20 for food, groceries, toilettries, transport, entertainment and anything else. I have to budget on 50c a day.

To get some money perspective, I considered some comparisons. On my last day as a free reporter, I paid some of my accounts. It is coincidence, but the monthly payments on my car is R57. — the amount hundreds of pensioners live on. Guitar lessons are R16, what I have left to live on. I had to leave my guitar at home.

Second deprivation — to find feathers flowing out of Mrs Le Roux's pillows. I'm allergic to feathers and am certainly not going to spend four days' budgeting on an anti-allergic pillow, so I shall do without.

None of my friends know where I am. My family do.

Saturday night wears on. It is too early to go to bed and the room is too dimly lit to read or sew — not by machine, as Mrs Le Roux embroidery. Unfamiliar creaks and footsteps are unnerving.

Bedsprings in the flat above mean. In the building opposite darkened windows tell me the forgotten people have gone to bed. It is 9 pm.

Mrs Le Roux has lived in this room for 15 years. Peeling paint from greyish walls protrudes accusingly. Why should someone who has fulfilled her responsibility to society be repaid like this?
Amended group insurance scheme for teachers

Mr. G. N. O'DEA asked the Minister of Finance:

Whether a company whose name has been supplied to him has amended its group insurance scheme for teachers to the detriment of older members of the scheme; if so, what steps have been taken or are contemplated to investigate the matter.

The MINISTER OF FINANCE:

The premium rate of this scheme was recently revised on a basis which also takes the age of the member into account. A uniform rate was previously charged for all members but because older members would normally pay more for the same benefits, it actually amounted to the younger members subsidizing the older members. This impeded enrolment of young persons.

The premiums of the group assurance scheme are not guaranteed, but are subject to revision in the light of claims experience in the past. The complaints received in this connection have been investigated. The company's explanations and motivation for amending the scheme have, however, been found to be acceptable by the Registrar of Insurance.

Mr. W. V. RAW: Mr. Speaker, arising out of the hon. the Minister's reply, may I ask him whether he will take steps to prevent similar schemes, such as that in the Defence Force, being sold apparently semi-fraudulently since the conditions thereof can be altered to the detriment of the members without their having any say in the matter.

The MINISTER: Mr. Speaker, I shall require notice of that question.
Homes for aged conducted on behalf of
Department of Social Welfare and Pensions
and owned by Smith, Mitchell and Company

17. Mr. J. W. E. WILEY asked the
Minister of Social Welfare and Pensions:

(a) What total amount has been paid
in subsidy to the homes for the aged
conducted on behalf of his Department
and owned by Smith, Mitchell and Com-
pany and (b) what was the amount of
the subsidy paid in each financial year
from 1969-70 to date in respect of
institutions owned by the company.

The DEPUTY MINISTER OF SOCIAL
WELFARE AND PENSIONS:

No subsidy is paid to the homes con-
cerned. They are remunerated according
to the appropriate contract price. I do
not think it is desirable to disclose the
particulars required by the hon. member
in public. I am, however, prepared to
terply the information to him privately.

Mr. J. W. E. WILEY: Then I must not
be bound by it.
Subsidies paid to certain welfare organizations

*7. Mr. G. N. OLDFIELD asked the Minister of Social Welfare and Pensions:

(1) What amount was paid by his Department during 1974-75 to welfare organizations administering (a) service centres and (b) clubs for the aged;

(2) whether the meals-on-wheels service provided by (a) service centres and (b) other welfare organizations is subsidized by his Department; if so, on what basis; if not, why not.

The DEPUTY MINISTER OF SOCIAL WELFARE AND PENSIONS:

(1) (a) None.

(b) R2,637.

(2) (a) Yes, on the following basis:

(i) Capital expenditure: a loan at 1½% interest, redeemable over a period of 40 years.

(ii) Rent—75% of the rental up to a maximum of R10 per member per annum.

(iii) Furniture and equipment—75% of actual purchase price up to a maximum of R20 per member.

(iv) Running expenses—50% of the approved expenditure up to a maximum of R20 per member per annum.

No claim for subsidy during the financial year in question.

(b) No. Such a service can best be rendered from a service centre.
Sanlam deal hits older teachers

By TONY STIRLING

THOUSANDS of older South African teachers will be hard hit by changes in life insurance policies under a group scheme run by Sanlam, the R800-million insurance giant.

Mr B. E. Gouws, 55, vice-principal of the Johannesburg Technical High School, says the revisions to the scheme will mean that teachers retiring at 60 will no longer be entitled to insurance benefits under the scheme.

"This is a deplorable move," said Mr Gouws. "It will affect thousands of older people in the teaching profession who have paid in hundreds of thousands of rand in premiums."

In terms of the amendments to the scheme, membership will cease at 60. Premiums for those above 40 have risen steeply. The members will also lose their post-retirement benefits of half the original life cover at half the premium rate they were paying before retirement.

A Sanlam spokesman said that because of "adverse feedback", a statement had been issued on the amendments.

The number of members of the scheme was confidential, but those reaching retirement age could take out normal insurance policies without undergoing a medical examination. Sanlam, as a mutual company with responsibility to its members, could not subsidise the scheme.

Mr Gouws claimed that older members who had been paying into the scheme for years would take out insurance.

The premium rates have been drastically increased for older members. In my case the increase is 117.5 per cent, from R5.84 a month to R13.00 a month," he said.

At the same time premiums to those under 40 had been reduced by 21c per R1,000 of life insurance cover.

The justification given for this was that the younger members would no longer be subsidised by the older members.

"In my opinion it is not liable to create hostility among the younger members of the scheme — that is among those still likely to take out insurance. But it hits those older people who are not likely to take out insurance," he described Sanlam's offer to give normal policies to those reaching retirement as "generous".
Minimum pensions for Railways pensioners

6. Mr. G. N. OLDFIELD asked the Minister of Transport:

(a) How many Railway pensioners are receiving minimum pensions at present and (b) what is the present rate of the minimum pensions payable to such pensioners (i) with and (ii) without dependants.

The MINISTER OF TRANSPORT:

(a) 18,135 - as at 1 June 1975.

(b) (i) R144.00 per month.

(ii) R72.00 per month.
HANCOCK 18

Civil/Railway pensioners

5. Mr. G. N. OLFIELD asked the Minister of Social Welfare and Pensions:

(1) (a) How many civil pensioners are receiving minimum pensions at present and (b) what is the present rate of the minimum civil pension payable to (i) single and (ii) married pensioners?

(2) whether (a) civil and (b) Railway pensioners are in terms of the means test precluded from receiving social pensions; if so, for what reasons;

(3) whether the means plus pension income limitation is to be increased; if so, (a) from what date and (b) what is the proposed income plus pension limitation to be from that date;

(4) whether consideration has been given to permitting civil and Railway pensioners whose financial means are within the means test limitation to qualify for reduced social pensions; if so, with what result; if not, why not.

†The DEPUTY MINISTER OF SOCIAL WELFARE AND PENSIONS:

(1) (a) 801.

(b) (i) R59 per month.

(ii) R118 per month.

(2) (a) and (b) The means test is applicable to all social pensioners except war veterans of the 1899-1902 war. Depending on their means, civil and Railway pensioners might, therefore, be precluded from social pensions. Attention is, however, invited to regulation 10(c) of the regulations published under Government Notice No. R.440 of 1 February 1974, whereby certain pensioners are precluded from a social pension. The reason for the preclusion is that the pensions in question, in so far as it affects minimum pensions, are already being supplemented from public funds.

(3) No. (a) and (b) fall away.

(4) Yes. The matter which is closely connected with the payment of minimum pensions is receiving attention from time to time but no final decision has been reached as yet.
Probe by ‘Mail’ sparks campaign

Johannesburg yesterday appointed an action committee, under the patronage of the mayor and including an MPC and two city councillors, to fight the deplorable plight of the city’s aged.

The committee was formed at an urgent meeting of nearly 100 social workers and experts in the care of the aged.

The meeting was called after the Rand Daily Mail spotlighted the wretched conditions in which many old people live and die.

It resolved:

- To ask all levels of government and commerce and industry to set up a financial foundation to create a citywide register of needy aged, to conduct an in-depth study of geriatric facilities and to help existing welfare services expand;
- To urge the Transvaal Provincial Administration to allow local authorities to promote a whole range of preventive medical and nursing services for the old;
- To ask the Minister of Social Welfare and Pensions to increase substantially pensions for the aged, irrespective of race.

The resolutions were carried unanimously and all speakers pleaded for the support of the public and authorities.

Social workers spoke of the drastically understaffed volunteer services and the lack of coordination between services.

A separate plea was made for an immediate R200,000 to buy a central city building and convert it into a service centre for the aged.

The Johannesburg Council for the Care of the Aged had negotiated to buy a building. The plan was to let more than 60 rooms to needy pensioners at low rentals and to convert one floor to a day centre, for counselling, re-

See Page 9
The tough diet beats Lynn

By SYDNEY DUVAL

The Rand Daily Mail last night instructed reporter Lynn Stevenson to stop living as a pensioner on R57 a month — on medical advice.

Lynn spent several hours with a doctor yesterday. This was her second medical examination since falling ill on Monday, when she woke up with heavy swelling in the face, knees and fingers.

The doctor said Lynn had developed edema as a result of her poor diet lowering her resistance. Lynn had cut out water causing tissues to swell. Lynn had put on 2.5 kg in the three weeks she spent in a city flat living out the austere existence of impoverished old-age pensioners.

The doctor examined Lynn before she began her assignment and said she was in good health. Lynn had mentioned a renal infection that last affected her five years ago.

"In view of her past medical history, which shows signs of recurring it would be advisable for her to stop the experiment," the doctor said yesterday.

"Lynn Stevenson"

This morning she was down to 56 of her original food budget, apart from the R5 she was keeping in her "rainy day" kitty.

During Monday's consultation the doctor questioned Lynn closely on her physical and mental condition after she complained of waking with her eyes "wet and slimy". She also complained of blurred vision, exhaustion — "I used to run up four flights of stairs" — aches, dizziness, pain in her right side, and a lack of concentration.

Lynn was then entering her third week of voluntary isolation to report on the plight of the city's neglected aged. Many of her reports revealed a life of bitter loneliness in a shadow world within a society's throw of wealth and affluence.

At one point the doctor said: "But from what you are telling me you are not getting enough protein — you're literally starving yourself."

"Lynn admitted that on one occasion, when she was feeling particularly hun-

gry, she "wobbled down a tin of biscuits in one night". This had used up R199 of her R5 for emergencies.

She spoke about her fears and about her pace of life which had slowed considerably. The doctor asked whether she was feeling depressed. Lynn said no.

On Tuesday, Lynn's condition had improved and she was eating much better. She was determined to carry on. She had 37c left, but was in good spirits.

By Thursday Lynn was swelling again. She had taken no medicine for her condition after seeing the doctor on Monday. She was also getting cantankerous and irritable.

Lynn saw the doctor again yesterday and was given a thorough examination.

Lynn said: "I'm really feeling irritable. I feel I want to bite people's heads off."

After further probing the doctor's verdict was: "Taking everything into consideration, particularly your previous medical history, I advise you to stop the experiment."

The doctor last night praised Lynn's courage as a woman and as a journalist.

"I think she was very brave to have tackled the assignment she was given. She did it with great determination to stick to the rules and to really find out how the city's aged lived."

"The fact that she has had to quit a week before her time was up in no way detracts from her service to the community. She's done her job and she has shown how a reasonably healthy girl can go wrong in a matter of three weeks."

21/6/5
Ex-MP launches ‘pensioner power’

Cape Town — A campaign to unite pensioners of all races in a demonstration of pensioner power is being planned from a garden shed in the Southern Cape.

As part of the campaign, hundreds of old-age pensioners led by pipers will march through the main streets of South Africa’s major cities to protest against inadequate pensions.

The brains behind it belong to 75-year-old ex-MP and war veteran, Major Koos Ueckerman, whose indefatigable letter-writing and passionate pleas for an increase in State pensions have made him an unofficial spokesman for pensioners of all races.

An ex-pensioner himself, parliamentary pensioner and ex-army officer, the major conducts operations from his retirement cottage where 10 years ago he moved to raise strawberries.

In the garden shed office, where the rakes, spades and forks hang, a stream of letters from all over South Africa, written by pensioners, is received.

Since he wrote to all South African newspapers five years ago asking pensioners to tell him of their battles with the rising cost of living, Major Ueckerman has received 180,000 letters.

By December last year the shed was stuffed with more than 100,000 letters from pensioners of all races and languages.

By March this year phase one of the campaign — the raising of public opinion to the plight of pensioners — was over. Phase two is now under operation. It consists basically of a frontal assault on the Government.

A petition has been sent to Parliament. It calls for a zillion on eight points, one of which is a demand for a commission of inquiry into hardships among pensioners.

Major Ueckerman is the latest to call for an increase in pensions announced in the last Budget. He says that R7 will mean little in real terms by the time it reaches pensioners’ pockets in October. He hopes instead for a generous interim award tell a national contributory pension scheme can be introduced.

The major has called for pensioners to write to him in support of the petition. Since March more than 75,000 names have been collected. Every day more arrive in the post, collected by pensioners, voluntary organisations, churches — sometimes by teenagers.

“I have written five letters to the Prime Minister, Mr Vorster, asking him to send someone to judge the extent of the support,” he says. “So far there has been no reply from the Prime Minister’s office.

The major has known poverty. “I was down and out in California in the 20s. I know what it is like to starve. Even today, but for my parliamentary pension, I would also have to depend on the meagre State pension. It is a case of ‘out for the grace of God there go I’,” he says.

This is what the major asked the Government to do in his parliamentary petition:

• To increase substantially the pensions of all social pensioners by a minimum of 20 percent.

• To increase compensation with the rise of inflation, the pensions of all civil pensioners who retired before 1970.

• To adjust upwards the pension scale of miners’ and black pensioners.

• To abolish the means test of war pensioners, disability and other social pensions for people over 70 years old.

• To establish accommodation facilities in places of retirement for pensioners.

• To grant immediate and regular pensions without reductions on pension income.

• To introduce legislation to allow local authorities to reduce rates and taxes in deserving cases of dwellings owned or rented by pensioners.

• To establish a commission of inquiry into hardships among pensioners in various means of a contributory national pension scheme or otherwise.
Pensioner power muscles up

[Image of a foldable leaflet containing text and images related to pensioner rights and benefits.]
No crumb, or kindness, to spare...

IN THREE weeks I became one of them. Hospital-like the coral inns are measured by mealtimes, tea and the comings and goings of others.

I identified with those for whom death is but a step away. An uneven pavement, a polished floor, a staircase with no railings could mean a fatal fall.

Travelling by bus or escalator became a hazardous experience. Leaving the flat for 10pm was considered dangerous so the isolation sets in.

Much of it is imposed, some of it is chosen. It may be difficult to sympathize with those whose ideas have jelled and whose values have not evolved with changing times. Feelings, even the only link with sanity. Even so, only the "privileged" pensioners possess radios, mostly only those whose radio licences still have to be paid annually and batteries are bought. During my three weeks as a pensioner I would have foregone milk for three days than without batteries.

Consequently, for pensioners radio is an essential. It is a bitter to think that the pensioner's would truly benefit from the more intimate television dramas and probably never own sets or even see a TV programme.

The isolation and the solitude breed a sick sort of routine which in turn provides a threadbare security. Hence the irritation experienced myself — if someone unexpectedly interrupts your routines.

Your realisation that your life is craving communication, and people, is dimmed by the other hunger in your belly. And there isn't food to spare. Playing hostess becomes a trial of the past. If you can offer a biscuit with a cup of tea you are being generous.

Counting cents becomes second nature. Self-inflicted and greed become necessary accompaniments to life. Several people I met had forgotten that offering their refreshment to a stranger was an accepted gesture of hospitality.

I knew whether perhaps they had been hungry, the necessary sugar or milk so often that not offering had become the norm.

Those with religious beliefs seemed embittered and were generally happier even if their circumstances were no better than others. They were the ones who said they were grateful for some or other aspect of life. Their hearts and homes were often still tinged with generosity.

Church-going also provides an occasion to meet people of all ages and is something to anticipate on bleak week-ends. It signifies security and hope.

Those with "faith" seemed less affected by years — fears of further rent increases, of inflation, of dying alone even worse, of suffering alone unable to reach help. Of knowing suspicious of the outside world and of the looks of youth. Of starvation or of becoming completely dependent through blindness, or being crippled or suffering terminal illness.

Honour becomes as scarce as food. During the entire three weeks I think I laughed at myself only once. That was when I trimmed my fingernails atrociously — with an arid of blunt nail scissors because I could not afford even the reduced hairdressing rates at Happiness House.

Fortunately, I do not smoke. Finding out what sacrifices pensioned smokers make to afford cigarettes was something I meant to do during my last week as a pensioner. I'd still like to know.

If one is fired with spiritual zeal for a cause, perhaps the deprivation of the body can be overridden by the power of the mind. But for more ordinary mortals I am convinced efficiency means relationships, appearance and health are directly related to the food they eat.

Not once during the entire three weeks did I ever leave a crumb on my plate. The only time I had a two-course meal was the day I slept till noon after a sleepless night and feasted on a combined breakfast and lunch.

Hoarding becomes instinctive. Christmas birthday cards symbolise "loved ones" and "being remembered" so they accumulate dustily on shelves and mantelpieces. I wondered what the aged fill empty packets? They're stored underneath chairs, they fill drawers and they're stuck on top of cupboards. Others collect old newspapers.

Years of leaning over railings sometimes take their toll in fearful ways. One person I met imagined a television company disturbing her eerie peace.

"Can you see them?" she would ask excitedly. "Down there. When you see them, watching they camouflage themselves beside the dustbins. There goes Cleopatra in her barge. Can you see them having tea on the boulevard? Look at that one, drawing half naked on her stomach!"

They must be filming it for television. It disturbs the tenants you know. The building will never be the same again."

Her hallucinations prowled around the height of the murky block. "Cleopatra" was always in the court yard below, relieving in her barge on the river.

While she saw "Cleo- patra" time for others she passed poetically, occasion- ally interrupted by sordid dramas of daily life.

What made it all bearable for me was that it was temporary. There were people I loved in the world outside. I knew they cared and were waiting for my return. How do they survive — all those old people I met — the long, long, dreary evenings, the sleepless nights and the drabby days?
Pensioners' plight

PRESS articles on the plight of South African pensioners have caused a large upsurge in business for life insurers, according to Mr. Ken Paine, general manager for the Legal and General Assurance Society of South Africa. Legal and General had achieved a record 70 percent increase in net premium income from R830,375 to R1,087,023 for the five months to May this year against the same period last year.

This rise is the result of the public’s increasing awareness of their individual need to protect themselves in their old age, he said, and commented that the awareness was largely due to recent Press articles.
Minister sees plight of aged

By MIKE DUTFIELD

IT WAS disgraceful that a city like Johannesburg did not have one service centre for the aged, the Deputy Minister of Social Welfare and Pensions, Mr Hennie Smit, said yesterday.

"Johannesburg must have several immediately," Mr Smit said after a tour at the invitation of the Rand Daily Mail of some of the lonely, shabby rooms where Johannesburg's aged live.

In one room in Troyville, Mr Smit arrived as a 76-year-old woman was carried on a stretcher back to her bed after two weeks in hospital.

The Deputy Minister also saw a war veteran, Mr. J. E. J., living alone in a room with an oxygen cylinder beside his bed; a bedridden widow, who is waiting for her remaining generous leg to be amputated; an 89-year-old who has lived alone for 30 years; in one room, a woman who cannot stand without crutches, and several others.

After the tour, Mr Smit said: "The people I saw today convince me even more that the State, the province, the city and the community must work together to solve the complex problem of Johannesburg's aged.

It is obvious that putting these fiercely independent old people into old-age homes is not enough.

FLATLETS

"Johannesburg also needs municipal housing schemes for the aged on a much greater scale than the 300 flats already built," Mr Smit added after slating the lack of service centres.

He was accompanied on the tour by his wife, Mrs Smit, the Secretary for Social Welfare and Pensions, Mr H. P. J. van Rooyen's Johannesburg representative, Mr Theo Gercke.

One of the people they met was Mrs Johanna Thompson, 81, bent double with arthritis.

She said she had lived alone in her room for 30 years. "My daughter comes to see me and without her I could never manage. It would be nice if there was more help," she told the Deputy Minister. Her sole income is her R57 a month old-age pension.

As the party inspected a block of unfurnished rooms home to 40 pensioners - Mr Smit said: "These people must be helped to"
Master plan to help the aged

By MIKE DUTFIELD

THE Department of Social Welfare and Pensions has given the Rand Daily Mail details of a national master-plan to help South Africa's White aged.

The Secretary for Social Welfare and Pensions, Mr H. P. J. van Vuuren, said yesterday he hoped the plan would, in particular, do much to ease the plight of the old people in Johannesburg.

"We are working out ways in which, with the help of local welfare societies, we can take the initiative in solving some of the problems. We intend to go to where the needy aged live and draw up in-depth studies of what is needed," Mr Van Vuuren said.

In October he hopes to present to the National Welfare Board plans whereby regional welfare boards will play a much more dynamic role in the welfare services of the community.

If accepted, the plan will require changes in the Welfare Act.

"If everything goes well, we will work with existing community services to ensure that new facilities are created and welfare work mobilised and coordinated like never before," he said.

"If we get the cooperation we ask for and the full support of the community, we can change the face of social welfare in South Africa within 10 years," Mr Van Vuuren said.

In Johannesburg, he said, his regional office would want to work hand-in-hand with the newly-formed Action Committee on the Aged and would welcome their help and advice.

Mr Van Vuuren also confirmed that he had been asked by the Deputy Minister for Social Welfare and Pensions, Mr Hennie Smit, to examine the consequences of a provincial ordinance preventing municipal health departments in the Transvaal from tending to anyone over the age of two years.

He said the matter was being handled by his senior deputy and that all reports of the effect of the ordinance would be drawn up.

The move follows "Mail" reports on the inability of the Johannesburg City Health Department to tend to the needs of the aged.

The city's medical officer of health, Dr Alexander Smith, said his department's equipment, doctors, nurses and 70 health visitors were effectively prevented from looking after the aged.

He felt it was his department's duty to carry out such work and the preventive medical care that could be rendered would be invaluable, he said.

Meanwhile response to the plight of Johannesburg's destitute pensioners is still coming in at a steady pace.

Schoolboys at St David's College in Inanda, Sandton, have collected food which they are making up into 100 hampers for old age pensioners.

The Johannesburg branch of the Union of Jewish Women have bought 50 new blankets for pensioners with money they have collected in response to the Rand Daily Mail's articles spotlighting the needs of the aged.
The aged
ushering and cheer for
PRETORIA—The Minister of Transport, Mr. Muller, has been asked to urgently relieve the worsening plight of about 40,000 Railway pensioners, including widows of former Railway workers.

The secretary of the SAR-Pensioners Association, Rev. Abbott, said in an interview yesterday that the increases in living costs during the past few years had wiped out more than a third of the buying power of the pensioners. "We have asked the Minister to take into account the hardships being suffered by pensioners and to reduce the price spiral and the increase in pensions," Mr. Abbott said. He received letters daily from pensioners from all over the country expressing their disrepair about the inadequacy of their pensions and their desperate need for help. Pensioners were getting a two percent increase per year to compensate for COLA, but this, Mr. Abbott said, was inadequate because of the present inflation rate of about 15 percent, which was taken into account.

These, he said, were the desperate plight of the workers who retired before December, 1973, when substantial increases were granted to Railway workers.

"We have asked the Minister to increase the pensions of this group by a third to bring them into line with the other pensioners," Mr. Abbott said.

The former president of the General Conduc tive Council of Railway Staff Associations and of the Artisan Staff Association, Mr. J. J. Liebenberg, confirmed that the pensioners were having a desperate struggle to maintain living standards. "What they received many of these people were not really worth anything with their pensions.

During the past four to five years the cost of living of pensioners has risen by nearly 20 percent," Mr. Liebenberg said.

Mr. Liebenberg said he had retired three years ago and since then his pension had been increased by 24 percent during the past 12 months, which had included the rise in the consumer price index of about 20 percent.

"This situation means that the Government must face the situation squarely. We need an 10 percent increase in pensions of about 30 percent in the future.

The Minister, would be doing a great service by granting relief to the pensioners.
R4.5m for aged

MORE THAN 30 elderly, Coloured people have been housed in the past few weeks at Bishop Lavis in the first stage of an R4.5m scheme which will provide homes for 900 old people in the Peninsula in the next five years.

Mr. Alan Johnson, the acting secretary of the Cape Peninsula Welfare Organization for the Aged, which is behind the project, said the CPWOA plans to build five old people's homes — three for Blacks and two for Whites.

So far, the CPWOA has been given or promised R75 000 towards the homes.
Inflation and your pension

The dangers of continuing inflation are legion. Not least is the havoc it can play with the expectations of pensioners — and with the finances of those providing the pensions.

Inflation threatens to play havoc with the £2,000-plus invested in the privately-administered pension funds, to say nothing of the many millions in State-controlled and other funds. As returns on assets drop further and further below the rate of inflation, a situation is developing from which nobody can possibly benefit.

With double-digit inflation likely to continue into the foreseeable future, so rising-up salary levels and consequent pension liabilities, a mix of superhuman investment skill and luck will be required for the funds to meet spiralling liabilities without hefty increased cash contributions from their sponsoring companies.

By law, 50% of a fund's portfolio is required to be invested in government and quasi-government stock. Last year, the average return on this prescribed fixed interest portion would have amounted to —6% (the return being negative when depreciation in market value of securities exceeds interest income).

Taking the inflation rate at 14%, pension funds last year would have had to show an impossibly high return of 34% on the discretionary portion of their assets merely to reach the break-even point for solvency — the point at which net income is equal to the inflation rate.

Of course, the essentially long-term
WHO HAS THE ANSWER?

Funds may be able to create reserves from which to meet an annual increase of say 3%. This does not help very much if the inflation rate is over 10%.

To do anything worthwhile in the way of providing cost-of-living increases would add 20% to 40% to the cost of pension schemes. The only way of meeting the position is by increased contributions. To what extent can employers and employees be expected to pay in addition amounts normal to help former employees who have retired.

This is a question I will not attempt to answer. 9

C M Payne, general manager, Witwatersrand Gold Mine Employees Provident Fund.

nature of pension fund investment does help weather the bad patches experienced over the short term. But inflation has meanwhile worsened, to make even the short-term look uncomfortably long, particularly for those funds more recently established. Even the returns of the established funds whose assets would partly be cushioned by the book values at which they were purchased years ago, are looking a little sick against a current 15% inflation rate.

From 1971 to 1973 inclusive, a consulting actuary calculates the returns of some 20 major funds at 8.1% on prescribed stocks, 9.3% on other fixed interest investments, as a 7.7% on equities and 11.6% overall. For 1974, though variations could be wide depending on the proportions of mining shares, he reckons the figures might read —6%, —7%, —10%, and around —6% overall.

"It is clear," he deduces, "that company rates of contributions to pension funds will have to be much higher over the next few years than anything previously contemplated." Nor can the possibility of steeply increased contributions from employees, too, be excluded.

Just how much is needed is already being seen, both overseas and locally.

The extra contributions required can frequently amount to more than even the largest corporations can pay in any one year, representing a potentially major liability for the future, currently undiscounted in company balance sheets.

In the US, the magazine Fortune, has these "unfunded liabilities" amount to as much as one-third of the net worth of scores of large companies, "and the proportion sometimes runs higher still". It is 46% at Western Union, 53% at Bethlehem Steel, and 86% at Litton Industries.

Similarly in the UK, where the situation has been dramatically spotlighted by the £8m set aside by BP to cover an updated actuarial assessment of part of its back service pension liabilities.

SA is not escaping. Though many companies are still able to ignore the problem, or treat increased provisions as normal business expenses, and so have no need to itemise them separately, others consider detailed disclosures of the contributions inevitable. As one financial director put it: "There is no point in postponing these provisions, as we would then only have to deal with a larger problem later!"

Those who are already topping up their funds include:

- Barclays, where a further R250 000 was transferred to its fund last year. This comes on top of a R2.5m "special contribution" in 1973 and R1.1m the year before.
- OK Bazaars, which has put in

R140 000 (R94 000). "The amount to be set aside will be computed by making each year, in respect of persons retired at that date, an estimate of benefits which are likely to become payable in the future to such persons and charged to income.

- GFSR includes a "sundry expenditure" for 1974 of R3.1m in its consolidated income statement as the first legal step in making up its fund's R3.1m deficit, which it intends financing over three years.

- Palabora Mining notes that "the continued inflation pattern has necessitated several adjustments". In 1973, its profits were charged with R3m which, with increased future contributions, will be sufficient to finance future benefits.

- Edgars Stores has had to cough up R383 000, of which R150 000 was provided last year with the balance to come from this year's earnings.

It might not be unwise to adopt the argument that the topping up of pension funds is a social cost, which businesses simply have to bear. But with liquidity tight and companies ploughing back higher proportions of their profits, to finance new stock and plant, their obligation to make good pension fund deficits represents an additional drain on earnings. This may ultimately serve even to reduce dividends, which would in turn make equities less attractive as an investment. An increase in the contribution of pension funds and capital more difficult to raise.

Even property, traditionally the soundest of all hedges against inflation, is a little uncertain — particularly for the younger funds. Having climbed into the top of the market a few years back, they have yet to enjoy much capital appreciation of their freshly-acquired portfolios as oversupply of office and shopping accommodation has retaught the market constant. And in the UK, of course

THE TAX ANGLE

An employer who pays an amount into a pension fund in excess of the normal contribution to enable the fund to meet the problems caused by inflation, or who directly subsidises the pensions of past employees or their dependents, can face tax problems.

This is the opinion of J R Morris, Professor of Tax at Cape Town University.

Following the decision in the case of W F Johnstone and Co versus CIR (Appellate Division, 1951), such payment may well not rank for deduction under the general formula.

However, there are special provisions in the Income Tax Act which may help in certain cases, argues Morris. Section 11H would permit a deduction if the payment to the fund represents a lump sum contribution. The Secretary for Inland Revenue is then empowered to split the payment and allow the deduction only over a period of years. But if the payment relates to employees who have already retired, the wording of 11H leaves doubt as to whether the payment falls under the relevant section at all.

In the case of supplementary pensions paid directly to employees or their dependents, 11H(m) permits a deduction so long as they are paid by way of an annuity. However, in the case of dependents, there is a limit. R1 000 pa to the allowance under 11H(m) for all the dependents of any one employee.
Property values have slumped, compounding the problems of pension funds there.

While a prime SA CBD investment would today earn around 9% net, the funds must have confidence in the prospect of long-term recovery to finance the gap between uneconomic rental income and the erosion of inflation.

The outlook is scarcely heartening for fund managers, who can look forward to virtually nothing other than equities and property for the growing source of income on which they depend. Apart from the principle that the funds should be able to stand on their own, there is an obvious limit to the extent to which companies can continue topping up fund deficiencies from earnings. Nor is it desirable that fund members should be at risk for pension benefits on the extent to which a particular corporate philosophy, to say nothing of profit performance, dictates the generosity of continuing contributions.

This raises the question of that 50% of assets directed by law into "prescribed" securities. Originally the aim was to ensure safety. And now, naturally enough, government is still keen to get its hands on as much as possible of the R250m plus which the funds have to invest each year.

However, yields on these prescribed assets are standard at under 10%, and growth is restricted. This necessarily limits the funds' capacity to match contributions and investment performance with liabilities.

The time has surely come for government to consider the removal of this artificial restraint on investment freedom, in the interests of both better balanced portfolios and fund solvency. That which made sense in times of monetary stability makes nonsense in times of high inflation.

Coupled to declining investment performance is the impact of inflation on wage and salary levels. As these have rocketed in recent years to keep pace with the cost of living, funds using the more popular method of calculating benefits on the final three to five years of an employee's salary have increasingly felt the pinch. Their problems are compounded by the fact that they haven't had use of inflation-affected contributions for the earlier 30 or so years of the employee's working life.

That salaries have risen out of all proportion to contributions creates difficulties as great for the "money purchase" pension schemes.

Though the latter are under less strain to meet liabilities by the nature of their structures, which relate the ultimate benefit to an employee's contributions over his entire working life and not the final salary, they are as obliged to perform successfully so that the benefit will cushion the pensioner from inflation.

And they, too, could still require topping up. Motor industry employers, for example, have started contributing 2½c per week per journeyman to subsidise the pensions of employees who were at a fairly advanced age when the industry's fund was founded.

So long as a fund's income exceeds its pension outgoings in any given year, there might appear to be no problem. But the real test, intensified by salary increases, comes where the funds sit down to discount liabilities to their present value and assess whether the present value of assets is equal to the present value of liabilities.

In an inflationary situation, assets tend to fall short of liabilities to such an extent that, in the UK, it is estimated that each 1% pa additional inflation, unmatched by a corresponding improvement in investment return, is likely to result in an increase in the needed contribution rate of 3% of payroll.

Actuarial assumption Number One must be that inflation will be contained. If it is, the long-term nature of pension fund investment, and the inherent stability of the funds, will mean that the current experience is short-lived.

If it is not, it is scant consolation that meaningful pension benefits won't be the only part of the social fabric in danger of collapse.
SA 'has more aged'

Pretoria Bureau

There was a population explosion of the aged in the western world, including South Africa, the Minister of Community Development, Mr. A.H. du Plessis, said today.

'Speaking at a home for the aged in Zeerust,' Mr. du Plessis said, 'that in 1900 six percent of Europe's people were aged. Now the percentage was 12%.

'In South Africa the number of aged had risen in the same period from two percent to eight percent of the population.

This phenomenon had a big effect on economic and social life in any country and in South Africa the authorities were giving thorough attention to it.'
Aid for Soweto’s aged will ease hospital load

Staff Report

17/11/75

In Soweto, where there were no facilities for the aged, the mentally handicapped or the crippled, said Dr. Sebenzo Dube, after yesterday’s meeting of Johannesburg’s action committee on the aged, there were no places to house the aged who lived in the urban areas all their lives but had to go to the homelands. The Royal Eager chairman of the action committee said.

There were about 25 people, predominantly aged, at the Soweto transit camp being held at the National Park, he said. Of these, a majority had no room for the aged, and the camp was crowded. The people were living in simple structures that were not suitable for the aged.

Dr. Dube said that the action committee was considering a proposal to set up a center for the aged in the urban areas. The center would provide a place for the aged to live and receive medical care.

The action committee has been working with the Johannesburg Social Services Department to establish a comprehensive day care service for the aged in the urban areas. The committee has also been working with the Johannesburg City Council to establish a center for the aged in the urban areas.

Meanwhile, the priority aim of the action committee is to establish a comprehensive day care service in the heart of the city, as the city has met with problems. So far, none of the buildings considered have been suitable.

Since yesterday, the action committee of the Senior Citizens Foundation, a result of the Rand Daily Mail investigation into the plight of pensioners, has been trying to find a suitable place.

The action committee has also been working with the Johannesburg Social Services Department to establish a comprehensive day care service for the aged in the urban areas. The committee has also been working with the Johannesburg City Council to establish a center for the aged in the urban areas.

In addition, there were a number of centers that had been set up for the aged in the urban areas. The committee has also been working with the Johannesburg Social Services Department to establish a comprehensive day care service for the aged in the urban areas. The committee has also been working with the Johannesburg City Council to establish a center for the aged in the urban areas.

Finally, the action committee has been working with the Johannesburg Social Services Department to establish a comprehensive day care service for the aged in the urban areas. The committee has also been working with the Johannesburg City Council to establish a center for the aged in the urban areas.
The Bantu pensioner will be hit the hardest

By Arthur Knott-Craig

THE increase in the housing fees in the Bantu township will hit the Bantu pensioner the hardest, I am told informatively, and I can well believe it when they have to live on a pension of R10.50 a month, paid at the rate of R21 every two months.

Last year the Bantu pensioner received an increase of R3 paid every two months, and they were grateful because it helped them meet the spiralling costs caused by inflation.

They are mainly the people who paid 30c a month for lodger's fees, and who will now be called upon to pay R1.15 a month — an increase of 283 per cent.

I was told this by one who constantly helps these people to "eke out a living" on their pensions.

They live on "suurpap", "mealepap" and water, because of the increase in the price of milk, bread and maize, coal, wood, and least of all clothing.

A European man told me that he had to have his domestic released from prison because she had not paid her rent.

I was informed that if people do not pay their rent, they are given notice that they will be evicted, and then they are thrown out of their homes which are locked, until they can "beg, borrow or steal" the money.

These people live such a life of poverty that they "help each other out" in an effort to live.

I can see only one way out of this dilemma which has been caused:

Bantu pensioners will have to be given an increase in their pensions to meet the increased housing costs levied by the Bantu Board.

Local authorities will have to increase the wages of their labourers.

Townsmen will have to put their hand deeper into their pocket if they wish to employ the Bantu.
Focus on the pl

What is it like to be old and poor? A Daily Dispatch team investigates the conditions under which thousands of people on the Border live and unanimously agree: conditions for pensioners must be improved. RITA BEZUIDENHOUT, VATISWA NTSHANGA and BENITO PHILLIPS report.

A paradise for whom?

Whom to help first? That is the dilemma facing social workers and old age homes.

East London has been described as a "pensioner's paradise," and has one of the highest percentages of old age people.

Old age homes in the city cater for 229 people too old to fend for themselves - and there are at least another 300 names on the waiting lists of the six homes that look after those in their twilight years.

"They are all in desperate need of help, and the only answer to their problems is to be admitted into an old age home," the secretary of Red Cross, Mr L. Marshall, said.

Some pensioners live in tiny rooms where they have to cook and sleep, and from their meagre State pension of R57 a month they have to pay rent, water, lights, and food. They cannot keep up with the rising cost of living, and have to go without facilities that others take for granted, such as entertainment.

Some are lucky to have relatives to care for them, but others have to make do by themselves.

For them to live with children and relations creates more problems. They feel neglected and unwanted. They cannot cope with the extra household responsibilities laid down for them by their own grown-up children who are often both at work.

Today's average home has three bedrooms, and if the family have children of different sexes, the grandparents have to share a room, and a clash of generations is inevitable.

Mrs W. J. M. de Bruin, an East London social worker, said visits to those who apply to live in old age homes was absolutely necessary, to assess each individual case.

Often mentally and physically frail people are told by their relatives their stay at the old age home is not permanent, and once they realise the true situation - that it is permanent - they feel rejected and inferior, making adjustment difficult, and breaking their trust in the social worker. Then, only when they are used to me, do they accept the situation.

"Some seek admission, not because of an illness, but because of loneliness and their fear of deterioration. Having no one to care for them, no permanent home - often roaming from one child to another - makes them want to come to the homes.

"Also they become disturbed because of lack of money they are unable to adjust to the change of lifestyle and tempo when living with their children.

"Once they have been admitted to the homes, group work is arranged for them. Social workers have found active work for the pensioners is essential.

"We have started a physical fitness class, and a dancing class is being arranged," Mrs de Bruin said.

When pensioners living in rooms get sick, they have to pay a normal fee to be attended to.

A nursing sister running a nursing service said her organisation was unable to assist pensioners free of charge or at a lower fee, because of a fixed fee set at her head office.

"Pensioners are unable to pay the fees we ask, but I have long lists of black nurses who have dropped out of nursing for personal reasons, but really want to do it. If the Provincial Administration allowed them to care for the aged, the fee would not be so high, and the pensioner would be able to afford it.

"Why don't the closed wards at the Frere Hospital be reopened to nurse pensioners? Blacks are more sympathetic, humorous and tolerable to the aged," she said.

Mr. Marshall, Red Cross's secretary, agreed.

"Because East London is a pensioner's paradise, and the shortage of white nurses, black nurses should be used, and colour should not be brought into it," he said.

All the pensioners interviewed needed help, and most lived in small rooms. They had hardly any entertainment.

Mrs L. Byers, 72, has been living in a room in King Street for three years. She suffers from bronchitis, but hasn't had proper medical attention, because she cannot afford it.

Batteries lay at the foot of her door "to keep the rats out," she said.

Out of her pension of R80 a month, she helps her daughter, whose husband is dead and pays rent of R15.30, water, lights, and has to clothe herself.

We found another pensioner, Mr. J. Greyling, living alone in a sparsely furnished house in Bushview Terrace.

"After my wife died three years ago, I've lived alone. The house was burgled a few days ago, but luckily they never stole
ght of the pensioners

"If the mountain won't come to Mohammed, pensioners must go to the paying centre..."
Mrs. S. G. Delport

I can't come out with my pension, but my daughters help me.

"I'm scared of going into a home because maybe I'd see worse cases than myself, and that would upset me," she said.

Mrs. Kay sleeps and cooks in her room and has no entertainment.

In a tiny room in St. George's Road, is 72-year-old Mrs. Hersonian.

She cooks, sleeps and does her washing in the room.

"I won't live with relatives or children because I won't have any privacy, and there is always unpleasantness," she says.

To this she added: "Even although I cannot cope with the high cost of living, I rather live by myself.

Next door to Mrs. Hersonian, we found Mrs. A. Kempson, 63.

Mrs. Kempson had a leg injury earlier this year, but thanks to the welfare, I didn't have to pay the bill," she said.

She cannot afford the living room, and has to pay rent of £33, has to feed herself, and has no entertainment.

That is the life of the old and lonely who cannot get into old age homes because there are not enough of them in East London, to cope with the demand.
Facing seclusion, poverty, starvation

Black pensioners in the old age houses in Mdantsane live in 2.42 by 2.42 metre rooms in which they have to cook, sleep, eat and live.

All those interviewed said they had no form of entertainment and one said the only form he knew of since he left his R6 a week job, 12 years ago, was having a drink with friends.

Many depend on their R21.50 every-twomonths pensions, assistance from relatives and asking for something to eat when they run out of money.

Doing the rounds among pensioners in the township, brought us to the realities of the difficulties they have to face in their lives of seclusion, poverty and starvation.

Perhaps the most colourful and interesting of all was Mr S. Philli who was born in Malawi and came to South Africa in 1915 and has lived here ever since.

Mr Philli who still calls his country “Nyasaland” was quite different from the other pensioners. While others lived in conditions of squalor, his room was kept clean and a testimonial issued to him by an oil company official in 1931 emphasised his penchant for cleanliness.

He speaks Xhosa, Sothu, Zulu, Nyanja, Afrikaans and English and does his own cooking, cleaning and washing.

“When I feel fresh I go out to get some herbs — a trade I learnt during my youth at home — and this goes a long way towards supplementing my pension,” he said.

And what did he do when the herbs were not selling and the pension money was spent? “Well, we live with people and when they see we ask for food they give us,” he said.

Mr Philli complained about lack of privacy in their rooms which were interconnecting.

“Sometimes Gasela (his neighbour) gets home late and I have to get up and open the door for him and no old person can ever enjoy that. Why can’t they build separate rooms with separate doors?” he said.

His only form of entertainment is reading the Bible. He has a Nyanja Bible he bought in Kimberley in 1938.

Although Mr Philli served in the First World War he gets no war pension.

We asked him why he looked younger than his 82 years. “Keep away from drink. If you drink, you can never enjoy long life,” he suggested.

Other pensioners had similar problems but we found their homes not as habitable as Mr Philli’s.

Mrs Jane Temele who lived on a farm in Amalinda before moving to Mdantsane in 1968 said their problem was making ends meet.

“And the authorities do not care much for us”, she said, pointing to a sickly old woman lying on the floor.

“That woman was brought here to die. I do not even know who she is. She gets no ration, has no money and no one to look after and I am expected to look after a complete stranger,” she added.

Two days later we learnt the woman had died and had been removed to the mortuary by police.

Mrs Temele said she looked after seven children and found it difficult to feed them from what she earned.

“But we have to look after our gardens for more food and most women here are good gardeners,” she said.

Mrs A. Nqobo was luckier because one of her daughters had been instructed by the magistrate in Mdantsane to look after her and she also got a disability pension.

“That does not last to the end of the two months but it is better than what others get during that period because whatever we get we share,” Mrs Nqobo said.

73-Year-old Miss N. Melane used all her wit to convince us she was not less active because of old age.

“If it were not for my employer (a sweet factory) who thought I was too old to work and pensioned me off, I would still be working,” she said.

She did not qualify for the Government old age pension because she got a pension of R23 a month from her former employer.

“And I do not have to ask anyone to take me to town to collect my money. I am strong enough to do so myself,” she said with a smile.

When did she come to East London from Kentani where she was widowed after only six years of marriage? “Just before Clémence Kadali’s strike,” she said.

She added that she would have gone back to Kentani if she had had children but since she had none there was no point in going back. Her pension from the sweet factory was her child, she said.

Not living, but surviving

Coloured pensioners do not live but merely survive on the meagre pensions they get monthly from the Department of Coloured Affairs.

This was the opinion of the East Cape member of the Coloured Representative Council Mr J. H. Nash.

“Coloured pensioners receive between R27.50 and R29.50 a month. This is half of what white pensioners get,” Mr Nash said.

Mr Nash who administers pensions of 20 pensioners said each one is given a food parcel of R5 every second week. From the balance their rent of R6.95, water and lights of R3 a month is paid.

Coloured areas.

“In Pefferville pensioners pay up to R12.50 a month for a two-roomed dwelling. This is excluding their water and lights, food, clothing and doctor’s bills,” Mr Nash said.

There is not a single old-age home for pensioners in East London.

It is believed that the State is preparing to advance R28 000 towards the erection of such a home while the Department of Coloured Affairs is prepared to furnish the building.
They also get 60 cents vegetables a week. A couple meat a week and one rand is paid into a funeral insurance policy.

Each of the 20 pensioners receive a food parcel of one rand from a service club. They are each given one rand pocket money.

Mr Nash said the balance of the money is used to buy clothing or anything else they require. If the money is not enough it is accumulated until it is enough to buy whatever they require.

Mr Nash said records are kept of how he administers the pensioners' money.

He said there were 380 old-aged pensioners, more than ten of whom receive a disability grant, and more than 100 who received invalid pensions.

Pensioners with schoolchildren receive a special grant," he said.

The East London City Council has decided to grant a R2 relief in the change over from prepayment meters to the normal kilowatt electricity meters.

This followed an appeal by pensioners and a recommendation by the Coloured Management Committee that pensioners could not afford to pay for the new meters because of the increase in rents and cost of living.

The prepayment meters were replaced in 1998. When the City Council had agreed that maintenance and repair costs were becoming exorbitant.

"In Potteryville pensioners find it much harder to cope with their pensions because the rent is double that of the other..."
People really care about aged now

By LYNN STEVENSON

PEOPLE who are concerned about the plight of pensioners are helping to ease their lot.

Yesterday, for instance, through the kindness of Holiday Inns, 40 of Johannesburg's aged were treated to a free cinema show and chocolates. Some of the pensioners had not had an outing for years.

A key figure in the campaign to give better life to pensioners and other elderly people is Mrs Hilda Jones, a social worker at the Johannesburg Council for the Care of the Aged.

When the Rand Daily Mail started its investigation into the problem of Johannesburg's senior citizens, reporters relied heavily on her knowledge, enthusiasm and cooperation.

Now that people have become aware of how lonely and ill cared for these elderly people can often be and have responded with offers of help and entertainment, Mrs Jones has been energetically providing extra services for her elderly charges.

She arranged which pensioners from Bertrams and Mayfair should go to yesterday's cinema show. She arranged each week for two pensioners to have their hair done free at Francis et Cie, which offered this service to the city's aged after reading the findings of the Rand Daily Mail investigation.

A Johannesburg florist, Mr Granny Cuthbert, regularly invites six pensioners to lunch and relies on Mrs Jones to select them. He programmes the delicious meals himself and provides food hampers and corsages for his guests to take home after their boutiques.

Yesterday she appealed to those people wanting to help pensioners to drop off any old pots, pans and other kitchen utensils at Happiness House, in Reissk Street instead of throwing them away. There are many pensioners who will be glad of them.

Dr Laurie Adler, former Medical Officer of Health for Krugersdorp, volunteered his services after reading a Rand Daily Mail report on the plight of the clinic.

Five other doctors have also volunteered to help at the clinic.

"We aim to detect illnesses before they become chronic," said Mr D. Hartley, who helped to establish the centre 10 years ago. "The doctors give patients a thorough examination — eyes, ears, nose, throat, lungs and heart — and pay particular attention to any pains. They can then advise them whether they should consult a private doctor or visit the General Hospital.

The service at the centre is offered to any person 60 years of age or older and is entirely free. It is open from 10 am on Tuesdays and Thursdays, on the fifth floor of Red Cross House, 77 De Villiers Street, Johannesburg.

Patients should make appointments in advance by telephoning the Red Cross Time Club at 22-8554.

Experts on the aged

Staff Reporter

SOUTH AFRICA lacks expertise in geriatrics — no student of medicine or the allied professions had any specific teaching in the subject, said Dr G. R. Beaton of the University of the Witwatersrand yesterday.

"To my knowledge there is only one doctor in South Africa who is recognised as an authority on geriatrics. No medical school here has a section devoted to geriatrics," said Dr Beaton, director of the Division of Continuing Medical Education at Wits Medical School.

To counteract the problem his division had organised an inter-disciplinary course at which three overseas geriatrics experts and 30 local speakers would lecture.

The overseas experts would be Professor Sir Ferguson Anderson, Professor of Geriatrics in Glasgow, Prof Samuel Gershon, Professor of Psychiatry at New York State University, and Prof Antonio Arrigo from Parma, Italy.
Pension Partners' first portfolio

PENSION PARTNERS, the new property investment scheme pioneered by property economist Dr. Peter Penny, has announced its first partnership scheme with the purchase of an R6.7m portfolio from the ailing Summit organization.

First Pension Partners, as the partnership will be known, has acquired Bank House in Braamfontein, Newmarket Place in Johannesburg and the Durban Clock Centre at a price that is well below replacement cost. Summit, which is currently under financial management, was sold.

The transaction was concluded by Dr. Penny, who is managing director of Penny Properties (Pty) Limited, and professional advisors to the partnership, and Dr. Charles Ferreira, managing director of Neocash Limited, independent managers of the transaction.

The portfolio is the first in a series of acquisitions by Pension Partners, which will enable the participating pension funds to invest directly in real estate, an investing avenue with a far better record than equities. Pension funds, previously restrained by lack of expertise and the difficulty of spreading risk, are now overcome these problems without losing control over individual investment decisions.

Further acquisitions will form the basis of other partnerships. Dr. Penny says several pension funds have already expressed the intention of participating in the current partnership, which is negotiating to acquire a R6m portfolio involving a lease back for a major tenant.

Investment decisions are being on the advice of a steering committee of pension fund managers. Funds represented are Icasa Pension Fund, Rand Water Board Pension Fund, Motor Industries Pension Fund, Rock Pension Fund, African Finance representing Afrox Pension Fund and Perskor Pension Fund.

With one exception, the funds on the committee have participated in First Pension partners. The additional participant in this partnership is Hoetets Pension Fund.

The PPP portfolio shows a satisfactory coupon yield and a minimum annual growth of 5 per cent compound although annual growth is expected to outstrip five per cent as several below-market rental leases expire in the next three years.

The Braamfontein and Hillbrow properties are well let at present and the Durban property has only a small vacancy factor. Water Durban tenant, Rand Bank, has indicated that it will not exercise its “baraile” rental option when its lease expires at end-1977.

The company is expected to move to Amprop's 350 West Street, but will continue to pay rental until the termination of its lease.

Acquisition of this first portfolio indicates acceptance of the partnership concept by pension funds and crowns three years of development work by Dr. Penny, supported by leaders of the pension fund movement and with the assistance of several government departments.
Hotel men call for subsidy for aged

THE National Federation of Hotel and Accommodation Associations (FEDHASA) has appealed to the Minister of Social Welfare and Pensions to subsidise accommodation for old-age pensioners.

A possible scheme, outlined in the latest issue of Hotelier and Caterer, FEDHASA's official journal, includes a list of select establishments which meet standards acceptable to the department; a ceiling tariff for rooms to be used by subsidised pensioners with the pensioners paying a set amount of the tariff, the balance to be paid from State funds.

FEDHASA claims the scheme would result in less State institutions having to be built, that it would be less expensive for the State and that the pensioners would be much happier.

Most of the homes for the aged are in quiet suburban settings well removed from shops, cinemas, and libraries. Yet these are amenities which the aged seek, the report states.

POOR EXISTENCE

We see how those who do not manage to get into an old-age home seek out and exist in cheap rooms in the poorer areas of the city, cooking for themselves on a paraffin stove.

The report quotes from a letter to the Minister in which FEDHASA pointed out that a rent subsidy would allow old people a freer and wider choice of accommodation.
A cheque for R14,700 from the Administration of Coloured Affairs towards the cost of furniture and equipment for the newly-completed Nerina Home for Coloured Aged in Lidgettown was yesterday handed to Mr. R. R. Pettit, secretary to the Cape Peninsula Welfare Organization, for the Aged, by Mr. C. F. Ballie, senior clerk in the welfare section of the Administration.

Mr. Pettit said that the home was erected at a cost of R216,000. The furniture cost an additional R35,000 of which the public had contributed R20,000.

The home was opened on June 1 and houses 54 physically and mentally frail people.
Elderly squeezed

Mercury Correspondent

PRETORIA—South Africa’s ageing population is rising rapidly and the number being forced into poverty by inflation and inadequate State pensions constitutes a major national problem, the united Party’s authority on social welfare, Mr. Geoffrey Oldfield, MP, said in an interview here yesterday.

He was commenting on the increase in social pensions which start from the beginning of October.

White pensions go up by R7 to R64 a month, Coloured and Asian pensions by R4.50 to R34, and African pensions by R3.75 to a monthly R15.

"These amounts are hopelessly inadequate when South Africa’s high inflation rate is taken into account. It is a great pity the Government decided not to pay these increases at the beginning of the financial year."

Mr. Oldfield said that since April the price spiral had wiped out the meagre pension increases.

Pensioners would be no better off from October 1, and probably worse off, than they were at the start of the year.

Mr. Oldfield said there was still too great a disparity between the pensions paid to the different age groups. The gap must be closed more quickly.

Mr. Oldfield warned that the number of pensioners whose savings were exhausted was rising sharply, and hundreds were compelled to live in dire poverty, eking out a miserable existence on unrealistic pensions.

He conducted a pensioners’ forum in Durban once a week and he was shocked to learn how inflation was destroying the life’s savings of old people.

According to the Department of Statistics, the number of people of all races over the age of 65 was 870 401 in the 1970 census. Of this total, 249 600 were Whites, 61 000 Coloureds, 11 300 Asians and 549 000 Africans. The total now is close to 1 000 000.

"Immediate' equal pay call by CRC

Own Correspondent
CAPE TOWN — The Coloured Representative Council decided unanimously yesterday to ask the Government again for the immediate introduction of equal pay for equal work.

Introducing the motion, a Government-nominated member, Mr W S Africa (Fed Party) said it was sad that nothing had so far been done to meet the council's previous repeated requests.

The Government had said it accepted the principle of equal pay for equal work, but nothing had been done.

"Our people cannot eat principles, slogans and promises," he said.

Other motions adopted by the council yesterday included:

- The immediate removal of all statutory and non-statutory discrimination based on colour;
- Equal old age pensions for Whites and Coloured people without a means test or adjustment to the cost of living index;
- The lifting of the present income limit of Coloured people who wanted a loan from Housing Commission funds;
- Freedom for Coloured people to buy farms anywhere in South Africa without being subjected to permits.
All-race pension parity call

TUCSA delegates yesterday accepted unanimously a call for parity in social pensions for all race groups within three years. Immediate standardization of the pensions means test for all groups, and old-age and disability pensions to be paid to persons who qualify whether or not they are employed.

CARE TIMES 24/3/75
ANOTHER HOME FOR OLD FOLK

The generosity of a millionaire from Germiston, near Johannesburg, will mean another Coloured old-age home in Eldorado Park.

Some time ago Mr Andries Meyer, who died earlier this year, started a R450 000 welfare trust. Subsequently it was decided to give priority to a haven for Coloured pensioners. There is already one in the area — Jordan House, Martindale.

The trust will work through the Protea Coloured Welfare Organisation which it helped to form. Frederic Place, a former convent, expected to open at the end of the year, will be the area’s second home.

Frederic Place will house 51 men and women. It is now being renovated and extended to meet the health regulations.
Homes for aged Africans 'needed in the cities'

By Reporter

Homes for the African aged were needed anywhere they lived in the cities, said Mrs E. Kuzwayo yesterday.

The Government had, however, built several old-age homes in the homelands in recent years, said Mr. Kuzwayo who is general secretary of the international Young Women's Christian Association in the Transvaal.

She was addressing delegates of the geriatric course which is being held at the University of the Witwatersrand Medical School this week.

"In all communities in South Africa the time for the African community to be hooded by state to alleviate the growing problem is long overdue," said Mrs Kuzwayo.

Old people could then regain their independence, she said, having lost their homes and been left destitute with their children had married.

The African pension of R10 and R15 every six weeks was more of a frustration than a relief. It gave no incentive to live a decent life.

The African community was in a state of transition. The traditional extended family which gave every member a role in society was disappearing and could never return.

Trade and industry had replaced the skills practised by the old men in tribal societies. Hospitals and creches had taken the role of midwife from the old women, who also used to advise young mothers on child care.

Whereas old people in tribal society had been valued and loved for their skills, age and wisdom, the aged in urban areas had been robbed of their roles.

"This has shaken their dignity and shattered their independence," said Mrs Kuzwayo.

Because of strong religious beliefs, the extended family pattern had until recently survived almost intact among the Indian community, said Mr C. Saha-e-tee, director of the Johannesburg Indian Social Welfare Association.

In eight years only 12 aged Indian people in the Transvaal had needed to be placed in the two Indian homes for the aged in Natal.

Since the removal of Indians to Lenasia where houses were too small to house an extended family, attitudes had changed.

The nuclear family — consisting of just parents and children without grandparents — had started to emerge and had already created the problem of loneliness.

"I believe the extended family will disappear altogether in the Indian community as urbanisation and industrialisation exert their influence," said Mr Saha-e-tee.
City to equalise Col grants

The Argus Municipal Reporter

THE City Council will pay equal cost-of-living allowances to all its pensioners — White, Coloured and African — within two years.

The council has agreed to raise the allowances for non-White pensioners in phases and to equalise them by January 1978.

Coloured and African pensioners presently receive allowances equal to about two-thirds of the payments to White municipal pensioners.

R300 000

From January next year the difference will be narrowed to about 20 percent. The allowances to non-White beneficiaries will be raised to 90 percent of the Whites' level from the beginning of 1977, and will be equalised by January 1978.

The increases next year will cost the city about R146 200. Ultimately the allowances will cost the city an extra R300 000 a year.
THE EXPRESS

not heard anything.

I refused. I still have
my pension. I re-

was told to pay for

I am nearly 90.

should they
less than
they get
then and even

cash...

Pay it

RACKETEERS

EXECUTION TO CLEAR IT THE DUST
The Pension

Sunday Express Investigation No.1:

Persecution for Age

By Martin

The experience of the elderly in the social and economic setup of the society is that of a prolonged struggle against the forces of poverty, discrimination, and neglect. The pension system is often seen as a source of relief for the elderly, providing a monthly income to support their basic needs. However, the reality is often far from what is promised.

Three of the pensioners. One of them, Mrs. Amompan, refused to pay and still has not got his pension.

CREEKER

The pension scheme is designed to provide a monthly income to pensioners, but in many cases, the actual amount is far below what is promised. The system is often fraught with corruption and inefficiency, leading to delays in payments and insufficient amounts.

The situation is further compounded by the lack of government support, leading to difficulties in obtaining the necessary documentation to claim the pension. The pensioners are often left to fend for themselves, with little support from the government or other organizations.

Persecution for Age

The pensioners are often subjected to discrimination and neglect, with their basic rights and needs ignored. The system is often characterized by delays in payments, insufficient amounts, and lack of support from the government.

Sunday Express, October 12, 1975
It was not necessary, he said, for old people to apply for pensions through 'tribal' leaders. They could do so directly through his office.

The nine who made statements were:

- Mrs. Ramaatsia: "I applied for pension in February this year. I was told I would not get a pension unless I paid R5. I paid with a R5 note and now get a pension of R10 every two months."

- Mrs. Aphiwe: "I inquired about a pension in January this year. I was told I would have to pay R5 to receive one. I handed the money over and am due to draw my first pension soon."

- Mr. Frank Mofane: "I am nearly 60 years old and eligible for a pension. I realized something was wrong when I was told to pay for my pension. I refused." A friend from the city took me to the Bantu Administration offices where I applied directly. I still have not heard anything and don't know whether my pension has been granted."

- Mrs. Mpheto: "I inquired about a pension in November last year and was told I would have to pay R5. I paid the money and now get a pension of about R15 every second month."

- Mr. April Sebokha: "I asked about a pension in 1973 and paid the R5 asked for. I now get a pension of about R17 every second month."

- Mrs. Francina Sebohona: "I paid the R5 and get a pension of about R10 every two months."

- Mrs. Elizabeth Sebohona: "I now get a pension of R10 every five months after paying the R5. I was asked for another R5."

- Mrs. Kanyana: "I was asked for another R5 and paid it to draw my pension."

- Mrs. Tshim visa: "I paid R5 in February this year. I am due to get a pension soon."

All appear to be well into the pensionable age, although most are not certain of their ages.
A magistrate is the equivalent to a Bantu Affairs Commissioner in the homelands — was asked by the Express what the minimum pensions were. He consulted one of his staff, who said the minimum figure was R10.50.

But the Department of Bantu Administration in Pretoria has since told the Express that the minimum was R14.50 and that from this month it had been increased to R22.

Statements by the nine Blacks — in each case made in the presence of at least two witnesses — said that, on top of this, they had been made to pay R5 before application for pension was submitted.

The Express has the names, too, of 12 other old people — besides the nine who made statements — who are said to have been made to pay R5 before having their pension applications submitted.

The tribal foreman, Mr George Kekane, denies emphatically that he demanded or received the money.

**Ordered**

He refused to speak to me before summoning his 10 squatters. After waiting some time for the tenth man to appear, he said: "I did not receive any of this money. It would be wrong to charge R5 for a pension because pensions are given by the Government."

He then ordered me, through an intermediary, not to put any more questions to him. "It's quite enough, no further," he said.

Mr Kleppers said it was the first he had heard of the pensions racket. He viewed it in a very serious light and would have to take action.
POLICE PROBE
PENSION RACKET

By MARTIN CREAMER
Investigations Editor

POLICE this week began a full-scale inquiry into the old-age pensions racket exposed by the Sunday Express last week.

And the Chief Minister of Lebowa, Dr. Cedric Phatudi, expressed disquiet and said he would launch his own investigation into the matter.

At the same time a leader of the Ndebele or Moelane tribe — among whom the racketeering is taking place — called for an inspection of the tribal account to find out what had become of large amounts of money, meant to be used for the general well-being of the tribal community.

Last week’s report in the Express revealed how old Black people were having to pay for pensions and how some of them were receiving less than the minimum laid down by the Government.

The racketeering is taking place at a settlement called Makepepete, near Marble Hall, in the Northern Transvaal. The settlement falls under the jurisdiction of the Lebowa homeland.

Marble Hall Station Commander, Warrant Officer Johan Roos, said he opened a file on the matter after the Express report.

Tribesman Mr. Sam Kekane, whose father was one of the signatories of the title deed over the tribal land, said the pensions racket had been going on in the area for a long time.

“We are generally dissatisfied with the way things are being allowed to get out of hand at Makepepete and want a thorough investigation into not only the pensions racket but also the tribal account,” he said.

“The account is kept at the Bantu Affairs Commissioner’s office at Moutse, but members of the tribe, including myself, have been refused permission to inspect the tribe’s books in recent months.

“It is our right as members of the tribe to be able to inspect these books, but this right is being denied us.”

Reports were circulating among tribesmen that R300 had been drawn from the account this year to pay for children’s school books, he added.

“But when I made inquiries, I couldn’t find any children who had been given books and parents knew nothing about it.

“Receipts were issued to people who paid to live on the tribal land. I tried to collect some of the receipts to see if the money had been entered into the tribal account.

“But at a meeting called by tribal leaders all the receipts were taken from the people and have not been returned.”

The Commissioner, Mr. P. S. Kloppers, confirmed that he had refused tribesmen permission to look at the tribe’s books.

“We keep the books here in trust and do not allow anyone to just come and look at them. Three members of the tribe have signing powers to draw money out of the account — the secretary of the tribe, the tribal foreman and a tribal councillor.

“These people are appointed by the tribe and given signing powers. Only after a budget presented by them has been approved, are they allowed to draw money.”

Asked if the books were audited, Mr. Kloppers said the Auditor General looked at the books from time to time.
First pension scheme for Blacks

By DAVID DOUGLAS

A GROUP pension scheme for Black workers, including migrants, has been announced by the Old Mutual. Basically, for a payment of R1 a week from age 20, the worker will receive an annuity of 6.3% of an annual pension of R1,000.

For the first time in South Africa it will be possible for employers, whether their concerns are large or small, to make pension provisions for their workers.

One advantage of the group scheme is that it will be possible for workers to continue to be credited with contributions, even when they leave one firm for another.

INTERUPTIONS

Interruptions in service or employment would not affect pension rights if the workers moved to another company participating in the scheme.

Prominent Black citizens from the homelands and urban areas have been appointed to boards of trustees. They will advise the insurance company with regard to the pension needs of the people they represent.

The boards will also act as advisers on the investment of money collected.

For full details of the scheme, see Business Report, page 23.
Welcome for Black
Cape tries White pensions

Staff Reporter

The national pension scheme for Black semi- and non-skilled workers announced by Old Mutual this week was yesterday welcomed by both the Cape Chamber of Industries and the African National Council as "a realistic move in the right direction."

Spokesmen for both organizations said that pension schemes were already being implemented on a smaller scale but that a scheme the size of that which Old Mutual and the homeland leaders had agreed to was going to create new pension opportunities.

"It would give smaller concerns the benefit of providing pension facilities which they could not previously afford."

"It also helps to draw Black labour into the savings area," said Mr. R. D. Smith, President of the Cape Chamber of Industries.

R1 000 A YEAR

The group pensions scheme, announced in Cape Town on Thursday will provide pensions for Black workers, including migrants, for a basic contribution of R1 a week from the age of 30. A contributor would receive an annual pension of R1 000 at the retirement age of 65.

A major advantage of the scheme is that workers will not lose benefits and will be able to continue with the scheme even if they leave one firm for another.
Employers of servants may use pension plan

Financial Editor

EMPLOYERS of domestic servants will be able to take advantage of the Old Mutual Group Pension Plan, which was launched recently.

Mr. T. J. Botha, the company's pensions manager in Durban, said yesterday that people wishing to make provision for a pension for their servant would be asked to pay the Old Mutual an annual subscription in advance.

Any annual contribution of R50 would provide R126 a year at the age of retirement.

After 10 years, at the same rate of contribution, the annual pension would be R216 at 60 and R137 at 65.

Mr. Botha added that some employers might want to put away R10 a month, or R120 a year.

LONG SERVICE

Arrangements can be made to pay contributions half-yearly in advance, and if a servant has worked for a long time, an employer may like to put down an initial lump sum of about R200 in recognition of this loyalty.

Many employers feel the need for this as their servants have worked for them for a long time but no pension benefits have been built up.

The Old Mutual's plan allows a pension benefit to accumulate irrespective of the number of years of service, has been interrupted or the place of employment has been changed.

On retirement, the total sum accumulated plus interest is used to provide a pension. Provision is also made for benefits to be paid on death or in the event of disability.
R2-m old age home proposed

THE City Council's Housing Committee has recommended that the council sponsor a R2-million loan for the construction of a home for the aged at Sea Point.

The cost is more than double the council's original estimate, submitted in 1974, when application was made to the National Housing Commission for a loan of R1,045,000 for the home.

In his report on the proposed home, which would be run by the Cape Peninsula Welfare Organisation for the Aged, the City Engineer, Mr J. G. Brand, expresses concern at the sharp increase in the cost of building.

As there is a variation of only 13 percent in the tenders, they are most competitive, but more efforts should be made to trim costs, the City Engineer says.
GOVERNMENT MAINTAINING RACE BARS

- Professor

Mercury Correspondent

GRAHAMSTOWN. — Most South African Whites with a social conscience would happily pay an extra 10 percent income tax if they knew the money was earmarked for additional African, Coloured and Indian education and training programmes and a reduction in wage differentials.

This was said at the Women's Convention held in Grahamstown by Professor Hane Poljak, Professor Emeritus of Social Science from Cape Town, when she spoke on changing social patterns.

She said present Government attitudes were aimed at maintaining and re-enforcing existing racial divisions in society. Even in the economic field where the races worked together increasing degrees of differentiation and separation had been sought.

Professor Poljak pointed to disparities in salaries between the races.

In spite of recent improvements in the salaries of African women, they still suffer the greatest degree of discrimination particularly in the fields in which most women are employed — teaching, nursing and social work.

The proportion of average pensions received by the four racial groups was: Whites 100, Coloureds 50, Indians 48, Africans 17.

The Government in its recent programme had talked of eliminating discrimination but had so far concentrated on petty apartheid, said the professor. Major discriminations such as in education, housing, welfare and pensions, in work and remuneration, remained. The removal of such discrimination could not be effected rapidly because of the great existing differences, but Professor Poljak said, a vigorous and unrelenting programme for their elimination should be pursued. The cost would be considerable.

She said individuals who had the vote have a responsibility to create a White public opinion prepared to accept the challenge of bringing about change and eventual equality.

"But above all it means that Whites must, through taxation, be voluntarily prepared to make material sacrifices. "But I would not happily pay this extra tax if the major part of it were to be used — as it is today — for defence and the costs of providing, maintaining and administering discriminatory laws and services," said Professor Poljak.
PENSION

A TINY WOMAN WHO CAN SEAL THE BULLETIN Rebout of 1939

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

The royal house of

The royal house of

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marziali

A TINY WOMAN WHO CAN SEAL THE BULLETIN

by Alex Marzia...
In the absence of birth certificates, the inspector simply looks at the pensioner and uses his judgment to decide whether the pensioner should continue drawing a pension.

Hundreds of pensioners were disqualified in other districts. No records of the number of people disqualified for pensions were available at the office of the Chief Magistrate in Umlazi.

All the pensioners I spoke to were widows. Some have daughters and sons who live in various parts of the country. They admitted that their children had neglected them. But they also felt that the Government had neglected them.

LUCKY

The pensioners in Umlazi are, however, lucky that they do not have to travel long distances to fetch their pensions as happens in other districts.

But they pointed out that pay-day was a nightmare for them. The weak and very old pensioners were pushed aside by the stronger ones as they rushed forward to take their pensions. They felt that there was need for some form of control.

Earlier this year, some pensioners had to be taken to the local clinic after a stamina...
Mr. G. N. OLDFIELD asked the Minister of Social Welfare and Pensions:

16. (a) What progress has been made in regard to the investigation into the introduction of a contributory pension scheme in the Republic, and if so, when was the investigation initiated?

(b) whether legislation in this regard is to be introduced during the present session.

The MINISTER OF SOCIAL WELFARE AND PENSIONS:

16. (a) The hon. member's attention is invited to the statement made by me during the debate on my Department's vote on 21 May 1975, namely that the investigation undertaken by my Department is of a preparatory nature. Vide the English edition of Hansard columns 6101 and 6110. The stage has now been reached where we are considering the submission of an interim report to interested persons and bodies for comment. Thereafter a decision will be taken in regard to the further procedure to be adopted.

(b) The preparatory work was commenced during October 1974.

(2) No.
Homes for aged Bantu

On 16 February 1976, Mr. R. M. CADMAN asked the Minister of Bantu Administration and Development:

1. (a) What homes for the (i) physically able aged and (ii) infirm aged and other disabled persons are there in each of the Bantu homelands, (b) what is the number of inmates of each home and (c) by which bodies the homes are run.

2. whether there are any homes for aged Bantu in White areas; if so, (a) where are they situated, (b) how many persons can they accommodate and (c) by whom are the homes run.

The MINISTER OF BANTU ADMINISTRATION AND DEVELOPMENT:

1. (a) and (ii), (b) and (c)

<table>
<thead>
<tr>
<th>Homes for physically able aged</th>
<th>Homeland</th>
<th>Number of inmates</th>
<th>Administered by</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sekutupu</td>
<td>Leboa</td>
<td>111</td>
<td>Leboa Government</td>
</tr>
<tr>
<td>Bopoiswa</td>
<td>Leboa</td>
<td>151</td>
<td>Church</td>
</tr>
<tr>
<td>Klippiesdrift</td>
<td>Leboa</td>
<td>40</td>
<td>Church</td>
</tr>
<tr>
<td>Gelukspan</td>
<td>Bophuthatswana</td>
<td>52</td>
<td>Church</td>
</tr>
<tr>
<td>T. C. Estherhuyzen</td>
<td>Bophuthatswana</td>
<td>14</td>
<td>Church</td>
</tr>
<tr>
<td>Boietjiesa</td>
<td>Bophuthatswana</td>
<td>107</td>
<td>Church</td>
</tr>
<tr>
<td>KwaBada</td>
<td>kwaZulu</td>
<td>52</td>
<td>Church</td>
</tr>
<tr>
<td>Rupehuleni</td>
<td>ciskei</td>
<td>360</td>
<td>Ciskei Government Board</td>
</tr>
<tr>
<td>Thekoilebe</td>
<td>Qwaqwa</td>
<td>82</td>
<td>Qwaqwa Government</td>
</tr>
<tr>
<td>Okombeke</td>
<td>DamaraLand</td>
<td>100</td>
<td>Chief Damara Affairs Commissioner</td>
</tr>
<tr>
<td>Pedi</td>
<td>Ciskei</td>
<td>73</td>
<td>Church</td>
</tr>
<tr>
<td>Montebello</td>
<td>kwaZulu</td>
<td>164</td>
<td>Church</td>
</tr>
<tr>
<td>Madadeni</td>
<td>kwaZulu</td>
<td>70</td>
<td>Church</td>
</tr>
<tr>
<td>Thekoilebe</td>
<td>Qwaqwa</td>
<td>82</td>
<td>Qwaqwa Government</td>
</tr>
<tr>
<td>KwaBada</td>
<td>kwaZulu</td>
<td>173</td>
<td>Church</td>
</tr>
<tr>
<td>Boietjiesa</td>
<td>Bophuthatswana</td>
<td>82</td>
<td>Church</td>
</tr>
<tr>
<td>T. C. Estherhuyzen</td>
<td>Bophuthatswana</td>
<td>41</td>
<td>Church</td>
</tr>
<tr>
<td>Gelukspan</td>
<td>Bophuthatswana</td>
<td>94</td>
<td>Church</td>
</tr>
<tr>
<td>Gelukspan</td>
<td>Bophuthatswana</td>
<td>278</td>
<td>Church</td>
</tr>
<tr>
<td>Modise-Bophelo</td>
<td>Leboa</td>
<td>112</td>
<td>Church</td>
</tr>
<tr>
<td>Madala</td>
<td>Leboa</td>
<td>65</td>
<td>Church</td>
</tr>
<tr>
<td>Sekutupu</td>
<td>Leboa</td>
<td>72</td>
<td>Leboa Government</td>
</tr>
<tr>
<td>Letaba</td>
<td>Gazankulu</td>
<td>272</td>
<td>Church</td>
</tr>
<tr>
<td>Hayani</td>
<td>Venda</td>
<td>188</td>
<td>Church</td>
</tr>
<tr>
<td>Khuluwilele</td>
<td>Venda</td>
<td>96</td>
<td>Venda Government</td>
</tr>
</tbody>
</table>

2. Yes.

<table>
<thead>
<tr>
<th>Situation</th>
<th>Number of inmates</th>
<th>Administered by</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boichuco (Bloemfontein)</td>
<td>38</td>
<td>Bantu Affairs Administration Board</td>
</tr>
<tr>
<td>Emseni (Pietermaritzburg)</td>
<td>27</td>
<td>Private Welfare Organization</td>
</tr>
<tr>
<td>Bantu Refugee (Durban)</td>
<td>75</td>
<td>Development and Service Board</td>
</tr>
<tr>
<td>Anthony Barker (Ngutu)</td>
<td>22</td>
<td>Private Welfare Organization</td>
</tr>
<tr>
<td>Emseni (Dundee)</td>
<td>35</td>
<td>Church</td>
</tr>
</tbody>
</table>
Woonstelle as belegging

SMIEDT COOPER DEVELOPMENTS, die nuwe eienaars van Bloombrek Heights, Blouberg se reusse-woonstelgebou, het sy bemarkingspatroon van die 128 woonstelle in die gebou verander.

Die individuele woonstelle sou aanvanklik ingevolge 'n aandekbloukplan verkoo op word. Volgens die nuwe konsep sal die woonstelle nog steeds daarvolgens verkoo word, maar dit sal nou deur 'n finansiële instelling geneem en administratiewe hy sal besit vanaf die begin. Die beleggers sal daartoe besluit om hul bydrae te beheer en hy sal besit vanaf die begin. Die beleggers sal daartoe besluit om hul bydrae te beheer en hy sal besit vanaf die begin.

As die belegger van die verhandelsentrale gebruik maak, kan hy sy kapitaal vervolgens vermeerder toe hy kan byvoorbeeld R2 000 beïk en 'n verbruik van R6 000 kry vir 'n woonstel wat R8 000 kos. As die waarde daarvan met 10 persent vermeerder, kry hy 'n totale vermeerdering van R800 op sy belegging van R2 000. Dit is gelijkstaande aan 'n vermeerdering van 40 persent. As die belegger sodoende besluit om sy kapitaal te groei, kan hy 'n kleinere bydrae nodig hê.

327. Mr. G. N. OLDFIELD, die Minister van Bantu Administrasie en Ontwikkeling, het onlangs gevra na die Minister van Bantu Administrasie en Ontwikkeling:

(1) Hoe vele Bantu persone is aangetref wat in die skema deelname het?

(2) Wat is die totale bydrae dat deelgeneem het?

(3) Hoeveel van dié bydrae is sedert die begin van die projek toegelaat?

(4) Hoeveel van dié bydrae is sedert die begin van die projek toegelaat?

(5) Hoeveel van dié bydrae is sedert die begin van die projek toegelaat?

(6) Hoeveel van dié bydrae is sedert die begin van die projek toegelaat?

(7) Hoeveel van dié bydrae is sedert die begin van die projek toegelaat?

(8) Hoeveel van dié bydrae is sedert die begin van die projek toegelaat?
Transkei: no home for aged

CAPE TOWN — The Transkei, due to become independent in October this year, does not have a single home for aged people.

This was revealed in the House of Assembly yesterday when the Minister of Bantu Administration, Mr. M. C. Botha, replied to a question tabled by Mr. R. M. Cadman (UP, Umhlatuzana) about the number of old age homes in the homelands.

In his reply, the minister said there were nine homes for physically able aged people in Lebowa, Bophutatswana, KwaZulu, Qwaqwa and the Ciskei.

There were also 15 homes for infirm aged and other disabled people in the Ciskei, KwaZulu, Qwaqwa, KwaZulu, Bophutatswana, Lebowa, Gazankulu, and Venda.

But according to the minister's reply, there were no homes for aged people in the Transkei. — Pn.
326. Mr. G. N. OLDFIELD asked the 
Minister of Indian Affairs:

(1) How many Indian persons are at present receiving (a) old age pension, 
(b) war veterans' pension, (c) blind persons' pension, (d) disability pension and (e) maintenance grants.

(2) what amount of (a) income and (b) assets is conceded in terms of the means test for an Indian pensioner to be eligible for a maximum pension or grant.

The MINISTER OF INDIAN AFFAIRS:

(1) (a) 13,301.  
(b) 197.  
(c) 201.  
(d) 11,521.  
(e) 11,211.

(2) (a) R252.  
(b) R4,900.
When they come to the end of a working life

IT IS a pathetic question...

"What will become of me when I am too old to look after myself?"

The question is being put to employers by many black domestics and unskilled labourers and the employers don't know how to answer it.

They realise a lump sum of money at the end of many years' service is not a solution.

That will disappear in less time than it takes to get back to the homelands.

What is needed is a steady monthly pension.

A DREAM

Until now that has been a pipe dream for many domestic workers, unskilled and migratory labourers.

Sue Garbett

Their years of broken service and periods of unemployment have not made them eligible to join a pension scheme successfully.

There are other pension schemes for Blacks.

But this year a new scheme tailored to meet the needs of casual workers has swung into operation.

It has been launched by the Old Mutual and is being welcomed by all sections of commerce and industry.

Mrs Sue Gordon, head of the Domestic Workers and Employers Project, says "It's a marvellous plan."

"I think domestic workers should contribute at least 50c a month.

"This will lend greater dignity to the scheme."

Mr A Dakers, pensions manager for the Old Mutual, said pension benefits to employees were unaffected by changes in employment.

When someone joins the scheme they are given a number and a book.

These stay with them throughout their working life.

Each employer decides on the money to be paid into the fund for his worker.

A TOTAL

The Old Mutual suggests a percentage of earnings be specified, and not less than R1 a week contributed.

If it is less, the final pension is very small.

Contributions may be paid monthly, quarterly or yearly.

Advantages are:

- If a worker leaves one job, his next employer can continue with contributions.
- If a worker is not interested in the scheme, the money stays where it is, gaining interest.
- Each year the total savings is entered in the book which is rather like a building society savings book.
- This gives owners something to hold, and it might influence them to stay with the same employer.
- The scheme has no withdrawal benefits.
- The pension can be drawn only on retirement.

It is based purely on savings.

"We invest the savings, providing a capital sum to buy a pension for retirement," said Mr Dakers.

The pension, depending on the amount, is payable in either monthly or quarterly instalments.

If a member dies before retiring, the amount standing to his credit is paid to his next of kin or his estate.

Should a member die within five years of retiring his pension payments go to his family.

Members can retire between 65 and 69. If they are disabled, they may retire earlier.

If they reach 69 and want to go on working, they can do so, but contributions stop.

However, the pension is kept intact and goes on gaining interest.

A CONTROL

The Old Mutual has opened the scheme with the approval of all the homelands.

Funds will be controlled by boards of trustees in each individual homeland.

Arrangements are being completed for accepting "individual domestic" pension contributions through employers.

At present however, contributions can be made only to a central body such as the Domestic Workers and Employers Project.
ICS AND LABOURERS

SHE WILL BENEFIT...

AND SO WILL HE.
<table>
<thead>
<tr>
<th>Year</th>
<th>1972/73</th>
</tr>
</thead>
<tbody>
<tr>
<td>07</td>
<td>11.83</td>
</tr>
<tr>
<td>06</td>
<td>12.12</td>
</tr>
<tr>
<td>05</td>
<td>12.58</td>
</tr>
<tr>
<td>04</td>
<td>12.95</td>
</tr>
<tr>
<td>03</td>
<td>13.25</td>
</tr>
<tr>
<td>02</td>
<td>13.56</td>
</tr>
<tr>
<td>01</td>
<td>13.89</td>
</tr>
<tr>
<td>00</td>
<td>14.19</td>
</tr>
<tr>
<td>99</td>
<td>14.47</td>
</tr>
<tr>
<td>98</td>
<td>14.74</td>
</tr>
<tr>
<td>97</td>
<td>15.00</td>
</tr>
<tr>
<td>96</td>
<td>15.26</td>
</tr>
<tr>
<td>95</td>
<td>15.52</td>
</tr>
<tr>
<td>94</td>
<td>15.76</td>
</tr>
<tr>
<td>93</td>
<td>16.01</td>
</tr>
<tr>
<td>92</td>
<td>16.24</td>
</tr>
<tr>
<td>91</td>
<td>16.47</td>
</tr>
<tr>
<td>90</td>
<td>16.69</td>
</tr>
<tr>
<td>89</td>
<td>16.91</td>
</tr>
<tr>
<td>88</td>
<td>17.12</td>
</tr>
<tr>
<td>87</td>
<td>17.33</td>
</tr>
</tbody>
</table>

**Average Monthly Wages: $**

- Year 1972/73: $17,12

**Average Monthly Wage by Economic Region:**

- EC Region

**Average Monthly Wage by Economic Region:**

- Year 1972/73: $17,12

**Type of Farm Employee - Domestic:**

- Coloured

**Type of Farm Employee - Domestic:**

- Coloured
Fraud committed, says secretary

CAPE TIMES 11/3/76

Staff Reporter

THE FORMER general secretary of the Granjo Benefit Society said in the Supreme Court, Cape Town, yesterday that he had committed fraud in signing a document binding the society as guarantor for the repayment of a R1-million loan.

Earlier Mr Albertus Wouard and Gideon Heydenrych had told Mr Justice, Diamont, that there was no fraud and an unfortunate set of circumstances led to the position they are now in.

Mr Heydenrych and the former chairman of the society, Mr Jan Antoni Brandt, face eight counts of fraud involving more than R1 million. They have pleaded not guilty.

The State alleges that the men assisted a Pearl business man, Mr John Leonard Grundlingh, in raising loans totaling R1 006 257.79 by binding the society as guarantor when they were not authorized to act in this way.

SATISFIED

Giving evidence for the first time yesterday, Mr Heydenrych said that at the time of the issuing of the guarantees, excluding the guarantee for a loan of R560 000 from the Central Merchant Bank, he was quite satisfied that such guarantees were within the powers of the society.

He and Mr Brandt signed the Seabank guarantee — after committee decision on legal advice that no further guarantees be issued — because Mr Grundlingh threatened the society with damages of R24 million for failing to honour its agreement.

"We signed because of this threat," Mr Brandt and I are laymen, and Mr Grundlingh was considered a prominent business man in Cape Town. My main concern was not to destroy the society with litigation — the most important thing to me was the society. I gave it all my spare time and neglected my family," he added.

UNLAWFUL

After lengthy cross-examination by Mr F. W Kahn, for the State, Mr Heydenrych said: "I realized that Grundlingh was asking us to sign an unlawful document.

"I told a lie and agree that I committed fraud," he said.

The case continues today.

Mr Justice Diemont sat with two assessors, Mr J.G Smit and Mr C.H van Gend, Mr F.W Kahn SC, assisted by Mr D. Uys, appeared for the State, Mr Heydenrych and Mr.
Ex-secretary 'dishonest'  

A CAPE TOWN Supreme Court judge yesterday told the former general secretary of the Orange Benefit Society that he had led his committee into with "blatant dishonesty".

"They were just eating out of your hand," Mr Justice Diemont told Mr Albertus Wynand Gideon Heydenrych.

Mr Heydenrych and the former chairman of the society, Mr Jaq Antoon Brandt, face eight counts of fraud involving more than R4 million.

Evidence was that the men signed unconditional guarantees on behalf of the society, enabling a Paarl business man, Mr John Leonard Grundlingh, to raise loans for a property development project. In terms of the Friendly Societies Act they were not authorized to act in this way.

Yesterday Mr Heydenrych admitted that they had risked R700,000 by placing faith in Grundlingh's scheme and issuing the guarantees.

"We did not think we were being over-friendly to Grundlingh — we regarded it as an investment for the society for the future."

Mr Justice Diemont: "It wasn't an investment — it was a hope. You just incurred liabilities."

In a letter to the Trust Bank, dated February 1, 1972, Mr Heydenrych quoted a minute of February 3, 1971, in which the society's executive committee approved the pledging of R285,000 of the society's Escom stocks to the Trust Bank in return for a loan of R278,000.

The meeting was in fact held on February 3, 1972, and the "resolution" was taken before the meeting took place.

Questioned about the "bogus" minutes, Mr Heydenrych said that the discrepancy in dates was a "typing error."

"It is blatant dishonesty. It just proves that you led the committee along — they were eating out of your hand."

Mr Justice Diemont said:

Giving evidence in his defence yesterday, the former chairman of the society, Mr Brandt, said:

"I played an unknowing part in the transactions."

"I never influenced the committee and only signed these guarantees on the instructions of the committee."

The case continues on March 23.
Homes for aged Bantu

565. Dr. F. VAN Z. SLABBERT asked the Minister of Bantu Administration and Development:

(a) What is the present per capita amount paid as a subsidy to welfare organizations in respect of Bantu persons accommodated in homes for the aged and (b) when was this amount laid down.

The MINISTER OF BANTU ADMINISTRATION AND DEVELOPMENT:

(a) No per capita subsidy is paid to Welfare Organizations in the White Areas in respect of homes for the aged. Only a global amount is paid annually.

(b) Falls away.
Senator attacks pension schemes

CAPE TOWN — Some private pension funds appeared to gear their payments to enable pensioners to qualify for a state social pension as well, the Minister of Social Welfare and Pensions, Senator J. P. van der Spuy, said here yesterday.

Opening the annual conference of the Association of Pension and Provident Funds of South Africa, Senator Van Der Spuy said submission made to him indicated some private schemes relied heavily on social pensions to supplement their own inadequate payments.

"When a private pension scheme is geared to the social pension scheme to overcome its own shortcomings, the inference becomes irresistible that it is a calculated move to finance private enterprise out of public funds," he said.

The average monthly pension in 1973 was R71.10. If this was the correct position and the only means of income of private sector pensioners, all would qualify for a social pension.

"Is this merely a fortuitous state of affairs or does it suggest that our private pension funds and schemes have been intentionally tailored to fit the means test?" he asked.

Senator Van Der Spuy said it had been suggested that the state should accept responsibility for protecting pensions, including those in the private sector, against inflation.

"I do not know whether this new development should be regarded as an admission of inability to cope with the financial demands of our times, or an open invitation for the state to interfere in the freedom of private enterprise."

"I naturally do not wish to commit myself on this question at this stage, but I think it is only fair to say that inflation is not solely the responsibility of the state," he said.

"The state could hardly be expected to bear the financial burden without obtaining an efficient measure of control over the matters relating to the commitment it has to undertake."

"At the present rate of progress, therefore, it would appear that private pension funds and schemes will not succeed in providing the necessary pension cover for all economically active people," he said. -- SAPA.
White pensioners get R8 more

BUDGET 76

House of Assembly.

 increases for pensioners amounting to R39,85-million for the year 1976/77 were announced by Senator Horwood.

The increases would mean an additional annual amount for pensioners of R797,000 from the exchequer, he said.

In the case of social pensions for Whites the Minister said he proposed these be increased by R8 a month.

Social pensions for Africans would go up by R3,50 a month and Coloureds, Indians and Chinese would get an extra R4,50 a month.

All pensions, allowances and concessions would start on October 1 this year, he said.

They would also apply to South West African residents.

The increases in civil pensions would not include South African Railways pensioners, in whose case a statement would be made later by the Minister of Transport.

These increases also do not apply to pensioners under the parliamentary service, the Administrators Pensions Act or to judges or their widows.

Pensions to former members of statutory bodies, would, with effect from the same date, also be increased by 10 per cent.

Senator Horwood went on to describe a number of relief measures for the handicapped and the elderly.

It was further proposed that the subsidies payable to homes for the aged be increased as follows:

- Group 1 residents, by R5 a month for each resident;
- Group 2 residents, by R3,20 a month;
- Group 3 residents, by R5,50 a month; and
- Group 4 residents, by R8 a month.

"I also think that an increase is warranted in the case of subsidies payable to institutions caring for the handicapped, and I propose that these subsidies be increased by R3 a month for each person in places where no suitable trained staff is available, and by R5 a month in those places where suitably trained staff are available."

The question of war pensions was at present receiving the attention of the Government and it was expected that a Bill in this connection would be introduced later during the session.

It was proposed that the existing war pensions and allowances and bonuses payable to war pensioners be consolidated and that the consolidated amounts be thereafter increased by 10 per cent.

It was proposed that the pensions and allowances payable to other population groups be increased as follows:

- Africans: Social pensions and parents' allowances, R5,50 a month; child's home, R1,50 a month for each child; foster children, R1,50 a month for each child;
- Coloureds, Indians and Chinese: Social pensions and parents' allowances, R4,50 a month; children's homes, R3 a month for each child; foster children, R3 a month for each child; maintenance grants, R1,50 a month for each child.

It was also proposed that the subsidies payable in respect of homes for the aged in the case of Coloureds and Indians be increased as follows:

- NORMAL
  - Normal aged, by 30c a month for each resident; infirm aged, by R2 a month;
  - Extremely infirm aged, by R3,20 a month.

The concessions proposed that the subsidy payable in respect of institutions for handicapped Coloureds be increased by 10 per cent.

An increase of 15c a day for each child in respect of places of safety allowances payable in the case of Coloureds, Indians and Chinese was due, and the allowances payable in respect of Bantu children would be increased by 6c a day for each child.

"As far as other civil pensioners are concerned, it is proposed that civil pensions be increased with effect from October 1, 1976, by 10 per cent, but subject to a minimum of R25 a month in the case of Whites, R15 a month in the case of Coloureds and Indians and R12 a month in the case of Bantu and each child of the Government Non-White Employees' Pension Fund."
Pensioners' allowance comes under heavy attack

Mr Norman Midleton, formerly in charge of Social Welfare and Pensions, yesterday attacked the Government's budget as it affects pensioners and said it 'reeked of discrimination'.

According to the budget, benefits to social welfare pensioners amount to R8 a month for Whites, R4.50 a month for Coloureds, Indians and Chinese, and R3.50 a month for Africans.

Civil pensioners will get increases of 10 percent, but subject to a minimum of R35 a month for Whites; R15 a month for Coloureds and Indians; and R12 a month for Africans, and members of the Government White Employees Pension Fund.

Handouts

In effect, the budget handouts for the different race groups means that the White pensioner will now receive R72 a month, the Coloured, Indian and Chinese R50 a month, and the African pensioner R50.

In addition, the African pensioner is saddled with the curious situation where he can only collect his pension every second month.

He, therefore, will get paid R37 each second month, whereas the Coloured, Indian and Chinese get paid out R39 each month and the White pensioner R70 each month.

Commenting on the pension increase for Coloureds, a social worker at SHAWCO said it should be fairly obvious that an increase of R4.50 is going to have no significance for the Coloured pensioner, because it would be immediately absorbed by the price increases announced at the same time.

A spokesman for the Athlone Advice Office in Mowbray, which deals exclusively with the social problems of Africans, said that the R3.50 increase for African pensioners is going to mean "absolutely nothing" to them.

Vulnerable

"What really grieves me is that they pick on the defenceless and economically vulnerable. The Black pensioners to perpetrate their racial ideologies. "The Black pensioners should be paid more than the Whites because the Blacks and here I mean all who are not White are at a greater economic disadvantage, because of the Group Areas Laws."

"Blacks have to pay more in transport to buy their goods in the cities while Whites are living within walking distance of the big supermarkets," Mr. Middleton said.

Mr Norman Middleton said that the "discriminatory budget" proves the lie of the Government's promises of narrowing the gap between social welfare pensions for the various races.
Subsidy paid in respect of Indians in homes for aged

651. Mr. R. E. ENTHOVEN asked the Minister of Indian Affairs:

(a) What is the present per capita amount in subsidy paid to welfare organizations in respect of Indian persons accommodated in homes for the aged and
(b) when was this amount laid down.

The MINISTER OF INDIAN AFFAIRS:

(a) R4.25 per month in respect of ordinary cases and R23 per month in respect of infirm aged persons.

(b) 1 October 1975.
Non-racial insurance profitable

JOHANNESBURG — A major international insurance group, Legal and General, admitted yesterday that it had in the past "loaded" premiums for Blacks in South Africa.

Now its policy considerations for all race groups are the same — and it reports a big leap in the demand for life insurance among Blacks.

Mr. Charles Schiamin, marketing manager of the Legal and General, said: the growth rate in Black demand had accelerated noticeably since the society abolished the policy of loading premiums for Blacks almost a year ago.

"Racial loading of policies was the norm of the industry and was based on realistic assessments of life expectancy and not on colour prejudice," Mr. Schiamin said.

"But in recent years the life styles of Blacks and Whites have become closer and we decided to abolish the practice on that basis. We felt it was no longer justified."

Mr. Schiamin added: "Today, premiums for prospective clients of all races are assessed on an identical basis, which relates only to economic and in no circumstances to racial factors."

Legal and General was the first insurance company in South Africa to take this step, and since they abolished the loadings they have sold life policies to Blacks worth almost R260 000 a year in premium income in the Johannesburg area alone."
Minister rejects equal pay bid

HOUSE OF ASSEMBLY — The government has turned down the request by the Coloured Representative Council for parity in the salaries and pensions of Coloured people with those of whites.

The Minister of Coloured Relations, Mr H. Smit, said yesterday that the request for parity in salaries, social pensions and allowances "could not be taken up in the draft estimates as tariffs which would effect immediate parity have not as yet been authorised."

Mr Smit made this clear when he replied to a question tabled by Mr T. Aronson (UP, Walmer) who had asked whether the government had turned down any requests for funds by the CRC.

The minister said the CRC had requested a budget of R264,549,000, which included amounts set aside for the implementation of parity in pensions and salaries. However, this request could not be implemented.

The minister also said that no date had yet been set for the next session of the CRC, which was adjourned last year after the Labour Party majority passed a resolution which prematurely ended the session.

Mr Smit said the report of the Therin Commission of Inquiry would be published "at the earliest" by the end of May.

As the contents of the report were not yet known no decisions had been taken by the Government on the political, economic or other aspects of the Coloured people, he added. — PC.
Ejectment orders: Notification

Mr. G. N. OLDFIELD asked the Minister of Justice:

Whether his Department takes steps to notify the Department of Social Welfare and Pensions of cases where severe hardship is suffered as a result of giving effect to ejectment orders; if so, what steps are taken; if not, why not.

The MINISTER OF JUSTICE:

No, because my Department will normally not be aware of hardship arising out of ejectment orders. Where such hardship does come to its attention the necessary steps will be taken. In the case of a certain Mrs. Payne of Durban, against whom such an order was issued, the Messenger of the Court executed the warrant but informed the Magistrate of Durban that hardship was present in her case. The Magistrate informed the Regional Representative of the Department of Social Welfare and Pensions of her circumstances.
Mr. G. N. Oldfield asked the Minister of Social Welfare and Pensions:

Whether his Department has investigated the position of Mrs. A. Payne who was recently ejected from a property in Durban; if so, (a) what was the result of the investigation and (b) what steps have been taken or are contemplated to render assistance to her; if not, why not.

The Deputy Minister of Social Welfare and Pensions:

Yes.

(a) and (b) The person concerned was ejected on 15 April 1976 in terms of an eviction order. The Association for the Aged (TAFTA), Durban, on the same day, offered her alternative accommodation in an old age home, which she declined. She was admitted to the King George V Hospital, Durban, on 21 April 1976, for treatment and care.

Mr. G. N. Oldfield: Mr. Speaker, arising out of the hon. the Deputy Minister's reply, would he be able to state at this stage whether his Department will continue to attend to the interests of this particular case, because obviously the person concerned does require assistance?

The Deputy Minister: Mr. Speaker, as hon. members heard from the reply given by the hon. the Minister of Justice, this matter was brought to the notice of my Department, and attention is being given to the case of Mrs. Payne.
Call to give all elderly equal pay

A NATIONAL contributory pension fund which would remove race discrimination from pensions was an urgent necessity, Mr. Geoff Oldfield, U.P. MP, for Umbilo said yesterday.

Mr. Oldfield, who is chairman of the United Party's parliamentary social welfare and pensions group, was speaking in support of the candidate in the Durban North by-election, Mr. Ron Reynolds, at a meeting attended by about 150 people. Mr. Trevor Warman, U.P. MP for Durban North was chairman.

He said the latest budget announcement on pensions had been "disappointing" for three reasons.

"It is disappointing," he said, "that the 28 monthly increase was given only from October 1.

"After all when they increase taxes on a variety of goods, the increases come into effect immediately. Civil servants have been given increases from July. Why make the pensioners wait?"

"The budget also made no provision for a relaxation of the mean test. It has now been in effect for four years without review. In spite of the galloping cost of living and the major devaluation of the rand.

"And in spite of the Government's saying: it will narrow the gap between pensions paid to the various race groups, the gap has in fact widened. Whites now get R72 per month, coloureds and Indians R38.50, and blacks R18.50," Mr. Oldfield said.
2. PLANNING THE PRESENTATION.

2.1 Constructing your plan:
Two methods for planning your talk:

VERTICAL PLAN and HORIZONTAL PLAN

2.1.1 The Vertical Plan

1) Take a sheet of paper. Think about your subject. Jot down 20 to 30 words associated with it.

2) Working on a 5 minute talk, ring the three words you think are the most important on your list.

3) What do these words say to you? What specifically do you want your audience to think and do at the end of your talk? Now, write the aim of your talk in one short sentence.

4) Write your aim at the top of a clean sheet of paper.

The Body

5) Leave about six lines for the introduction. Write your three main points down leaving a few lines in between each.

6) Go through your list of ideas again. Underline those points that support your three main points.

7) Write two sub points under each main point.

8) At this stage you should refer to books, interview specialists, check figures and statistics, find quotations, apt examples or demonstrations. Your talk should be an expression of your own ideas on the subject, backed by outside opinion.
ORMANDE POLLOK
Political Correspondent

CAPE TOWN – Some retired civil servants will find their pensions almost doubled under sweeping changes announced yesterday.

From October 1, “minimum pensions” will be done away with, said the Minister of Social Welfare and Pensions, Senator Johan van der Spuy.

He made the announcement in rounding up his reply to the debate on his Department's Budget Vote, during which Mr. Geoff Oldfield, chief United Party spokesman, and others, raised the issue of minimum pensions and the means test.

Now if a civil pensioner, with all his income, still qualified for a social pension under the means test, it would be paid to him.

As an example, Senator van der Spuy cited a person entitled to a civil pension of R45.

He would, if he had no other means, qualify for a maximum social pension, giving him his R45 plus R84. This would mean his pension would go up from R45 (R45 plus the difference between R45 and R30, the minimum pension) to R108 a month.

It also meant that a married person on a monthly civil pension of R45 would also qualify for a social pension. By October 1, if he had reached the prescribed age, he would qualify for a social pension.

Their income would therefore increase from R118 to R212 a month.

The new concession would apply only to those who retired on or after October 1, because the civil pensions of those who retired before then would have been supplemented to the extent that they would not qualify for a social pension.

During the debate, Mr. Oldfield called for legislation to protect people like Mrs. Ethel Payne, evicted earlier this year from her home in Durban, because her rates had not been paid.

He did not mention her by name, but said such people should be protected.

Recently, he said, a widow had been evicted from her home which was sold for R2,000, because she had failed to pay her rates amounting to R82. The municipal valuation of the house was R700.

Though it was established that assistance from welfare officials was rejected, there were people who needed special protection, and the Minister should introduce legislation to make this possible.

Mr. Oldfield, cheered by the United Party benches, said pensioners were disappointed that the R3 increase would be effective only from October 1.

The Minister, in collaboration with the Minister of Finance, he said, should find some other basis to grant the increases earlier.

The means test also needed to be reviewed and the pensions gap between White and Black pensioners narrowed.
New pensions deal means R212 a month

THE ASSEMBLY —
The pensions of certain categories of civil pensioners are to be increased by allowing them a portion of the social pension from October 1 this year.

The Minister of Social Welfare and Pensions, Senator van der Spuy, announced this when he replied to the debate on his vote in the committee stage of the Appropriation Bill yesterday.

An example of the concession was that the combined pensions of a man qualifying for a civil pension of R94 per month and that of his wife qualifying for a social pension would be R212 per month.

Only persons going on pension from October 1 this year and onwards would receive the concession.

In effect, inadequate civil pensions would be augmented by the addition of a portion of social pensions.

Senator van der Spuy said it was Government policy to provide better facilities and increased incomes for pensioners, but this had to be done within the limits of available resources.

"The Government has been criticised because the increase of R8 per month for social pensioners only comes into effect from October 1, but had it come into effect six months earlier the total cost would have been R22-million and we had only R18-million available," he said.

The policy of the department was to involve the rest of the community as much as possible in providing for the aged. There should be greater emphasis on the responsibilities of children to pensioned parents, and on the task of the community in which an old person lived.
MONDAY, 14 JUNE 1976

† Indicates translated version.

For written reply:

Homes for aged Whites

Mr. T. ARONSON asked the Minister of Social Welfare and Pensions:

(1) (a) How many homes for aged White persons are there in the Republic and (b) how many persons are at present accommodated in such homes;

(2) (a) how many homes for aged White persons are being run by companies or private persons not being welfare organisations, (b) what are the names of these companies or persons and (c) what is the per capita amount paid in respect of persons in homes run by such companies or persons.

The MINISTER OF SOCIAL WELFARE AND PENSIONS:

(1) (a) 349.

(b) Provision is made for 20,021 persons.

(2) (a) 4.

(b) Smith, Mitchell and Company.

(c) The contract price is R5-90 per day per inmate. No further contribution is made in respect of capital or any other costs.
A close look at pension ratios

ORMANDE POLLOK
Political Correspondent

CAPE TOWN — Although the Government's policy is to close the gap between Black and White pensions, the ratio has widened since the Nationalists came to power.

In real terms, the gap between Black, Coloured, Indian and White pensions has also increased, says a detailed analysis of Government pensions by the emeritus professor of sociology at the University of Natal, Professor Hans Pollak.

Her survey was published by the South African Institute of Race Relations in its monthly newspaper.

She points out that when the new State pensions come into force in October, the ratio between the pensions paid to the different groups will, for the first time, be closer than when the Nationalists came to power in 1948.

In October, the ratio of White to Coloured and Asian to Black will be 100:33.262.7.

Between 1948 and 1966, the ratio regularly widened but since 1966 there has been narrowing in real terms.

In 1929, when pensions were first paid to Whites and Coloureds, the gap was 2.6. By October it will be 3.4.

Since 1944, when pensions were first paid to Asians and Blacks, Asian pensions have increased from R42 to R462 and Black pensions from R24 to R22.

She says that the original 1929 ratio between White and 'Coloured' pensions will be attained at present rates only in 1984.

She also says the official figures show that far more Whites receive maximum pensions than other groups.

"In 1974, 92 percent of the White, 77 percent of the Coloured and only 34 percent of the African pensioners received the maximum old age pension," Professor Pollak says.

In his Budget this year, the Minister of Finance, Senator Owen Horwood, announced monthly increases of R4 for White, R4.50 for Coloured and Asian and R3.50 for Black pensioners from October. The additional cost to the Government will be R32.5 million.
Conditions governing pensions for Blacks

AIB. — According to recent newspaper reports, Blacks who live in rural areas often find it difficult to obtain old-age pensions, owing to the long distance that they have to travel to apply for their pensions. Many Blacks, living in urban areas also do not apply as they are unaware of the conditions governing the granting of pensions. Their employers are unable to help them for the same reason.

Men are eligible for pensions at 55 years and women at 60 years. The maximum pension awarded, which is paid each second month, is R25 a month. There will be a small increase in October. An additional R250 a month is paid to ex-servicemen. An amount not exceeding R45 per annum may be paid if a pensioner is unable to attend to his needs without the assistance of another person due to his physical or mental condition.

SUPPLEMENTARY

A supplementary allowance is payable on a sliding scale to persons who have delayed their applications for a period of at least one year up to a maximum of four years. The scale for this additional allowance is: per year; one year R15; two years R25; three years R35; four years R55. This amount is not added to pensions which are already being paid.

The maximum free income allowed is R80 a year. The pension payable is reduced progressively if the free income exceeds this amount. In the case of married persons the income of both spouses is added together and divided by half. This establishes the income of each of them.

No pension is payable if the income and means are more than R128 a year. The earnings of a man 70 years of age, and of a woman 65 years, are disregarded.

ELIGIBILITY

The free asset figure is R240. In assessing eligibility for a special pension in terms of asset values, the following rates are taken into account: 3 per cent on the unencumbered value of a property up to R600 in value; 7 per cent on the unencumbered value of a property above R600 in value. The value of assets is not halved in respect of married persons.

RAYMOND ARDGE

P.O. Box 3724,

Durban.
PRESS STATEMENT

PRESS STATEMENT BY THE DEPARTMENT OF SOCIAL WELFARE AND PENSIONS REGARDING THE REPORT ON AN INVESTIGATION INTO THE POSSIBLE ESTABLISHMENT OF A CONTRIBUTORY PENSION SCHEME FOR SOUTH AFRICA

(For immediate release)

The report on an investigation into the possible establishment of a contributory pension scheme for South Africa is now available for the information of interested parties. It can be obtained free of charge from the Secretary for Social Welfare and Pensions, Private Bag X63, Pretoria.

ISSUED BY THE DEPARTMENT OF INFORMATION AT THE REQUEST OF THE DEPARTMENT OF SOCIAL WELFARE AND PENSIONS, PRETORIA

September 1976.
PRESS STATEMENT BY SENATOR THE HONOURABLE
J.P. VAN DER SPUY, MINISTER OF SOCIAL WELFARE
AND PENSIONS

For immediate release

With a view to Transkei's imminent change of status it is hereby made known for general information that pensions payable by the Government of the Republic of South Africa to South African citizens continuing to reside in Transkei after 26 October, 1976, will continue to be paid to them, as hitherto, through the agency of their banks, building societies or the post office of their choice.

South African citizens residing in Transkei after the date in question will not by reason only of their residence be debarred from qualifying and applying for social pensions and grants payable in terms of legislation of the Republic of South Africa. Suitable arrangements have also been made with the Government of Transkei for designating attesting officers and medical officers for the purposes of the social pension laws of the Republic of South Africa. Prospective applicants in Transkei should accordingly approach these officers in Transkei or the South African Embassy in Umtata when applying for a social pension or grant in terms of South African legislation.

Issued by the Department of Information by request of the Minister of Social Welfare and Pensions

22 October 1976
The proposed South African Pension Scheme

by TOM ALEXANDER

Is THIS THE ANSWER?

At innumerable annual conferences TUSCA has advocated the establishment of a National Contributory Pension Scheme in its predecesor, the Trades and Labour Council, repeatedly called for this protection for working people in their old age.

The能在 retirement scheme lately put forward by a committee of the Trade Union Movement?

of course, has had no more than a brief opportunity to skim through the "Report on an investigation into the possible establishment of a "Contributory Social Security Scheme for South Africa" (to give it its full name) I am certainly not yet in a position to express a firm personal opinion in that regard.

However, it is surely a step forward and very much to be welcomed that this investigation has become undertaken and that it has come up with such positive ideas on this front.

Foreword to the report the Minister of Social Welfare and Pensions points out that "it is imperative to make the people aware that the scheme is under the air, as well as the suggestions contained in it, should not be interpreted as government policy at this stage."

What would such a scheme mean to you as a worker if it were to be implemented?

If you do NOT belong to a pension fund in your employment — what is referred to in the report as an "Occupational Pension Fund" — then it could assure you of a adequate pension in your old age. It is estimated that at present approximately 68% of the active population does not belong to such a fund.

Membership of the scheme would require a contribution of 3% of your wage or salary. This would be made by both the employer and employee.

The report states somewhat naively: "It is left to the employers to decide in what proportion they assume their employees will contribute. Thus, for example, it may be agreed that employees contribute 25% of their employers 4%.

Just what would happen if some employer decided the employees contribute 50% or the employer 5% and the employer not touched at all?

- Will this mean that if you die and your employer terminates your contract of employment (at the time of finishing work) would be paid to his or her?

On the one hand a person contributing to the Scheme will receive a pension after his/her retirement. Pension payment in full will be made (on condition, however, and according to other dependants according to circumstances.

If a person becomes permanently and totally disabled the pension will be paid to the dependants of the deceased and I also assume it to mean that the pension will cease to be paid to the dependants of the deceased. How is it possible to do this without raising some anomalies, particularly where both man and wife belong to the Scheme.

WEEKLY PAID WORKERS

Weekly Wage Contribution

<table>
<thead>
<tr>
<th>Weekly Wage</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>R50</td>
<td>R1.75</td>
</tr>
<tr>
<td>R70</td>
<td>R2.50</td>
</tr>
<tr>
<td>R90</td>
<td>R3.00</td>
</tr>
<tr>
<td>R110</td>
<td>R3.50</td>
</tr>
<tr>
<td>R130</td>
<td>R4.00</td>
</tr>
<tr>
<td>R150</td>
<td>R4.50</td>
</tr>
<tr>
<td>R170</td>
<td>R5.00</td>
</tr>
<tr>
<td>R190</td>
<td>R5.50</td>
</tr>
<tr>
<td>R200</td>
<td>R6.00</td>
</tr>
</tbody>
</table>

As an example you start in a job at R50 per week and work for the State for 25 years. Your weekly contribution (your employer pays a similar amount). When you are promoted to work which pays R70 per week, your deduction will become R2.45. If your weekly salary is R100 per week, your deduction will become R3.50. When you reach age 65 the deduction will be R5.0 and so on the ladder.

As an example, you start work on a monthly salary of R200, your monthly deduction for pension contribution will be R7.00. (Your employer pays the same amount).

If you are promoted to a job paying R250, the monthly deduction will be R8.75 and so on up the ladder. When you reach 65 years of age you may be drawing a monthly pension of R600, which your pension fund will be required to provide benefits at least equal to those provided by the new South African Pension Scheme. It will be given a period of time to make arrangements for this. If however it fails to do so then you will be required to join the new Scheme.

CHANGING JOBS

What happens if you change your job after the Scheme is functioning? It would work like this —

- If you were a member of the South African Pension Scheme to another employer who also falls under the scheme, you will continue to be a member of the Scheme.
- If you are going to an employer who runs an "Occupational Pension Fund" then you will transfer to that Fund and there will be an adjustment payment made by the former South African Pension Scheme to the Occupational Pension Fund.
- If you leave a job where you belong to an Occupational Pension Fund to one which falls under the new Scheme, then you will become a member of the South African Pension Scheme and there will be an adjustment payment made by the Occupational Pension Fund to the Scheme.

The report is at pains to stress that at no stage will there be any question of workers receiving any cash payments when changing their jobs.

When this Scheme is fully operational, it is certainly going to be very much easier to better your prospects by changing jobs and this is particularly so for older workers of 65 years and upwards. At present such people are often bound to an employer by the prospect of losing, or getting very little for his their long years of pensionable service. What we in the banking industry used to call, "being bound by the golden chains."

PENSION SYSTEMS

The Report examines the advantages and the disadvantages of different systems.

- The flat-rate system where a pension based on a flat rate is paid to all.
- The family system where a pension is paid as-you-go system which it defined as "a very simple system, which in itself is not sufficient to cover the expenditure continuously, it can, if so desired pay the maximum benefits immediately, which will be a great advantage to the pensioner."

Despite this, however, it is proposed (I feel rather inexplicably) that if contributions started in the target year of 1980 the first benefits will only be paid in 1985. The result will be that the age group 61 to 64 will have to wait until 1985 to obtain their pension, at which date they will therefore not qualify for benefits.

Another reason for favouring this system is that it is so designed that the income is sufficient to cover the expenditure continuously, it therefore cannot pay the maximum benefits immediately, which will be a great advantage to the pensioner."

Inflation will not be able to affect the pension benefits derivatively to any great extent since the benefits will increase in accordance with the increase in general earnings as a result of increased earnings. Consequently, the purchasing power of the pensions remains the same as the earnings increase.

While this may take care of inflation up to the year of retirement, inflation after the initial period, cannot be accurately forecast. The real value of pensions should as far as possible to be preserved in in monetary conditions. This would presumably cover both pre-retirement and post-retirement inflation.

SOME COMMENTS

It would not serve any useful purpose for me to start querying details of the Scheme here, particularly since it is a matter of main concern to a very wide section of the people.

The matter will I am sure have the full attention of TUSCA. It is hoped that the TUSCA will make representations to the department. Perhaps the way be to make representations to the department. Perhaps the is a pity that the report is silent on its implementation.

Two reasons which have prompted active government interest at this juncture in this matter of a National Contributory Pension Scheme are, in particular, the increasing budget cost of old-age pensions (however inadequate) and the very real fear to consider them to be and the constant drain on present pension funds through people choosing to leave the labour force.

This drain is estimated at nearly R100 million over a ten year period. A retirement pension scheme will mean that these people will not draw such retirement pensions.

It seems certain that very little of this lump sum cash will be retained by the worker. The paradoxical situation is that some working people belong to pension funds all their working lives, yet end up drawing very meagre pensions at a time when they need the lot.

The report makes it clear that one of the objects of the Scheme will be to improve the machinery for the transfer of pensions. There should, however, be a system from present pension funds have in fact exceeded the amount paid out by such funds in the form of actual pensions paid to each individual recipient.

What of the future of the "Occupational Pension Fund System" when the new pension is fully operational? Are their days numbered?

The report states that the South African Pension Scheme is mainly aimed at people who do not belong to an "Occupational Pension Fund", that such Fund will only continue to function after the implementation of the Scheme and that it is regarded as essential to allow a reasonable period of time for this.

I do not think that this is the case. If many people who presently work the proposed pension benefit on, I do not that many of them fully meet one of the scheme's basic targets i.e. that the real value of pensions should as far as possible be preserved in inflationary conditions, which I can assure you is the #4 dollar question so far as present-day pensioners of such Funds are concerned.

What happens when the actuarial cost of compliance is far in excess of 7% and it would be cheaper for the government to eliminate this to the new Scheme? The report does not seem to deal with this point.

As a layman, I have been having increasing doubts about the whole pension scheme. If all occupational pension funds will be used to fund the Scheme, the real value of pensions will be reduced to an invisible value in an inflation-ridden world.

The choice of a pay-as-you-go system for those not already members of occupational pension funds, or for the initial period of the Scheme, is of constant real value in an inflation-ridden world.

The choice of a pay-as-you-go system for those not already members of occupational pension funds, or for the initial period of the Scheme, is of constant real value in an inflation-ridden world.
Pension plan will hit insurance

A national pension fund being considered by the State would give workers of every race a retirement pension of three-quarters of their salary at 65. But the scheme has serious financial flaws and South Africa's life insurance industry fears its existence would be threatened by it. TOM HOOD completes his two-part survey of the scheme.

The implications of killing the private pension fund movement are tremendous.

Some 52 percent of pension funds R4 600-million assets are invested in State projects and the other 48 percent is largely used to finance risk capital for industry, property development and other ventures.

Where will the Government and the private sector find alternative resources? Actuaries fear the pension scheme will remove the need for life insurance and if that happens it could pose a threat to an industry with assets of R5 800-million, besides pension and provident funds.

However desirable a decent retirement pension for everyone may be, a scheme like the one proposed could only be started in a booming economy, and only after many changes. These the pension fund movement hopes to persuade the authorities to adopt.

Meanwhile, no upper limit to pensions is proposed. Is it seriously intended to pay a R30 000 a year pension to a man who finishes his career earning an annual salary of R40 000?

A pension related to 'final salary' also invites abuse through increases paid just before retirement in order to qualify for a large pension.

Drawing on taxes, however, is contrary to current State policy which is to pay only the absolute minimum old age pension-benefit to people who pass the means test in order to prevent the population being taxed too severely.

The Life Offices Association, the powerful union of the insurance fraternity, has a special committee studying the State plan and prefers to say nothing until its report has gone to the Ministers of Finance and Pensions.

But privately, many actuaries claim the scheme is financially unsound and that workers' contributions will bring nothing like the money needed to pay the level of pensions.

One expert estimates a 35 percent salary contribu-
State Pension Scheme, unrealistic.
Critical shortage of homes for the aged

Staff Reporter

HUNDREDS of homeless elderly people are turned away from old-age homes each month.

Spiralling building costs and a lack of funds have resulted in a critical shortage of homes for the elderly throughout the Cape Province.

"There is a desperate need for these homes. Every day we receive phone calls from people who are penniless and who have nowhere to go but we do not have the room," a spokesman for Carlyle Lodge in Fish Hoek said.

The lodge has a waiting list of over 600 and while plans have gone through for a second home for the town, it is difficult to obtain a building loan and further funds to furnish and equip the home.

100 people

Even when the complex is completed it will only cater for 100 people.

Other Peninsula homes are running at a loss and unless conditions improve, the Department of Social Welfare and Pensions will be approached for larger grants.

According to Mrs Z Droskie, director of the National Council for the Aged, most of the homes run by the council have broken even this month but problems will be experienced at the beginning of next year when staff salaries are raised.

Mrs Droskie added that the Government was encouraging the elderly to live independently to keep homes open solely for the frail and infirm. The subsidy for an elderly person who is fairly active is R10 per month – the subsidy for the frail and infirm is R88 per month.

While plans for several new homes have been submitted, by the time building loans have been granted the costs may have doubled.

Most private hotels and small homes for the aged have been forced to close down during the past two years as they have proved uneconomical.

Because of this, elderly people have been forced to turn to flats and homes for the aged, and, according to Mr R Pettit, the secretary of the Cape Peninsula Welfare Organization for the Aged, flats have proved too expensive for many people.

On average, they cost R100 per month with two meals a day, while the Government pension is R72 per month.
Confirmation of the pension plan danger

EAST LONDON — On this page last week I suggested the South African insurance — assurance industry should do something to inform the public just why everyone should oppose as strongly as possible the Government’s proposed State pension plan, in the form suggested — namely, 75 per cent of final wage or salary in return for a gross seven per cent contribution.

I was, therefore, particularly pleased to see the remarks of the chairman of the Old Mutual, Mr. J. G. van der Horst, at the annual meeting last Thursday which, to an extent, met my suggestion.

But I was even more pleased to see the remarks, at the same meeting, of the chairman of the Swiss Reinsurance Co. of Zurich, Dr. Max Eisenring, which were read at the meeting by Swiss Reinsurance’s general manager, Dr. Werner Leimbacher.

With the voice of international experience, Dr. Eisenring said he did not wish to discuss South Africa’s proposed scheme just alone criticise it. “Rather let me make some observations which impress a neutral observer of the international scene.”

“I am afraid all of them will substantiate doubts and fears already expressed.”

“Originally, many social security systems were conceived on a sound basis to provide for basic minimum benefits but subsequently they were dynamically remodelled by the welfare state into the current, luxurious schemes which are both financially and morally unsound.”

“This has resulted in the displacement of efforts from the creation of wealth to the mere redistribution of wealth, a process which causes the incentives needed for that very creation to wither away.”

“Furthermore,” said Dr. Eisenring (and this is a most important observation) “social security problems have become to a large extent a political football and pensioners, as a homogenous group, have become the favourite goal for election strategies.”

He then went on to substantiate comment I made in these columns: “A particularly alarming feature is that most, though not all, countries have built up their social security systems on an exclusive basis, with the severe risk of bringing about national bankruptcy if, for statistical or other reasons, the present active generation is unable to meet the bill for the next generation pensioners.”

He said the German pension scheme was hinging on the brink of bankruptcy, and that defaults of 10 000 million marks in 1975, and 14 000 million marks in 1976, had completely exhausted the saving of the previous decade (25 000 million marks).

Securite Sociale in France, set up in 1945, had been compared with a gigantic “dairy cow”, and it was doubtful whether the enormous deficit could still be met and nationwide misery avoided.

In Britain there was a similar pattern. “Isn’t it a sad paradox when the Prime Minister, Mr. Callaghan, said in September that the government had, for too long, not been creating sufficient wealth as fast as it had been distributing it?”

Even the United States, he said, was currently in the throes of an alarmingly rapid development towards social inflation and a total welfare state. “Their social security and social welfare programmes, which are already in a bad financial shape, might now be supplemented by a far too costly national health insurance scheme.”

And he even criticised his own country’s (Switzerland) state pension scheme. “Unsound expansionism threatens to destroy the delicate equilibrium of our ‘three-pillar’ concept. The state scheme originally provided only basic minimum benefits and was financed with a relatively strong funding feature.

“If these tendencies cannot be checked,” University of St. Gall projections indicate, “within ten years, the cost for State social security in Switzerland may reach some 20 per cent of the Gross National Product and 40 to 50 per cent of the assured income.”

Dr. Eisenring emphasised that every South African should resist the State scheme in its present form, and accept instead the provision of a basic minimum together with legislation to rectify any short-comings in the present pensions structure.

And so say all of us! — BUSINESS EDITOR.
State pension critics get a lashing

Labour Reporter

A prominent labour leader today hit at the critics of the proposed national pension scheme, accusing them of promoting a system which itself is "financially unsound."

"The worker is entitled to the full benefit of his savings and pension fund contributions," said Mr. Arthur Grobbelear, general secretary of the Trade Union Council of South Africa.

He was referring to recent attacks on the workability of the scheme.

"Since the existing facilities cannot provide for that, the State must step in."

"If there is no other way of preventing the erosion of old age savings and pension fund investments, then the State must see to it that workers and employers of the day pay for the pensions of their elders," Mr. Grobbelear said.

He pointed out that the Association of Pension and Provident Funds had admitted some time ago that none of the well-established pension funds earned any "real" interest because the rate of inflation exceeded average returns on their investments.

"We do not expect more than we pay for. But the bankruptcy of the present system makes it an urgent necessity to circumvent the erosion of savings and investment which makes a farce of existing provision for one's old age."" Mr. Grobbelear admitted that proposals made so far for a national pension scheme might not be actually sound.

"But this is something which can be adjusted," he said.

"But these 'champions of free enterprise' are doing the free enterprise system a disservice by failing to point out that their system is also not financially sound."

"How dare they attack the new proposals when their own system does not meet the most fundamental requirement?" Mr. Grobbelear asked.
Social Security

Pensions

1976 - 1978
THE GROUP PENSION PLAN—
A NEW CONCEPT IN PENSIONS

SOUTH AFRICAN MUTUAL LIFE ASSURANCE SOCIETY
INDEX

SECTION A
OUTLINE OF THE GROUP PENSION PLANS

SECTION B
APPLICATION FORM

SECTION C
SUMMARY OF TYPICAL PLAN RULES

SECTION D
EXAMPLES OF CONTRIBUTION BASES AND DEATH COVER
SECTION A

OUTLINE OF THE GROUP PENSION PLANS

(Specifically designed to meet the needs of citizens of the Homelands and other workers.)

As an Employer of Homeland Citizens and other workers, we feel you should be acquainted with the new pensions service offered by OLD MUTUAL.

The individual Group Pension Plans

- were specifically designed to cater for current labour patterns
- were established in consultation with the various Homeland authorities
- have the flexibility essential to meet changing circumstances
- are underwritten and backed by OLD MUTUAL
- provide for the investment of funds in the Homelands for infrastructure and other development.
3. Structure of the Plans

3.1. An Employer can participate in any one or more of the Group Pension Plans by making membership a condition of employment for citizens of the Homelands or those other workers on whose behalf he would care to participate. While the Employer will decide on the contribution rate, we suggest that a percentage of earnings be specified. These contributions would be paid to OLD MUTUAL on a monthly, quarterly or yearly basis. Arrangements can be made for employees to also contribute to the fund.

3.2. All employees on whose behalf the Employer is participating will be eligible to join the particular plan applicable to such employees.

3.3. All contributions (net of expenses) received on behalf of a member will be accumulated in the plan with interest and held at credit for such member — the so-called money purchase scheme.

Accordingly, the pension that arises is the amount that can be provided by these accumulations. In the early years, a man's earnings are lower than in later years. Thus contributions at this stage are relatively low.

Contributions invested in the early years accumulate at compound interest over a much longer period than corresponding investments in later life. Thus the influence of the earlier investments although based on a relatively low salary can have more significance than later investments.

The emerging pension is the accumulated value of these investments.

The following is a table of the pension that would emerge on various assumptions at age 60. It will be assumed that regular contributions of 10% of income is paid into the Fund in the case of the money purchase scheme.

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Money Purchase Scheme</th>
<th>Conventional 1/60th of Final Average Salary Formula</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>13.4</td>
<td>14.0</td>
</tr>
<tr>
<td>20</td>
<td>29.8</td>
<td>29.8</td>
</tr>
<tr>
<td>30</td>
<td>48.6</td>
<td>44.6</td>
</tr>
<tr>
<td>40</td>
<td>66.9</td>
<td>59.5</td>
</tr>
</tbody>
</table>

It has been assumed that salaries will increase by 6% per annum and that the Fund will earn 7 1/2% per annum.

It is therefore clear that on the above assumptions, the benefits provided under the two systems are reasonably in line with each other. The important point is, however, that the benefits under the n/60th formula are dependent on continuous service up to retirement.

3.4. On retirement, a member will receive the benefit of the amount standing to his credit. Depending on this amount it will either be paid in one lump sum or used to purchase a pension on the life of the member. Such pension will, depending again on the amount, be payable in either monthly or quarterly instalments with the proviso that payment will be made for at least five years and thereafter for the life of the member.

3.5. On death before retirement, the amount standing to the member's credit will, at the discretion of the Trustees, be paid to his next of kin or to his estate.

Should a member die within five years after retirement, any balance of the pension payments will, at the discretion of the Trustees, be paid to either his next of kin or to his estate.

3.6. On total disablement before retirement, the benefit in 3.4. above will be applicable as if the member had retired on the date of his disablement.
5. Collection of Contributions and Returns by Employers

5.1. It is suggested that a regular monthly amount be decided upon at the beginning of each year. This will be based on the rate of contribution selected, the number of members in the Plan as well as the various wage levels. The most effective manner in which this can be achieved is to collect contributions by way of a debit order system. The basis of the operation will be as follows:

5.2. Debit notes will be despatched to the Banks concerned for each Employer. The amount required will be based on the information available about the staff structure of each Employer at the beginning of the year. Equal amounts will therefore be debited to his account for twelve months in a row, or for such contribution periods as have been decided between the Employer and the Underwriter.

5.3. At the end of the year when the returns from the Employer, giving all the relevant details about membership during the year, have been received, an analysis will be made as to whether sufficient money was contributed during the year. Should a shortfall arise, an additional payment will be required. In the event of too much having been paid during the year, the surplus will be offset against contributions for the following year.

5.4. As mentioned above, once a year the Employer will supply OLD MUTUAL with a statement giving details on all members who had participated during the year. Should the Employer so wish, this statement could coincide with that required by the Receiver of Bantu Taxes. The information required will basically be the number, name, period of service, as well as the total earnings for each member during the year. If staff records are kept in a computer file, much manual labour can be saved by producing the information on a computer tape which will then be used by OLD MUTUAL to process the information further. The various alternatives will obviously be discussed with the Employer and the most suitable modus operandi selected.

6. Possible Benefits

The following tables will give some idea of the benefits an employee can reasonably expect on retirement. These projections are based on the assumptions that

i. the fund maintains a net yield of 7% over the long term;

ii. the fund maintains a net yield of 8% over the long term; and that

iii. current annuity rates remain unchanged.

Pensions will be payable for at least five years and thereafter until death.

Benefits

Expected yearly pension based on a yearly contribution of R60 for retirement ages and net interest rates indicated

<table>
<thead>
<tr>
<th>Years of Membership</th>
<th>7%</th>
<th>8%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>55</td>
<td>60</td>
</tr>
<tr>
<td>10</td>
<td>R 89</td>
<td>R 97</td>
</tr>
<tr>
<td>15</td>
<td>R 173</td>
<td>R 189</td>
</tr>
<tr>
<td>20</td>
<td>R 291</td>
<td>R 317</td>
</tr>
<tr>
<td>25</td>
<td>R 457</td>
<td>R 496</td>
</tr>
<tr>
<td>30</td>
<td>R 690</td>
<td>R 748</td>
</tr>
<tr>
<td>35</td>
<td>R 1016</td>
<td>R 1101</td>
</tr>
<tr>
<td>40</td>
<td>R 1473</td>
<td>R 1596</td>
</tr>
</tbody>
</table>
**SECTION B**

**APPLICATION FORM – GROUP PENSION PLANS**

**NAME OF EMPLOYER:**

**POSTAL ADDRESS:**

**STREET ADDRESS:**

**DATE OF COMMENCEMENT OF PARTICIPATION:**

**CONTRIBUTIONS ARE TO BE MADE ON THE FOLLOWING BASIS:**

<table>
<thead>
<tr>
<th>CATEGORY OF CONTRIBUTION</th>
<th>AMOUNT OF CONTRIBUTION BY</th>
<th>AMOUNT OF DEATH COVER</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EMPLOYER</td>
<td>EMPLOYEE</td>
</tr>
</tbody>
</table>

Application is hereby made for participation in the Group Pension Plans in respect of all present and future employees in respect of whom OLD MUTUAL underwrites or administers Pension Plans at the time.

I/We further agree to be bound by the Rules of the appropriate Pension Plans and to contribute to such Funds in respect of participating employees at the rate specified above, such contributions to be remitted directly to OLD MUTUAL.

I/We undertake to furnish OLD MUTUAL with such information regarding employees as it may reasonably require to administer the Pension Plans in which such employees participate.

**SIGNATURE**

**CAPACITY**

**DATE**
2. Membership

2.1. Eligibility and Participation

In respect of Employers:

An Employer shall participate immediately his application for participation is received and accepted by the Trustees.

In respect of Employees:

i  Participation shall be optional for all employees who are eligible as at the date of commencement of participation of the Employer.

ii It shall be a condition of employment with a Participating Employer that all persons becoming Eligible Employees on or after the date of commencement of his participation in the Plan shall participate hereunder from the date on which they first become eligible provided they are actively employed in the Participating Employer’s service on that date.

iii Notwithstanding anything to the contrary contained herein, an Eligible Employee in terms of 5.2. shall participate hereunder as from the date of receipt by the Underwriter of the amount transferred to the Plan in respect of such Eligible Employee. Where such Eligible Employee participates in an existing Pension Fund of his Employer, and the Employer decides to participate in the Group Pension as well, no contributions will be payable to the Group Pension Plan. Should the rules of the existing Fund so permit, the moneys accumulated in the existing Fund of his Employer may be transferred to the Group Pension Plan on discontinuance of service of such Employee.

3. Benefits

3.1. Retirement Benefits

3.1. 1. Right to Retire

On the Normal Retirement Date a Member shall have the right to retire and receive a pension. With the agreement of the Trustees, and where applicable the Participating Employer, a Member may, however, retire either earlier or later than the Normal Retirement Date.

3.1. 2. Amount of Pension

The amount of pension payable in respect of any Member who retires shall be equal to the pension that can be purchased by the Member’s Accumulated Contributions as at the date of retirement. Such pension shall be payable to the Member from the date of his retirement.

3.1. 3. Cashing of Pension

When a Member retires he may take in cash up to one-third of his pension (or where the pension would be R120 per annum or less, the whole of such pension).

3.1. 4. Manner of Payment

Pensions are payable in arrear in equal monthly instalments by the Underwriter. The pension will be payable for as long as the Member is alive. Should the Member die before he has received 60 monthly pension payments, the pension will continue until the appropriate number of monthly payments has been made.

Where any pension payable in terms of these Rules is R120 per annum or less, before any portion is cashed, the Underwriter reserves the right to pay the cash value thereof.
4. Dependants' Benefits

4.1. Death of a Member Before Retirement

A pension secured by the Member's Accumulated Contributions as at the date of death, shall become payable to his dependants as stipulated in 3.4.

4.2. Death of a Member After Retirement

Pension being paid to a pensioner:

On the death of a pensioner the balance of the 60 monthly pension payments in accordance with 3.4, will be payable.

4.3. Manner of Payment

The death benefits will, in the absolute discretion of the Trustees, be paid to any one or more of the Member's dependants, or, if the Trustees consider that there are no dependants, to his estate.

5. Withdrawal Benefits

5.1. Withdrawal from Service Before Retirement

Where a Member leaves the service of a Participating Employer no withdrawal benefit shall be payable and the Member's Accumulated Contributions (together with interest additions and deductions for charges) shall remain in force hereunder to be dealt with in terms of these Rules on the retirement, death or disablement of the Member.

5.2. Preservation of Pension Rights: Transfer from Other Funds

In order to promote the preservation of rights to pension and retirement benefits the Trustees may arrange with Employers that, on termination of the services of employees who are members of other Pension Funds, Provident Funds or Retirement Benefit Schemes in which such Employers participate, the amount standing to the credit of members of such other Funds be paid over to the Plan in order to provide benefits for the employee in terms of and subject to the provision of the Plan Rules.

6. Disability Benefits

1. Amount and Duration of Cover

If, prior to the date of his retirement, a Member is disabled and the disablement is such that the Trustees are satisfied that the nature of the disability is permanent and is such as to prevent him from being gainfully employed, a disability benefit shall become payable. Such benefit shall consist of a pension secured by a capital sum equal in amount to the Member's Accumulated Contributions as at the date on which the Member became disabled and will be paid as stipulated in 3.4.

On payment to a Member of a disability benefit in terms of this Rule such Member's membership of the Fund shall cease with effect from the date of disablement and no further benefits shall be payable in terms of these Rules.
4. Dependents' Benefits

4.1. Death of a Member Before Retirement

A pension secured by the Member's Accumulated Contributions as at the date of death, shall become payable to his dependents as stipulated in 3.4.

4.2. Death of a Member After Retirement

Pension being paid to a pensioner:

On the death of a pensioner the balance of the 60 monthly pension payments in accordance with 3.4. will be payable.

4.3. Manner of Payment

The death benefits will, in the absolute discretion of the Trustees, be paid to any one or more of the Member's dependents, or, if the Trustees consider that there are no dependents, to his estate.

5. Withdrawal Benefits

5.1. Withdrawal from Service Before Retirement

Where a Member leaves the service of a Participating Employer no withdrawal benefit shall be payable and the Member's Accumulated Contributions (together with interest additions and deductions for charges) shall remain in force hereunder to be dealt with in terms of these Rules on the retirement, death or disablement of the Member.

5.2. Preservation of Pension Rights: Transfer from Other Funds

In order to promote the preservation of rights to pension and retirement benefits the Trustees may arrange with Employers that, on termination of the services of employees who are members of other Pension Funds, Provident Funds or Retirement Benefit Schemes in which such Employers participate, the amount standing to the credit of members of such other Funds be paid over to the Plan in order to provide benefits for the employee in terms of and subject to the provision of the Plan Rules.

6. Disability Benefits

1. Amount and Duration of Cover

If, prior to the date of his retirement, a Member is disabled and the disablement is such that the Trustees are satisfied that the nature of the disability is permanent and is such as to prevent him from being gainfully employed, a disability benefit shall become payable. Such benefit shall consist of a pension secured by a capital sum equal in amount to the Member's Accumulated Contributions as at the date on which the Member became disabled and will be paid as stipulated in 3.4.

On payment to a Member of a disability benefit in terms of this Rule such Member's membership of the Fund shall cease with effect from the date of disablement and no further benefits shall be payable in terms of these Rules.

7.1. Members' Contributions

Where required to do so, Members shall make contributions to the Plan in accordance with a scale specified by the Employer.

Member's contributions (if any) will be deducted from Members' wages or salaries and paid to the Underwriter.

In respect of Members participating hereunder in terms of 5.2, the Member's contribution shall consist of the amount transferred to the Plan in respect of such Member.

7.2. Employer's Contributions

Each participating Employer shall make contributions to the Plan in accordance with a scale agreed with the Underwriter and such contributions shall be paid to the Underwriter.

7.3. Proof of Age

Proof of age to the satisfaction of the Trustees in such form as the Trustees shall specify, is required before the payment of any benefit under the Plan will be made.

7.4. Disputes

Any disputes which may arise between the Trustees, a Participating Employer and any Member or Members in regard to claims or interpretations hereunder will be decided by the Trustees, whose decision shall be final and binding provided that such decision is not inconsistent with these Rules.

7.5. Income Tax

All payments of benefits in terms of these Rules are subject to P.A.Y.E. income tax deductions where applicable.

7.6. Continuation of Membership

All Members are obliged to remain Members until withdrawal from service (subject to the provisions of 5.), death, disablement or retirement, as the case may be.

7.7. Tracing of Members

Should it not be possible to trace the whereabouts of any Member, dependant or other beneficiary entitled to benefits by the date or approximate date (as the case may be) the Member in respect of whom the benefits are payable attains or would have attained age 70, such benefits shall be forfeited and dealt with in such manner as may be determined by the Underwriter in consultation with the Trustees.
8. Operation of the Plan

The Plan is operated on the Underwriter's Multifund Investment System. For the purposes of this system, the Underwriter has set aside certain securities and other investments divided into portfolios according to the nature of the securities or investments. The value of the securities or investments underlying each portfolio is equated to notional units and investment by the Fund in any portfolio is represented by the allocation of notional units to the Fund. Similarly, any withdrawal of investments is represented by the realisation of notional units. The proportion of contributions to be invested in each portfolio shall be as decided by the Underwriter, but any such decision shall be subject to any legislation or governmental ruling applicable thereto.

The allocation price of a notional unit is determined by the Underwriter with due regard to the market value of the underlying securities in the portfolio, the costs of acquisition and income accrued to date. For the purposes of the Fund, the Underwriter maintains a Fund Account to which all contributions, dividends and interest will be credited. The Account will be debited with a periodic overall administration charge, an annual service charge relating to each portfolio, the amounts used to acquire notional units, the cost of the benefits specified and any other amount as may be agreed between the Trustees and the Underwriter. In addition, the Underwriter shall maintain an Individual Account for each Member in which shall be recorded all contributions in respect of such member as well as interest added in terms of 1.1.

The Underwriter also maintains a Portfolio Register in which is recorded all transactions relevant to the allocation and realisation of notional units.

Whenever a pension becomes payable in terms of these Rules such pension shall be paid by the Underwriter from the Fund Account unless otherwise agreed between the Trustees and the Underwriter.

9. Amendment to or Discontinuance of Fund

9.1. Amendment

The Trustees shall have the right to amend the Rules at any time. No amendment to the Rules may be made unless the amendment has been approved by the Secretary for Inland Revenue and the Registrar of Pension Funds.

9.2. Discontinuance

The Trustees shall have the right to close or discontinue the Plan at any time. Where the Trustees discontinue the Plan in order to establish a new Fund, on the date of discontinuance all amounts still to be debited or credited to the Plan Account shall be so debited or credited and the balance in the Account determined. The Assets of the Plan shall comprise the balance in the Plan Account together with the notional units as recorded in the Portfolio Register as at the date of discontinuance. Such assets shall be transferred to the Trustees in such manner as may be agreed upon between the Trustees and the Underwriter.

Where a new Fund is not being established, the provisions of 11. shall be applicable as if each individual Participating Employer had discontinued his participation hereunder from the date of discontinuance of the Plan by the Trustees.

10. Underwriter's Liability

The Underwriter's liability in terms of these Rules at any time shall, other than in respect of benefits that have actually been purchased from the Underwriter, be limited to the credit balance in the Fund Account together with the realisation value of the notional units in the Portfolio Register at that time.
11. Discontinuance by Individual Employer

A Participating Employer may, by giving six months’ prior written notice to the Underwriter, terminate payment of moneys to the Underwriter in respect of Members in his employ as from a specified date and such Employer’s participation hereunder shall be discontinued on such date. In cases where service contracts are in force, Employers shall participate in the Plan on behalf of such Employees until expiry of such contracts.

The Accumulated Contributions of such Members shall remain in force hereunder to be applied in terms of these Rules, provided that interest shall continue to be added and expense charges deducted for the period between the date of discontinuance and the date of application, on a basis determined by the Underwriter.
SECTION D

1. Examples of Contribution Bases

There is a large selection of contribution bases available for both Employer and employee. The Employer chooses the basis which he feels will suit the employees’ pension needs. The basis shown below is purely an example.

<table>
<thead>
<tr>
<th>EMPLOYEE EARNINGS RANGE</th>
<th>CONTRIBUTIONS</th>
<th>EMPLOYER</th>
<th>EMPLOYEE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weekly Paid:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than R15 per week</td>
<td>R1,00 per week</td>
<td></td>
<td>Nil</td>
</tr>
<tr>
<td>R15 but less than R20 per week</td>
<td>R1,50 per week</td>
<td></td>
<td>Nil</td>
</tr>
<tr>
<td>Monthly Paid:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>R80 but less than R150 per month</td>
<td>R6,00 per month</td>
<td>R4,00 per month</td>
<td></td>
</tr>
<tr>
<td>Over R150</td>
<td>5% of Employee’s salary</td>
<td>4% of Employee’s salary</td>
<td></td>
</tr>
</tbody>
</table>

The employee contribution does not have to be the same as the Employer contribution. The Employer can choose the salary range for which different contribution rates will apply.

2. Examples of Death Cover

Should you wish, each of your employees can be covered for a certain amount of death benefit. This can either be a multiple of the employee’s annual salary or a fixed amount per category of earnings. An example of a basis of giving weekly and monthly paid employees death cover is shown below.

<table>
<thead>
<tr>
<th>EMPLOYEE EARNINGS RANGE</th>
<th>DEATH COVER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weekly Paid:</td>
<td></td>
</tr>
<tr>
<td>Less than R15 per week</td>
<td>R1,000</td>
</tr>
<tr>
<td>R15 but less than R20 per week</td>
<td>R1,000</td>
</tr>
<tr>
<td>Monthly Paid:</td>
<td></td>
</tr>
<tr>
<td>R80 but less than R150 per month</td>
<td>Twice times annual salary</td>
</tr>
<tr>
<td>Over R150 per month</td>
<td>Twice times annual salary</td>
</tr>
</tbody>
</table>

In the case of hourly or weekly paid workers where an annual salary cannot be readily established, we suggest you decide upon a fixed sum based on the employee’s average annual income and seniority, e.g. that an employee with 10 years’ service and now earning approximately R1200,00 per annum, be granted R2000,00 death cover.
OLD MUTUAL's pensions teams in the main centres throughout Southern Africa are always available to advise you on Employee Benefit Programs.

HEAD OFFICE

Mutualpark,
Pinelands, C.P.
Telephone: 53-1231
R.C. Lloyd — General Manager
(Technical)
M.M. van den Heever —
Assistant General Manager (Pensions)
C.R. Baille — Pensions Actuary
(Development)
K. Maxwell — Pensions Actuary (Technical)
B.D. Burger — Manager
(Pensions Accounting)
D.F. Hammer — Manager
(Pensions Administration)
A. Hendricks — Manager (Medical Aid)
L.C. Morgan
(Manager Pensions Actuarial)
S.E. Mostert — Manager
(Practum Administration)
G. van Niekerk — Manager
(Group Development)
W. Weisz — Manager (Pensions Promotion)

Durban Branch
Mutual Building
Gardiner Street
Telephone: 6-7981
E.J. Fourie — Pensions Manager
J.F.C. Rider — Pensions Manager

East London Branch
Mutual Building
47 Oxford Street
Telephone: 2-1281
R. Louw — Assistant Pensions Adviser

Johannesburg Branch
Mutual Building
81—83 Commissioner Street
Telephone: 836-4011
A.W. Dakers — Pensions Manager
J.W. Bruton — Assistant Pensions Manager
F. Drummer — Assistant Manager
(Pensions Administration)

Port Elizabeth Branch
Mutual Building
64 Main Street
Telephone: 2-1521
A.W. McLaren — Pensions Manager

Pretoria Branch
Hallmark Arcade
237 Proes Street
Telephone: 48-2051
P.P. Louw — Pensions Manager

Salisbury Branch
Mutual House
Cor. Second Street and Speke Avenue
Telephone: 70-4411
A.J. Hermann — Pensions Manager

Windhoek Branch
Mutual Building
Kaiser Street
Telephone: 25651
1. Voorbeeld van Bydraekoers

Daar is 'n wye keuse ten opsigte van bydraekoers vir beide Werkgever en werknemer. Die Werkgever kan dus dié koers kies wat hy reken sy werknemer se pensioenebehoeftes sal bevredig.

Onderstaande is slegs 'n voorbeeld:

<table>
<thead>
<tr>
<th>WERKNMERS SE INKOMSTESKAAL</th>
<th>BYDRAES</th>
<th>WERKNEMER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weekliks Besoldig:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minder as R15 per week</td>
<td>R1,00 per week</td>
<td>Nul</td>
</tr>
<tr>
<td>R15 maar minder as R20</td>
<td>R1,50 per week</td>
<td>Nul</td>
</tr>
<tr>
<td>Maandeliks Besoldig:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R80 maar minder as R150 per maand</td>
<td>R6,00 per maand</td>
<td>R4,00 per maand</td>
</tr>
<tr>
<td>Meer as R150 per maand</td>
<td>5% van Werknemersloon</td>
<td>&gt; 4% van Werknemersloon</td>
</tr>
</tbody>
</table>

Die werknemer se bydraekoeurs hoop nie ooreen te stem met die Werkgever bydraekoers nie. Die Werkgever den dié inkomsteskaale bepaal waarvolgens onderskeie bydraekoers sal geld.

2. Voorbeeld van Doodsdekking

Soo 'n Werkgever dit verlang, kan elk van sy werknemers doodsdekkingsvoordele geniet. Dit kan of 'n veelvoud van die werknemer se jaarlike salaris bedra of 'n vastebedrag volgens inkomstekategorie wees. Onderstaande is 'n voorbeeld van 'n basis waarop doodsdekking toegestaan kan word aan weekliks en maandeliks besoldigde werkers.

<table>
<thead>
<tr>
<th>WERKNEMER SE INKOMSTESKAAL</th>
<th>DOODSDEKKING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weekliks Besoldig:</td>
<td></td>
</tr>
<tr>
<td>Minder as R15 per week</td>
<td>R1 000</td>
</tr>
<tr>
<td>R15 maar minder as R20 per week</td>
<td>R1 000</td>
</tr>
<tr>
<td>Maandeliks Besoldig:</td>
<td></td>
</tr>
<tr>
<td>R80 maar minder as R150 per maand</td>
<td>Tweemaal jaarlike salaris</td>
</tr>
<tr>
<td>Meer as R150 per maand</td>
<td>Tweemaal jaarlike salaris</td>
</tr>
</tbody>
</table>

In gevalle van uurtliks of weekliks besoldigde werkers waar 'n jaarlike salaris nie geredelik bepaal kan word nie, stel ons voor dat u besluit op 'n vaste bedrag gebaseer op die benaderende jaarlike inkomst en senioriteit van so 'n werknemer, bv. 'n werknemer met 10 jaar diens en 'n verdienste van ongeveer R1200,00 per jaar sou doodsdekking van R2000,00 toegestaan word.
OU MUTUAL se pensioen-deskundiges in die Hoosentra dwarsdeur Suider-Afrika is altyd beskikbaar om u aangaande Werknemers-voordeelplanne raad te gee.

**HOOFKANTOOR**

Mutualpark  
Pinelands, K.P.  
Telefoon: 53-1231  
R.C. Lloyd — Hoofbestuurder (Tegnies)  
M.M. van den Heever — Assistent Hoofbestuurder (Pensioene)  
C.R. Baillie — Pensioene-Aktuaris (Ontwikkeling)  
K. Maxwell — Pensioene-Aktuaris (Tegnies)  
B.D. Burger — Bestuurder (Pensioen-rekening)  
D.F. Hammer — Bestuurder (Pensioene-administrasie)  
A. Hendricks — Bestuurder (Mediese hulp)  
L.C. Morgan — (Bestuurder Pensioene-Aktuaris)  
S.E. Mostert — Bestuurder (Flexfonds-administrasie)  
G. van Niekerk — Bestuurder (Groep-ontwikkeling)  
W. Weise — Bestuurder (Pensioene-bevordering)

**TAKKE**

**Bloemfontein-Tak**  
Mutual-Gebou  
President Hoffman Plein  
Telefoon: 8-1714  
D.E.P. Barnard — Pensioene-Adviseur

**Bulawayo-Tak**  
Old Mutual Centre  
Cor Abercorn Street and 8th Avenue  
Telefoon: 6-3671  
D. Mitchell — Pensioene-Bestuurder

**Durban-Tak**  
Mutual Gebou  
Gardinerstraat  
Telefoon: 6-7981  
E.J. Fourie — Pensioene-Bestuurder  
J.F.C. Rider — Pensioene-Bestuurder

**Johannesburg-Tak**  
Mutual-Gebou  
Commissionerstraat 81—83  
Telefoon: 836-4011  
A.W. Dakers — Pensioene-Bestuurder  
J.W. Bruton — Assistent Pensioene-Bestuurder  
F. Drummer — Assistent-Bestuurder (Pensioene-administrasie)

**Kaapstad-Tak**  
Mutual-Gebou  
Darlingstraat 14—18  
Telefoon: 2-1071  
P.W.G. Hugo — Pensioene-Bestuurder  
C. Loedolff — Assistent Pensioene-Bestuurder  
G. Maasdorp — Assistent Pensioene-Bestuurder

**Oos-Londen-Tak**  
Mutual-Gebou  
Oxfordstraat 47  
Telefoon: 2-1281  
R. Louw — Assistent Pensioene-Adviseur

**Port Elizabeth-Tak**  
Mutual-Gebou  
Hoofstraat 64  
Telefoon: 2-1521  
A.W. McLaren — Pensioene-Bestuurder

**Pretoria-Tak**  
Hallmark-Arkade  
Proesstraat 237  
Telefoon: 48-2051  
P.P. Louw — Pensioene-Bestuurder

**Salisbury-Tak**  
Mutual House  
Cor Second Street and Speake Avenue  
Telefoon: 70-4411  
A.J. Hermann — Pensioene-Bestuurder

**Windhoek-Tak**  
Mutual-Gebou  
Kaiserstraat  
Telefoon: 2-5651
DIE GROEP-PENSIOENPLAN—
'N NUWE KONSEP IN WERKNEMERSVOORDELE

SUID-AFRIKAANSE ONDERLINGE LEWENSVERSEKERINGSGENOOTSKAAP
INDEX

BYLAE A
UIITEENSETTING VAN DIE GROEP-PENSIOENPLANNE

BYLAE B
AANSOEKVORM

BYLAE C
OPSOMMING VAN TIPiese PLANREëLS

BYLAE D
VOORBEELDE VAN BYDRAEKOERSE EN DOODSDEKKING
BYLAE A

UITREENSETTING VAN DIE GROEP-PENSIOEPLANNE

(Spesifiek ontwerp om aan die behoeftes van werkers in die Republiek en burgers van ons onderskeie Tuislande te voldoen.)

Ons is oortuig daarvan dat u as Werkgever van Tuislandburgers en ander werkers sal belangstel in die nuwe pensioendienis wat deur OU MUTUAL aangebied word.

Die individuele Groep-Pensioenplanne

• is spesifiek ontwerp om vir die huidige arbeidspatrone voorsiening te maak
• is in samewerking met die verskeie Tuisland owerhede daargestel
• het die noodsaaklike buigsameheid om aan veranderende omstandighede te voldoen
• word deur OU MUTUAL onderskryf en ondersteun
• maak voorsiening vir die belegging van fondse in die Tuislande vir infrastruktuur en ander ontwikkelingsdoeleindes.
3. Struktuur van die Pensioenplanne

3.1. 'n Werkgever kan in die Groep-Pensioenplande deelneem deur lidmaatskap daarvan 'n diensvoorwaarde te maak vir al tyd besoldigde werkers en Tuislandburgers namens wie hy graag sou wou deelneem. Die Werkgever sal self besluit teen watter koers hy bydraas namens sy werknemers sal maak. Die bydraas kan of 'n persentasie van inkomste of 'n vaste weeklikse of maandlikse bedrag wees. Hierdie bydraas sal op 'n maandlike, kwartaalike of jaarlike basis aan OU MUTUAL oorbetaal word. Voorsiening is ook in die Reëls van die planne gemaak vir werknemers om self by te dra.

3.2. Alle werknemers namens wie die Werkgever bereid is om by te dra sal aanneembaar wees om aan die spesifieke plan op hom van toepassing, te behoort.

3.3. Alle bydraes (minder kostheffings) wat namens lede ontvang is, sal in die Plan belê word en sal deurrente verdienen tot by aftrede – die sogenaamde konstante persentasie bydrae.

Hiervolgens sal die pensioen betaalbaar aan die lid bepaal word deur die totale bedrag van opgeloopte bydrae. Aanvanklike verdienste is leer as in latere werksjare. Gevolglik is bydraas op hierdie tydstip relatief laer.

Bydraes wat gedurende die aanvanklike werkjare belê word loop op teen samegestelde rente oor 'n langer periode as ooreenstemmende beleggings gedurende later jare. Sodoende kan die invloed van die vroeëre beleggings hoewel op 'n relatief laer salaris gebaseer, van meer belang wees as die van latere beleggings.

Onderstaande is 'n tabel wat die pensioen betaalbaar op ouderdom 60 aan die gegrond op sekere aannames. Dit word aangeneem dat gereëlde bydrae van 10% van die inkomste in die Fonds oorbetaal word soos in die geval van die konstante persentasie bydrae.


<table>
<thead>
<tr>
<th>Aantal Diensjare</th>
<th>Konstante persentasie bydrae</th>
<th>Konvensionele n/60ste van finale gemiddelde salarisformule</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>13,4</td>
<td>14,9</td>
</tr>
<tr>
<td>20</td>
<td>28,8</td>
<td>29,8</td>
</tr>
<tr>
<td>30</td>
<td>46,5</td>
<td>44,6</td>
</tr>
<tr>
<td>40</td>
<td>66,9</td>
<td>59,5</td>
</tr>
</tbody>
</table>

Dit word aangeneem dat salaris se jaarlikse 6% sal styg en dat die Fonds jaarlikse 7,5% sal verdien.

Dit is dus duidelik dat, op bostaande aannames, die voordele van beide stelsels bale gunstig met mekaar vergelyk. Van belang is egter dat die voordele van die n/60ste stelsel berus op onafgebroken diens tot en met aftrede.

3.4. By aftrede sal die lid die bedrag ontvang wat dan tot sy krediet staan. Afhangende van die bedrag sal dit of in 'n enkelbedrag of in die vorm van 'n pensioen op die lewe van die lid uitbetaal word. Die pensioen kan ook of in maandlike, kwartaalike of jaarlike pensiomentale uitbetaal word. Die pensioen sal betaalbaar wees vir ten minste 5 jaar en daarna vir solank die lid die lewe behou.

3.5. By dood voor aftrede sal die bedrag wat op daardie stadium tot die lid se krediet staan aan of sy naastebestanddes of sy boedel oorbetaal word. Indien 'n lid binne 5 jaar na aftrede te sterven sou kom, sal die balans van die 5 jaar se pensiomentale ook of aan sy naastebestanddes of boedel oorbetaal word.

3.6. By totale ongeskiktheid voor aftrede sal die bedrag beskikbaar soos in 3.4. Hierdie gebruik word om vir die lid 'n pensioen te koop vanaf die datum van ongeskiktheid.
5. Die invordering van Bydraes en Opgaawes deur Werkgewers

5.1. Daar word voorgestel dat daar op 'n gereelde maandeliike bydrae aan die begin van elke jaar besluit word. Hierdie bydrae sal bepaal word deur die bydraekoers wat gekies is. Die aantal lede wat deelnem aan die onderskeie loonskede sal dus die totale betaalbare bedrag bepaal. Die maes effektiewe manier om die bydraes in te vorder is deur middel van 'n debitorderstelteel. Die stelteel sal kortliks as volg oproep:

5.2. Debiytoetes sal maandeliiks aan die Werkgewer se bank uitgestuur word. Die bedrag benodig soos hierbo vasgestel sal dan maandeliiks teen die Werkgewer se bankrekening gedebitreer word. Gelyke bedrae sal dus vir 12 maande gedebitreer word.

5.3. Aan die einde van die jaar sal opgaawes van die Werkgewer ontvang word waarop al die inligting in verband met ledetel gedurende die jaar aangedui word. 'n Ontleding sal gedoen word om vas te stel of die bedrae gedurende die jaar betaal voldoende was. Indien daar 'n tekort ontstaan het sal daar om 'n addisionele betaal geval word en indien daar 'n oorskot was, sal die oorskot as bydrae vir die volgende jaar gerekend word.

5.4. Soos hierbo genoem sal van die Werkgewer verwag word om eenmal per jaar 'n staat aan OU MUTUAL voor te leen wat inligting verskaf aangaande almal wat gedurende die jaar aan die skaam deelgeneem het. Indien die Werkgewer dit so verkies kan die staat saamvat met die inligting wat aan die Ontvanger van Banbeëlasting voorgelê moet word. Die inligting wat benodig word is die lid se nommer en naam, sy dienstydperk sowel as sy totale inkomste gedurende die jaar. Indien personeelrekords op 'n rekenaar gehou word, kan heelwat papierwerk uitgesakel word deur die inligting op 'n rekenaarband aan OU MUTUAL te verskaf. Die inligting sal dan direk verder verwerk word. Die onderskeie alternatiewe sal natuurlik met die Werkgewer bespreek word en die meer aanvaarbare metode van optrede gevolg word.

6. Moontlike Voordele

Die volgende tabel gee 'n aanduiding van die voordele wat 'n werknemer geredelik by afbrae kan verwag. Hierdie projeksiës word gebaseer op die annames dat

i die Plan 'n netto opbrengs van 7% oor die lang termyn lever;

ii die Plan 'n netto opbrengs van 8% oor die lang termyn lever; en dat

iii die huidige annuitetisoerce onveranderd sal bly.

Pensioenvoordele sal betaalbaar wees vir ten minste vyf jaar en daarna lewenslank.

---

### Voordele

Verwagte jaarlikse pensioen gebaseer op 'n jaarlikse bydrae van R60 by afbrae-oudedom en teen rentekoese soos aangedui

<table>
<thead>
<tr>
<th>Tydperk van Lidmaatskap (Jare)</th>
<th>7%</th>
<th>8%</th>
</tr>
</thead>
<tbody>
<tr>
<td>55</td>
<td></td>
<td></td>
</tr>
<tr>
<td>60</td>
<td></td>
<td></td>
</tr>
<tr>
<td>65</td>
<td></td>
<td></td>
</tr>
<tr>
<td>55</td>
<td></td>
<td></td>
</tr>
<tr>
<td>60</td>
<td></td>
<td></td>
</tr>
<tr>
<td>65</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>R 89</td>
<td>R 97</td>
</tr>
<tr>
<td>15</td>
<td>R 173</td>
<td>R 189</td>
</tr>
<tr>
<td>20</td>
<td>R 291</td>
<td>R 317</td>
</tr>
<tr>
<td>25</td>
<td>R 457</td>
<td>R 496</td>
</tr>
<tr>
<td>30</td>
<td>R 690</td>
<td>R 748</td>
</tr>
<tr>
<td>35</td>
<td>R1016</td>
<td>R1101</td>
</tr>
<tr>
<td>40</td>
<td>R1473</td>
<td>R1586</td>
</tr>
</tbody>
</table>

---
AANSOEKVORM – GROEP-PENSIOENPLANNE

NAAM VAN WERKGWER: .................................................................
POSADRES: ..............................................................................
STRAATADRES: ........................................................................
AANVANGSDATUM VAN DEELNAME: ........................................

BYDRAES SAL OP DIE VOLGENDE BASIS GEDOEEN WORD:

<table>
<thead>
<tr>
<th>BYDRAE KATEGORIE</th>
<th>BEDRAG BYGEDRA DEUR</th>
<th>DOODSEUKKING</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>WERKGWER</td>
<td>WERKNEMER</td>
</tr>
</tbody>
</table>

Hiermee word aansoek gedoen om deelname aan die Groep-Pensioenplanne ten opsigte van alle huidige en toekomstige werknemers vir wie OU MUTUAL Pensioenplanne onderskryf en bestuur.

Ek/ons ondernem voorts om gebonde te wees aan die Reëls van die toepaslike Pensioenplanne en om tot sodanige Fondse by te dra behoewens deelnemende werknemers teen bostaande koers en sodanige bydraes direk aan OU MUTUAL oor te betaal.

Ek/ons ondernem om aan OU MUTUAL sodanige inligting te verstrek as wat redelik benodig mag word ten einde die Pensioenplanne waaraan sodanige werknemers deelneem, te adminstreer.

HANDTEKENING .................................................................
KAPASITEIT .................................................................
DATUM .................................................................
OPSOMMING VAN TIPiese PLANReËLS

1. Omskrywings

(Vir die doeleindes van hierdie Reëls sal die gebruik van 'n voornaamwoord wat die manlike geslag aandui, die vroulike insluit, tansy die inhoud anders bepaal.)

1.1. OPEGOOPTE BYDRAES: Die volle bydraes (insluitende enige bedrag oorbetaal ingevolge 5.2.) oorbetaal aan die Ondanksrywer ten opsigt van 'n Lid plus rente min administratiewe heffings.

1.2. NORMALE AFTREEOUERDOM: 60 jaar.

1.3. DEELNEMENDE WERKGEWER: 'n Werkgewer wat ten opsigt van sy aanneembare werknemers aan die Plan deelneem.

1.4. AANNEEMBARE WERKNERMER: Enige werker voltyds in diens van 'n Deelnemende Werkgewer, of ten opsigt van wie 'n bedrag oorbetaal is aan die Fonds ingevolge 5.2.

1.5. PLAN: Die .................... Pensioenfonds.

1.6. UITDIENSTREDING: Dienisverlating by 'n Deelnemende Werkgewer om watter rede ook al behalwe weens aftrede, ongskiktheid of dood.

1.7. TRUSTEES: Die Trustees van die Pensioenplan van tyd tot tyd.

Die Rade van Trustees is deur die onderskeie Tuislandregerings aangewys en sluit prominente lede van die tuisland- en stedelike gemeenskappe in.

1.8. ONDERSKRYWER: Suid-Afrikaanse Onderlinge Lewensversekeringsgenootskap (OU MUTUAL).

1.9. LID: 'n Aanneembare Werknemer wat aan die Plan deelneem.

1.10. VOLTYDS: Vir die doeleindes van hierdie Reëls verwys "voltyds" na 'n werknemer anders as iemand op lose voet (bv. op 'n daaglikse basis) aangestel.
3.1. 4. Wyse van Betaling

Pensioene sal in gelyke maandelikse pasamente deur die Onderskrywer (agraristig betaalbaar) betaal word. Die pensioen sal lewenslank aan die Lid betaal word. Indien die Lid egter sterf voordat hy 60 maandelikse pensioenbetalings ontvang het, sal die pensioen voortgaan totdat die toepaslike aantal maandelikse betalings gemaak is.

Indien enige pensioen ooreenkomstig hierdie Reëls betaalbaar minder as R120 per jaar is voordat enige deel in kontant ongesit is, behou die Onderskrywer die reg voor om die kontantwaarde daarvan te betaal.

4 Afhanklikes se Voordele

4.1. Dood van ’n Lid voor Aftrede

’n Pensioen gekoop deur die Lid se opgeloopte bydraes soos op die datum van sy dood, sal betaalbaar wees aan sy afhanklikes soos in 3.4. vervat.

4.2. Dood van ’n Lid na Aftrede

Pensioen aan ’n pensionaris betaalbaar:

By die dood van ’n pensionaris sal die balans van die 60 maandelikse pensioenbetalings ooreenkomstig 3.4. betaal word.

4.3. Wyse van Betaling

Die voordele by dood sal, na die absolute goederonde van die Trustees, betaalbaar wees aan een of meer van die Lid se afhanklikes, of indien die Trustees besluit dat daar geen afhanklikes is nie, aan sy boedel.

5. Onttrekkingsvoordele

5.1. Uitdienstreding voor Aftrede

Waar ’n Lid die diens van ’n Deelnemende Werkgewer verlaat sal geen uitdienstredingsvoordeel betaalbaar wees nie en die Lid se Opgeglopte Bydraes (tussens met rente-byvoegings en koste-heffings) sal hieronder van krag bly en ingevolge hierdie Reëls aangewend word by aftrede, dood of ongeskiktheid van die Lid.

5.2. Bewaar van Pensioenregte: Oordrag van ander Fonds

Ten einde die bewaar van pensioen- en aftreevoordele te bevorder, mag die Trustees met Werkgewers reël dat, by beëindiging van diens van werknemers wat lede is van ander Pensioenfondse, Voorsorgfondse en Uittredingsvoordeel-skemas waaraan sodanige Werkgewers deelneem, die bedraas wat lede van sodanige Fondsse tot krediet staan, aan die Plan oorbetal word om voordele te verskaf aan die werknemer in terme van en onderworpe aan die voorsiening van die Planreëls.
8. Werking van die Plan

Die Plan word op die Onderskrywer se Multifonds Beleggingstelsel gedryf. Vir die doeleindes van hierdie metode het die Onderskrywer sekere sekerhede apart gehou en onder beleggings in portefeuilles, volgens die aard van sekerhede of beleggings, verdeel. Die waarde van die onderliggende sekerhede of beleggings in elke portefeuille is gelykstaande aan nominale eenhede en beleggings deur die Fonds in enige portefeuille is verteenwoordig deur die toewysing van nominale eenhede tot die Fonds. Eweneens, enige ontrekking van beleggings is verteenwoordig deur die realisasie van nominale eenhede. Die gedeelte van die bydraes wat in elke portefeuille belê moet word sal deur die Onderskrywer besluit word, maar enige sodanige besluit sal onderworpe wees aan enige watgewing of Staatsbeslissing van toepassing daarop.

Die toewysingskoste van 'n nominale eenheid sal deur die Onderskrywer bepaal word met behoorlike inagrensing van die markwaarde van die onderliggende sekerhede in die portefeuille, die koste van aanwinst en inkomste tot datum opgeloop. Vir die doeleindes van hierdie Fonds hou die Onderskrywer 'n Fondsrekening waarin alle bydraes, dividende en rente gekrediteer sal word. Die rekening sal gedebeiteer word met 'n periodieke globale administrasieheffing, 'n jaarlike dienheffing met betrekking tot elke portefeuille, die bedrae wat gebruik word om nominale eenhede te bekom, die koste van die gespesifieerde voordele en enige ander bedrag soos ooreengekome mag word tussen die Trustees en die Onderskrywer. Bykomend sal die Onderskrywer 'n Individuele Rekening vir elke Lid hou waarin alle bydraes ten opsigte van 1.1. en die toepaslike gedeelte van die administrasieheffing op die Lid van tyd tot tyd van toepassing.

Die Onderskrywer sal ook 'n Portefeuiljeregister hou waarin alle transaksies van toepassing op die toewysing en realisasie van nominale eenhede aangeteken sal word. Wanneer 'n pensioen ooreenkomstig die Reëls betaalbaar word sal sodanige pensioen deur die Onderskrywer uit die Fondsrekening betaal word tensey die Trustees en die Onderskrywer anders ooreenkoms.

9. Wysiging of Beëindiging van die Fonds

9.1. Wysiging

Die Trustees sal die reg hê om die Reëls te eniger tyd te wysig. Geen wysiging mag aan die Reëls aangebring word ten opsigte sodanige wysiging deur die Sekretaris van Binnelandse Inkomste en die Registrator van Pensioenfondse goedgekeur is nie.

9.2. Beëindiging

Die Trustees sal die reg hê om die Plan te eniger tyd te sluit of te beëindig.

Waar die Trustees die Plan beëindig met die doel om 'n nuwe Fonds te stig, sal alle bedrae wat nog tot die Planrekening gedebeiteer of gekrediteer moet word so gedebeiteer of gekrediteer word en die balans in die Rekening wagsel. Die bates van die Plan sal die balans in die Planrekening insluit sesmae met die nominale eenhede in die Portefeuiljeregister soos op die datum van beëindiging. Die bates sal aan die Trustees oorgedra word op sodanige wyse soos tussen die Trustees en die Onderskrywer ooreengekome.

Waar 'n nuwe Fonds nie gestig word nie sal die bepaalings van Afdeling 11. van toepassing wees asof elke individuele Deelnemende Werkgever sy deelname hieronder beëindig het vanaf die datum van beëindiging van die Plan deur die Trustees.

10. Onderskrywer se Aanspreeklikheid

Die Onderskrywer se verantwoordelikheid te eniger tyd ooreenkomstig hierdie Reëls sal, behalwe ten opsigte van voordele wat werklik by die Onderskrywer gekoop is, beperk word tot die kredietbalans in die Fondsrekening tesame met die realisasiewaarde van die nominale eenhede in die Portefeuiljeregister op daardie tydspan. 
WEDNESDAY, 12 MAY 1976

<table>
<thead>
<tr>
<th>The MINISTER OF COLOURED, REHOBOTH AND NAMIB RELATIONS:</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) (a) (i) Nil.</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>(ii) 1.</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>(iii) 7.</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>(b) (i) Nil.</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>(ii) 75.</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>(iii) 815.</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>(2) Normal cases: Re 25 per month.</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Infirm cases: R1-20 per month.</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Extremely infirm cases: R34-50 per month.</td>
</tr>
</tbody>
</table>

Indicates translated version.

For written reply:

Homes for aged Coloureds

34. Senator L. E. D. WINCHESTER asked the Minister of Coloured, Rehoboth and Nama Relations:

(1) How many homes for (a) aged Coloured persons are there in (i) Durban, (ii) Johannesburg and (iii) the Cape Peninsula and (b) how many persons are accommodated in such homes in each of these areas;

(2) what per capita amount is paid as a subsidy to welfare organizations in respect of each category of aged persons in such homes.
Pensioners fear loss of homes at auction

Pretoria Bureau

More than 128 Doringkloof families in Pretoria, many of them widows and pensioners, fear the loss of their homes and life-savings when S M van Achterbergh Holdings is auctioned later this month.

"It means that I now have to pay a monthly rent of R150 for a flat which may never be mine," Mr van der Schyff said.

He also referred to his next door neighbour whose monthly rental had been hiked to R135.

"His neighbour, an elderly widow, had paid a deposit of R600 on the flat — which she may now lose.

Bitterness, confusion and insecurity about their future are the most prevalent emotions expressed by the tenants of Il Trovatore, La Traviata, Aida, La Boheme, Carmen and Rigoletto Flats in the city.

These properties, including the Doringkloof Pick 'n Pay shopping centre, are to be sold by public auction at 11 am on January 28.

"We face a dark future," said Mr David van der Schyff yesterday.

The 73-year-old railways pensioner added: "My wife and I put most of our life-savings into the deposit for our little flat — now we may lose all."

LESSKES

Mr van der Schyff paid a R2 000 deposit on his R15 000 flat. He has been paying monthly instalments of R136.00 since 1974.

He received a letter from the joint provisional liquidators dated November 15 last year. Among other provisions, the letter stated that from December 1, 1976, the occupants would be regarded as lessees, and would be responsible for the purchase price.

This provision was not stated in the English version, attached to the letter.
Pay as you go pension plan slammed

Finance Reporter

The type of State pension scheme mooted by the Department of Social Welfare and Pensions will destroy the populations incentive to save, says Gavin Kelly, chairman of the African Eagle Life Group.

The Department recently suggested the introduction of a compulsory State pension scheme for all taxpayers based on a contribution of seven per cent of salary leading to a pension of 75 per cent of the final salary at the age of 65.

The scheme also includes plans for extensive widows' and ill-health retirement benefits.

But, explains Kelly, the scheme will not be capitalised in the same way as private pension schemes, but on a "pay-as-you-go" system of paying benefits from current income. "The capital forming function of pension funds," he warns, "will be removed, with dire consequences on the financing of the country's growing infrastructure."

And he adds: "Government borrowing through its imposition of the 50 per cent content of gilt and other approved securities in all current pension funds will also be affected and, no doubt, replaced through additional taxation."

He points out that replacement of this capital, currently more than R7 000 million, will not be possible even with an optimum climate for attracting funds internally or from overseas.

"All the social objectives of a State pension scheme, will be readily achieved by disallowing withdrawals of benefits whenever a member leaves a scheme and mandatory membership of private funds by all taxpayers."

This, he says, will preserve and increase what he calls "the national capital base."

Discussion to flow from
Help for the jobless

There's clearly something wrong with unemployment insurance. Complacent denials by officialdom are no substitute for a thorough investigation.

An FM staffer who visited the Pietermaritzburg district over Christmas returned with the disquieting news that people were breaking into houses and stealing --- food. There could hardly be a starker illustration of the desperation of those caught between inflation on the one hand and joblessness on the other.

Estimates of Black unemployment vary widely, but there is no doubt that it has risen, and continues to rise, sharply. On top of this have come reports in the Rand Daily Mail that the unemployment insurance system is not functioning properly. Worse, government officials have been accused of sending jobless people on "wild goose chases" after vacancies already filled, and of deliberately withholding payment of Unemployment Insurance Fund (UIF) benefits.

The FM recently put these and other allegations to the Departments of Labour and Bantu Administration and Development (BAD), and was told that there "may be a bit of truth in them here and there, but in general they are untruths and half-truths. Many of them are obviously nonsense."

There is, nevertheless, a strong prima facie case for a full investigation of the functioning of the existing Unemployment Insurance Act. Secondly, there is an urgent need to extend the benefits provided under it.

Allegations of maladministration fall into four categories:

- Firstly, pregnant Africans have been told by Labour officials in Johannesburg that they cannot get maternity benefits until after their children have been born despite the fact that they are legally entitled to them for up to 18 weeks before the expected date of confinement and up to 8 weeks thereafter.

- Izaak Schutte, Johannesburg's Divisional Inspector of Labour, says he will not comment on "general statements in the Press, but will gladly investigate specific cases." He says the policy with maternity (though not with other) benefits is to post cheques to mothers once their claims have been accepted.

- Secondly the Labour Bureau at the West Rand Bantu Affairs Administration Board (WRAB) has been accused of sending unemployment benefit claimants from "pillar to post" after jobs already filled by others. One firm which complained about being sent unsuitable people claims it was told "Don't worry, just fill in the form as 'unsuitable' and we don't have to pay them this week."

- In terms of Section 35 of the Act, jobless people have to register as workseekers and then satisfy the Department of Labour that they have been actively, but unsuccessfully, looking for work before their claims will be accepted.

Non-Africans register as workseekers at the Department of Labour, but Africans have to register with the various Bantu Affairs Administration Boards (BAABs). Schutte says he requires a form from BAD (called a "Springbok") to the effect that the African has registered, before he can authorise benefit payments. If no job is available, he claims, there is normally a delay of more than three weeks in the payment of benefits. "If there is any delay, it is because full information has not been provided."

Pierre de Villiers, Deputy Secretary (Administration) in the Department of Labour, says: "The Fund is designed to pay benefits to genuine and registered workseekers of whatever colour. There is no reason why we should stall payments to anyone."

Dr Walter Cohen, assistant to the information officer at the WRAB, which must issue the jobless man with the "Springbok" before he can claim from the Department of Labour, claims the wild goose chase allegations are "absolute tripe. Our Labour Bureau does everything in its power to place the right man in the right job and thereby satisfy two people. Employers phone us when they have a vacancy, but it is of colossal importance that they notify us when the vacancy is filled. Very often they themselves find a man to fill it, but don't notify us accordingly. So we are not to blame, because we wouldn't send people to them if we knew the vacancy no longer existed."

"Another problem is that employers don't always specify their precise requirements. If they gave us more detail, we would be able to send them a selection of the right people for that particular job."

- A third problem, as the FM has reported on several occasions, is that employers fail to send in their own and their employees' contributions to the Fund.

Solveig Piper, who handles UIF complaints for the Black Sash in Durban, tells the FM she has been getting at least 10 complaints a day about employers failing to provide their workers with the requisite UF 74 card. She adds that the firms involved are mainly in the building industry, with a few in engineering as well.
Compulsory State pensions for all?

The proposals for a State pension scheme are unrealistic. In fact, it's just pie in the sky.

The Department of Social Welfare & Pensions' report on a possible universal and compulsory pension scheme continues to arouse strong feelings in the pensions industry.

Though Minister J P van der Spuy has emphasised that the proposal does not represent government policy, but is merely a basis for discussion, many see the document as the thin end of the socialist wedge. Almost to a man, insurers and pension funds have damned and condemned the proposal as an anachronism in SA's free-enterprise system. The Press has labelled the scheme a "monster". And a senior Treasury official told the FM that it is actuarially unsound and an "embarrassment". Predictably, the unions, however, have wholeheartedly thrown their weight behind the scheme.

It is based on universal and compulsory pension fund membership. To facilitate this a centralised fund will be formed. It will set certain minimum standards which are so high that many question its viability. Although the benefits are described in a confused way, it is suggested that all taxpayers receive an inflation-linked pension at 65 which equals 75% of final salary. There would also be 'extensive widows' and ill-health retirement benefits. Contributions, on the other hand, would be limited to only 7% of annual salary.

The scheme was not hatched in a vacuum. Problems with the current three-tier system of social pensions, occupational pension funds and private savings and insurance are well known and manifold. The department lists a number:
- Pensions are provided for only a small part of the population — in 1970 only 34% of the work force.
- Many funds are terminated (1 379 between 1964 and 1973, although 4 043 were established). On termination of funds, contributions and interest are repaid and often squandered.
- Some employees abuse the lump-sum repayment principle inherent in most present schemes, deliberately resigning to obtain some ready cash. Pension moneys paid out to members in circumstances other than death or retirement totalled R76,5m in 1973.
- On the other hand, some employees don't change jobs when they ought to through fear of losing pension rights, which are generally not transferable.

- Pension schemes are not uniform, with no minimum benefits enshrined in the Statute Book.
- Although the State attempts to keep social pensions (for those unable to provide for themselves in old age) to a minimum, the burden is rising rapidly. Between 1973 and 1975, old age pensions paid out by government soared from

Van der Spuy ... a basis for discussion

Financial Mail January 28, 1977
Homes for Indians

292. Mr. B. W. B. PAGE asked the Minister of Indian Affairs:

(a) What homes for (i) physically able and (ii) infirm aged Indians are there in the Republic, (b) where are they situated, (c) what is the number of inmates of each home and (d) by whom are the homes managed.

The MINISTER OF INDIAN AFFAIRS:

(a) (i) and (ii) The two homes for aged Indians accommodate both physically able and infirm persons.

(b) Durban and Pietermaritzburg.

(c) Durban  73
Pietermaritzburg  10

(d) The Aryan Benevolent Society.
State pension plan an illusion

PAYING for pensioners through the proposed national pension scheme could rapidly become an onerous burden for you and me. This is clear from actuarial calculations, writes deputy editor Nigel Bruce.

What comes in on one side goes out the other.
Moreover, as its implementation will mean the nationalisation of the entire life assurance and pensions industry or a large part of it, and will seriously reduce the public’s desire to save, the man in the street will, in the event of its abolition, be left with virtually no old age provision.

Questions
To evaluate the scheme outlined in the Department of Social Welfare and Pensions' recent report, Mr Worrall sought the answers to two vital questions:
- How long will it take for the contribution rate to begin stabilising if pensions of 75 per cent of final wages remains the aim?
- At what rate of contribution (expressed as a proportion of wages) will the costs of the scheme begin stabilising?

To do this he developed special mathematical probability formulae and fed them into a computer to obtain six different projections, each of varying probability assumptions, for each year from 1980 (the proposed beginning of the Minister’s scheme) to 2079.

The calculations take into account the need to pay normal and ill-health pensions to the married, single and widowed on the basis of official statistics on likely total participation.

They were made on the basis of a standard life mortality table being increased by 15 per cent for normal pensions while the ill-health calculations were based on 40 per cent of life mortality rates.

The first projection assumes that wage increase rates vary uniformly from 7.5 per cent a year for each member at age 18 to 7.5 per cent a year at age 64.

The second projection assumes that all participants earn the same wages over the 100 years. These results show contributions rising to 11.28 per cent of monthly wages after 10 years to 25.10 per cent after 20 years and stabilising after 75 years at 35.45 per cent.

The third projection assumes that wage increase rates vary uniformly from 15 per cent a year at age 18 to 8 per cent a year at age 64 and that wages of new entrants at age 18 increase by 7 per cent a year.

It shows that contributions rise to 100.87 per cent of monthly wages within 23 years, stabilising at 117.04 per cent after 83 years.

The fourth projection assumes the same as the first except that the birth rate increases by 0.5 per cent a year after 1980. It shows monthly contributions rising to 72.92 per cent of wages in 36 years and stabilising at 65.09 per cent after 92 years.

The fifth projection also assumes the same as the first except that the birth rate decreases by 0.5 per cent a year after 1980. It shows contributions rising steadily to stabilise at 83.07 per cent of monthly wages after 95 years and that within 10 years they will have reached 23.06 per cent and within 20 years 54.68 per cent.

Projection

The final projection assumes the same as the first except that the birth rate increases by 0.5 per cent a year, new entrants' wages rise by 3 per cent each year and pensions rise by 4 per cent a year.

This shows that contributions rise to 28.24 per cent of wages within 10 years, to 74.33 per cent in 20 years, to a peak of 115.54 in 42 years and stabilise only after 94 years at 106.85 per cent.

Mr Worrall, who is director of Computer Work (Pty), makes the point, too, that a pay-as-you-go pension scheme is more expensive for contributors than a conventional one as there is no significant pool of funds to invest and thus attract interest earnings.

For instance, a man aged 40 who pays a R1 000 contribution to a conventional pension fund that invests it at 8 per cent a year compounded will receive R6 848 on retirement at 65. Interest earnings will have reduced his contribution rate by more than 85 per cent to achieve this benefit.

Under a pay-as-you-go scheme, however, he would have had to pay a contribution of R6 848 to achieve an equivalent lump sum benefit.

Nor, under a State pay-as-you-go system, are there legal guarantees of minimum benefits. Pensioners are entirely dependent on the willingness of future generations to pay; willingness expressed through their political representatives. There is always the danger that if contributions become onerous, pensioner benefits will be reduced or the scheme abolished.

Of course, Minister Van der Spuy has said that the department's report is a basis for discussion and not represent Government policy. Clearly, it would be disastrous if it did.

But that qualification does not absolve him from responsibility for an ill-considered and inconclusive report on a specialist subject that was issued without adequate specialist actuarial advice first having been obtained.

After that, what credence can the Minister be given to the future?
Homes for aged White persons

Mr. G. N. OLDFIELD asked the Minister of Social Welfare and Pensions:

(a) What homes for (i) physically able and (ii) infirm aged White persons are there in the Republic, (b) how many persons are accommodated in these homes and (c) by whom are they managed.

The MINISTER OF SOCIAL WELFARE AND PENSIONS:

(a) (i) and (ii).

The vast majority of the existing 361 homes accommodate physically able as well as infirm aged persons. There are however 28 subsidized homes and 8 State homes which could be regarded as providing accommodation exclusively for the infirm aged and a further 56 subsidized homes which provide accommodation mainly for the infirm aged. It is not known what the position is in regard to the existing 81 private homes.

(b) Provision is made for 21 828 persons.

(c) The State, registered welfare organizations and private concerns.
**Homes for Aged Coloureds**

Mr. W. G. KINGWILL asked the Minister of Coloured, Rehoboth and Nama Relations:

(a) what homes for (i) physically able and (ii) infirm aged Coloured people are there in the Republic. (b) where are they situated. (c) what is the number of inmates of each home and (d) by whom are the homes managed.

<table>
<thead>
<tr>
<th>(a) (i)</th>
<th>(b)</th>
<th>(c)</th>
<th>(d)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coronation Memorial Home</td>
<td>Oudshoorn</td>
<td>24 Coronation Memorial Home Committee</td>
<td></td>
</tr>
<tr>
<td>Resthaven Home for the Aged</td>
<td>Kimberley</td>
<td>40 Resthaven Welfare Society</td>
<td></td>
</tr>
<tr>
<td>(a) (ii)</td>
<td>Athlone, Cape</td>
<td>83 Cape Peninsula Welfare Organisation for the Aged</td>
<td></td>
</tr>
<tr>
<td>Lilyhaven Home for the Aged</td>
<td>Bonteheuwel, Cape</td>
<td>126 Cape Peninsula Welfare Organisation for the Aged</td>
<td></td>
</tr>
<tr>
<td>Nerina Home for the Aged</td>
<td>Bishop Lavis, Cape</td>
<td>98 Cape Peninsula Welfare Organisation for the Aged</td>
<td></td>
</tr>
<tr>
<td>Kensington Home for the Aged</td>
<td>Johannesburg</td>
<td>96 Kensington Home for the Aged Organisation</td>
<td></td>
</tr>
<tr>
<td>Jordan House</td>
<td>Johannesburg</td>
<td>75 Rand Aid Association</td>
<td></td>
</tr>
<tr>
<td>(a) (i) and (ii)</td>
<td>Beaufort West</td>
<td>70 Barmhartigheidsdienste van die N.G. Sendingerk</td>
<td></td>
</tr>
<tr>
<td>De Novo State Home for the Aged</td>
<td>De Novo, Kraaifontein</td>
<td>250 Administration of Coloured Affairs</td>
<td></td>
</tr>
<tr>
<td>Douglas Murray Memorial Home</td>
<td>Retreat, Cape</td>
<td>90 Wynberg Society for the Coloured Aged</td>
<td></td>
</tr>
<tr>
<td>Isabel Beardmore Home for the Aged</td>
<td>Pietermaritzburg</td>
<td>78 Isabel Beardmore Homes for Coloured Aged Committee</td>
<td></td>
</tr>
<tr>
<td>Rawsonville Home for the Aged</td>
<td>Rawsonville</td>
<td>24 Barmhartigheidsdienste van die N.G. Sendingerk</td>
<td></td>
</tr>
<tr>
<td>Rotary House</td>
<td>George</td>
<td>72 The Council for the Old Age Home</td>
<td></td>
</tr>
<tr>
<td>Sarepta Home for the Aged</td>
<td>Kuils River</td>
<td>72 Apostolic Faith Mission of S.A.</td>
<td></td>
</tr>
<tr>
<td>Steinkopf Home for the Aged</td>
<td>Steinkopf</td>
<td>40 Barmhartigheidsdienste van die N.G. Sendingerk</td>
<td></td>
</tr>
<tr>
<td>Williston Home for the Aged</td>
<td>Williston</td>
<td>28 Barmhartigheidsdienste van die N.G. Sendingerk</td>
<td></td>
</tr>
</tbody>
</table>
Migrant workers can get pensions

Harold Fridholm

Pensions of more than R120 a year are now available for blue-collar migrant workers and domestic servants under pension schemes which the South African Union announced last year.

Since the schemes were established more than 15 months ago for domestic servants, they have been in operation as a pension fund. The scheme was extended to include migrant workers.

The minimum contribution is R50 a year. If an employee contributes R100 a year, the pension benefit will be R200 a year — about R100 a month.

Against retirement age of 65, but any employee has the right to retire at any time between the ages of 30 and 70.

The individual's pension rights are in his name and his father's name. The fund is a trust fund with the trustees in charge of the fund.

Any employer contributes to the fund for his employees. The contribution is paid to the fund on a monthly basis.

The minimum contribution is R50 a year. If an employee contributes R100 a year, the pension benefit will be R200 a year — about R100 a month.

Against retirement age of 65, but any employee has the right to retire at any time between the ages of 30 and 70.

The individual's pension rights are in his name and his father's name. The fund is a trust fund with the trustees in charge of the fund.

Any employer contributes to the fund for his employees. The contribution is paid to the fund on a monthly basis.
Pension plan for domestic

THE Old Mutual has introduced a pension scheme for domestic workers. It is an extension of its group pension plan for unskilled and semi-skilled workers, now in its second year of operation.

More than 40 employers, representing close to 10,000 employees, have joined the group pension plan. Mr. Marius van den Heever, assistant general manager (pensions), is confident that by June 1977 this plan would have an inflow in premium income of about R1½ million.

The motivation for the development of a group pension plan was the same as for other unskilled and semi-skilled workers, a statement released by Old Mutual said yesterday. Because of the patterns of work the unskilled and semi-skilled workers in South Africa have a slender chance of ever drawing a meaningful pension from conventional plans, the
statement said.

In times of recession these workers are often first in line for retrenchment and wherever they may have belonged to pension funds, their benefits are often destroyed by retrenchment or some other interruption of their employment.

Savings plan

The group pension plan gives employees a chance to provide a meaningful pension for their employers even though their service may be interrupted from time to time, and they may not be able to work right up to the normally accepted retiring age of 60 or 65, the statement said.

Mr. Van den Heever said the domestic workers scheme is basically a savings plan for old age. Contributions, which can be as little as R60 per year, are paid into a central fund. An individual account is kept for each employee. These contributions gain interest in the normal way like other Old Mutual investments—and remain, to the employee's credit until an agreed retirement date.

At retirement the amount in this account is used to provide a monthly pension. For example, if an employee contributes R60 per year, is paid for 30 years and earns interest at eight percent a year, the domestic worker will receive an estimated pension of R746 a year. However, if a 10 percent interest rate prevails, the pension benefit

Contributions are paid annually at the end of each year. This means that each payment will be for the past year worked by an employee. Normal retirement will be at age 65 but an employee may elect to retire at any time between the ages of 55 and 65.

An employer who joins the group pension plan receives a member's record book. All employees, from large companies to householders with one domestic servant, can participate, the statement said. Employers may provide for past service benefits for employees of long standing.
Domestics to be eligible for pensions

CAP TOWN—A pension scheme for domestic workers has been introduced by Old Mutual, the society announced here. It said that all employers—ranging from large companies to householders with one servant—could participate.

A spokesman said the new scheme would provide a meaningful pension even where service was interrupted, and where employees could not work to normally accepted retirement ages.

Contributions were paid annually at the end of each year, and could be as little as R60. An employee could elect to retire at any age between 55 and 70.

"Employers may, if they desire, provide for past-service benefits for employees of long standing."

For example, an amount of R3,000 contributed at age 50 would provide an annual pension of about R84 at 60, assuming an interest rate of 8 percent a year, and R162 if an interest rate of 10 percent a year prevailed.

"Contributions are paid into a central fund and an individual account is kept for each employee."

The scheme was an extension of the society’s group pension plan for unskilled and semi-skilled workers, now in its second year.
A further attack on State pension plan

EAST LONDON — Not that it was really needed, but further condemnation of the proposed State pension scheme has come from the general manager of the Motor Industry Pensions Fund, Mr W. P. van Niekerk.

Writing in the latest issue of Boardroom, the official journal of the Chartered Institute of Secretaries and Institute of Directors, he says it has many shortcomings.

"The proposed contribution rate of seven percent of earnings is totally inadequate to secure an annuity of 75 percent of earnings at normal retirement," he says. "In the vast majority of modern benefit determined pension funds, the joint contributions of employer and employee amount to at least ten percent of earnings, and in many cases as high as 17 percent.

"With inflation and ever rising earnings, it is clear that the fund's ultimate liabilities must increase all the time.

"To adjust any shortfall in actuarial liabilities it is, of course, possible to increase contributions from time to time, but apart from growth in contributions consequent upon increases in earnings, such corrective action is not visualised in the report.

"In order to keep the fund solvent, it can be expected that employers shall, from time to time, make additional payments to the fund, but with a vast number of employers, many of whom will be small and financially unable to make such payments, it is highly improbable that any reliance can be placed on that source.

"The only other source is the State coffers, which means that John Citizen will have to pay more tax.

"So there you have it: Not only insurance companies and assurance societies have made strong protests, but a man who handles one of the country's major pension funds is also of the opinion that, in its intended form, such a pension scheme is inoperable.

"Again I say, the Government should scrap such an idea. Instead, let there be a "fixed sum" pension scheme, whereby contributions of, say, five percent of wages and salaries form the contributions for a guaranteed pension on retirement at 65 of something in the region of, perhaps, R100 a month.

"This will ensure some form of income for every citizen — of all races — but will not discourage savings (as it has done in Britain) and will continue to encourage private pension schemes in their present form.

"And by all means let the companies and societies amend their schemes to allow pensions to be transferable. Once that is done, there can be no complaints.

"BUSINESS EDITOR"
Defence pensions

CAPE TOWN—In terms of the Pension Laws Amendment Bill, any person who was dependent on a serviceman at the time of his death is entitled to half the serviceman's annual pension.

The Bill, introduced by the Deputy Minister of Social Welfare and Pensions, Mr. T. Jansen, stipulates the secretary of the department has to be satisfied the parent or foster parent of the deceased serviceman was entirely dependent on him for their livelihood.

The Bill also makes provision for additional medical, travelling, and subsistence allowances to be paid to servicemen with regard to medical services. —SAPA
Plea on pension tax deductions ahead of budget

Colin Campbell

The Association of Pension and Provident Funds of South Africa has asked for changes in the present limits for tax deductions for contributions to pension and retirement annuity funds.

And the Secretary for Inland Revenue has told the association that their pleas will be borne in mind when the budget proposals come up for consideration.

The association has also made representation to the various authorities to:

- Consider the “hardship aspects” of the Means Test;
- Assist in the provision of housing loans for black members (under current legislation there is no provision for loans for housing to be made to black members in respect of leasehold properties);
- To set up a committee to consider the proposals for a State pension scheme which the association, on present evidence, feels is “unsound.”
- Voice its regret that the funds were requested to invest an additional 2 percent in Government stock, and its hope that it will soon be removed. In its latest annual report, the Association says that the Government’s ever increasing demand for capital for the public sector seemingly overlooks the fact that this policy decreases the ability of the movement to provide capital for the private sector.

The Association is holding a three-day conference at the Carlton Hotel, Johannesburg, March 28-30 at which topics such as problems of funding in an inflationary age; and investing pension fund assets in the present investment climate will be discussed.

The conference will be opened by the President of the Chamber of Mines, Mr. A. Plumbridge.
Homes for Bantu aged/disabled persons

Mr. R. M. CADMÁN asked the Minister of Bantu Administration and Development:

(1) What homes for (i) physically able aged and (ii) infirm aged and other disabled Bantu persons are there in each of the homelands, (b) what is the number of inmates of each home and (c) by which bodies are the homes run;

(2) whether there are any homes for aged Bantu in White areas; if so, (a) where are they situated, (b) how many inmates can they accommodate and (c) by whom are the homes run.

The MINISTER OF BANTU ADMINISTRATION AND DEVELOPMENT:

<table>
<thead>
<tr>
<th>Homes for Physically Able Aged</th>
<th>Homeland</th>
<th>Number of inmates</th>
<th>Administered By</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kwabadalala</td>
<td>KwaZulu</td>
<td>70</td>
<td>Church</td>
</tr>
<tr>
<td>Anthony Baker</td>
<td>KwaZulu</td>
<td>22</td>
<td>Welfare Organization</td>
</tr>
<tr>
<td>T. C. Esterhuysen</td>
<td>Bophuthatswana</td>
<td>14</td>
<td>Church</td>
</tr>
<tr>
<td>Gelukxpan</td>
<td>Bophuthatswana</td>
<td>39</td>
<td>Church</td>
</tr>
<tr>
<td>Boiketong</td>
<td>Bophuthatswana</td>
<td>89</td>
<td>Church</td>
</tr>
<tr>
<td>Ekuphumleni</td>
<td>Ciskei</td>
<td>256</td>
<td>Ciskei Government</td>
</tr>
<tr>
<td>Seturupa</td>
<td>Lebowa</td>
<td>106</td>
<td>Lebowa Government</td>
</tr>
<tr>
<td>Bophutswa</td>
<td>Lebowa</td>
<td>144</td>
<td>Lebowa Government</td>
</tr>
<tr>
<td>Kliplintdrift</td>
<td>Lebowa</td>
<td>58</td>
<td>Board</td>
</tr>
<tr>
<td>Thokholopheng</td>
<td>QwaQwa</td>
<td>100</td>
<td>QwaQwa Government</td>
</tr>
<tr>
<td>Kwabadalala</td>
<td>KwaZulu</td>
<td>155</td>
<td>Church</td>
</tr>
<tr>
<td>Montebello</td>
<td>KwaZulu</td>
<td>151</td>
<td>Church</td>
</tr>
<tr>
<td>Madadeni</td>
<td>KwaZulu</td>
<td>70</td>
<td>Church</td>
</tr>
<tr>
<td>Gelukxpan</td>
<td>Bophuthatswana</td>
<td>279</td>
<td>Church</td>
</tr>
<tr>
<td>T. C. Esterhuysen</td>
<td>Bophuthatswana</td>
<td>38</td>
<td>Church</td>
</tr>
<tr>
<td>Boiketong</td>
<td>Bophuthatswana</td>
<td>32</td>
<td>Church</td>
</tr>
<tr>
<td>Pedi/</td>
<td>Ciskei</td>
<td>74</td>
<td>Ciskei Government</td>
</tr>
<tr>
<td>Kladutsheho</td>
<td>Venda</td>
<td>118</td>
<td>Venda Government</td>
</tr>
<tr>
<td>Huyanning</td>
<td>Venda</td>
<td>183</td>
<td>Venda Government</td>
</tr>
<tr>
<td>Mafula</td>
<td>Lebowa</td>
<td>66</td>
<td>Lebowa Government</td>
</tr>
<tr>
<td>Sekutupa</td>
<td>Lebowa</td>
<td>72</td>
<td>Lebowa Government</td>
</tr>
<tr>
<td>Mecetse-Bophello</td>
<td>Lebowa</td>
<td>106</td>
<td>Lebowa Government</td>
</tr>
<tr>
<td>Thokholopheng</td>
<td>QwaQwa</td>
<td>73</td>
<td>QwaQwa Government</td>
</tr>
<tr>
<td>Lethaba</td>
<td>Guzankulu</td>
<td>247</td>
<td>Church</td>
</tr>
</tbody>
</table>

(2) Yes.

(a), (b) and (c).

<table>
<thead>
<tr>
<th>Situation</th>
<th>Number of Inmates</th>
<th>Administered By</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bloemfontein</td>
<td>38</td>
<td>Bantu Affairs Administration Board</td>
</tr>
<tr>
<td>Pietermaritzburg</td>
<td>27</td>
<td>Welfare Organization</td>
</tr>
<tr>
<td>Durban</td>
<td>75</td>
<td>Development and Service Board</td>
</tr>
<tr>
<td>Dundee</td>
<td>35</td>
<td>Church</td>
</tr>
</tbody>
</table>
Pension inquiry proposed

Labour Reporter

A leading trade unionist has proposed that a commission of inquiry be appointed to examine the proposed National Contributory Pension Scheme by inviting written and oral testimony from all interested parties.

With all the expertise then available, a viable national pension scheme acceptable to all would surely be formulated, said Mr. Ben Nicholson, secretary/director of the 80,000-strong Confederation of Metal and Building Unions.

Writing in the latest edition of the trade union journal Power, Mr. Nicholson said the "hysterical outbursts" against the scheme for vested interests seemed to indicate that these organisations had much to lose if the scheme came to fruition.

They also seemed to indicate that the administration of existing pension funds probably provided a very good living for those connected with them.
Pensions of 315 blacks stopped

Pensions have been withdrawn from 315 blacks in the Grahamstown magisterial district and a further 338 are due to suffer a similar fate because they are unable to give "acceptable proof" of their dates of birth.

This was revealed yesterday by the Grahamstown Bantu Affairs Commissioner, Mr P. Nel, who is trying to get the pensions reinstated retrospective from January.

Pensions were withdrawn from December. He said he foresaw much hardship in the district this winter caused by the cancellation of the pensions, which average about R15 a month and are paid every second month.

He said an inspector of the Department of Bantu Administration from Pretoria came to Grahamstown in February last year to review pensions. The inspector said the reason was that the number of pensions being paid at Grahamstown was not proportionate to the population.

Mr Nel said the inspector decided that many people to whom pensions were being paid were too young to warrant them. He said they were required to supply their dates of birth, but they had no proof of age.

Mr Nel said he personally could see that some of the people whose pensions had been withdrawn were old enough to qualify.
Pension age rule explained

PORT ELIZABETH — Blacks whose pensions were withdrawn because they could not prove their ages could appeal to Bantu Affairs Commissioners, a senior spokesman for the Department of Bantu Administration in Pretoria said yesterday.

He was commenting on a disclosure by the Bantu Affairs Commissioner at Grahamstown, Mr P. Nel, that pensions of 215 blacks in the district had been cancelled from December and that a further 358 faced a similar fate.

The spokesman said where the age of people applying for pensions was in doubt, an assessment of age was made by the local Bantu Affairs Commission.

However, where assessments by Bantu Affairs Commissioners differed markedly from population register records, and the records showed an applicant to be too young to qualify for a pension, the application would be refused. But these people could appeal against refusals and their cases would be reconsidered.

Where necessary, departmental inspectors visited different areas to investigate whether people were eligible for pensions.

"We do not try to do anybody out of a pension if they deserve it. But there are strict age and means requirements which must be enforced," the spokesman said. It had been found that people in their 40s had been receiving old age pensions. They could be made to pay back money they had received, but this was not done, he said.

Mr Nel said yesterday he was considering asking the Department of Bantu Administration to reassess people who had, or were to have their pensions cancelled.

This was because an inspector who visited Grahamstown last February to investigate pensions had not questioned the people concerned thoroughly about their age and had relied mainly on population register records.

Mr Nel said many of the disqualified pensioners had appealed to him because they were suffering hardship.

All the disputed pensions had originally been recommended by a previous Bantu Affairs Commissioner. Last February's investigation had been conducted because the number of pensions paid in Grahamstown was not proportional to the population.

— DDC.
Pensioners told they can appeal

OWN CORRESPONDENT

PORT ELIZABETH. Africans whose pensions are withdrawn because they cannot prove their ages can appeal to have them reinstated.

The Bantu Affairs Commissioner for Grahamstown, Mr. P. Nel, said this week that pensions for 315 Africans in the district had been cancelled, and that a further 356 faced a similar fate.

But a senior spokesman for the Department of Bantu Administration said yesterday that where the ages of people applying for pensions were in doubt, assessments were made by the local commissioner.

People could appeal against the cancellation of their pensions, and their cases would be considered, the spokesman said.
Attendant's allowances for Bantu

Mr. G. N. OLDFIELD asked the Minister of Bantu Administration and Development:

1. How many Bantu persons in receipt of (a) old age, (b) war veterans', (c) disability and (d) blind persons' pension are at present receiving an attendant's allowance;

2. (a) what is the present monthly amount of the allowance payable to such pensioners and (b) from what date was the present amount determined;

3. whether consideration has been given to increasing the present amount paid; if so, with what result; if not, why not.

The MINISTER OF BANTU ADMINISTRATION AND DEVELOPMENT:

1. The information as requested is not readily available as the attendant's allowance is incorporated in the bi-monthly grants.

2. (a) R4.00,

   (b) 1 October 1968.

3. Yes, but in view of the considerable increases of social pensions granted since 1 October 1973 it has been decided not to increase the attendant's allowance.

* * * * * * * * *
MONDAY, 3 MAY 1976

† Indicates translated version.

For written reply:

Homes for aged White persons in Durban

35. Senator E. D. WINCHESTER asked the Minister of Social Welfare and Pensions:

(1) (a) How many homes for aged White persons are there in Durban and (b)

how many persons are accommodated in such homes;

(2) what is the per capita amount paid as a subsidy to welfare organizations in respect of each category of aged persons accommodated in such homes.

The MINISTER OF SOCIAL WELFARE AND PENSIONS:

(1) (a) 14 Registered homes.

(b) 1 218, but varies from day to day.

As from 1.10.1976

R6-50 p.m. R7-00 p.m.
R34-50 p.m. R38-00 p.m.
R57-00 p.m. R62-50 p.m.
R80-00 p.m. R88-00 p.m.

(i) Normal aged persons

(ii) Infirm aged persons

(iii) Infirm aged persons where regular nursing services are available

(iv) Extremely infirm aged or chronic sick persons
PENSIONS CUT FOR 315 BLACKS

Date of birth muddle hits elderly

From Peter Goosen

PORT ELIZABETH. — More than 650 elderly Africans in Grahamstown face a cold and hungry winter because a Pretoria official of the Department of Bantu Administration decided there were too many pensioners in the area in proportion to the population.

In a move which has shocked both Black and White 315 Africans have had their pensions withdrawn and have received nothing since December because they cannot furnish documentary proof of their date of birth.

A further 388 face a similar fate and although they can appeal against the decision it will take months before their pensions, which average R30 every two months, can be reinstated.

Because the pensioners are scattered throughout the Albany district some of them do not know their pensions have been withdrawn.

WORRIED

I learnt in Grahamstown this week that although the 315 cannot furnish documentary proof of their birth date.
A Grahamstown old age pensioner — many of them face a bleak winter without pension, in many cases their only means of support.

Grahamstown, Bantu Affairs Commissioner Mr P. Nel, who is trying to get those Africans who really qualify back on the old aged pension list by coupling it with Hitler's Comet in 1910 or the great flu of 1918.

He said Pretoria had not been taken into account the fact that these pensioners might have been several years old when these events occurred.

It was told in Grahamstown this week that the inspector from Pretoria told one woman she was at least 10 years younger than the age of about 67 she claimed to be.

HARD HIT

He ignored the fact that this could have made her 14 at the time of her marriage according to her marriage certificate of 1924.

The certificate gives her age at the marriage as about 24.

The withdrawal of the pensions is a blow to Grahamstown's African population which is already hard hit by unemployment in an area known for work opportunities.

The Mayor of Grahamstown, Mr. Gerrit Pieterse, said the city was concerned. After an emergency City Council meeting it was decided to launch a fund aimed at helping the pensioners until such time as their cases could be reconsidered and their pensions reinstated.

A spokesman for the Department of Bantu Administration said in Pretoria this week that the age of people applying for pensions was in doubt and an assessment of age was made by the local Bantu Affairs Commissioner.

However, where assessments by Bantu Affairs Commissioners differed markedly from population register records, and the records showed an applicant to be too young to qualify for a pension the application would be refused.

People could appeal against refusals and their cases would be reconsidered.

“We do not try to do anybody out of a pension if they deserve it, but there are strict age and means requirements which must be enforced,” the spokesman said.

It had been found that people in their forties had been receiving old age pensions.
By Grahamstown Mayor Gerrit Fourie:
There are a lot of genuine pensioners who are facing starvation.

STARVATION—AT A STROKE

Tribune Reporter

MORE than 650 elderly Africans in Grahamstown face a cold and hungry winter because a Pretoria official from the Department of Bantu Administration decided there were too many pensioners in the area.

In a move which has shocked both black and white in the university city, 315 Africans have had their pensions withdrawn and have received nothing since December because they cannot furnish documentary proof of their date of birth.

A further 332 face a similar fate and although they can appeal against the decision it will take months before their pension, which averages R50 every two months, can be reinstated.

Mr Bill Deacon MP: Plans to raise issue in Parliament

The pensioners are scattered throughout the Albany district and some of them do not know their pension has been withdrawn.

Although the Africans cannot furnish proof of their birth dates, many are obviously old enough to qualify for a pension.

The Bantu Affairs Commissioner, in Grahamstown, Mr P. Nel said this week he was worried about the fate of the pensioners and was trying to have as many reinstated as quickly as possible.

Eligible

He said it was usually left to the Bantu Affairs Commissioner, to decide whether an African was eligible for a pension, but the Department of Bantu Administration in Pretoria could intervene.

Mercy fund launched to save old folk as inspector axes pensions

years younger than the 67 she claimed to be.

He ignored the fact that this would have made her 14 at the time of her marriage, according to her 1934 marriage certificate which gives her age as about 24.

The withdrawal of the pensions is a staggering blow to Grahamstown's African population which is already hard hit by unemployment in an area with few work opportunities.

The Mayor of Grahamstown, Mr Gerrit Fourie said the City Council had held an emergency meeting and decided to launch a fund for the pensioners.

"We realise there are some Africans who do not qualify for a pension but at the same time there are a lot of genuine pensioners who
there were too many pensioners in proportion to the population.

An inspector who visited there from Pretoria decided some were too young to qualify and took 315 people off the list because they could not furnish documentary proof of their birth date.

Mr Nel had been on leave at the time of the inspector's visit to the district.

"I must say it is obvious that some of the people taken off the list do qualify for a pension and their eligibility cannot be doubted," he said.

**Younger**

However, there were also some who were obviously younger than the age limit of 65 for men and 60 for women.

Mr Nel said Africans in Albany dated their births by association with Halley's Comet in 1910 or the great fly of 1918. Pretoria had not taken into account the fact that these pensioners might have been several years old when these events occurred.

The inspector allegedly told one woman she was at least ten years too old to be able to pay the equivalent of their pensions until other arrangements are made.

**Question**

The Independent United Party MP for Albany, Mr Bill Magee, has been told of the pension issue and will raise it in Parliament.

A Spokesman for the Department of Bantu Administration said where the age of people applying for pensions was in doubt, an assessment of age was made by the local Bantu Affairs Commissioner.

However, where assessments by Bantu Affairs commissioners differed, markedly from population register records and the records showed an applicant to be too young to qualify for a pension, the application would be refused.

People could appeal against refusals and their cases would be reconsidered.

"We don't try to do anybody out of a pension if they deserve it but, there are strict age and means requirement which must be enforced," the spokesman said.

It had been found that people in their forties had been receiving old age pensions.
18. We define an inferior good as one with...

19. Income elasticity of demand:
1. An inelastic supply curve.
2. A positive income elasticity of demand.
3. A negative income elasticity of demand.
4. None of the above.

20. If the price elasticity of demand for a particular product is 1, the demand:
1. A rise in demand for the product.
2. A fall in demand for the product.
3. Remains unchanged.
4. None of the above.
5. A fall in demand for both the product and its substitutes.

21. Assume that the supply of maize is initially inelastic. Which of the following will cause the market price of maize to fall?
1. Decrease in demand for maize.
2. Increase in demand for maize.
3. Decrease in supply of maize.
4. Increase in supply of maize.
5. None of the above.

22. Consider the following demand schedule for oranges:

<table>
<thead>
<tr>
<th>Quantity</th>
<th>Price (per kg)</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>2.50</td>
</tr>
<tr>
<td>20</td>
<td>2.00</td>
</tr>
<tr>
<td>30</td>
<td>1.50</td>
</tr>
<tr>
<td>40</td>
<td>1.25</td>
</tr>
<tr>
<td>50</td>
<td>1.00</td>
</tr>
</tbody>
</table>

Calculate the total revenue at each price level and determine whether the demand is elastic, inelastic, or unitary elastic.

23. One of the qualifications for a successful political leader is:
Old-age pensions for Bantu

33. Where the price high, the effect to:
1. Have almost
2. Place a rela. of the cons. to
3. Place a rela. of the prod. to
4. Reduce gover. to
5. Shift the de.

Mrs. H. SUZMAN asked the Minister of Bantu Administration and Development:

(1) Whether his Department is investigating the eligibility of Bantu who are receiving old-age pensions; if so, on whose instructions;
(2) whether any pensions have been cancelled; if so, how many.

The DEPUTY MINISTER OF BANTU ADMINISTRATION AND EDUCATION:

(1) No special investigations have been instructed. It is normal procedure to review pensions during the course of routine inspections to ensure that beneficiaries qualify for such pensions, e.g. in respect of age.
(2) Yes. Since February 1976 approximately 400 old-age pensions were cancelled out of a total of approximately 10,000 cases reviewed.

34. If the price elasticity of demand for eggs exceeds 0.25 then the increase output.

35. If the equilibrium market price of eggs was 20 cents a dozen, then the effect of legislation which ruled that the minimum price of eggs could not be below 18 cents a dozen would be to:
1. Reduce the supply of eggs.
2. Increase the demand for eggs.
3. Both 1. and 2. above.
4. Cause a surplus of eggs.
5. Have no effect.

36. If the equilibrium market rent of homogeneous Sea Point flats was 10 cents per square foot per month then the effect of rent control that laid down a maximum price of rents a square foot would be to:
1. Help alleviate the housing shortage in Cape Town.
2. Increase the rate of turnover in flats.
3. Increase the chances of newly married couples finding a flat in Sea Point.
4. Make it more difficult for newcomers to find a flat.
5. All three possibilities 1. 2. and 3. above.

37. In the following diagram economic rent is:

1. EF per unit of land.
2. OABG
3. The amount ABCF
4. The triangle ECF
5. The rectangle ABCE
Grahamstown: Pensions for Blacks

Mr. W. H. D. Deacon asked the
Minister of Native Administration and Development:

1. Whether the pensions of any Blacks in
the Grahamstown magisterial district
have been withdrawn; if so, how many pensions?

2. Whether any pensions are due to be
withdrawn, if so, how many?

3. What are the reasons for the with-
drawal of the pensions?

4. Whether he will make a statement on
the matter.

The MINISTER OF NATIVE ADMINISTRATION AND DEVELOPMENT:

1. Yes. 239 cases.

2. No.

On review it was found that the ages
as reflected in the initial applications
were incorrect.

5. It happens everywhere else.

African Blacks must be cut
from the pursuit of two goals.

2. Employees do not need labour rights through the year.

1. Production workers like it that way.

The primary cause of oscillating migration in the South

1. The failure in 1972 to find many anchovies off the Peruvian
coast.

2. World economic growth and the high income elasticity of
consumption.

3. World population growth outstripping food supplies.

4. The burning off of surplus crops.

5. The expansion of agriculture.

2. The economy is expanding.

3. The economy is expanding.

1. The economy is expanding.

5. It happens everywhere else.

The primary cause of oscillating migration in the South

1. The failure in 1972 to find many anchovies off the Peruvian
coast.

2. World economic growth and the high income elasticity of
consumption.

3. World population growth outstripping food supplies.

4. The burning off of surplus crops.

5. The expansion of agriculture.

2. The economy is expanding.

3. The economy is expanding.

1. The economy is expanding.

5. It happens everywhere else.

The primary cause of oscillating migration in the South

1. The failure in 1972 to find many anchovies off the Peruvian
coast.

2. World economic growth and the high income elasticity of
consumption.

3. World population growth outstripping food supplies.

4. The burning off of surplus crops.

5. The expansion of agriculture.

2. The economy is expanding.

3. The economy is expanding.

1. The economy is expanding.

5. It happens everywhere else.

The primary cause of oscillating migration in the South

1. The failure in 1972 to find many anchovies off the Peruvian
coast.

2. World economic growth and the high income elasticity of
consumption.

3. World population growth outstripping food supplies.

4. The burning off of surplus crops.

5. The expansion of agriculture.

2. The economy is expanding.

3. The economy is expanding.

1. The economy is expanding.

5. It happens everywhere else.

The primary cause of oscillating migration in the South

1. The failure in 1972 to find many anchovies off the Peruvian
coast.

2. World economic growth and the high income elasticity of
consumption.

3. World population growth outstripping food supplies.

4. The burning off of surplus crops.

5. The expansion of agriculture.

2. The economy is expanding.

3. The economy is expanding.

1. The economy is expanding.

5. It happens everywhere else.

The primary cause of oscillating migration in the South

1. The failure in 1972 to find many anchovies off the Peruvian
coast.

2. World economic growth and the high income elasticity of
consumption.

3. World population growth outstripping food supplies.

4. The burning off of surplus crops.

5. The expansion of agriculture.

2. The economy is expanding.

3. The economy is expanding.

1. The economy is expanding.

5. It happens everywhere else.

The primary cause of oscillating migration in the South

1. The failure in 1972 to find many anchovies off the Peruvian
coast.

2. World economic growth and the high income elasticity of
consumption.

3. World population growth outstripping food supplies.

4. The burning off of surplus crops.

5. The expansion of agriculture.

2. The economy is expanding.

3. The economy is expanding.

1. The economy is expanding.

5. It happens everywhere else.

The primary cause of oscillating migration in the South

1. The failure in 1972 to find many anchovies off the Peruvian
coast.

2. World economic growth and the high income elasticity of
consumption.

3. World population growth outstripping food supplies.

4. The burning off of surplus crops.

5. The expansion of agriculture.

2. The economy is expanding.

3. The economy is expanding.

1. The economy is expanding.

5. It happens everywhere else.

The primary cause of oscillating migration in the South

1. The failure in 1972 to find many anchovies off the Peruvian
coast.

2. World economic growth and the high income elasticity of
consumption.

3. World population growth outstripping food supplies.

4. The burning off of surplus crops.

5. The expansion of agriculture.

2. The economy is expanding.

3. The economy is expanding.

1. The economy is expanding.

5. It happens everywhere else.

The primary cause of oscillating migration in the South

1. The failure in 1972 to find many anchovies off the Peruvian
coast.

2. World economic growth and the high income elasticity of
consumption.

3. World population growth outstripping food supplies.

4. The burning off of surplus crops.

5. The expansion of agriculture.

2. The economy is expanding.

3. The economy is expanding.

1. The economy is expanding.
Two tonnes food donated

EAST LONDON — Two tonnes of food has been donated to feed the 315 Grahamstown blacks whose old age pensions were withdrawn in December — but most of the pensioners cannot be traced.

The vice-chairman of the Grahamstown Area Distress Relief Association, Dr R. Vaughn, said his organisation had received a list of pension numbers to work from, but had been unable to obtain the names and addresses of the pensioners from the relevant government department in Pretoria.

"So far we have contacted about 75 people, but we appeal to the others to come forward and make themselves known to Gadra or the Bantu Administration Department," Dr Vaughn said.

Only old age pensioners should come forward, not those whose disability pensions had been discontinued.

The donation of two tonnes of essential foodstuffs by a national supermarket chain was "magnificent", Dr Vaughn said, but it was not only food that was needed.

"Most of the pensioners are now two months in arrears with their rent and though the Bantu Affairs Administration Board has agreed to waive the rent of any of these people living on BAAB properties, money is still vital," Dr Vaughn said.

The emergency relief fund organised by Grahamstown's Mayor, Mr G. Fourie, is aiming to collect R4 500 for the pensioners, the amount which they would have received in pensions.

The first tonne of food for the pensioners will arrive in Grahamstown on Monday or Tuesday, and Dr Vaughn said Gadra would start distributing this food on Tuesday afternoon.

Meanwhile it appears the Bantu Affairs Commissioner in Grahamstown, Mr P. Nel, has won a reprieve for the other 358 pensioners who were to have had their pensions withdrawn.

Dr Vaughn said he believed each of these cases would now be investigated individually and thoroughly before any action was taken. — DDR.
Dispute over race gap in pensions

Political Staff

CAPE TOWN — An Opposition spokesman has hit at the Government for not closing the pension gap between whites and blacks.

The Budget gave whites R7 increases, R4 to coloured, Indian and Chinese pensioners, and R2 to blacks.

Mr Harry Schwarz, for the Progressive Reform Party, described the pensions as "inadequate in the light of prevailing inflation rates." And he criticised increasing the "absolute gap in monetary terms between the races at a time we should be moving away from discrimination."

Mr C A van Collier of the United Party, said there was no doubt that the pension differentiation was discriminatory and unfair because food costs the same to all.

He believed, however, that the increases narrowed the gap slightly.

Mr van Collier criticised the fact that the increases must wait until October 1.

Mr Joe Carriem, an executive member of the South African Indian Council, said that Senator Norwood could have shown a pattern in which blacks could have received better pension increases than whites.

Import surcharges would hit a lot of commodities and lower the standard of living. And every citizen would now have to pay the price for South Africa's policies.

Mr Norman Middleton, an executive member of the Coloured Representative Council, said that South Africa was in a state of bankruptcy because of a policy of "separate but unequal development."

"As executive member responsible for social welfare and pensions I am greatly disappointed with the increases. Rather than narrowing the gap it is instead being widened," he said.

His particular worry was the gap has widened for coloured ex-servicemen.

Mrs Zerilda Draskie, director of the South African Council for the Care of the Aged, was pleased with the increases but felt they should have been spread more evenly among the different race groups.

"Although we are terribly grateful to the Minister it would have been better if he could have given each pensioner a R5 a month increase," she said.

Veteran pension campaigner, Major Koos Ueckerman of George said he was pleased with the increases "particularly the 10 percent increase for military pensions."
SOCIAL SECURITY

Pension parsimony

Black pensioners have little to be thankful for. Government is supposed to be closing the gap between black and white pensions. Horwood, however, appears to have forgotten this.

White pensions go up by R7 a month. This makes the minimum for whites R32 in the Transvaal and the maximum R72 a month. Hardly princely sums. But African pensions, on the other hand, only go up R2, making the new minimum R14 and the new max 56.

The Orange Free State facilities are region 56, where the only white African population are region 47, Welkom: region Central Free.

This presents a situation in increased spending on African children R20, 50.

We turn now to the provision of farms.

TABLE NO.

<table>
<thead>
<tr>
<th>AREAS IN THE PROPORTION OF</th>
<th>10%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The picture looks even worse when these figures are compared to last year's. Then white pensions went up R8: Africans R3, 50; and coloureds and Indians R4, 50 compared to R4 this year.

One could, of course, argue that African pensions are up 14% on the maximum figure and white pensions only 10%. But to plan pensions this way would probably mean closing the gap in about 100 years' time.

Besides which, the fact remains that when minimums are compared, the white figure has jumped by 28%, the black by only 10%.

And when one compares last year's pension increases with this year's, the fact remains that the amount proposed for each white has dropped by 12%, for each coloured or Indian by 11% but for each African by a staggering 43%.

Hardly the way to close the gap!

Nevertheless, there are some bright spots. The National Housing Commission gets an extra R1, 33m, a 99% increase.

1. The bulk of this will go on housing and facilities in African and coloured areas.

2. It will obviously mean extra jobs, besides the advantages to the community.

3. This will obviously mean extra jobs, besides the advantages to the community.

4. The bulk of this will go on housing and facilities in African and coloured areas.

5. This will obviously mean extra jobs, besides the advantages to the community.

6. The bulk of this will go on housing and facilities in African and coloured areas.

As far as Bantu Education (BED) is concerned, the position is confused. Horwood announced that the vote was being increased by 50%.

But the transfer in provisions between votes makes this year's figure not comparable with last year's. Much of the R33m drop in the Bantu Administration budget may be reflected in the Education increase.

Besides this, the BED budget contains a R15m increase for black universities and a R14m increase in capital expenditure. Much of this might go on new damaged schools rather than new projects.

So the jubilation, it seems, will have to wait awhile.

More than 50 per cent of the rural farms are enrolled in primary schools in, Germiston, Kempton Park:

48, Ondelaalsrus, Virginia, Benskoen and Vredefort: region 55, the central Free State of rural education for the position in regard to the 'coloured' children on white-owned farms.

YEARS LIVING IN RURAL 'WHITE' MARY SCHOOLS IN 1975, BY PRIMARY SCHOOL POPULATION AS A PERCENTAGE OF POPULATION AGED 5-14 YEARS

<table>
<thead>
<tr>
<th>Years</th>
<th>5-14</th>
<th>48, 9</th>
</tr>
</thead>
<tbody>
<tr>
<td>48, 9</td>
<td>24, 1</td>
<td></td>
</tr>
<tr>
<td>54, 9</td>
<td>85, 9</td>
<td></td>
</tr>
<tr>
<td>45, 3</td>
<td>61, 6</td>
<td></td>
</tr>
</tbody>
</table>

continued
The Minister of Social Welfare and Pensions:

(i) Republic and South West Africa.

(ii) 153,943.

(iii) 67,976.

(iv) 4,935.

(v) 27,927.

(vi) 14,630.

(vii) 25,685.

(viii) 25,916.

(ix) 12,234.

(x) 31,791.

(xi) 122,277.

(xii) 26,974.

(xiii) 82,166.

(xiv) 25,943.

(xv) 25,935.

(xvi) 25,935.

(xvii) 25,935.

(xviii) 25,935.

(xix) 25,935.

(xx) 25,935.

(xxi) 25,935.

(xxii) 25,935.

(xxiii) 25,935.

(xxiv) 25,935.

(xxv) 25,935.

(xxvi) 25,935.

(xxvii) 25,935.

(xxviii) 25,935.

(xxix) 25,935.

(xxxx) 25,935.

(1) How many White persons were at the end of 1976 in receipt of (a) old age pension, (b) blind persons' pension, (c) war veterans' pension, and (d) war pensions?

(2) What was the average annual amount paid per pensioner during 1976 to persons in receipt of each of these four types of pension?

(3) How many of these pensioners were receiving the maximum amount payable in respect of each of the four types of pension, and what is the nature of the proposed amendments, if any, why not?

(4) It is not clear whether the hon. Minister has an understanding of the fact that the calculation of such a wide range of possibilities as is implied in any consideration or question requiring a full record without knowing the basis of the reply, the hon. Member refers to which are of pensioner refers to which are of pensioner.

(5) It was the average annual amount paid per pensioner during 1976 to persons in receipt of each of these four types of pension, and what is the nature of the proposed amendments, if any, why not?
877. Mr. T. ARONSON asked the Minister of Social Welfare and Pensions:

(1) How many aged White persons are accommodated in homes which are administered by a private company;

(2) what amount per annum is paid to this company by his Department;

(3) whether his Department has the right to analyse the books and balance sheet of the company; if so, how often is this done.

The MINISTER OF SOCIAL WELFARE AND PENSIONS:

(1) If the question refers to aged persons accommodated on behalf of the Department, the reply is: 374.

(2) The daily rate applicable during the particular year multiplied by the number of accommodation days.

(3) Yes. Annually.
PENSIONS FOR INDIANS

852. Mr. G. N. OLDFIELD asked the Minister of Indian Affairs:

(1) How many Indian persons were at the end of 1976 in receipt of (a) old-age pension, (b) blind persons' pension, (c) disability pension and (d) war veterans' pension;

(2) how many of these pensioners were receiving the maximum amount payable in respect of each of these four types of pension;

(3) what is the average annual amount paid per pensioner during 1976 to persons in receipt of each of these four types of pension;

(4) whether the means test applicable to social pensions is to be amended this year; if so, (a) to what extent and (b) what is the nature of the proposed amendments; if not, why not.

The MINISTER OF INDIAN AFFAIRS:

(1) (a) 14,267.
   (b) 197.
   (c) 12,043.
   (d) 211.

(2) (a) 96.6%.
   (b) 88%.
   (c) 97.2%.
   (d) 95.8%.

(3) (a) R35,02.
    (b) R33,83.
    (c) R35,03.
    (d) R39,79.

(4) No. (a) and (b). The means test at present applicable is considered as realistic.
Pensions for Coloureds

853. Mr. O. N. OLDFIELD asked the Minister of Coloured, Rehoboth and Nama Relations:

(1) How many Coloured persons were at the end of 1976 in receipt of (a) old age pension, (b) blind persons' pension, (c) disability pension and (d) war veterans' pension;

(2) how many of these pensioners were receiving the maximum amount payable in respect of each of these four types of pension;

(3) what was the average annual amount paid per pensioner during 1976 to persons in receipt of each of these four types of pension;

(4) whether the means test applicable to social pensions is to be amended this year; if so, (a) to what extent and (b) what is the nature of the proposed amendments; if not, why not.

The MINISTER OF COLOURED, REHOBOTH AND NAMA RELATIONS:

Welfare for Coloured persons in the Republic is a matter which has been delegated to the Executive of the Coloured Persons Representative Council. I have, however, ascertained that the reply to the question is as follows:

(1) (a) 78 154.

(b) 1 652.

(c) 40 019.

(d) 6 823.

(2) old-age pension ........... 75 028
blind persons' pension ........ 1 575
disability pension ........... 38 863
war veterans' pension ....... 6 278

(3) old-age pension ........... R410,75
blind persons' pension ....... R414,06
disability pension .......... R403,70
war veterans' pension ....... R465,30

(4) No, the means test as presently applied is regarded as realistic.
Private company administering homes for aged White persons

943. Mr. T. ARONSON asked the Minister of Social Welfare and Pensions:

What amount was paid by his Department to the private company administering homes for aged White persons during each of the financial years 1974-75 to 1976-77 in respect of such persons.

The MINISTER OF SOCIAL WELFARE AND PENSIONS:

1974-75: R591 367.
1975-76: R736 354.
The banking sector in S. A. consists of registered pension funds.

Mr. G. N. OLDFIELD asked the Minister of Finance:

1. (a) What is the present total number of registered pension funds and (b) how many persons are (i) contributory members, and (ii) pensioners of such funds?

2. How many pension funds were (a) registered and (b) terminated during 1975 and 1976, respectively.

The MINISTER OF FINANCE:

1. (a) 10,133 (as at 31 December 1976).

Surplus units and to deficit limits in 1975

A Commercial Bank according to the Banks Act 1965 is a bank which "... a substantial part of (its) business consists of the acceptance of deposits of money withdrawable by cheque ..."

Commercial Banks operate in the retail field in that they serve the ordinary individuals as well as companies and financial institutions.

A Merchant Bank as opposed to a Commercial Bank does not provide current accounts and payment transfer facilities. They are wholesale banks dealing mainly with large corporate clients and financial institutions.

The Banks Act defines a Merchant Bank as "... a person who carries on a business of which the
Mr. G. N. OLDFIELD asked the Minister of Social Welfare and Pensions:

(1) How many Chinese are at present receiving (a) old age, (b) war veterans', (c) disability and (d) blind persons' pensions?

(2) how many such pensioners are receiving maximum social pensions for each category of such pension and (b) what is the average amount per annum at present being paid for each category of social pension;

(3) what will be the maximum basic (a) old age, (b) war veterans', (c) disability and (d) blind persons' pensions payable to Chinese from 1 October 1977;

(4) what amount of other income is permitted in terms of the means test for Chinese to qualify for (a) a maximum and (b) a minimum basic social pension.

The MINISTER OF SOCIAL WELFARE AND PENSIONS:


RACE - COLOURED

TYPE OF FARM: EMPLOYEE - REGULAR

EC REGION

EMPLOYMENT

RACE - MULTI

TYPE OF FARM: EMPLOYEE - REGULAR

EC REGION

EMPLOYMENT
Pensions for Coloureds/Rehoboth Basters/Namas

(1902) Mr. W. T. WEBBER asked the Minister of Coloured, Rehoboth and Nama Relations:

(1) How many (a) Coloured, (b) Rehoboth Baster and (c) Nama persons in South West Africa were at the end of 1976 in receipt of (i) old age pensions, (ii) blind persons' pension, (iii) disability grants and (iv) war veterans' pension;

(2) what is the maximum amount payable at present in respect of each of these pensions;

(3) what amount of (a) income per annum and (b) assets is conceded in terms of the means test for the maximum pension to be paid to an applicant.

The MINISTER OF COLOURED, REHOBOTH AND NAMA RELATIONS:

(1) (a) (i) 612.
    (ii) 11.
    (iii) 270.
    (iv) 20.
(b) (i) 656.
    (ii) 5.
    (iii) 410.
    (iv) 12.
(c) (i) 1569.
    (ii) 59.
    (iii) 406.
    (iv) 7.

(2) Old-age pensions, blind persons' pensions and disability pensions:
Coloureds and Rehoboth Basters: R38,50 per month; and Namas: R22,25 per month.

War veterans' pensions:
Coloureds and Rehoboth Basters: R43,50 per month; and Namas: R24,75 per month.

(3) (a) Coloureds and Rehoboth Basters: R252; and Namas: R126.
(b) Coloureds and Rehoboth Basters: R11 200; and Namas: R5 600.
Pensions for Coloureds

978 Mr. G. N. OLDFIELD asked the Minister of Coloured, Rehoboth and Nama Relations:

(1) What will be the maximum basic (a) old age, (b) war veterans', (c) blind persons' and (d) disability pensions payable to Coloured persons from 1 October 1977?

(2) what amount of other income is permitted in terms of the means test for Coloured persons to qualify for (a) a maximum and (b) a minimum basic social pension.

The MINISTER OF COLOURED, REHOBOTH AND NAMA RELATIONS:

Welfare for Coloured persons in the Republic is a matter which has been delegated to the Executive of the Coloured Persons Representative Council. I have, however, ascertained that the reply to the question is as follows:

(1) (a) R42.50 per month.
    (b) R47.50 per month.
    (c) R42.50 per month.
    (d) R42.50 per month.

(2) (a) R21.00 per month.
    (b) R41.00 per month.
Pension fund proposals cause disruption

BY CHRIS CAIRNCROSS

THE controversial recommendations by the Department of Social Welfare for establishing a universal contributory pension scheme for South Africa are disrupting the orderly development of existing pension funds, says the Association of Chambers of Commerce.

In a report on a study of the pension proposals, Assocom warns that the consequences of this disruption are not only prejudicial to the interests of pensioners and other beneficiaries, but are disturbing many parts of the economic system.

Assocom says it is important that steps be taken without delay to prevent this disruption.

It recommends that the Cabinet issue a statement giving reassurance that the Government has the "firm intention that any reforms and revisions which are introduced will be of such a character, and will be introduced in such a manner, that they will not disrupt or undermine the operations of properly administered pension funds, insurance funds, retirement annuity funds and similar trust funds which have been constituted in terms of existing law, or which may be in the process of formation."

Assocom says that while it accepts there is a strong case for providing universal pension coverage in South Africa, the Department of Social Welfare's recommendations have many failings.

As a result they should not be accepted as they stand, but should be sent back to the drawing board.

Among the conclusions arrived at by Assocom are:

- It considers that the general basis of the arrangements suggested represent a reasonable way of making provision for pensions, but believes that alternative approaches have other advantages.

- The proposals do not make clear provision to deal with the important problem of the impact of inflation on the buying power of pensions.

- It accepts that a centrally administered scheme would be a useful component in the arrangement for universal occupational pensions.

- It rejects the proposition that a central scheme need be a major element in such arrangements.

- It doubts the viability of the scheme on the terms suggested.

- It urges that all proposals be reconsidered and particular attention be given to the proposed detailed arrangements for the central scheme.
STATE PENSIONS

June 1977.

Assocom's objections

The Association of Chambers of Commerce (Assocom) has added its voice to the chorus of doubts about the proposed state administered contributory pension scheme.

It accepts the need for universal pension coverage, and considers the general basis of the scheme a "reasonable way of making such provision". But it has a number of reservations, one of which merits particular mention.

With lower contribution rates, the proposed scheme offers substantially higher benefits than existing pension funds. Assocom says that this suggests either that existing schemes are over-funded, or that the new fund may run into trouble.

Apparantly feeling that the architects of the scheme are making incorrect assumptions regarding the increasing salaries of members, and the investment rate of return, Assocom has done some arithmetic to illustrate the need for more conservative funding assumptions (see table).

We would be glad to discuss the cost of producing a copy of the table.

Thank you very much.

Yours sincerely

FRANCIS WILKES

ASSOCOM'S SUMS

<table>
<thead>
<tr>
<th>Parameter</th>
<th>15%</th>
<th>13%</th>
<th>11%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Final Salary</td>
<td>364 452</td>
<td>364 452</td>
<td>364 452</td>
</tr>
<tr>
<td>Pension</td>
<td>273 339</td>
<td>273 339</td>
<td>273 339</td>
</tr>
<tr>
<td>Capital value of pension</td>
<td>1 598 317</td>
<td>1 766 423</td>
<td>1 965 549</td>
</tr>
<tr>
<td>Actual accumulation</td>
<td>3 261 153</td>
<td>2 003 760</td>
<td>1 282 391</td>
</tr>
<tr>
<td>Surplus (+) or Deficit (-)</td>
<td>+1 662 836</td>
<td>+237 337</td>
<td>-683 158</td>
</tr>
<tr>
<td>% Surplus (+) or Deficit (-)</td>
<td>104</td>
<td>-13</td>
<td>-35</td>
</tr>
</tbody>
</table>

Initial income R5 000. Final income (after 45 working years) R364 452.
Contribution 7% of salary for 25% pension. 15 retirement years.
Salary grows at 10% per annum.

It says that while a rate of return 3% above the rate of increase in salaries would be sufficient to keep the fund in small surplus, a narrowing of the gap by two percentage points would result in a serious deficit. Moreover, "in a world of change and uncertainty neither the future interest rate nor the rate of increase in wages and salaries can be predicted with certainty."
PENSIONERS RIDE FREE

LADYSMITH — Old-age pensioners are to ride free of charge on Lady
smith municipal buses in future, following a decision by the Lady
smith Town Council.

The pensioners must be residents of Lady
smith. Mayor Dyvalius Fer
torius, the clerk of the council, said yesterday that pensioners must ap
ply to the traffic department and produce two passport-size photo
graphs.
High rentals, food costs are burdens

By PHILIPPA GREEN

FOR many Cape Town old age pensioners, the winter is a long, cold and hungry one.

A Government pension is their only means of subsistence and with the latest pension at R72 a month, their chances of decent living are small indeed.

The maximum pension for whites is R72 a month, for coloured people R58,60 and for Africans R18.30.

Though the 1977/78 Budget provided for higher pensions for all classes in October, the increases are still small, especially in the face of the rising cost of living.

The rise will be R7 for whites, R4 for coloured people and R2 for Africans. This is an about a 10 percent increase. But the reality of the situation this year has been about 11 percent increase.

So the increases cannot be expected to improve the standard of living for Cape Town's aged.

Bread cost

I spoke to a number of old age pensioners of all races living either on a Government pension or the least living on a pension to find out how these people managed to live in times when bread costs as much as R3 a loaf.

Most pensioners said they managed simpler because they had to. They made ends meet by saving and then buying only on very possible food items. Entertainment, non-essential transport or new clothes did not come into their reckonings.

An Athlone pensioner said "The only way you struggle every month is just to pay your rent, lights, and water and then you have to find enough left over to eat afterwards. You can't think of new clothes."

Mrs M. NGTI of Tanga was one of the few black pensioners who would allow her photograph to be taken. Many fear that publicity will lead to victimisation. Mrs Ngti, like most other black pensioners, is hungry before the end of the month. She worked for 35 years as a nurse's aide. Now she struggles to live from day to day.

Mrs B. SAYERS of Observatory says her flat is dark and cold. But there is very little she can do about it, because she is only just able to feed herself on her Government pension.
CITY PENSIONERS

Mr and Mrs W. E. Jones sit in the Woodstock room which has been their home for the past seven years. Both are old-age pensioners, although Mr Jones also receives a small disability grant. They say the room is wet and unhealthy. It has no windows, no electricity and the roof often leaks.

Appalling

Some of the most appallingly living conditions among black pensioners are in Woodstock. Two old-age pensioners, past 81, a month for an outside room where family was being ruined by a constant trickles of rainwater through the roof.

Mr and Mrs W. E. Jones have lived in this tiny room for seven years. In this time they have had to put up with a leaking roof, ruined furniture and no electricity.

The room is just large enough to accommodate a double bed, a table and wardrobe. With no windows and no electricity, the Joneses are forced to keep the doors open most of the day.

Mr. Jones, who used to work in the harbour, said that this made the room wet and unhealthy.

We are always cold, but what is the use of complaining," he said. We only just manage to keep our heads above water, but then many people are worse off than us. I just have to take the good with the bad. However, I have often wanted to write to the Mayor and appeal to him about the living conditions of pensioners all over Cape Town.

For coloured and African people the position is even worse. The maximum pension for coloured people is R82.50 a month and for Africans R37.50 every second month.

Though the increase in October will amount effectively to about a 10 percent improvement for coloured people and Africans, the pension ratio between whites, coloured people and Africans will be white 100, coloured people 87.5 and Africans, 25.9.

Means test

The means test for coloured and African pensioners is far more severe than the test for whites. For example, if you are coloured and your private income is R41 a month or more, you are not eligible for a Government pension.

In case of whites, the maximum private income allowed to make one eligible for a Government pension is R50 a month.

For Africans the qualifications are even more stringent — almost any private income can decrease an already low pension.

For example, if a pensioner's spouse is earning the equivalent of a Government pension, the R18.90 a month will be subject to this. If the children of pensioners live with their parents and pay board and lodging, the Government pension payable will be considerably smaller.

I spoke to a number of old-age pensioners in Athlone and Langa.

Electricity

Mrs C. Mathews of Kewtown, Athlone, pays R17.50 a month. She has been waiting two years for a transfer to a smaller cottage which she says will be cheaper. Meanwhile her water and electricity costs coming to just under R17.50 a month.

Mrs Mathews says she struggles to save ends meet.

I never eat breakfast. I eat bread for lunch with a cup of tea. Meat is too expensive that 50 cents worth of meat is only half as big as my hand.

When I can't afford cooked meals at all, sometimes my children invite me out. With their help, I manage to make ends meet.

Many of the Athlone pensioners said that while they were struggling to survive on R25.50 a month and paying rent out of proportion to their income, they were not allowed to take in subtenants without the City Council's permission.

Many of the pensioners interviewed expressed mingling views about the means test.

The household subsistence level (HSL) is calculated by Professor J. F. Postma of the University of Port Elizabeth earlier this year. It is about R30 a month for a nuclear family of six.
Call for a lottery to aid old age pensioners

SIR,—What do our senior citizens value most? Their independence. A little home of their own, enough food to nourish them properly, and the means to buy a few new clothes occasionally.

This is their right in our country which they have helped build up, not only by their work, but their children and grandchildren, to carry on where they have left off.

But how do we see them living? Semi-starving, clothed in hand-outs, in miserable cold rooms, barely existing on the old age pension when they should be living in comfort. More than half a million of them, in this country which owes them so much.

I am not writing of the pensioners who already have small incomes of their own, to whom the old age pension is added, but those who have nothing else.

Ask the good ladies of TAFTA's "Meals on Wheels" what they see. Ask Mr. K. Ueckerman of George, who has been fighting a lone battle for an increase in those pensions for many years, of the over 250 000 despairing letters he has received from pensioners of all races.

This is a disgrace to our country. As our Government apparently cannot afford to raise the old age pensions to a realistic level, there is only one way in which these most valued senior citizens can be helped, and that is by a State lottery on their behalf.

Popular support

Although in 1975 an opinion survey showed 70 per cent of the people in favour of a State lottery, our appeal on behalf of our senior citizens has been rejected by our Government.

I am now appealing to the clergy of all denominations throughout the country, as well as prayer groups of all races, to hold special prayer meetings on behalf of the pensioners, with petition lists to be filled in afterwards, headed after this fashion: "We, the undersigned, have this night (or day) prayed for the pensioners, that a State lottery be instituted on their behalf." I will be grateful if these lists, filled with the names and addresses of those who have attended, be sent to me at the above address. These "forgotten people" need our help desperately, and I know from experience that more things are wrought by prayer than by any other means. Is it nothing to you,

Savings gone

What of those who live in cities where TAFTA's services are not available?

What of those who have put their life-savings into small homes in which they hoped to retire, and have now been forced to sell their homes because in these days of ever-increasing costs of bare necessities they can no longer afford to live in them, and have to go into old-age homes where, however good these may be, they lose their most prized possession— their independence?
Free rides

PIETERMARITZBURG — Senior citizens of all races, aged 70 years or older who live in the capital, will soon be able to travel free of charge on the city's buses. The scheme will apply to all regardless of race, who live in the borough. There will be no restrictions on the time of travel which means pensioners will be able to make use of the concession during peak periods. — (Mercury Reporters, Sapa-Reuters-AP.)
Strict control of pensions is essential

PENSION benefits have undergone steady changes over the past 20 years. In the early sixties, the pension arising from each year's service was directly related to the salary earned in that year.

This system was satisfactory provided:
- There was no inflation.
- The member did not have a steep rise in salary in his working career.

This realisation that income did rise steadily led to this benefit structure being discarded. There followed a general movement towards "final salary" pensions.

Under a final salary plan, the pension benefit is directly related to the salary at, or close to, retirement.

Generally, the average salary earned over the five years preceding retirement was determined. A fixed proportion of this average, usually a 60th for each year of service, was provided as pension.

Over the past few years, still further significant changes have taken place in benefits.

Firstly, the period of averaging has been reduced from five years to three.

In addition, the pension proportion is now a 50th of the final average salary for each year of service.

The accompanying table gives an indication of the significance of these changes.

This change in the formula — combined with the shorter period of averaging — means that pensions are now about 30 per cent higher than they would have been only a few years ago.

Another benefit that has become much more widespread is the inclusion of a widow's pension of half that of the member's on his death after retirement.

This change has the effect of increasing the value of the retirement benefit by about 20 per cent.

Over the past four or five years, the value of pension benefits have actually been increased by about 30 per cent — a considerable amount when it is borne in mind that the value of retirement benefits was already significant before the changes.

These changes involve a considerable amount of money. For instance, the capital value of a pension of R10 000 a year, payable to a married man retiring at age 65, is more than R100 000.

The capital value of 10 such people retiring together would be over R1-million.

Pension benefits have, accordingly, become a significant part of the employer's operating expenses. These run at anything between 10 per cent and 20 per cent of the salary bill. This is apart from the fact that the employees are also contributing some 6 per cent of their salaries.

Final salary plans are extremely susceptible to inflation. This is because when there is an increase in salary due to an inflation adjustment, there is a corresponding increase in pension liability.

For instance, a 20 per cent increase in the salary bill will lead to a 20 per cent increase in the liability for pensions. This is not so serious with regard to contributions still to be made in the future. These are also directly related to the salary bill and thus will also be increased by 20 per cent.

However, there is an immediate capital shortfall in respect of the past. In other words, 20 per cent of the benefits which will now accrue has not been provided for. A fund of R1-million will now be R200 000 short.

It is essential that the employer and the actuary study the impact of these adjustments as soon as possible after they occur. It is absolutely essential that the employer takes immediate steps to rectify the shortfall, otherwise a further inflationary adjustment would place the fund in an irretrievable position — without the employer even being aware of it in the short run.

The ideal position is for the employer to study, and budget for, the shortfall at the same time as deciding upon a salary adjustment. This places the employer in the position to assess the full impact of the salary review on his business — when he is making the decision.

Because pensions benefits are increasing to an extremely high level, it is absolutely essential that employers maintain strict discipline in this regard.

Once the financial position of a pension fund has been allowed to get out of hand, the situation can be disastrous. If there is not enough money to pay for the benefits, these may have to be reduced, or the fund discontinued altogether.

When consideration is given to the fact that the benefits arising from pension fund membership have become the most valuable asset of the average middle-aged employee, an employee could look towards ensuring that their pension fund memberships are not undermined and these had to be rectified.

By Marius van den Heever, assistant general manager (pension) of Old Mutual.

---

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Proportion of 1/60th of Salary</th>
<th>Final Average Salary 1/50th of Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>40</td>
<td>66.66 per cent</td>
<td>80 per cent</td>
</tr>
<tr>
<td>30</td>
<td>50 per cent</td>
<td>60 per cent</td>
</tr>
<tr>
<td>20</td>
<td>33.33 per cent</td>
<td>40 per cent</td>
</tr>
</tbody>
</table>

To Page 6
Two more homes for the elderly

Tribune Reporter

TWO MORE cottages were officially handed over to the Doone-Village project for the elderly at Pinetown in a ceremony yesterday morning.

The keys were presented to the chairman of the Doone-Village Committee, Mr Peter Porter, by Mr George Christian, District Grand Master of the Natal Scottish Freemasons.

The cottages were built by means of money left to the Masonic order by Mr Eric Russell.

Mr Stanley Raff, a member of the board of trustees, said the village was the home of Chay and Aaron-Bears, founder of the Beare Group of companies.

They had given their house and land for the project when they moved to Durban.

The development of the village was undertaken by the Pinetown Rotary Club. There is enough land to accommodate 200 people. At present, 52 people live there.
Working pensioners deserve better deal

EAST LONDON — A Mr J. Quin, of Johannesburg, has been reading some of my articles and has written to say how much he has enjoyed them. He then goes on to offer a further topic for one which, he hopes, will result in a change of attitudes by employers.

Unfortunately Mr Quin has chosen the wrong economic time to make his plea, but it still bears going into for when better times are with us (we hope).

He refers to the attitude of business men and professional men towards pensioners who are seeking work (not because they wish to, but because they need to). In many instances, says Mr Quin, they are shabbily treated by being given very junior work with even more junior pay — often less than that paid to office cleaners.

It is possible, of course, that some such employers are "carrying" a pensioner merely out of the goodness of their hearts, and that they, in fact, have no vacancy to fill.

But there are few such employers, and the bulk are aiming to obtain the best labour possible at the lowest rate of pay they can. Because a pensioner needs the extra income, however small it may be, because of escalating costs of living, such an employer is usually satisfied.

But can he be satisfied with his conscience? For many years I have pleaded for everyone to be properly trained and then to be paid the rate for the job. This applies whether the prospective employee is white, Coloured, Asiatic or black — or even a pensioner!

If there is to be a differential pay scale for the various race groups, and for employees of differing ages, it will not be long before the economy is in an even greater mess than at present.

There was a time, not so many years ago, when a man had to be a "grey beard" before he could qualify as a manager or higher. The fact that today there are not only managers, but managing directors and even chairmen barely old enough to even shave, does not mean that this trend must be reversed completely, and that senior citizens are valueless in business and the professions.

And with retirement age being advanced all the time, there are many valuable and highly qualified men (and women) on the labour market who would do a job much better than many half their age.

And if they do the job, they should be paid accordingly, not a mere pittance in order to "make up" their pensions.

How is YOUR conscience?

— BUSINESS EDITOR
Council can’t help as aged’s rent goes up

By CHRIS FREIMOND

RENTALS of sub-economic flats for pensioners in Germiston have been nearly doubled, and the City Council cannot do a thing about it.

When the rises were announced, an opposition councillor, Mr Dries Klopper, said it would be almost impossible for tenants to pay the increases.

Rents for tenants of Kruinhof Flats have been increased from R12 and R14 a month to R22, R10 and R24, R12 respectively.

Mr Herman Immelman, chairman of the management committee, said the matter was out of the council’s hands.

It was a Department of Community Development decision to increase rentals. The council acted merely as an agent.

He said, however, an application had been made to the Department for a rebate for residents of Kruinhof Flats.

Councillor Klopper was again to the fore when he objected to the purchase of a new gold chain for the deputy-mayor.

The council was told the old chain, which had been in use for 20 years, was badly worn and links kept breaking.

The new 93 cm 9 ct chain would cost R576, less 25%.

Mr Klopper said Germiston was trying to cut down on spending, and a ribbon with a medallion would be as fitting at official functions as a chain.

Mr Immelman said the new chain would last about 30 years and would be an investment.

The sum of R731 was voted for the purchase of the chain.
old age:

Recipe for Labour:

Introduction

Growth of the Labour Force

Growth of Non-Farm Employment

Unemployment, Inadequacy, and Unemployment

Competition for Labour?

George, he has moved into the Vermin of the medical care. But "Gone to the walls" still strikes a lot of George's. She said, "I don't know what he means."

Framing

*content of the image is not legible*
Aged can apply for fare cut

Details of how to apply for a concession pass.

*Forms, obtainable from the inspector’s office in Churchill Square, must be completed and returned with two book-of-life-size photographs and a Government pension book or a birth certificate to confirm that the applicant is eligible.*

The forms will be available from August 15 and the passes will be introduced as soon as the Road Transportation Board has granted authority.

The Director of Transport, Mr. D. D. Schumann, said yesterday the pass could be used at all times.

However, he asked pass holders to refrain, as far as possible, from travelling during the peak hours — before 8.30 a.m. and between 4.00 and 5.30 p.m.
UMLAZI old-age pensioner Mr. Sydney Somze Mnyandu is a man with a big heart but a small purse, for although he graduated from the Tsolo Agricultural College 47 years ago he has had few opportunities to help train other Africans to farm. Now, with a pension of R63 a month, he wants to find someone who will help him make educational films to teach his people the latest farming methods. Mr. Mnyandu proudly holds up his certificate which he, has written, the "marks" gained for his honours pass many years ago.
Pensions rise unlikely

A move towards increasing company pensions in line with the cost of living is highly unlikely because pension funds would risk bankruptcy in times of high inflation.

This was said today by a spokesman for one of the biggest life offices in South Africa and manager of pension and investment funds. He was commenting on a resolution proposed by 150 shareholders of the Standard Bank that the bank's pensioners be compensated in full for rises in the Consumer Price Index.

The proposal, which is opposed by directors, comes before the annual meeting tomorrow. It is seen as a test-case.

The insurance spokesman said most pension funds would soon be eating into their capital if they matched CPI increases in times of double-digit inflation.
Council cannot help pensioners

Johannesburg City Council's powers to help improving pensioners and desperate landlords with unjust bondings. Johannesburg City Treasurer, Mrs de Villiers, said today.

She was referring to a warning by Mr Alistair Searle, who property expert, that owners of buildings with large amounts vacant space might "walk away" from their properties to cut their losses.

This could lead to derelict buildings in the city, he warned.

Mr de Villiers said the Transvaal Rating Ordinance allowed the council to grant only two forms of relief from rates.

It can grant rate remissions to all properties in certain areas — the council is already granting this in most suburbs.

The council can also grant a rebate to all properties with certain land uses — it already gives a rebate of 25 percent to householders and 18 percent to flats.

Mr de Villiers said the Ordinance did not allow councils to grant relief to specific properties.

The lack of such a provision has also hit pensioners. Several councils, including Johannesburg, are keen to grant them relief from rates but they have been unable to do so.

Only if the Rating Ordinance is changed will the council have these powers.

Mr de Villiers warned that if struggling landlords were given relief from rates, the rate burden would fall more heavily on other property owners.
City boosts pension benefits for all

David Breier
Municipal Reporter

Johannesburg City Council last night revolutionised its pension schemes, introducing equal benefits for all races including a 12 percent increase in black, coloured and Indian municipal pensions.

In a rare show of solidarity in the politically divided council, the Progressive Reform Party opposition praised Mr J F Oberholzer, MPL, and his management committee for the move.

At the same time, pension benefits for whites were improved, and these improvements were also passed on to the other races.

This move compensates municipal employees for the council's decision this year not to grant general pay increases.

HOUSING LOANS

Black, coloured and Indian council employees will also become eligible for subsidised council housing loans at four percent less than bond rates. Up to now, only white council workers qualified for such loans.

A loan scheme still has to be submitted for council approval.

Black, coloured and Indian employees now actually have a slight advantage over their white counterparts, as their contributions to the pension fund are 0.5 percent lower than those for whites.

Council warned over Plaza — Page 13.
Defense Report

PARITY - not charity. This is the rallying cry of a growing number of Cape townians who were affected severely during World War II and who are embittered by recent pension legislation which discriminates heavily against them in favour of veterans who were disabled since mid-1975.

Great indeed is the gap between a war veteran and a timed pensioner. In his service time the veteran was paid pluse by his government, who might well find himself drawing a monthly pension of less than one-third of that paid to a secretary who suffered the same degree of disability in life, by the Angloaian campaign.

In some cases, particularly among black veterans, the gap is now so great.

Protests by various opposing members of Parliament and discriminatory legislation was abolished and posted last year have not achieved any results. Neither has a lengthy interview between a group of local pensioners and the Deputy Minister for Social Welfare got Pensioner, Mr. P. J. Smit.

Mr. Jansen stated the government view on May 10 last year that the pension delay was raised in Parliament, and, Mr. Jansen, Mr. D. W. A. Beltror, BPA, PRP for Pinelands: "The necessary funds are now being made available by the government about the "generation gap", but not all members will be benefited. There were 19,000 whites, Afrikaners and coloured pensioners who were disabled while serving in the two world wars and about 200,000 veterans who have been disabled since 1975. We have been waiting for Act 84 of 1976, which provided for greatly increased pensions.

Treatment

All pensioners, regardless of whether they were entitled to free hospital treatment and related care, as well as free appliances such as artificial limbs, corsets, and so on, claimed that the legislation was satisfied with a pension of R100 000 for World War II; and R10 000 for Rk.

Agree World War II disabled veteran to me this week that the local council was still paying less than 3 per cent of the total.

Benefits derived by the Department of Social Welfare and Pensioners. A spokesman for the South African Legion explained that the department was able to care for 65 per cent of their disabled and nursing homes. All disabled pensioners were allocated a pension of 50 per cent regardless of their age at the moment. It is 30½ per cent of the disability pensioner's income.

Pre-1975 disability pensioners, said they received their benefits through the special legislation of the Ministry of Social Welfare in 1962, the War Pensions Act of 1945 and Section 150 of the Pension Laws Amendment Act of 1968.

Under this scheme, 62,731 had been paid to pensioners since 1954 in addition to their disability pension. Now, however, in terms of

Act 84 of 1976 all allowable have been increased in future which is expected to be calculated on the basis of these consolidated pensions. pensions had gained, but still less than 3 per cent of the total. R123 000 was paid out by the Department of Social Welfare and Pensioners. A spokesman for the South African Legion explained that the department was able to care for 65 per cent of their disabled pensioners were allocated a pension of 50 per cent regardless of their age at the moment. It is 30½ per cent of the disability pensioner's income.

Pre-1975 disability pensioners, said they received their benefits through the special legislation of the Ministry of Social Welfare in 1962, the War Pensions Act of 1945 and Section 150 of the Pension Laws Amendment Act of 1968.

When asked whether they should be entitled to a pension, the spokesman said that he was not sure if this meant that they would receive a pension that was the same time about something else.

"But we don't see why we older pensioners should be left behind. What we want is parity, not charity," the spokesman, who was identified only as "Mr. A" because "I'm not looking for trouble," said, and the others had spent "a couple of times" with Mr. Jansen, "but we didn't seem to be getting through to you. Yet there is a matter of pressing concern to me and thousands like me. I'm 50, and what happens to me?"

"I'm not getting any younger," he said, "and with all the people in the same boat as myself I wonder yet?"

"So you have any idea of what living with my degree of disability means? I don't want your sympathy, I just want you to know. Have you ever thought of how a man without legs has to tackle the simple job of taking a bath in the morning?" Partnership of all have you to the bathroom. I have to do everything. With a leg I can - I have to do this and that. Do you know how it gets to the bathroom? He's got one of those wheel-like things that machines in the gym, to go when they slide to the -

Retrenched

Then, after he's got there, he has to lie himself to the bathroom, and he's in his suit, but not in his dress.

"The thing is that he has to face it. One of these days he won't be able to face it, and he's going to have to be off the floor into his bath any move. The same applies to me. Of course, you might say that when I'm too far away my wife can help me, but she's going to get younger, or even older. By rights I should have a specially-built bathroom - but I can't afford it and the government statement does not apply it."

In spite of his handicap, which cost him a year in hospital and another year as an outpatient before he could walk again - Mr. A has had a long and useful career in industry, raising and educating three sons.

New he has been retrenched, like thousands of other victim of the economic climate. He worries that finding another job might be difficult because jobs are scarce and he has been his age and his handicap against him.

Free shoes

Classified as 100 per cent disabled. Mr. A qualifies for a disability pension which includes all allowances, amounts to R234 a month. He was entitled to free medical treatment and a free pair of shoes ever since he was about 20. Since the advent of artificial limbs experience great wear and tear on them.

As a married white man with no children, he received no benefit from the pension.

Mr. A is entitled to a minimum monthly pension of R144,22 and various allowances.

If he had received the same amounts after July 1, 1975, however, Mr. A would be eligible for a minimum monthly pension of R3,850 as well as the various allowances.

If Mr. A was a coloured person, the "working gap" would be even greater, he could receive a minimum monthly pension of R57,12 before allowances - compared to a R235 under the new dispensation. If he was an Asian he would receive a minimum of just R28 a month, compared with R175.

Some victory

"A little survey I did on my own showed that practically all major disability pensioners' organizations are there for the disabled, because they can't come on the public purse for any help."

Mr. A points to recent increases in British war pensions and stresses that the fact disability British pensioners can be supplemented by state funds, is a pleasant surprise. A automatic gear car which is free by the state.

Some victory

"Many South African pensioner's organizations, including our disabled enemy; Germany, some victory over tyranny!"

Mr. A feels particularly strong about the question of transport for disabled ex-servicemen. Because of his handicap it is difficult for him to use public transport as he can't walk. Thus, this has been brought up by Mr. A a number of times.

"In order to be able to function, in my work I have paid the price of a total of over 30,000 miles since the war, and I don't even get a tax credit for that. I cannot show myself. I want to show the public that we have our pensions and that we have pride in our country because our cars are essential to us."
DEPARTEMENT VAN BANTOE-ADMINISTRASIE EN -ONTWIKKELING

No. R. 1707 2 September 1977


A. P. TREURNICHT, Adjunt-Minister van Bantoe-administrasie en van Bantoe-onderwys. (Lêer M84/1)

BYLAE

1. Vervang “R128” in Regulasie 12 (c) en (d) met “R246”.
2. Vervang Aanhangsel 1 deur die volgende:

AANHANGSEL I/ANNEXURE I

TABEL WAARVOLGENS MAATSKAPIEKS PENSIOENE MET INGANG VAN 1 OKTOBER 1977 TOEGEKEN GOET WORD

TABLE ACCORDING TO WHICH SOCIAL PENSIONS ARE TO BE GRANTED WITH EFFECT FROM 1 OKTOBER 1977

| Inkomstegroep | Jaarlikse inkomste (middelde en omstandighede in ag geneem) | Maksimum jaarlikse toekenning Maximum annual grant
|---------------|----------------------------------------------------------|----------------------------------------------------------|
| I             | Nul tot/Nil to R126,                                  | R
| II            | Bo/Over R126 tot/to R132                              | 246
| III           | Bo/Over R132 tot/to R138                              | 240
| IV            | Bo/Over R138 tot/to R141                              | 234
| V             | Bo/Over R141 tot/to R150                              | 238
| VI            | Bo/Over R150 tot/to R158                              | 222
| VII           | Bo/Over R156 tot/to R161                              | 216
| VIII          | Bo/Over R161 tot/to R166                              | 210
| IX            | Bo/Over R162 tot/to R170                              | 204
| X             | Bo/Over R170 tot/to R180                              | 198
| XI            | Bo/Over R180 tot/to R186                              | 192
| XII           | Bo/Over R186 tot/to R192                              | 186
| XIII          | Bo/Over R192 tot/to R198                              | 180
| XIV           | Bo/Over R198 tot/to R204                              | 174
| XV            | Bo/Over R204 tot/to R210                              | 168
| XVI           | Bo/Over R210 tot/to R216                              | 162
| XVII          | Bo/Over R216 tot/to R222                              | 156
| XVIII         | Bo/Over R222 tot/to R228                              | 150
| XIX           | Bo/Over R228 tot/to R234                              | 144
| XXI           | Bo/Over R234 tot/to R240                              | 138
| XXII          | Bo/Over R240 tot/to R246                              | 132
| XXIII         | Bo/Over R246,                                       | 126
| XXIV          | Bo/Over R246,                                       | 120
| XXV           | Bo/Over R246,                                       | 114
| XXVI          | Bo/Over R246,                                       | 108
| XXVII         | Bo/Over R246,                                       | 102
| XXVIII        | Bo/Over R246,                                       | 96
| XXIX          | Bo/Over R246,                                       | 90
| XXX           | Bo/Over R246,                                       | 84
| XXXI          | Bo/Over R246,                                       | 78
| XXXII         | Bo/Over R246,                                       | 72
| XXXIII        | Bo/Over R246,                                       | 66
| XXXIV         | Bo/Over R246,                                       | 60
| XXXV          | Bo/Over R246,                                       | 54
| XXXVI         | Bo/Over R246,                                       | 48
| XXXVII        | Bo/Over R246,                                       | 42
| XXXVIII       | Bo/Over R246,                                       | 36
| XXXIX         | Bo/Over R246,                                       | 30
| XXXX          | Bo/Over R246,                                       | 24
| XXXXI         | Bo/Over R246,                                       | 18
| XXXXII        | Bo/Over R246,                                       | 12
| XXXXIII       | Bo/Over R246,                                       | 6
| XXXXIV        | Bo/Over R246,                                       | 0

DEPARTMENT OF BANTU ADMINISTRATION AND DEVELOPMENT

No. R. 1707 2 September 1977

1. Andries Petrus Treurnicht, Deputy Minister of Bantu Administration and of Bantu Education, acting on behalf of the Minister of Bantu Administration and Development by virtue of the powers vested in him by section 17 (1) of the Social Pensions Act, 1973 (Act 37 of 1973), read with Proclamation R. 219 of 1973, hereby amend, with effect from 1 October 1977, the regulations contained in the Schedule to Government Notice R. 1034, dated 21 June 1974, in accordance with the accompanying Schedule.

A. P. TREURNICHT, Deputy Minister of Bantu Administration and of Bantu Education.

SCHEDULE

1. Substitute “R128” in Regulation 12 (c) and (d) with “R246”.
2. Substitute the following for Annexure 1:

FILE M84/1
Old age state pensions for Africans range between R14 and R20.50 a month. Partly as a result of a drive begun two years ago by the National African Federated Chambers of Commerce (Nafeco), increasing numbers of companies — although they are still the exception rather than the rule — are providing pension schemes for their black workers.

Employers have long resisted such schemes on the grounds that labour turnover is too high to make them economically and administratively feasible. Many firms also suggested that their black staff were "too unsophisticated" to understand the idea of a pension and that resistance to pay packet deductions was strong.

"Nonsense!" says Fiachra O'Hanrahan, MD of African Pension Trustees (APT), which administers pension schemes covering 30,000 black members. "Provided the pension scheme is properly explained to black staff members, there is invariably great support among them." APT uses audiovisual methods to sell the idea of pensions to workers.

O'Hanrahan points out that traditional family ties have been weakened, especially in urban areas, that workers cannot depend on them in hard times or old age. "Black workers," he adds, "are acutely aware of the need to provide for their old age and are quite happy to make contributions to a pension scheme."

In line with recommendations by Nafeco, O'Hanrahan emphasises the need for pension schemes to provide for retirement incomes rather than lump sum benefits, which are often dissipated with the result that the pensioner is left in desperate straits. He also says that the trend is for companies to adopt single contributory schemes for all their staff, black and white.

Some companies tend to drag their feet, however. Joseph Sethegga, assistant pensions adviser at the Old Mutual, says, "Many managers use excuses for not starting pensions for their African workers — such as that their workers are not registered, and can therefore be dismissed immediately and endorsed out by inspectors. But this doesn't affect the pension at all, provided that the worker retains the right to the benefits. In fact, it makes the need for a pension even greater."

Domestic workers, in particular, are often left with very little in their old age, since very few employers make provision for pensions for them.

Under a scheme devised by the Old Mutual and Nafeco, however, employers may set aside a monthly amount for their domestic servants (or, indeed, for other workers). This becomes the basis of a pension on retirement. The main advantage of the scheme is that all contributions remain the property of the worker and are transferable if he or she changes his or her employer. The scheme does not yet offer life cover — unlike a similar APT scheme — though Old Mutual says it is constantly revising and improving it. Nevertheless, fewer than 2,000 out of some 1m domestic workers are presently covered by pension schemes.

African women face a further handicap. Since they invariably remain minors even after marriage, there is no guarantee that they will actually be the recipient of pension benefits, particularly in the case of lump-sum payouts. In an attempt to obviate this problem, APT runs trustee accounts for "many hundreds" of its women members. They are thus protected against the assertion of male prerogatives.

---

**Financial Mail September 9 1977**

---

**General Solution**

The equations of the model under the assumptions.

The equations of the model under the assumptions.

---

**Definition**: In relation to function, some evidence and conjectures.
Ref: 3P

Dear

Thank you for your offer in 1978 which I was pleased to accept this year. The deposit, which is not accompanied by a R50 deposit, is not to be submitted in the University of Cape Town.

At the following times:

- daily from 13th to 17th March to 30th April. All be completed by 30th April, 11th

- Faculty of Arts, Room 101, Library.


Venue: School of Librarianship, P.D. Hahn Building, Upper Campus.

y does not imply automatic admission to a University of residence you will for admission to a University and must be clearly stated in your application, which should be addressed to Cape Town, Private Bag, Rondebosch, 7700, and should be clearly marked "Admissions - 1978".

Students are reminded that, in terms of Government, they must be in possession of valid study permits before the University of Cape Town. Rhodesian students may contact Mr. Zaaeman of the Diplomatic Mission in Salisbury (4) in order to ascertain information and/or by him, and issue you with a Study permit, while contact their nearest South African Embassy in order to a Study Permit.

............./page 2
The impossible pension plan

At this stage in the economic climate there cannot be a special feature on insurance without some mention of the proposed State pension scheme — gross contributions of seven per cent of salary, with a final pension at age 65 of 75 per cent of the last working year's income. How ridiculous can some people be?

Yet it has been proved it is not a slip of the tongue. In a recent interview, the Minister of Pensions, Sen. Van der Spuy, criticized the plan for failing to understand the facts of the plan.

The only facts, if they can be termed such, are that it has been stated categorically the contributions — by all tax-paying citizens — will total seven per cent. How employers work out the ratio of employee — employer share of that will be left to them. They could refuse to contribute anything, leaving the employee to pay the full seven per cent, or they could go to the other extreme and pay all seven per cent, leaving the employee with nothing to contribute. Or any variation of seven per cent.

In return, at the age of 65 (with a minimum contributing period of five years) a pension of 75 per cent of the final year's salary or wage will be paid as a pension for life.

Furthermore, should an employee become physically unfit to work before his 65th birthday, he will qualify for a pension of 75 per cent of his then salary or wage; while should he die and be survived by a widow and — or children, they will continue to receive that 75 per cent pension.

Quite apart from any abuse of the scheme which may arise — and it is wide open to abuse of various types — such a scheme is actuarially impossible to fulfil.

Whoever thought this one up has as much intelligence as the person who dreamed up the scheme of South Africa having three parliaments, three prime ministers, three cabinets, and a triplicated provincial and municipal administration set-up! Financially it just cannot work. And neither can the pension scheme.

Pension insurance is a highly specialised and complicated business, of which State officials know little or nothing. They should get on with their own business of trying to run the country, and let the experts get on with pensions in their existing form with, perhaps, the addition of making all pensions transferable. For the transfer from one employer to another is the only real drawback that exists in South Africa.

— BUSINESS EDITOR

The test statistic, $x^2$ (Chi-squared), is computed from differences between an observed value (in HP), and the expected value (computed proportions observed in the BMR sample to the HP figures).

In the 't' test, two means are compared by dividing the difference between them by a measure of the possible error in them.
Should retirement be compulsory?

Employees are subject to compulsory retirement rules. Most may continue working as long as they can pass annual medical examinations adjusted to the demand of their jobs.

If compulsory retirement were prohibited by law, how, I wonder, would it be possible to retire an employee? Simple. In the majority of instances it would be because the employee wanted to retire. Age, as a qualification for a job, should be considered only when a necessity to a normal operation of the particular business, similar to requiring, for instance, a CA qualification to be an accountant, or a Government certificate to be an engineer, and so on.

The idea would be to make retirement desirable. A generous and flexible pension plan sets a "low" price on giving up a salary. But price is only one consideration for the person in his or her 60s "buying" retirement. Others include:

1. The quality of the product—in other words, will I enjoy retirement?
2. Influencing the answer to that question are tangibles, like company sponsorship of retirement clubs, with stimulating activities and intangibles like the status accorded retirees, who return for visits.
3. The desire to find out what it is like before plunging in. The Swedish government offers workers the opportunity to taper off work gradually between the ages of 60 and 70. Many women with young children want part-time, school-hour jobs. A possible procedure is to employ one of them in the mornings, and someone approaching retirement in the same job in the afternoons.

When retirement is "marketed" in this way, the competition is the job—its status, salary and the feeling of usefulness it provides. When that combination of benefits outweighs the benefits of retirement in the worker's mind, that worker will retire only if the organisation can force him or her to do so.

Such situations will require the organisation to demonstrate that this individual or a certain age group cannot perform the duties of the job. When the required capabilities are unclear, management, obviously, must find out.

But once the organisation has established good measures of the capabilities needed for its various jobs, it should be able to retire some workers earlier.

No longer must it retain employees who have lost their productivity and drive in their late 50s or early 60s, but who are kept on because today's special pressures and union contracts make it difficult to force them out.

Moreover, management may discover that in fact most of its workers in their 60s have the necessary capabilities and should stay.

The result could be a significant saving in recruiting and training costs and, if the average worker continues to work until the age of 70 or later, a decrease in con-

"Business Editor"
The pension trap

As their pension money givens up, the smiles of many pensioners fade.

CASE STUDY 1

Many Hit 65 before their works pension is paid.

Many find themselves still working well after 65 because they have no pension to live on.

CASE STUDY 2

The minimum pension is now £200 a week, but it is not enough for most people.

EARN A LITTLE MORE, LOSE A LOT MORE

Old people putting aside money for retirement or starting a new business may lose out if they start to receive a pension.

MISS BERTA BARTON and her friend, Mr Edith Durham... living out...
Pension or pittance?

Barbara Ludman of The Star's Insight Team

When new, improved social pensions are paid this month, it will be hard to detect any jubilation.

Virtually no one concerned with the care of the indigent aged is happy with the new pension rates.

Certainly not Mr Howard, Minister of Finance, who apologised when he read out pension increases requests in his budget speech last March: R7 per month more for whites, R4 for Asians and coloured people, and R2 extra for blacks.

"The House will appreciate that it is not possible in the present financial situation to grant such an increase as we would all wish to see," he said.

The increases granted by the House put the maximum pension for whites at R79 per month; for Asians and coloureds R43 and for blacks R30.59 per month.

The South African Legion is not happy with the new rates.

"We recognise the fact that South Africa is not a wealthy state and that pensions are designed only to supplement a person's income," Major Sam Nichols, secretary of the Johannesburg Branch, said last week.

"But the increases do not take higher costs into account — particularly for colours and black pensioners. Increases in rent and transport almost cover whatever extra we've got."

Mrs Zelda Droskie, director of the SA Council for the Care of the Aged, isn't happy with the new increases — or with the means test which is only slightly relaxed.

Invested

A pensioner is allowed some fixed assets and income, so long as the total does not bring him above a minimum level. The income ceiling for whites is R82 monthly; one way to aid in that ceiling is to add up the pensioner's assets and allow four percent interest, calling it income. Thus an applicant who has R22,000 invested in a building society account paying 8 percent annually may still qualify for a full pension, if he has no other income; yet another applicant with no investments, but a private pension of R35 monthly will not qualify for a cent.

Nor can loving children do much to help out — not legally. If a son buys a house and invites his widowed mother to live in it, the municipal valuation of the house can be added to her list of assets — even though she doesn't own it. If a daughter hands her parents R1,000 and they invest it, that counts as an asset too.

Some outside help is essential. "Nobody can live on a pension of R79 per month, not with the increase in the cost of living today," Mrs Droskie said.

And if white pensioners cannot live on R79, she added, are other race groups expected to survive on their far smaller pensions?

Increases

"The Government announced last year they were going to close the gap between pensions paid to racial groups," she said. "But the gap is widening. They have changed the percentage of increase slightly. But when a pension is a small one, the percentage increase doesn't make much difference."

Spokesmen for coloured and Asian organisations have protested officially at the widening of the gap this year. Once the government has accepted the principle to eliminate the gaps in the various pensions, money must be allocated for that purpose," said Mr I F H Mayet, executive member of the SA Indian Council.

When increases are made for one race group, those increases should be at least on a par.

The relevant government departments seem to expect coloured and Asian pensioners to live with relatives, according to Miss Muriel Horrell, who retired recently as chief research officer for the Institute of Race Relations.

Unfair

"They're just supposed to crowd in with other families," she said, despite overcrowded conditions in coloured areas.

As for the blacks, on R20.50 per month: "They are trying to force black pensioners to live with relatives in the homelands," she said.

"One must keep in mind that it is not completely callous. There are some old-age homes for Africans, but in general, they are in the homelands. Some of these old people have no connections in the homelands — any more."

"The gap should be closed," she said. "Black purchasers have to pay exactly the same for food and clothing as whites. It's very much unfair to expect them to get along on so much less."

Closing the gap

The following figures show the ratio of basic pensions: in 1968, for example, a black was allowed a basic yearly pension of R21, a coloured R72 and a white R336.

October 1968: For every R1 paid to a black pensioner, a coloured got R3.42 and a white R16.
At the foot of their meagre rainbow.

Some black social pensioners might be able to manage if their families took them in but, she said, "I don't see why they should expect that of blacks when they don't expect it of whites."

Very few black applicants are paid the maximum old-age pension, according to the Institute for Race Relations.

Possibly because of the mean test for blacks defined below.

If a black has an annual income of R246 he is not entitled to any pension at all.

If he owns a cow, the Department of Bantu Administration assesses its value at R3 — whatever its age or condition.

Does an applicant grow canned? He could sell them at R2 per bag, the rules say; and so his income is assessed at R2 per bag, whether he sells the guackers, eats them, or gives them away.

If he is so destitute a welfare organisation pays him a survival stipend. That amount is counted as income.

Difference

And although the Department of Social Welfare, when computing income for welfare pensions, says assets give a four percent return on investment, the Department of Bantu Administration — when computing income for black pensions — says assets below R600 give a five percent return and those above R600 give a seven percent return. That makes an important difference when the interest is counted as an applicant's income.

The situation has been worse. Nine years ago, an aged black was entitled to an annual basic pension of R21 per year — if he could prove that neither he nor anyone else in his family could find a job. Or has it changed very much?

Some officials still seem to believe that black old-age pensions are in some way tied to unemployment insurance, according to Black Sash national director Mrs Sheena Duncan.

"A black person who is denied a pension has no machinery for approaching the courts for a declaration of his rights. It has an effect on the way black applicants are treated: with suspicion, as if they were trying to fiddle or to beg for charity."

"A pension is not regarded as a right. It's regarded as a privilege, and this is where the trouble lies."

New means test for black social pensioners

<table>
<thead>
<tr>
<th>EARNINGS</th>
<th>PENSIONS PAYABLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nil to R120 pa</td>
<td>R346 pa (- R20,50 pm)</td>
</tr>
<tr>
<td>R121 to 150 pa</td>
<td>294 pa (- 19,00 pm)</td>
</tr>
<tr>
<td>151 to 160 pa</td>
<td>228 pa (- 16,00 pm)</td>
</tr>
<tr>
<td>161 to 170 pa</td>
<td>223 pa (- 16,00 pm)</td>
</tr>
<tr>
<td>171 to 180 pa</td>
<td>216 pa (- 15,00 pm)</td>
</tr>
<tr>
<td>181 to 190 pa</td>
<td>210 pa (- 15,00 pm)</td>
</tr>
<tr>
<td>191 to 200 pa</td>
<td>204 pa (- 14,00 pm)</td>
</tr>
<tr>
<td>201 to 210 pa</td>
<td>208 pa (- 14,00 pm)</td>
</tr>
<tr>
<td>211 to 220 pa</td>
<td>202 pa (- 13,00 pm)</td>
</tr>
<tr>
<td>221 to 230 pa</td>
<td>196 pa (- 13,00 pm)</td>
</tr>
<tr>
<td>231 to 240 pa</td>
<td>190 pa (- 12,00 pm)</td>
</tr>
<tr>
<td>241 to 250 pa</td>
<td>184 pa (- 12,00 pm)</td>
</tr>
<tr>
<td>251 to 260 pa</td>
<td>178 pa (- 11,00 pm)</td>
</tr>
<tr>
<td>261 to 270 pa</td>
<td>172 pa (- 11,00 pm)</td>
</tr>
<tr>
<td>Over 270 pa</td>
<td>166 pa (- 10,00 pm)</td>
</tr>
</tbody>
</table>

Pensions are payable every second month. Figures represent the basic old-age pension payable to blacks.

Table prepared by SA Legion when increases were announced.
What old people need to qualify

You have to be elderly to qualify for an old-age pension. But that's less than half the battle.

To many people the means test laid on pension applicants is only slightly less complicated than Einstein's theory of relativity.

One way to find out whether you are entitled to a pension is to call on the relevant government department: The Department of Social Welfare and Pensions, the Department of Coloured Affairs, the Department of Indian Affairs or the Bantu Administration Department.

Employees of these departments consult a handy chart to see what the applicant is entitled to — if anything.

Or you can do it the hard way.

Here is a basic formula for determining the means of white applicants. The formula is similar for coloured and Indian pensioners, although the figures are different.

For blacks, it's a whole new ball game. The chart on this page was prepared by the SA Legion when the budget was announced last March, to give aged black veterans some idea of what their pensions might be.

For more up-to-date information, blacks who want to estimate their pension eligibility should consult private organisations, such as the Institute for Race Relations or Black Sash.

Here is the basic formula for white applicants.

First, add up all your assets. They include:

The municipal valuation of your house, if you own it, minus the bond you still owe on it;

The full value (not the income) of your savings and investments;

The full value (not the income) of any agricultural property you own;

The capital amount of any annuity you possess.

The amount of usufruct (a house, for example, which you do not own but may live in for free of charge).

Any assets you had five years ago but have since got rid of.

Deduct R1000 (an amount the Government calls "free assets").

Take 4 percent of the total and call it income.

Add up your other income: the amount of any private pension or any income from money held in trust. Add in the net profits of any business you own. If you own a farm, add R144.

Do you receive fees? Take one-quarter of those.

Do you rent out rooms? If you have more than two rooms, take ¥ of the rent they pay. Do you take in lodgers? If you have more than three, and they are not your own unmarriage children, add in what they pay you.

Are you married? If not, add in your total salary. If you are, take half your salary. Unless...

If a husband's salary is less than 50 percent of his wife's salary, ¥ of her salary — plus all of his salary — is added together, then divided in half.

Add your income to the 4 percent you took of your total assets.

Deduct R504 (an amount the Government calls "free income").

If the figure you are left with exceeds R364 per person, you probably don't qualify for a pension. But you should apply in any case, because your calculations may have been in error. The difference of a rand or two in determining assets or income could mean the difference between the minimum pension of R199 per month or no pension at all.

A host of variables can influence the amount of pension you will actually receive.
Gap in pensions getting bigger

Own Correspondent

CAPE TOWN. — "The gap between pensions paid to Whites and blacks is getting bigger," says the director of the South African Council for the Aged, Mrs A. Drokie.

This position was a matter of concern, she told a Cape Town conference of the Council on the Social and Economic Needs of the Aged.

The discrepancy between white, coloured and Indian pensions had increased from R300 in 1972 to R360 in 1977 and between whites and blacks from R42 to R62.50, she said.

Pension scales in 1977 were R79 per month for whites, R42.50 for coloureds and Indians and R20.50 for blacks.

Mrs Drokie said the council, held repeatedly, asked Government Departments to review the situation, especially that of blacks.

"How any human being can live on R40 payable every two months is a complete mystery to me," she said.

Mrs Drokie called for numerous possibilities.
AMENDMENT OF REGULATIONS MADE UNDER THE SOCIAL PENSIONS ACT, 1977

Under and by virtue of the powers vested in me by section 17 of the Social Pensions Act, 1977 (Act 37 of 1977), I, C. P. Mulder, Minister of the Interior, in so far as the administration of the said Act has been assigned to me by Proclamation R. 199 of 1978, do hereby amend the regulations prescribed under Government Notice R. 2151 of 14 November 1975, with effect from 1 October 1977, as set out in the Schedule hereto.

C. P. MULDER, Minister of the Interior.

SCHEDULE

The following is hereby substituted for regulation 13 (1) (a) and (b):

"(a) the social pension granted to any applicant as from the 1st day of October 1977 shall not exceed R510 per annum, as the Secretary may determine, having regard to the circumstances, annual income and other means of the applicant and of his spouse;

(b) no social pension shall, subject to the provisions of regulation 10 (c), be granted to any applicant at such a rate as will make his annual income and other means, together with the pension, exceed R762 per annum, as from the 1st day of October 1977,";
Church to approach State on pensions

Johannesburg — Difficulties of blacks aged who receive their State pension on a two-monthly basis are to be taken up with the Government by the Methodist Church.

The Government will be urged to eliminate discriminatory pensions and will also be urged to pay black pensions on a monthly basis, as is done for other race groups.

At the Methodist conference in Benoni yesterday, the Rev. A. Masai said that if people moved and had to arrange to collect their pensions in a different place in most cases, the pensions stopped altogether. Otherwise the transfer took a long time.

He said some pensioners in Mafeking had to travel to the Free State every two months to collect their pensions. Travelling costs used up half of the pension.

Mr. Harry Mank brute said if a black person was ill and unable to collect three successive pensions over a period of six months, the pension ceased.

The conference will also ask the Government to start a national relief scheme immediately because of the growing problem of unemployment.
AMENDMENT OF REGULATIONS MADE UNDER THE AGED PERSONS ACT, 1967 (ACT 81 OF 1967)

Under section 20 of the Aged Persons Act, 1967 (Act 81 of 1967), read with Proclamation R. 270 of 1971, I, Hendrik Hanekom Smit, Minister of Coloured Relations, hereby further amend, with effect from 1 October 1977, the regulations made under the said section 20 and published by Government Notice R. 1809, dated 4 October 1968, as amended, by——

(a) the substitution in regulation 10 (2) (a) for “four hundred and sixty-two rand” of “five hundred and ten rand”;

(b) the substitution in regulation 10 (2) (b) for “seven hundred and fourteen rand” of “seven hundred and sixty-two rand”;

(c) the substitution for regulation 16 of the following regulation:

“PAYMENT OF PENSIONS AND ALLOWANCES TO AGED PERSONS MAINTAINED OR RECEIVING TREATMENT IN CERTAIN INSTITUTIONS

16. (1) If at any time any pensioner is being maintained or is receiving treatment in any institution at the expense of the State or in a State or State-aided institution receiving grants-in-aid from the State, no pension or allowances shall be paid to him or on his behalf under the Act or any regulations from the first day of the month immediately following the month in which he is admitted to such institution at the expense of the State or to such State or State-aided institution up to the last day of the month immediately preceding the month in which he is discharged from such institution or such State or State-aided institution provided that the provisions of this regulation shall not apply to a pensioner maintained or receiving treatment——

(a) in a home for the aged as defined in section 1 of the Aged Persons Act, 1967 (Act 81 of 1967);

(b) in a home for handicapped persons;

(c) in such institution, otherwise than at the expense of the State or in a State or State-aided institution, being a hospital intended for the treatment of persons suffering from any acute illness or

(d) for a period not exceeding three months in any State or State-aided institution being a hospital intended for the treatment of persons suffering from any chronic illness.

H. H. SMIT, Minister of Coloured Relations.

(2) Notwithstanding the provisions of subregulation (1), the Secretary may at his discretion pay a social pension and any allowance granted to any pensioner referred to in that subregulation or any portion thereof to such pensioner or to any other person or to the management of the State or State-aided institution in which such pensioner is being so maintained or treated, for disbursing on behalf of such pensioner for such period as the Secretary may deem fit.”.

H. H. SMIT, Minister of Coloured Relations.

(2) Ondanks die bepalings van subregulase (1), kan die Sekretaris na goedbedink ‘n maatskaplike pensioen en enige toelae wat aan ‘n pensioenonttrekker in daardie subregulase vermeld, toegewe, toegewe of enige gedekte daarvan, aan die pensioenonttrekker of aan ‘n ander persoon of aan die bestuur van die staats-of staatsondersteunde instigering waarin die pensioenonttrekker alud onderhou of behandel word, vir besteding teen behoefte van die pensioenonttrekker betaal vir die tydperk wat die Sekretaris goedvind.”.

H. H. SMIT, Minister van Kleuringbetrekkinge.

Flanders (1949); Casser & Marshall; Heyman C.M.I.

7. Industrial Conflict...2.
<table>
<thead>
<tr>
<th>PRINCIPLE</th>
<th>MEANS TEST</th>
<th>POSSIBLE AFTER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pension is a supplement only.</td>
<td>Pension: Maximum</td>
<td>Pension: Maximum</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ADMINISTRATION</th>
<th>INDIAN AFFAIRS</th>
<th>COLOURED AFFAIRS</th>
</tr>
</thead>
<tbody>
<tr>
<td>B79.00 per month</td>
<td>R20.50 per month</td>
<td>R42.50 per month</td>
</tr>
</tbody>
</table>

**Pension or Pittance?**

The table above shows the benefits for government departments, the major points of which are summarized for the various population groups. TUCSA has now received replies from all four. The above resolution was passed at the 1976 TUCSA Annual Conference.
**Middle:**

*Manthey* and *Hassett* argue that the potential for the pension system to be a significant source of growth and development is dependent on the ability to effectively manage and develop the pension system. They argue that a well-designed pension system can act as a buffer against economic shocks and contribute to economic stability.

---

**Only One Solution**

<table>
<thead>
<tr>
<th>IF YOU ARE OLD</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ALL ACCESS</strong></td>
</tr>
<tr>
<td>FOR</td>
</tr>
<tr>
<td><strong>UNIFORM MINIMUM</strong></td>
</tr>
<tr>
<td><strong>HOSPITALISATION</strong></td>
</tr>
<tr>
<td><strong>GUIDELINES FOR</strong></td>
</tr>
<tr>
<td><strong>NO COMMENT</strong></td>
</tr>
<tr>
<td><strong>NO COMMENT</strong></td>
</tr>
<tr>
<td><strong>NO COMMENT</strong></td>
</tr>
<tr>
<td><strong>NO COMMENT</strong></td>
</tr>
</tbody>
</table>

**No comment**

<table>
<thead>
<tr>
<th>uniform minimum</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ALL ACCESS</strong></td>
</tr>
<tr>
<td><strong>HOSPITALISATION</strong></td>
</tr>
<tr>
<td><strong>GUIDELINES FOR</strong></td>
</tr>
<tr>
<td><strong>NO COMMENT</strong></td>
</tr>
<tr>
<td><strong>NO COMMENT</strong></td>
</tr>
<tr>
<td><strong>NO COMMENT</strong></td>
</tr>
</tbody>
</table>

**No comment**

---

**Middle:**

*Manthey* and *Hassett* propose a national contributory pension scheme that is designed to provide a retirement income for all South Africans, regardless of their income level. The scheme would be funded through a combination of contributions from employers and employees, and would provide a minimum level of pension for those who have contributed to the scheme throughout their working lives.

---

**Only One Solution**

<table>
<thead>
<tr>
<th>IF YOU ARE OLD</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ALL ACCESS</strong></td>
</tr>
<tr>
<td>FOR</td>
</tr>
<tr>
<td><strong>UNIFORM MINIMUM</strong></td>
</tr>
<tr>
<td><strong>HOSPITALISATION</strong></td>
</tr>
<tr>
<td><strong>GUIDELINES FOR</strong></td>
</tr>
<tr>
<td><strong>NO COMMENT</strong></td>
</tr>
<tr>
<td><strong>NO COMMENT</strong></td>
</tr>
<tr>
<td><strong>NO COMMENT</strong></td>
</tr>
</tbody>
</table>

**No comment**

<table>
<thead>
<tr>
<th>uniform minimum</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ALL ACCESS</strong></td>
</tr>
<tr>
<td><strong>HOSPITALISATION</strong></td>
</tr>
<tr>
<td><strong>GUIDELINES FOR</strong></td>
</tr>
<tr>
<td><strong>NO COMMENT</strong></td>
</tr>
<tr>
<td><strong>NO COMMENT</strong></td>
</tr>
<tr>
<td><strong>NO COMMENT</strong></td>
</tr>
</tbody>
</table>

**No comment**

---

**Middle:**

*Manthey* and *Hassett* argue that the pension system is not only a source of income security, but also a means of promoting social cohesion and reducing inequality. They propose a scheme that is designed to be inclusive, with contributions from both employers and employees, and that provides a minimum level of pension for all South Africans.

---

**Only One Solution**

<table>
<thead>
<tr>
<th>IF YOU ARE OLD</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ALL ACCESS</strong></td>
</tr>
<tr>
<td>FOR</td>
</tr>
<tr>
<td><strong>UNIFORM MINIMUM</strong></td>
</tr>
<tr>
<td><strong>HOSPITALISATION</strong></td>
</tr>
<tr>
<td><strong>GUIDELINES FOR</strong></td>
</tr>
<tr>
<td><strong>NO COMMENT</strong></td>
</tr>
<tr>
<td><strong>NO COMMENT</strong></td>
</tr>
<tr>
<td><strong>NO COMMENT</strong></td>
</tr>
</tbody>
</table>

**No comment**

<table>
<thead>
<tr>
<th>uniform minimum</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ALL ACCESS</strong></td>
</tr>
<tr>
<td><strong>HOSPITALISATION</strong></td>
</tr>
<tr>
<td><strong>GUIDELINES FOR</strong></td>
</tr>
<tr>
<td><strong>NO COMMENT</strong></td>
</tr>
<tr>
<td><strong>NO COMMENT</strong></td>
</tr>
<tr>
<td><strong>NO COMMENT</strong></td>
</tr>
</tbody>
</table>

**No comment**

I. Andries Petrus Treurnicht, Deputy Minister of Bantu Administration and of Bantu Education, acting on behalf of the Minister of Bantu Administration and Development by virtue of the powers vested in him by section 17 (1) of the Social Pensions Act, 1973 (Act 37 of 1973), read with Proclamation R. 219 of 1973, hereby amend, with effect from 1 November 1977, the regulations contained in the Schedule to Government Notice R. 1031, dated 21 June 1974, in accordance with the accompanying Schedule.

A. P. TREURNICHT, Deputy Minister of Bantu Administration and of Bantu Education.

FILE M84/11

SCHEDULE

Substitute the following for regulation 10:

"10. A social pension shall be granted with effect from a date determined by the Secretary, either in general or in respect of a specific case: Provided that a social pension shall not be granted from a date prior to the date on which application for such a pension was made on the prescribed form."
Pensions
proposal
'a fraud'

THE controversial national pension scheme which has been proposed by the Government was described as 'rubbish' and a complete 'fraud' today by Dr A D Wassenaar, chairman of the giant Sanlam group.

'The country should under no circumstances allow a scheme like the proposed one, which is based on a "pay as you go" system, using today's contributions to pay today's pensioners. This is unscientific and must lead to financial trouble,' he said.

Dr Wassenaar said any pension scheme should work from the outset on a rate of contribution calculated to carry the scheme throughout.

VARIATIONS

The rate should be subject only to variations caused by factors which might change over time, such as the death rate, which could be allowed for.

'To claim that such benefits as a pension of 75 percent of final salary, as mentioned in the Government report, could be given from a contribution rate of seven percent was a fraud,' he said.

'Without question, this rate of contribution cannot be maintained for long and they will have to raise it,' he said.

Dr Wassenaar pointed out studies had shown the rate of contribution for the benefits envisaged in the Government report would have to be at least 25 percent and could go as high as 50 percent.

'To sell the country a scheme promising pensions at a seven percent contribution rate is nonsense,' he said.
Call to protect pension rights

OLD Mutual chairman, Jan van der Horst, has called for legislation to preserve the pension rights of an employee when he moves from one employer to another.

He believes this is a matter of urgency. As he said in the Old Mutual's Pensions Service report released this weekend, "The main shortcoming of pensions funds is the reluctance of most pension funds to preserve and entrenched the pension rights of an employee when he moves from one employer to another."

"The general tendency for employees to take cash refunds on withdrawal becomes even more apparent during a period of economic recession, particularly if employees are retrenched."

He added: "It is becoming increasingly obvious that this practice is giving rise to too many people retiring without having accumulated an adequate pension during their working lifetime. This is clearly an unsatisfactory position which, if not checked, will have a serious effect on the socio-economic structure of the country as a whole."

He went on to call for urgent legislation to protect pension rights of employees within the present free enterprise pension fund structure, an obvious attempt to drum up support for the lobby against the State Pension Fund."
Aged White persons

157. Mr. T. ARONSON asked the Minister of Social Welfare and Pensions:

(1) How many aged White persons were accommodated in 1977 on behalf of his Department in homes which are administered by a private company;

(2) (a) what was the daily rate payable by his Department during that year and (b) what was the number of accommodation days.

The MINISTER OF SOCIAL WELFARE AND PENSIONS:

(1) 532 aged persons.

(2) (a) R6.73 per day for the financial year 1977-78.

(b) 136 545 accommodation days.
National pension scheme

2. Dr. A. L. BORAINE asked the Minister of Social Welfare and Pensions:

Whether he intends to introduce legislation during the current session of Parliament in respect of a national pension scheme.

The MINISTER OF SOCIAL WELFARE AND PENSIONS:

The matter is still receiving attention and at this stage not yet possible to indicate what steps will be taken in this connection.
**Means test for social pensions**

2. Mr. G. N. OLDFIELD asked the Minister of Social Welfare and Pensions:

On what basis are assets taken into account for means test purposes in respect of applicants for social pensions whose assets are invested with companies that have been placed in provisional liquidation.

The MINISTER OF SOCIAL WELFARE AND PENSIONS:

On the basis of the true value of the assets concerned which is determined according to the best evidence available.

---

24. Het u al ooit te werk, by Indien wel, 

25. Word u daagliks, weeklik, of aan die einde van die werk op elke plaas betaal? Vra u om 'n voorskot en/of agterskot? Is die boere gewoonlik bereid om dit te gee of nie? 

26. Na u mening, is daar op die oomblik 'n tekort aan skeerders in die distrik? Indien wel, wat is die rede hiervoor? in Dink u daar sal die toekoms 'n tekort ontwikkel? Indien wel, wat sal die gevolge hiervan wees?
GOEWERMENSKENNISGEWINGEN

DEPARTEMENT VAN BANTOE-ADMINISTRASIE EN -ONTWIKKELING

REGULASIES BETREFFENDE DIE PENSIOENFONDS VIR PERSONE IN OPPERHEIDSDIENI

Kragtens die bevoegdheid my verleent by artikel 5 van die Wet op Pensioene vir Bantoe-owerheidsdiens, 1971 (Wet 6 van 1971), waarde ek, Cornelius Petrus Mulder, Minister van Bantoe-administrasie en -ontwikkeling, hierby die regulasies vervat in bygaande Bylae uit. Hierdie regulasies word met toestemming van die Administrateur-generaal vir die gebied Suidwes-Afrika uitgevaardig en op die gebied Suidwes-Afrika van toepassing gemaak.

Goewermenskennisgewing R. 155 van 29 Oktober 1971, aangewe, word met ingang van dié datum van inwerkingtreding van hierdie regulasies herroep.

C. P. MULDER, Minister van Bantoe-administrasie en -ontwikkeling.

BYLAE

WOORDOMSKRYWING

1. (1) In hierdie regulasies, tensy uit die samehang anders blyk, het elke uitdrukking waaraan 'n betekenis in artikel 1 van die Wet geheg is, dieselde betekenis wanneer dit in hierdie regulasies gebruik word, en beteken

(i) "aanvullende bedrag" 'n bedrag bedoel in regulasie 10 (1) (c) of 16 (1) (b);
(ii) "afhanklike" ook 'n begunstigde;
(iii) "ander diens" diens by 'n werkgewer, wat of 'n ander regering of 'n raad, insluit of liggaam wat by wet ingestel is of 'n ander liggaam of werkgewer wat die Sekretaris geëigende het, kan wees, en aan wie 'n lid afgestaan is vir diens wat nie owerheidsdiens is nie en ten opsigte waarvan sodanige lid nie verplig is om tot die pensioenfonds by te dra nie;
(iv) "bekaalde datum" die datum waarop hierdie regulasies in werking tree;

67945—A

5888—1
PENSIONS

Mutual's method

What is the new Minister of Social Welfare and Pensions, Frederik Willem de Klerk, going to do about the National Pension Scheme?

While the scheme itself has led to controversy there is one element in it that has found general acceptance: the compulsory preservation of pension rights (FM Feb 10). Is De Klerk going to take the cue and proceed with legislation which will make preservation of pension fund contributions compulsory?

Behind the scenes it seems that considerable progress has been made in recent months. In October government called a meeting of those who had objected to the scheme, the purpose being to analyse alternative proposals. After that meeting the Department of Social Welfare and Pensions asked for specific proposals, inter alia for compulsory contributions, preservation of pension rights, and limitations on paying lump sums at retirement.

Meanwhile, Old Mutual has expanded its Group Pension Plan so that it can cater for transferability and preservation of pension rights.

The Group Pension Plan was started in 1975 to provide mainly for the lower income group (unskilled and semi-skilled workers) whose pattern of employment generally precludes them from full participation in pension funds, such as migrant labour. It operates very much like a savings account, and may be used by employers with or without their own pension funds. Contributions by employer and employee are credited to a member's individual account, and bonuses are added annually. A sophisticated computer system has been devised to provide the necessary flexibility.

The main characteristic is that no cash withdrawal benefit is paid to the member if he leaves his job. He may eventually either return to his original employer, in which case contributions will recommence, or join another participating employer, in which case the same will happen. Should he join a non-participating employer his existing credit in the fund will continue to earn bonuses until he retires when he will draw the pension that has been built up by these accumulations.

Audio-visual programmes in nine languages are used to convince both employers and employees of the advantages of such a scheme.

In the two years that it has been operating about 160 employers employing some 6,000 employees have joined the scheme.

This week, in its annual pension fund report, Old Mutual announced that the plan has been expanded so that it can be used by all pension funds, which opens the way to providing transferability. Since it allows every employer complete freedom as to how much and at what rate benefits will vest, it overcomes the actuarial problems involved in transferring benefits from one pension fund to another.

By transferring accrued rights, employers achieve two things: Old Mutual assumes the responsibility of tracing the member on retirement and making the physical payment of pensions. And the employer's pension fund records are not encumbered with information about people who have long since left service.
Home plots offered free to elderly

Major Klaus Weckermann of George, has offered elderly people 250 plots at Blood River free of charge.

He is representing "provincial" response for the 7000 sites, adjacent to the national monument in honour of Nazi soldiers.

Sightseeing from this home is illegal. Mayor Weckermann's wife said he had recently been in hospital and was not eligible for the land.

The land was given by Mr. John Vlok, a former director of BHP, the world's biggest mining company.

The company bought the land and made it available in 1972.

The 75-year-old, who has been acting for the elderly, said: "If an elderly person with a wife or children will receive a plot that they can build on or have a farm on, that is the reason I am interested in this offer.

Major Weckermann said the plots would cost about R7 000 to build. Homes could be arranged through the Housing Commission.

A "non-profit" housing company would take the process of building and construction.

Major Weckermann said he envisages a community of elderly people living in blood river. Sightseeing groups will be able to visit the community hall and several old-age homes and shopping malls.
CHANCE FOR PENSIONERS

I have a scheme for pensioners which is an opportunity occurring once in a lifetime.

This is especially so with living costs climbing higher every day. I can hear you saying “Where is it going to end?”. Well here’s one way you can beat it if you’re a pensioner.

Recently I was given as a gift 250 quarter-acre plots near the National Monument, Blood River, which I am passing on to all classes of military and civil pensioners. Each pensioner will receive full title to the ground but he or she will be obliged to find the means of building a home. Bond facilities can be arranged through the National Housing Commission.

A non-profit housing company to be registered under the Companies Act is in the process of being formed to take care of all aspects relating to this development.

There is a condition — if condition it is — and it is simply that the successful applicant will be expected to take a lively interest in the general all-round development of the scheme such as tree-planting and such sporting activities as would lie within the physical power of the pensioner.

A vetting committee to review all applications will be established shortly which should, in the initial stages, be sent to me personally with as little delay as possible. I expect the response to be phenomenal.

K. UECKERMANN
“Longrake”
Meer Street
George 8230.
Means test for social pensions

Q11. Dr. A. L. BORAINE asked the Minister of Social Welfare and Pensions:

(1) When was the means test introduced which is at present in operation in respect of social pensions;

(2) whether consideration has been given to raising the free income level; if so, with what result; if not, why not.

The DEPUTY MINISTER OF SOCIAL WELFARE AND PENSTIONS:

(1) 1 October 1972.

(2) The means test is reviewed regularly. The free income level will however, not be raised this year as the necessary funds for such a step are not available.
CAPE TOWN — The Minister of Transport, Mr. Louwrens Muller, announced yesterday that he had decided to make certain adjustments to the pensions of railway workers from April 1.

He made the announcement while replying to the second reading of the Railways and Harbours Appropriation Bill.

Giving details afterwards, Mr. Muller said the adjustments would affect the various population groups as follows:

Whites — a 5 percent increase for those in receipt of a monthly pension of R250 and higher. Pensioners receiving less than R250 would now receive an increase of R12.50 per month.

Coloureds and Indians — 5 percent more for those in receipt of a monthly pension of R150 and higher. Those receiving less than R150 would receive R7.50 extra.

Blacks — 5 percent for those with a monthly pension of R120 and higher. Those receiving less than R120 would get R6 per month more. — (Saps.)
Bankruptcy: help for pensioners

Political Staff

CAPE TOWN — Victims of the Voyager Bond property-empire crash are to be given special consideration for old-age pensions from which they are now precluded by the means test.

This follows representations to the Government by Mr. Geoff Oldfield, New Republic Party MP for Umbilo.

Many Voyager Bond investors are unable to draw pensions because the book value of their investment makes them ineligible in terms of the means test — even though the real value of the investment has plummeted.

"I have had genuine cases on my hands where people are desperate," Mr. Oldfield said today.

"I have had calls from people who are desperate because they are having to live on other savings and these are dwindling."

"I am particularly anxious about the small investor who needs to have lost a good deal of his lifetime savings."
THE ASSEMBLY — The Minister of Transport, Mr. L. Muller, announced yesterday that pre-1973 Railway pensioners would receive an increase of five per cent or at least R12 as from April 1 this year.

The Minister announced the increase after the New Republic Party's Mr. Andrew Pyper (Durban Central) had told him during the second reading on the Railway debate that the pre-1973 pensioners had been forgotten.

"They are the ones who carry the heavy burden today as a result of inflation. They are the people who did not receive the big gratuities which were paid out to other pensioners.

"Regardless of the fact that they receive unrealistically low pensions, they are expected to be satisfied with an annual increase of only two per cent which is the automatic yearly adjustment to their pensions," Mr. Pyper said. — PC.
Plea made to up pension pay-outs

THE ASSEMBLY — An appeal was made last night to the Minister of Finance, Sen Horwood, to provide sufficient money in the coming budget to enable pensions to be reviewed and the means test to be revised.

Dr Alex Boraine (FFP, Pinelands) was reacting to the Government's decision — revealed in a question answered in Parliament yesterday by the Minister of Social Welfare and Pensions, Sen Van der Spuy — not to raise the free income level of the means test in respect of social pensioners.

"It will come as a grave disappointment to the thousands of people living on fixed incomes," Dr Boraine said.

"The means test is itself a highly controversial issue, but what is beyond dispute is that the last time the level was fixed was in 1972.

"In the last six years the erosion of money has been so severe that the rand of 1972 is today only worth about 40c."

"Thousands of people who are deserving of a pension are denied this because of the Government's refusal to bring the means test into line with the cost of living."

"However, there is still time for the Government to change its mind before Budget Day."

"I call upon the Minister of Finance not only to review pensions, but also to revise the means test in light of the spiralling inflation which is causing heartache to thousands of senior citizens in South Africa."

In Parliament Sen Van der Spuy replied tersely: "The means test is reviewed regularly. The free income level will, however, not be raised this year as the necessary funds for such a step are not available." — PC.
Sanlam’s share of pension and life business keeps growing

SOUTH Africa’s number one assurer, Sanlam, has for several years now received more pension and group life premiums than any other assurer.

According to the group’s assistant general manager, Jan Snyman, “The growth in our group business is very clearly demonstrated by the fact that three years ago, pension and group life premiums were only 30% of Sanlam’s total premium income.”

“Premium income from pensions and group business amounted to R197·m for the year to September 30, which represented 43% of the group’s total premium income of R311·m.”

Snyman continued: “Various reasons may account for our continued rate of growth but essentially it is our ability to offer our clients better services than our rivals can.

“Trends in the South African market give promise of a continued growth in the market for pension and group life products provided by well-organised and well-managed fund providers.”

Snyman said that Sanlam, under its group and pension business and in the course of the last four years, has made a significant contribution to our achievements.”

As a mutual assurance company, Sanlam is well-equipped to serve pension funds at competitive rates and in recent years, there has been a substantial increase in the number of privately managed pension funds which have entrusted their investment function to Sanlam.

An increase of 1% in the investment income of equal instalments can reduce the cost by approximately 30% over a period of 30 years. Market surveys show that our investment results compare very favourably with those achieved by other pension fund providers.

Snyman said that Sanlam, under its group and pension business, currently provides cover of almost R6000·m to more than 380 000 employees belonging to around 1400 funds and schemes.

y) would you rather do - either else?

your children to do?

o school: Why didn’t you go to school?

not complete schooling: Why didn’t ing?

(to see changed in your working ment in kind, hours, holidays)

? (housing, recreational facilities)
Bill to solve pension problem

Parliamentary Staff

CAPE TOWN — A parliamentary Bill providing for pensions to continue being paid to South African citizens living in areas "no longer forming part of the Republic" has been published.

The Pension Law Amendment Bill brings Indians within the scope of these provisions for the first time.

This, according to officials of the Department of Social Welfare and Pensions, follows the independence of Bophuthatswana. Until then, only whites and coloureds living in the Transkei had been affected.

However, Bophuthatswana does contain Indians with South African citizenship.

The Bill also provides for continuing pensions in other territories which might take independence.
15. Aantal afhanklikes (gesinsledes of wie werkst mun sung)
(a) Name (eerste name alleenlik)
(b) Verwantskap aan werker
(c) Ouderdom
(d) Geslag
(e) Woongplek
(f) Skooljare voltooi
(g) Nou op skool?
(h) Skool (naam, soort, distrik en afstand van plaas)
(i) Werk wat vir boer gedoen word (b.v. geduurde skool vakansies)
(j) Jaarlike suidwerk gewerk (dae of weke)
(k) Jaarlike betaaling: kontant
ander

Pensions
Sta 30/3/78
500gs
go up
all round

HOUSE OF ASSEMBLY—

White, coloured and Indians, and black social pensioners will receive an additional R9, R9.25 and R3.25 a month with effect from October 1978.

The Budget also provided for settlers' allowances to be increased by R9 a month; parents' allowances to be increased by R6, R5.25 and R3.25 a month in their case of whites, coloureds and Indians and blacks, and for maintenance grants and family allowances for whites to be increased by R2.50 a month a child.

Allowances payable for children of settlers are to be increased by R2.50 a month a child, and maintenance grants are to be increased by R1.25 and 65c a month a child in the case of coloureds and Indians, and blacks.

Maintenance grants payable by the Department of Health to people detained in single care or in licensed institutions are to be increased by R5, R5.25 and R3.25 a month.
Pensions up for new tax

SENATOR Owen Horwood announced that pensions and other social benefits would be increased by R68 million a year, of which R56 million was to be spent during the current financial year.

He said that, in addition to social benefits — an additional non-recurrent amount of R10 million would be paid to pensioners and others receiving social benefits on a basis of equity. This was being done to offset the effect of the new general sales tax.

Social pensions would be increased from October 1 by R9 a month for Whites, with corresponding increases for the other population groups.

Handicapped

He said there would be marked improvements in the subsidisation of homes for the aged, handicapped and children’s homes, and the subsidisation of welfare organisations would be done on a new basis — which could result in some of these organisations improving their positions by about 40 percent.

An effort was being made to narrow the pension gap among ex-service men of the various population groups. From April 1 all consolidated military pensions would be increased by 12.5 percent in the case of Whites, 25 percent in the case of Coloureds and Indians and 37.5 percent in the case of Blacks.

Civil pensions would be increased by 5 percent with a minimum increase of R150 a month from April 1, he said.

Accrual

An additional increase of 10 percent would be paid to certain civil pensioners. This would accrue to those who did not benefit fully from the improvements brought about in recent years in respect of benefits payable in terms of certain Government pension schemes. The Pension Funds or schemes concerned would defray the additional costs.

The Government would also endeavour to arrange for the payment of the concessions to civil pensioners, which would become effective on April 1, as early as May 2. — (Sapa)
No. 679. 31 Maart 1978.

Hierby word bekend gemaak dat die Staatspresident sy goedkeuring gegee het aan die onderstaande Wet wat hierby ter algemene inligting gepubliseer word:


DEPARTMENT OF THE PRIME MINISTER

No. 679. 31 March 1978.

It is hereby notified that the State President has assented to the following Act which is hereby published for general information:

PENSION LAWS AMENDMENT ACT, 1978.

Act No. 49, 1978

GENERAL EXPLANATORY NOTE:

Words in bold type in square brackets indicate omissions from existing enactments.

Words underlined with solid line indicate insertions in existing enactments.

ACT

To amend the Associated Institutions Pension Fund Act, 1963, in order to extend the definition of "associated institution"; and to provide for the declaration of certain companies to be associated institutions; to amend section 16 of the Second Pension Laws Amendment Act, 1974, in order to apply the provisions thereof to certain employees of the Government seconded for service to local authorities in a country or area no longer forming part of the Republic; and to amend the definition of "fixed date"; to amend section 10 of the Pension Laws Amendment Act, 1975, in order to extend the provisions relating to the preservation of pension rights to certain persons appointed, nominated or elected as members of or in the service of the governments or legislative bodies of certain countries; to amend section 8 of the Pension Laws Amendment Act, 1976, in order to apply the provisions thereof to Indians; to regulate the continuation of the pension rights of certain persons leaving the service of the Council for Scientific and Industrial Research; to regulate the retirement benefits of certain members of the staff of certain universities discharged in certain circumstances; and to provide for matters connected therewith.

(Afrikaans text signed by the State President.)
(Assented to 30 March 1978.)

BE IT ENACTED by the State President, the Senate and the House of Assembly of the Republic of South Africa, as follows:—

1. Section 1 of the Associated Institutions Pension Fund Act, Amendment of 5 1963 (hereinafter referred to as the principal Act), is hereby amended by the substitution for paragraph (h) of the definition of "associated institution" of the following paragraph:

"(h) any other institution, organization or body established by or under any law, including any company incorporated in terms of the laws relating to companies, which, in terms of section 4, is declared by the Minister to be an associated institution for the purposes of this Act;"

2. Section 4 of the principal Act is hereby amended by the substitution for subsection (1) of the following subsection:

"(1) The Minister may, after consultation with the Minister of Finance, by notice in the Gazette declare any institution, organization or body established by or under any law, including any company incorporated in terms of the
laws relating to companies, which is not an associated institution, to be such an institution as from a date specified in such notice.'.

3. The following section is hereby substituted for section 5 of the principal Act:

'Date deemed to be specified date in relation to certain institutions.

5. Whenever any institution, organization, [or] body or company becomes an associated institution on a date after the date specified in the regulations as the date of the establishment of the fund, such first-mentioned date shall in relation to such institution, organization, [or] body or company and any person in the service thereof, be deemed to be the specified date for the purposes of this Act.'

4. Section 16 of the Second Pension Laws Amendment Act, 1974, is hereby amended—

(a) by the substitution for subsection (3B) of the following.subsection:

"(3B) If any person who was in the employ of a local authority, without a break in his service or after such a break in his service as the Secretary for Social Welfare and Pensions may approve, becomes a member of [the Government Service Pension Fund] a pension fund administered in terms of any law by or under the control of the Minister and is seconded for service to a local authority in a country or area which, immediately prior to [the commencement of this section] 1 July 1973, was a part of the Republic, the Minister, in consultation with the Minister of Finance, may declare that the provisions of this section shall apply with reference to such person, and such provisions shall thereupon mutatis mutandis apply with reference to such person as if a take-over referred to in subsection (1) took place on the date on which he was so seconded for service and such person is an affected officer and such date is the fixed date referred to in subsection (4).";

(b) by the substitution in subsection (4) for the definition of "fixed date" of the following definition:

"'fixed date' means the date on which any undertaking or activity of a local authority or any power or function of a local authority in connection with the provision of any service or the administration of any area is taken over as contemplated in subsection (1) or ceases to be controlled, exercised or performed by a local authority or the date on which a person in the service of a local authority, with a view to such take-over and with the approval of the Minister, is appointed in the service of the Government;"

5. Section 10 of the Pension Laws Amendment Act, 1975, is hereby amended by the substitution for subsection (1) of the following.subsection:

"(1) If a member of a pension fund is, before attaining the age at which he would have the right to retire on pension, appointed, [or] nominated or elected [by the State President or a Minister referred to in section 20 of the Republic of South Africa Constitution Act, 1961 (Act No. 32 of 1961)] without a break in his service or after such break in his service as the Secretary for Social Welfare and Pensions may approve, as a member or in the service of any board, institution, establishment or body established by or
under any law, or of a government or legislative body of a
country or area in Africa in respect of which Parliament has
previously exercised legislative powers, and the said Secret-
tary deems it expedient that his pensionable service as such
member [is not in terms of any law required to be or
capable of being reckoned as pensionable service for the
purposes of any other pension fund of which he may become a member by virtue of such appointment or
nomination] should be retained for him, the said Secretary
[of Social Welfare and Pensions] may, in his discretion,
declare such member a dormant member of such [first-
mentioned] pension fund with effect from the date on which
he has been so appointed, [or] nominated or elected.

6. Section 8 of the Pension Laws Amendment Act, 1976, is hereby amended—
(a) by the substitution in subsection (1) for all the words
preceding paragraph (a) of the following words:
"(1) For the purposes of any law relating to social
pensions in the case of a White person or a Coloured
person who is a South African citizen or an Indian who
immediately prior to 26 October 1976 complied
with all the requirements of such law relating to
citizenship or residence in the Republic, and who is
resident in a country or area which, immediately prior to
the commencement of this section] such date, was a
part of the Republic and which has been designated by
the Minister of Social Welfare and Pensions by notice in
the Gazette for the purposes of this section—"
(b) by the substitution for paragraph (b) of subsection (1) of
the following paragraph:
"(b) any application for a pension or grant by such
person in terms of such a law, which has been
submitted to the Secretary for Social Welfare and
Pensions or the Secretary for Coloured, Rehoboth
and Nama Relations or the Secretary for Indian
Affairs, as the case may be, shall be deemed to
have been submitted to a district pension officer;"
(c) by the insertion after paragraph (a) of subsection (2) of
the following paragraph:
"(aA) ‘Indian’ means a person classified as a member of the
Indian group in terms of the Population Registration
Act, 1950;"

7. (1) If any person who immediately before the commencement
of this section was a contributor to the Associated Institutions
Pension Fund established by the regulations promulgated under
section 2 of the principal Act, in terms of section 4(A) (1) of the
Armsaments Development and Production Act, 1968 (Act No. 57 of
1968), becomes an employee of the corporation established by
section 2, or a subsidiary company as defined in section 1, of the
last-mentioned Act—
(a) such person shall be deemed to remain, without a break in
his service, a member of the pension fund of which he so
was a member and the provisions of any law relating to
such pension fund shall continue to apply in respect of him
as long as he so remains a member of such pension fund;
(b) such person shall, notwithstanding anything to the
contrary in any law contained, not be entitled to the
payment of any benefit from such pension fund or
otherwise by virtue of the termination of his service in
terms of the said section 4(A) (1);
(c) such corporation shall, in relation to such person, with
effect from the date of such commencement, be subject to
the provisions referred to in paragraph (a) to which the
PENSION LAWS AMENDMENT ACT, 1978.

Act No. 40, 1978

Council for Scientific and Industrial Research referred to in section 2 of the Scientific Research Council Act, 1962 (Act No. 32 of 1962), would have been subject if the Amendments Development and Production Amendment Act, 1978, had not been passed and such person had remained in the service of the said Council for Scientific and Industrial Research.

8. (1) If any person who is a member of the pension fund and who holds a post on the fixed establishment of any university, is in terms of a provision of any law discharged from such post by such university before attaining the age at which he would have the right to retire on pension, for the sole purpose of appointing a member of a national unit served by such university to such post, and such person, in the opinion of the Secretary for Social Welfare and Pensions, is unlikely to be appointed in any service or to assume any duty, within a period of six months after being so discharged, in terms of which he will be obliged to contribute to the pension fund or the Government Service Pension Fund established by section 3 of the Government Service Pension Act, 1973 (Act No. 57 of 1973), such person shall, for the purposes of the regulations, be deemed to be discharged from his service on attaining the age at which he would have the right to retire on pension, with effect from the date on which his discharge from the said post comes into force, and in calculating any annuity or gratuity to which he is entitled in terms of the said regulations, there shall be added to his pensionable service in terms of the said regulations a period equal to one third of his pensionable service or a period equal to the period between the date on which he is so discharged and the date on which he will attain the age at which he may retire in terms of the provisions of any law then applicable to him, whichever is the shorter period: Provided that no period which has been so added to his pensionable service shall exceed five years.

(2) If any person who is a member of the pension fund, is deemed to have retired on pension in terms of subsection (1), there shall be recovered from time to time from the university in question the amount—

(a) of any annuity paid in terms of the regulations to or in respect of such member in respect of any period within the period between the date of such retirement and the day immediately following the date on which he attains the age at which he is entitled to retire from service or, if he dies before the last-mentioned date, the date on which he would have attained the said age if he had not died;

(b) by which any benefit paid in terms of the regulations is increased by reason of any addition of his pensionable service in terms of subsection (1).

(3) For the purposes of this section—

(a) "national unit" means a national unit referred to in section 2 (1) of the Promotion of Bantu Self-government Act, 1959 (Act No. 46 of 1959);

(b) "the pension fund" means the Associated Institutions Pension Fund established in terms of the regulations;

(c) "the regulations" means the regulations promulgated in terms of the principal Act;

(d) "university" means a university established by the University of Fort Hare Act, 1969 (Act No. 40 of 1969), the University of Zululand Act, 1969 (Act No. 43 of 1969), the University of the North Act, 1969 (Act No. 47 of 1969), and the Medical University of Southern Africa Act, 1976 (Act No. 78 of 1976).
PENSION LAWS AMENDMENT ACT, 1978.

9. The provisions of—

(a) sections 1, 2 and 3 shall be deemed to have come into operation on 10 May 1963;

(b) section 4 shall be deemed to have come into operation on 1 July 1973;

(c) section 5 shall be deemed to have come into operation on 1 April 1975;

(d) section 6 shall be deemed to have come into operation on 26 October 1976;

(e) section 7 shall come into operation on the date on which the Armaments Development and Production Amendment Act, 1978, comes into operation.

10. This Act shall be called the Pension Laws Amendment Act. Short title.

1978.
Equal pensions for all

Labour Reporter

The South African Jewish Board of Deputies has created equal opportunities and pension privileges for all races in its employ and has encouraged its affiliated bodies to do likewise.

This was announced in Johannesburg yesterday as the board handed the R3,000 profit from its last film festival to the Urban Foundation on the eve of another film festival.

Mr. Nathan Mendelow, the board's chairman of community services, said there were vast untapped resources of goodwill in South Africa, waiting to be scattered on all inhabitants, and no organisation was doing more in this regard than the Urban Foundation.

"Because of organisations like the foundation there is indeed still much hope for all in South Africa," Mr. Mendelow said.

The foundation's executive director, Mr. Justice Jan Steyn, said the foundation had spent R2.5 million on 50 projects in the past nine months, to improve the quality of life in urban communities.
Pensioners may pay tax

Own Correspondent

CAPE TOWN — Senator Horwood’s budgetary relief for pensioners could actually end up with some of them paying tax.

Mr Geoff Oldfield, New Republic Party MP for Umno, pointed out today that because of failure to adjust the tax tables, married couples aged more than 60 and with no income other than their pensions will fall into the taxable category.

"He has given them R9 a month each extra, which brings their monthly pensions up to R88 each. This means a total combined income of R2112 a year for them — and at R1600 a year they become liable for tax.

"The only pensions which are not taxable are war veterans, war disability and miners' disease."

He said the Minister of Finance should rectify this either by making all pensions non-taxable or by raising the tax abatement which at present stands at R700."
Pensioners may escape rent increases

Frank Jeans

Pensioners and other lower income earners are unlikely to be affected by the scrapping of rent control.

Because of a 20 percent flat vacancy factor in the central area of Johannesburg, for example, landlords are finding it difficult to fill blocks even at existing rent-control prices.

The abolition of control might also give a spurt to the sectional title sector of the property market.

At the top end of the flat market, tenants may find themselves in a position of getting notices from landlords, so that they can sell to give a better capital return.

A voice of dissent over the move came from Mr. Alf Widman, MP for Hillbrow.

"I am implacably opposed to any tinkering with the Rents Act unless more than adequate safeguards are provided for the protection of tenants."
A bigger pittance

Budget day last week brought little comfort to old people who have to rely on the State for pensions because they do not get them from any other source.

Finance Minister Owen Horwood did make an “extraordinary additional appropriation” of R10m in the “realisation that the aged and the needy will also henceforth be liable for payment of the new sales tax.” But pensions remain very small.

White social pensions go up in October by R9, raising the maximum white old-age pension from R79 to R88 a month. But the 11% increase will do little more than keep old people abreast of the rising cost of living.

Africans fare even worse. The extra R3,25 allocated to them pushes the maximum old-age pension up to no more than R23,75. Indian and coloured pensioners receive an extra R5,25, so the maximum for them will be R47,75 from October.

The absolute gap between white and African pensions goes up from R58,50 last year to R64,25. Expressed as a ratio, the gap has narrowed marginally, from 3,85:1 last year to 3,71:1 this year.

African pensioners suffer from discrimination in other ways too. They are the only group whose pensions are paid every second month instead of monthly. The hardship caused by the delay is often aggravated by bureaucratic holdups. A spokesman at the Plural Relations and Development (Prad) offices in Johannesburg claims that the ever increasing work-load causes the delay.

This year’s budget apparently leaves the means test for all race groups unchanged. Pensions are reduced progressively if income received from other independent sources exceeds a fixed amount.

Whites are allowed up to R42 “free income,” whereas Africans cannot exceed R10,50. Indians and coloured people are allowed R21. In addition, in rural areas, if any livestock or agricultural produce is owned by a pensioner, it is assumed to yield a fixed return — whether or not it actually does so. In 1976, a cow’s yield was reckoned at R8 a year, for example.

Even the small amounts to which African pensioners are legally entitled are often out of reach. “The system is misused or bent by officialdom, and often severe hardships are inflicted on black pensioners,” says the Black Sash’s Janet Sahil.

The difficulty in establishing one’s age is one of the major stumbling blocks for Africans applying for pensions. If no documentary evidence is available, the district pensions officer is empowered to determine an applicant’s age “according to his appearance or according to any other evidence available.”

The Sash reports numerous cases of people being told that they are too young for pensions — despite claims, in some instances, that they were born in the last century.
Three year establishment programme

During the first year, stocking and sampling rate of feeding is a year of production supplied. During the fingerlings, the fertilisers

We sell the fish at sell, they are sold live/weight. Each charge of the daily week, general control.

Fisheries Committees

In each village chosen by the village activities. We work should be fed and so into a bank account. cost was, and the cost.

At least, this is the practice. The system times reluctant to practice.

Involvement of the villagers

The villagers have to from here quite far, (but not all) are do not only because it involvement in the

Ideally, the village ponds after 3 years. But that is not likely to happen since people don't have the education to work out things like stocking rates, feeding rates, etc. We hope to get to that stage eventually but it will require a lot of training.

Social pensions for immigrants

Mr. G. N. Oldfield asked the Minister of Social Welfare and Pensions:

Whether his Department has an agreement with the Department of Immigration concerning applications for social pensions in respect of immigrants who have been resident for more than five years in the Republic; if so, what are the terms of the agreement.

The DEPUTY MINISTER OF SOCIAL WELFARE AND PENSIONS:

Yes. Attention is invited to the provisions of section 4(3)(c) of the Aliens Act, 1937

This committee is for all the fisheries work very well in villages are some technical advice. to send the staff how most villages is a good thing reassures the villagers'
Extra pension relief

Political Correspondent

CAPE TOWN: Certain mine pensioners are to receive extra relief following representations to the former Minister of Social Welfare and Pensions, Mr. Johan van der Spuy, by the leader of the New Republic Party, Mr. Vaas Raw.

He said yesterday that the Minister of Mines, Mr. Fanek Botha, and the Minister of Social Welfare, had agreed "to allow certain mine pensioners to waive increases in their pensions which placed them above the means test."

"This will allow them age pensions which were cancelled as a result of the last increases to be reinstated," said Mr. Raw.

Applications to waive the increases would have to be made individually.

Mr. Raw said the provision would apply only to those receiving benefits under the Government-controlled "Compensation Fund for Mines and Works."
NEST-EGGS FOR OLD AGE

In the trains many old men relate woeful tales of how, after many years of faithful service to their employers, they have been discharged with a pat on the shoulder, a gold watch and 'a lousy R100' — Woody Mangopa, The Star, August 28 1976.

There has been a definite increase in the number of employers providing retirement benefits for their black workers. But appearances are deceptive. In actual practice, very few unskilled and semi-skilled black workers draw a pension when they retire — even if they are members of pension schemes.

"There was a phenomenal upsurge between 1972 and 1975 in the number of blacks included in pension schemes," Richard Knowles, director of Benefit Planning Consultants (BPC), tells the FM. "This has fallen off slightly — partly due to the recession — but the movement towards greater benefits for black workers continues."

BPC believes that probably not less than 25% of economically active blacks are now members of pension plans, and that nearly 40% of total fund membership is black. A BPC survey of 500 registered pension schemes showed that 48 provided benefits for black employees for the first time in 1976.

Foreign firms

BPC found no evidence that foreign firms in SA were leading the black pension field.

Many thorns are hidden behind the roses. The contract often includes a restriction to salaried employees, cutting out all weekly or hourly paid workers — the majority of whom are usually black. Or there might be a continuous service stipulation, which effectively excludes migrants, who are legally obliged to terminate their contracts every year.

Even if he is allowed into a pension scheme, a black worker often still reaches retirement age with no money to keep the wolves at bay. One of the major reasons is the high job mobility among black semi- and unskilled workers. Broken service usually disqualifies a pension fund member from obtaining benefits, and the employee's own contribution plus whatever interest it has accumulated, are returned to him when he resigns. This in turn effectively encourages mobility.

"Blacks often resign with the express purpose of obtaining the money, to cover some short term need," Iaan van Heerden, manager of marketing of Old Mutual’s group pension plan, tells the FM.

Furthermore, Van Heerden points out, manual labourers very rarely have the strength to continue working right up to retirement age. And early retirement provisions seldom ensure that the pension of such a worker remains in force until he is entitled to the benefits. He merely gets back his contributions when he resigns.

"Pension schemes must be made to fit the express needs of black semi-skilled and unskilled workers," contends Van Heerden. "Conventional schemes often don’t fit the bill."

Many firms overlook the need to design schemes to cater for the peculiar disabilities under which blacks suffer — often because the firms fear that differential schemes for blacks and whites will be stigmatised as discriminatory.

Old Mutual’s group pension plan, started in 1976, claims to provide solutions to some of these problems. It has a centralised fund which ties the benefit to the individual worker rather than to his employer. An individual account, rather like a savings account, is opened for every worker. So he remains entitled to his pension fund benefits (including the employer’s contribution) should he change his job.

The scheme has got off to a slow start, however. Employers are often unhappy about losing their contributions when black employees leave their service. Others are reluctant to accept what appears to be a new and untried concept. And, of course, the economic recession has played a major role in making employers unwilling to undertake greater commitments.

Nevertheless, employers are under a moral obligation to provide pensions for black as well as for white workers. Moreover, the breakdown in family ties and the social disruption brought about by the migrant labour system have caused an increasing awareness among blacks of the need for adequate social security. Says Nic Nel, MD of SA Financial Evaluation Services, "A decent pension should be regarded as a right, not a privilege."

And obviously, it is in the interests of employers to stabilize their work forces.

Question-mark

A question-mark against the Old Mutual plan is that it is a "money purchase" scheme — the pension is determined by the amount in the member's account and his age at retirement, and is unrelated to his final salary. However, a final salary scheme, it could be argued, would be unrealistic for migrant and other mobile workers, since such schemes are dependent on continuous service with one employer. In cases where a black worker is likely to remain in the same job until retirement, final salary-related benefits can be provided under the Old Mutual plan.

"Our plan assures a worker of some benefit at least," says Van Heerden. "It might not be optimal, but is a realistic attempt to solve a problem so often sidestepped."

"Moreover," adds Knowles, "although we do not usually advocate money purchase schemes, employers must be aware that black salary scales are increasing so quickly that a final salary scheme may severely overburden the employer, as contributions will have to rise with the increasing liabilities of the fund."
Public Service pensioners

560. Mr. H. E. J. VAN RENSBURG asked the Minister of Social Welfare and Pensions:

(1) How many Public Service pensioners were there in 1968 prior to the introduction of the new formula;

(2) what was (a) the total amount in pensions paid to Public Service pensioners in 1968 and 1977, respectively, and (b) the amount paid from the State Revenue Fund in respect of such pensions in each such year;

(3) (a) how many pre-1968 Public Service pensioners are there at present and (b) what was the total amount in pensions paid to them in 1977.

The MINISTER OF SOCIAL WELFARE AND PENSIONS:

(1) 19 143 This number does not include the pensioners of the four provinces and the territory of South West Africa. Statistics relating to such pensioners are not readily available in respect of 1968. It is not clear to which formula the hon. member is referring. It is, however, for the purposes of this reply assumed that he has in mind the

APRIL 1978

(2) (a) 1968 R 16 463 329
    31.3.68
    1977 R 121 422 886
    31.3.77

(b) 1968 R 7 405 000 as at 31.3.68
    1977 R 4 900 385 as at 31.3.77

(3) (a) 20 692 This number includes pensioners of the four provinces and of the territory of South West Africa. The pension funds to which they were 'in', and the 1968 have in the meantime been amalgamated under control of the Central Government. This explains why the number of pensioners are now more that mentioned in (1).

(b) R 39 228 684.
Compulsory pensions predicted

Garth Hewitt

Legislation making pension contributions compulsory is expected within the next two years according to one of the country's leading insurance groups, Liberty Life Association of Africa.

The forecast was made by Mr. Monty Hilkowitz, Liberty's general manager (sales and marketing) at a conference on International Employee Benefits in New York.

The impending legislation, he said, was seen as a result of the Government's threat, in 1979, to step in and create a compulsory state pension fund.

The Star's Political Staff in Cape Town reported that a spokesman for the Department of Social Welfare and Pensions said today that no definite decision on a compulsory pension scheme had yet been taken and he did not think any definite announcement would be made this year.

Legislation forecast by Mr. Hilkowitz included:

- Compulsory minimum pension contributions of 10 percent of earnings for salaries above R1,200 a year. Self-employed people would pay their contributions into retirement annuity funds.

- The compulsory preservation of pension rights. When switching jobs an individual's accumulated pension money would be transferred either to his new employer's pension fund or into a retirement annuity fund.
National pensions are overdue

WHAT South Africa needs, for many reasons, is a compulsory national scheme to provide pensions for all workers in this country—as a right, not as a privilege or an act of grace—and without any discrimination whatsoever.

At present there is no compulsion for employers of labour in the private sector to establish pension funds and although most companies of standing have set up funds which give old age security to their employees, hundreds of thousands of workers are not covered. In addition, as most schemes are closed shop operations, pensions are not transferable. The result is that at retirement thousands of pensioners receive pittances which cannot sustain them when they grow old.

A year or two ago the Social Welfare Department, aware of the shortcomings of present schemes drafted a plan for a compulsory national pension plan. But with more enthusiasm than practical knowledge, the officials proposed a pay-as-you-go, unfunded scheme which was more starry-eyed than realistic; it would have resulted in the youth of tomorrow paying an ever-increasing bill to support yesterday's workers.

Led by the insurance industry, criticism against the department's proposals resulted in the original plan being shelved. But it served its purpose: it brought insurance men and Government officials together to discuss plans which are feasible and desirable. It would now seem that the launching of a scheme, which would not involve doing away with present pension programmes but incorporating them, will not be too-long delayed.

The important difference in the plans is that pensions will continue to be funded on a practical and realistic basis and that pension rights will be transferable from one fund to another so that workers' benefits will appreciate over their working years and not be dissipated when a person changes jobs.

It is noteworthy that the pension scheme will really be national and not discriminatory, although the proposed limit of R1 200 for entry into the scheme is an unnecessary barrier. The lower-paid elements in our society are entitled to protection; their need is perhaps greater than those in upper income brackets. These people must be given a stake in the future. And a stake in the future is not only their insurance; it is insurance for the rest of the country.
Hanover 12 28 April 1978
Question 5 Cola 709-710

Mr. C. V. N. O'BRIEN asked the Minister of Social Welfare and Pensions:

(1) Whether the Department has received recommendations contained in the report of the investigation into the possible establishment of a contributory pension scheme; if so, (a) from whom and (b) what was the nature of the recommendations?

(2) Whether he has given consideration to extending private pension schemes in preference to establishing the recom-

6 April 1978

[Handwritten text]

T.B.

[Handwritten text]

The DEPUTY MINISTER OF
SOCIAL WELFARE AND PENSIONS

(1) Yes.

(a) From a very large number of bodies, organisations, departments and individuals. It is not practical to provide a list of all these bodies, etc.

(b) It varied from unconditional acceptance, to qualified acceptance, to complete rejection.

(2) The whole matter is still under consideration and suggestions for the extension of private pension schemes made to me will, in the normal course of events, naturally receive due consideration in conjunction with all the other suggestions received. A final decision thereon has yet to be made.
FRIDAY, 25

still busy with an investigation in this regard.
Who needs a pension fund?

Sure, there’s the moral obligation to the company’s staff. And the need to hold on to people. But pension schemes are becoming increasingly costly

It is most unusual, these days, to advertise for staff, especially senior staff, without claiming that your pension fund is better than the next man’s. And, in this context, a better pension fund is one that can offer better, and thus more costly, benefits.

Increasingly, however, the cost is becoming crippling to the company concerned. Quite apart from the scary side of Fortune’s recent article on pension funds that are underfunded to the extent that their parent companies could almost go bust in putting them right, there is the more sober approach (FM April 14) that even many conservatively financed funds face potential trouble because of the effects of inflation on salary scales.

The problem is that pensions, in almost all cases, are a function of retirement salary (or the average of salary for a few years prior to retirement). With inflation, it is difficult indeed to forecast an executive’s retirement year salary. So, while the vast majority of company-financed pension funds are well managed and adequately financed so far as their liabilities to all of their staff for past service are concerned, few are truly adequately funded to cope with future inflation-boomed salary hikes.

Shareholders’ dividends

In many instances, the annual cost of the pension scheme amounts to much more than the company is paying out to shareholders in dividends — to say nothing of the additional cost of “topping up” should the scheme, at some time in the future, become underfunded.

It’s noteworthy that very few companies bother to tell their shareholders about this particular staffholding cost. It might be an interesting one to trot out at the next agm of your favourite investment.

Prescribed thinking on pension funds is, or was:

• No pension fund — no senior recruiting;
• The pension fund ties executives to the company;
• A good pension fund attracts good people.

The younger, up-and-coming executive is the one the company most needs to keep. For him, however, the mere existence of the company pension fund can prove a positive encouragement to leave.

In his early thirties, he’s not concerned about what is going to happen to him when he retires in 30 years or so. With inflation rampant, what’s the point of worrying? After 10 years or so in his adequately paid job, he’s well aware that his pension pay out, should he leave, will amount to several thousand rand, which can be very tempting.

At the other end of the scale is the executive in his fifties. He hasn’t quite reached the top, and it is now unlikely to do so. The pension scheme, of course, was designed to provide him with a dignified exit at age 65 or so. But now, inflation having seen his salary up to levels that no rival firm is likely to match, he’s going to hang on like grim death until he does reach pension age.

It’s not merely, of course, that no other employer is willing to match his salary. It is also that, since his pension rights are not transferable, it is virtually impossible for the older man to match his pension prospects elsewhere even should he wish to leave.

So the middle-order ageing executive becomes a fixture. He is blocking promotion and thus providing even greater encouragement for the younger man to leave. And the pension fund, quite from costing far too much, is having just the opposite effect from that it was designed for.

One solution of course is quite simple. Management merely fires the unwanted executive. In the US, that is precisely what happens. But here, as in the UK, such a measure is generally regarded as a drastic step some- one who has given years of good service to the company.

Transfers

Another, but far more difficult, out, would be to introduce transferability of pension rights. This, it is hoped, will be achieved in SA within the next couple of years, but it is a very complex and difficult problem which has so far, defied the ingenuity of actuaries over the world. The most that has been achieved is the partial transferability now operates in the UK.

Let us indeed hope that it is achievable here — that we achieve, at the least, “preservability”. This is far simpler and merely means that a person’s pension rights are “frozen” when he leaves his job. He gets no cash, so he won’t be able to plump up; the money represented by accrued pension rights is either from his ex-employer’s fund, or transferred to a central state fund — in either case to be paid out at pension age.

Solutions these would be. But not if it is carefully noted, to the problem of the ever-rising cost of pension schemes. Either transferability or preservation would boost costs — for the main reason of profit to existing funds is that due out to the leaver well under half of assets that they might in future have freeze or transfer.

<table>
<thead>
<tr>
<th>3rd</th>
<th>27</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single rooms</td>
<td>5</td>
</tr>
<tr>
<td>1 Block</td>
<td>92</td>
</tr>
<tr>
<td>8 Blocks</td>
<td>736</td>
</tr>
</tbody>
</table>

The discrepancy between this figure and the Board’s figure of 1 336 probably arises out of the Board’s exclusion of the Ground floor beds.

THE GROUND FLOOR

The long narrow corridors have rooms on either side. The corridor lights do not work. At the entrance of the flats there are two locked meeting rooms.
Pay day is a sad day for hundreds

By VELELENI MASHUMI
Pretoria Bureau

HUNDREDS of pensioners who had come to collect their pay at the Mamelodi Community Centre yesterday said they had been driven away by white officials on Thursday.

When the Rand Daily Mail arrived there yesterday there were hundreds of pensioners in the centre's yard.

The doors of the hall were locked by officials to keep them outside because they could not all be accommodated inside the hall, the pensioner said.

An official of the Department of Human Relations and Development, Mr H van der Merwe, promised to refer the matter to the official responsible for such matters, Mr A van Schalkwyk.

The pensioners were not prepared to move off until they had been paid and some claimed to have been at the centre for two days. They had spent money on transport to the centre only to be told they had to return on Monday.

Some, thinking that the "mail" team were official, flocked to us asking if we could help them.

Mr Johannes Mphakati, 66, said he, together with his brother-in-law, Mr Tom Ndalala, 70, arrived at the centre at 6 am yesterday after having been driven away by white officials the previous day. Yesterday they could not gain entry into the hall because they were late, he said.

Mrs Lenah Mathula, 63, said: "I and my friends came to queue up on Wednesday night. We were told that we were no longer allowed to queue throughout the night because the pay-out system has been bettered. We returned to our homes only to be chased away by white officials yesterday."

When the secretary for the Mamelodi Advisory Board, Mr M W Aphones, was approached to comment on the allegations of the pensioners he said he was not in a position to say much because what he knew he got from Mr S S Kekana, a social worker in Mamelodi.
Homeland citizenship not needed for pension — official

Indaba Reporter

EAST LONDON — Has anyone been telling old age pensioners in Port Elizabeth they would not get their pensions unless they had a Ciskei citizenship certificate?

If anyone was told this and believed it, he or she has been misled.

This became clear after inquiries had been made to offices of Plural Relations Commissioners this week.

It was explained homeland citizenship certificates had nothing to do with applications for pensions for blacks living in urban areas.

The inquiry arose after a Port Elizabeth pensioner, Mrs Emily Bangami, 69, of 1266, KwaZakile, said she had been told she was getting her pension payment for the last time this week and would only get it in future if she obtained a Ciskei citizenship certificate.

Mrs Bangami did not know the name of the man who told her this.

Mrs Bangami was concerned about this and was making inquiries about where she could apply for a Ciskei citizenship certificate to ensure she got her pension payment in July.

"We old people do as we are instructed and we do not ask any questions when government officials tell us what we should or should not do," Mrs Bangami said.
CONCERN AT CASHED-IN PENSIONS

Name (first)  
Farm number  

CAPE TOWN — Too many people are retiring without having accumulated an adequate pension, the chairman of Old Mutual, Mr. J. G. van der Horst, says in the society's pensions service report for 1977 released here.

1. How did you come to this city? 

2. Have you ever thought of moving from one employer to another? Most pension funds were reluctant to preserve and entrench the pension rights of an employee when he moved from one employer to another.

3. What sort of work (if any) was done on a farm or somewhere else?

4. What jobs would you like to do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do — either or do -
IN VIEW OF THE SPECIFIC REQUEST BY VARIOUS GOVERNMENT UNITS IN SOME OF THE COASTAL COMMUNITIES, AND IN VIEW OF DRUM ADANO'S OWN POLITICAL-STRATEGIC POSITION, IT IS NOT CONSIDERED TO BE IN THE NATIONAL INTEREST TO PROVIDE FULL PARTICULARS IN THIS REGARD.
PENSIONS

Commutation rights in danger

Last week's announcement on the preservation of pension rights by the Minister of Social Welfare and Pensions was widely misunderstood. His remarks on the proposed future "compulsory conversion of lump-sum benefits or certain portions of lump-sum benefits into annuities" were generally taken as referring only to the transferability of pensions.

There is no disagreement about the need for this in either the insurance industry or the business world. But, it now becomes clear, De Klerk was in fact referring to the entirely different issue of the present right to commute up to one-third of a pension entitlement into a lump sum on retirement, and the parallel right to draw a lump sum from a provident fund.

These are valuable rights and should not be tampered with. At retirement, many people use these sums to pay off mortgages so that they might live "rent-free" on their reduced pension income, or to buy an annuity. This brings with it a tax and income benefit because, whereas a pension is fully taxable, an annuity is taxable only on the interest content.

The FM understands, however, that it is not the minister's intention to ban lump-sum payments entirely. But it has been accepted by the industry that government has got a point as far as provident funds are concerned. Here, the whole amount can be drawn as a lump sum, and this is considered excessive. Even by where the contractual obligation between a provident fund and its members provides for cash instead of a pension, interference will be resented.

Government's overall aim is to see that everyone, eventually, has a pension. So it wants to limit lump-sum payments to ensure that adequate pensions are paid, rather than lump-sums, which could be squandered.

Who knows best?

But who knows best, and what is an adequate pension? And should government decide?

At present, the discretion to grant up to one-third of total pension rights in a lump sum generally rests with the trustees of a pension fund. Normally, they are executives and employees of the company concerned. They know the people they are dealing with and in practice the full amount is usually granted.

While the best solution would probably be to leave matters as they are, a suggestion is that government might lay down a minimum pension (perhaps somewhat above the social security level), that must be available from all sources before any commutation can take place. Maybe R2 000 a year might be a reasonable figure, though any figure agreed upon would need to be adjusted annually for inflation. Such a scheme would slightly limit the freedom of action of pension fund trustees, but it would also strengthen their hands in the few cases where commutation is genuinely undesirable.

The main point is that the government should stick to laying down a minimum pension and, since two-thirds has to be drawn in the form of a pension anyway, only those on very low income scales, or members of provident funds, would be affected.

But it should not put a limit on the total amount that may be drawn (up to one-third) in a lump sum. Not only would this be an unnecessary and unwarranted restriction on individual liberty, but it would not make good economic sense, either.

Financial Mail, June 9, 1978
Pensioners will hit by GST

Financial Editor

Pensioners when the general sales tax comes into force do not know how they will meet the costs involved.

The owner of a Durban boarding house said yesterday that the pensioners who lived in her establishment drew a monthly pension of about R73. They were charged R83 for a month's accommodation. "The business will not be able to meet the added costs imposed by the pensioners' relations or friends."

"Next month we will have to charge them GST on their accommodation," said the owner. "I am sure the increase will not be enough to offset the cost of GST." The month with the added costs was estimated at about R2.

A pensioner told me that the tariff in her boarding house had increased in January. "I do not know what I will do about the GST," she said which I am sure will be passed on to me.

A businessman told me that GST would give a "mighty boost" to inflation. "I will also cause a restriction on the spending of people and this will be a serious matter for retailers."

Among questions put to the Mercury's answering service yesterday were the following:

- My company is completing a major engineering contract for a company which will be delivered in about six months' time. Will my client have to pay GST on the uncompleted part of the contract?
- Yes. My daughter imports goods from Australia which are sold to local schools. Does she have to obtain a vendor's certificate?
- Yes. The schools must pay tax on what they buy.
- I sell sand to builders. Do I have to charge sales tax?
- Yes.

Labour

- My husband fixes floor coverings in buildings. Does he charge sales tax on his labour?
- Yes.

- A tuckshop has a turnover of more than R5000 a year and sells a wide range of products other than food. Does it have to charge sales tax?
- Yes.

- I have a machine that dispenses cool drinks into 300ml cans. How do I charge GST?
- How it is done is your business, but the Receiver of Revenue will require 4 per cent on your turnover.

- I distribute free advertising sheet in which people buy advertising space. Should I pay GST?
- No.

- I supply spare parts and needles for knitting machines. These are used in manufacturing operations. Should I charge GST?
- Yes.

- I have a driving school. Must I charge my pupils GST?
- No.

Changes in tax Bill affect many

Deputy Financial Editor

There are a large number of changes incorporated in the new Sales Tax Bill which the Mercury's tax answering service will use from today. Major change concerns the construction industry.

Some of the new answers that emerged yesterday from questions put to us by the more than 10 callers were:

- Meals at school tuckshops, canteens in works and local authorities, and meals supplied during board and lodging where an inclusive charge is made are not classified as sales.
- Sales of sweets, cigarettes, minerals and groceries are subject to tax.
- A person who imports religious and hobby books and less than R5000 worth a year will not have to collect GST, but the import price will be taxed 10 per cent by the Department of Customs.
- The sale of krugers, receipts, bank notes, postal stamps will be taxed where they are classified as collectors' pieces. The primary sale by a bank or post office will not be taxed.

A free-lance photographer charge GST on the full price even though this includes his transport and school costs. He must be registered to obtain his goods free of GST.

A broker who offers to arrange the hire of space on buildings or billboards in newspapers will not have to register for GST.

A sugar house who buys hessian bags to sell sugar in will not be charged GST on the containers which are essential for the delivery of the sugar. If he buys more than 300 containers to ship the bags of sugar in, he would pay GST on the containers.

A television repairman who watches TV to repair a television set for a fixed period, and sells the television for any profit would have to collect GST on the full contract price.

A fencing contractor who erects a fence on site will not have to register. The on-site criteria determine whether he registers.

An architect who supplies copies of plans to his clients as part of his building services will not collect GST. But if he offers blueprints to his clients as an added service he must collect GST.
Huge village plan for aged

Mercury Reporter

A R250 000 village for the aged — believed to be the biggest undertaking by any Rotary club in southern Africa, has been planned by the Germiston North Rotary Club, it was revealed at the annual conference of Rotary District 930 in Durban yesterday.

The home, to be called the Rotary Village, will have a two-fold purpose: it will provide accommodation for about 50 elderly people who will pay a minimal rent which will go towards providing income for the Prufca Old Age Home for the disabled, also in Germiston.

"We were appalled by the lack of facilities for the aged in our community, and have so far raised almost R200 000 in only six months," said the club's president, Mr. Ted Walter.

SABC TV will be devoting a complete programme to the project and Minister of Sport and Recreation — Dr. Piet Koornhof, will be the patron of the home which will be completed by June next year.

Also at the conference, the Deputy Secretary for KwaZulu Education, Mr. James Ndlovu, said matriculants were teaching matric classes at Kwazulu schools because of the teacher shortage.

"In fact, Black education is short of virtually everything except pupils," he said.

"We need about 3 000 additional teachers and were forced to use 1 800 unqualified teachers last year because of the shortage. Parents have been helping build classrooms because we need about 2 500 at various schools."

He said that in spite of contributions from many interested bodies, compulsory education in KwaZulu could not be enforced because of the shortage of funds to build teachers' training colleges and classrooms.
STATE HAS NEW PLAN FOR PENSIONS

By the Financial Editor

AFTER intense opposition from the pensions and insurance industry the Government is believed to have modified its proposals for a comprehensive pension scheme for South Africans.

Now, instead of making everyone belong to a State pension fund as originally mooting, it is understood the Government will propose that everyone must belong to some form of retirement fund.

Senior insurance officials believe legislation will be introduced during the next session of Parliament which will make membership of a pension or retirement fund compulsory by 1980.

It is expected the legislation will also lay down that an amount equal to at least 10 percent of the member's income must be contributed to the pension or retirement fund.

As happens in most pension schemes today, it is expected that a substantial portion of this will be borne by the employer.

The member will not receive any benefits from his retirement fund contributions until he reaches retirement age. This is in line with the Government's intention in launching the scheme, which is to reduce the amount of funds which the Treasury has to pay out as old-age pensions.

If a person leaves his employer he will not be able to cash his pension contributions as at present. Instead his own and his employer's contributions will be invested and made payable when he reaches retirement age. Or alternatively, all his rights can be transferred to his new employer's pension fund.

It is believed that the new scheme envisages that married women who contribute to a pension fund will also benefit only when they reach retirement age.

The Government is expected to check whether a person belongs to a retirement fund by monitoring his income tax return.

The scheme is expected to lead to many small companies without pension schemes scrambling to acquire one and, as is only to be expected, the pensions and insurance industry is beginning to gear itself up for the additional business.

One of the first in the field is Liberty Life which, in a rather novel approach, is planning to use insurance brokers who have traditionally specialised in 'short-term insurance business' as the spearhead of their campaign, says Mr. Hugo Biersma, Liberty Life's investment and pension marketing manager.

"These people usually have an excellent relationship with their clients, many of whom are small businesses," says Mr. Biersma. "It is the ideal people to handle this business."

They would, of course, be given the necessary training.

The role of the life insurance companies would be increasingly one of running pension funds.
A promise led to poverty...

By JUNE WOTHERSPOON

WHEN two pensioners were promised a place in an old-age home, they thought their troubles were over. They gave up their flat and sold their furniture in anticipation. Then the offer fell through. Now they are penniless, desperately ill, hungry and share a single, unfurnished room in Hillbrow.

(b) I prefer Falernum wine (i.e. Falernian pleases me more)

Falernum ________________ magis delectat.

(c) He gives Terentia advice about the will

______________ de testamento monet.

(d) I do not dare to give Terentia advice

suadere non audeo.

(e) Caesar came to Cicero's help

Cæsar ________________ subvenit.

(f) Atticus helps Cicero with money

Atticus ________________ pecuniā iuvat.

(g) He cannot hurt me:

______________ nocere non potest, but:

______________ laedere non potest.

23. A similar dative occurs with certain adjectives, e.g. amicus, inimicus, fidelis, par, invisisus, similis (also with genitive).

(a) Quis amicior quam frater fratri
(Who is more friendly than a brother to a brother?)

(b) Hominis fidelissimi sunt equus et canis
(The horse and the dog are most faithful to man)

(c) Ille mi pare esse deo videtur
(He seems to me the same as a god).
The man who is
Mr Somebody again

Man's humanity to man. That's the unusual theme of this story — the re-creation of an old man's identity. The "Mail's" Race Relations Correspondent, BOB HITCHCOCK, reports.

This is the story of Mr Nobody. A man who, for the past two years, has not officially existed. A man whose address was "no fixed abode".

Until last Monday, that is. It was then that Mr Nobody became Mr Somebody again, with the entry of his name in official registers.

It was thanks to a concerned white couple who reported the man's plight to the Rand Daily Mail, and the prompt action of Johannesburg's Coloured and Asian Affairs Department.

The re-creation of the identity of Mr Frank Lucas Oliphant, a 78-year-old coloured, began with a letter to the "Mail" from an Edenvale woman who wanted to remain anonymous.

The letter explained that she and her husband were shocked to find that crippled Lucas Oliphant was homeless and penniless and spending the sub-zero nights in the open outside the YMCA building in Braamfontein.

They had given him sandwiches from time to time — and a blanket, a jersey, a scarf and socks. The woman said: "Couldn't the Rand Daily Mail get the old man into a home? He would surely die if left to sleep in the open much longer."

The "Mail" carried out the first phase of the rescue operation on the bitterly cold evening of Thursday, June 25.

A staff writer and photographer found Mr Oliphant about to bed down in a murky, freezing corner in the street-level open garage of the YMCA.

His possessions, apart from the soiled and tatter clothes he was wearing, consisted of the one blanket and a plastic bag containing socks and jersey given him by the Edenvale Samaritans.

Even with the aid of a stick he could only shuffle. Arthritis had locked the right kneecap.

"How long have you been homeless?" he was asked.

"Two years," he replied.

"This is my third winter under the stars."

Mr Oliphant was whisked off the streets to the home of a "Mail" staffer.

Regular hot meals for the next four days gave his ash skin a glow it had not experienced in many months.

Slowly, over that period, Lucas Oliphant told his story, much of which has since been verified.

He says that while living on the corner of Rissik and Smit streets outside the YMCA he was helped mostly by whites, some of whom would occasionally throw him a few coins.

The police came to know him, but neither black or white patrolmen attempted to help him.

He has his experiences in the Second World War when he was a driver with the Cape Corps. Army number: 20982. His wife died many years ago, he says.

He was in Jordan House, an old-age home in Newlands subsidised by the Rand Aid Association.

He was evicted on June 21, 1975. He claims he was told to quit the home because he was "cheeky". The boy, he says, he was "aggressive and sometimes took a drink.

He was referred to a home for "indecencies" in Woodcliff.

(a) Now break this sentence up into the smallest units and write them in the space provided. Find a verb from the verb of the sentence is tra 1. 2. 3. 4. 5.

(b) Explain the case of te:

(c) Explain the case of tibi:

(d) Write down the adjectives to the noun:

adventum flores

25. The Genitive

The standard definition of the Genitive case is that this definition falls short of following examples:
Lucas Olphant, a couple of months ago, once again felt lonely. He needed a home and a family, but found none. The director of the department of social welfare, Dr. Daniel Sein, was called upon to help him. He was given a home and a job.

Lucas Olphant, a couple of months ago, once again felt lonely. He needed a home and a family, but found none. The director of the department of social welfare, Dr. Daniel Sein, was called upon to help him. He was given a home and a job.

I, Andries Petrus Treurnicht, Deputy Minister of Plural Relations, acting on behalf of the Minister of Plural Relations and Development by virtue of the powers vested in him by section 17(1) of the Social Pensions Act, 1973 (Act 37 of 1973), read with Proclamation R. 219 of 1973, hereby amend, with effect from 1 October 1978, the regulations contained in the Schedule to Government Notice R. 1034, dated 21 June 1974, in accordance with the accompanying Schedule.

A. P. TREURNICHT, Deputy Minister of Plural Relations.
<table>
<thead>
<tr>
<th>Income group</th>
<th>Annual income (allowing for means and circumstances)</th>
<th>Maximum annual grant</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>Null to R186</td>
<td>285</td>
</tr>
<tr>
<td>II</td>
<td>R186 to R196</td>
<td>299</td>
</tr>
<tr>
<td>III</td>
<td>R196 to R198</td>
<td>273</td>
</tr>
<tr>
<td>IV</td>
<td>R198 to R201</td>
<td>267</td>
</tr>
<tr>
<td>V</td>
<td>R201 to R205</td>
<td>261</td>
</tr>
<tr>
<td>VI</td>
<td>R205 to R209</td>
<td>255</td>
</tr>
<tr>
<td>VII</td>
<td>R209 to R213</td>
<td>249</td>
</tr>
<tr>
<td>VIII</td>
<td>R213 to R217</td>
<td>243</td>
</tr>
<tr>
<td>IX</td>
<td>R217 to R228</td>
<td>237</td>
</tr>
<tr>
<td>X</td>
<td>R228 to R234</td>
<td>231</td>
</tr>
<tr>
<td>XI</td>
<td>R234 to R240</td>
<td>225</td>
</tr>
<tr>
<td>XII</td>
<td>R240 to R250</td>
<td>220</td>
</tr>
<tr>
<td>XIII</td>
<td>R250 to R266</td>
<td>215</td>
</tr>
<tr>
<td>XIV</td>
<td>R266 to R274</td>
<td>207</td>
</tr>
<tr>
<td>XV</td>
<td>R274 to R280</td>
<td>201</td>
</tr>
<tr>
<td>XVI</td>
<td>R280 to R290</td>
<td>195</td>
</tr>
<tr>
<td>XVII</td>
<td>R290 to R300</td>
<td>189</td>
</tr>
<tr>
<td>XVIII</td>
<td>R300 to R316</td>
<td>183</td>
</tr>
<tr>
<td>XIX</td>
<td>R316 to R331</td>
<td>177</td>
</tr>
<tr>
<td>XX</td>
<td>R331 to R340</td>
<td>171</td>
</tr>
<tr>
<td>XXI</td>
<td>R340 to R346</td>
<td>165</td>
</tr>
<tr>
<td>XXII</td>
<td>R346 to Null</td>
<td>Null/Nil</td>
</tr>
</tbody>
</table>
death

SAYS EDWIN

JUZUNGU

A 16-year-old widow died of starvation because she could not afford a粒饭 to feed her children. Mr. Namuli, her husband, said that his wife, now 21, died at the Tribal Authority in Masaka. She was buried yesterday.

---

CUTTAWAY — A 16-year-old widow died of starvation because she could not afford a grain of rice to feed her children. Mr. Namuli, her husband, said that his wife, now 21, died at the Tribal Authority in Masaka. She was buried yesterday.

---

CUTTAWAY — A 16-year-old widow died of starvation because she could not afford a grain of rice to feed her children. Mr. Namuli, her husband, said that his wife, now 21, died at the Tribal Authority in Masaka. She was buried yesterday.

---

CUTTAWAY — A 16-year-old widow died of starvation because she could not afford a grain of rice to feed her children. Mr. Namuli, her husband, said that his wife, now 21, died at the Tribal Authority in Masaka. She was buried yesterday.

---

CUTTAWAY — A 16-year-old widow died of starvation because she could not afford a grain of rice to feed her children. Mr. Namuli, her husband, said that his wife, now 21, died at the Tribal Authority in Masaka. She was buried yesterday.

---

CUTTAWAY — A 16-year-old widow died of starvation because she could not afford a grain of rice to feed her children. Mr. Namuli, her husband, said that his wife, now 21, died at the Tribal Authority in Masaka. She was buried yesterday.

---

CUTTAWAY — A 16-year-old widow died of starvation because she could not afford a grain of rice to feed her children. Mr. Namuli, her husband, said that his wife, now 21, died at the Tribal Authority in Masaka. She was buried yesterday.

---

CUTTAWAY — A 16-year-old widow died of starvation because she could not afford a grain of rice to feed her children. Mr. Namuli, her husband, said that his wife, now 21, died at the Tribal Authority in Masaka. She was buried yesterday.

---

CUTTAWAY — A 16-year-old widow died of starvation because she could not afford a grain of rice to feed her children. Mr. Namuli, her husband, said that his wife, now 21, died at the Tribal Authority in Masaka. She was buried yesterday.

---

CUTTAWAY — A 16-year-old widow died of starvation because she could not afford a grain of rice to feed her children. Mr. Namuli, her husband, said that his wife, now 21, died at the Tribal Authority in Masaka. She was buried yesterday.

---

CUTTAWAY — A 16-year-old widow died of starvation because she could not afford a grain of rice to feed her children. Mr. Namuli, her husband, said that his wife, now 21, died at the Tribal Authority in Masaka. She was buried yesterday.

---

CUTTAWAY — A 16-year-old widow died of starvation because she could not afford a grain of rice to feed her children. Mr. Namuli, her husband, said that his wife, now 21, died at the Tribal Authority in Masaka. She was buried yesterday.

---

CUTTAWAY — A 16-year-old widow died of starvation because she could not afford a grain of rice to feed her children. Mr. Namuli, her husband, said that his wife, now 21, died at the Tribal Authority in Masaka. She was buried yesterday.

---

CUTTAWAY — A 16-year-old widow died of starvation because she could not afford a grain of rice to feed her children. Mr. Namuli, her husband, said that his wife, now 21, died at the Tribal Authority in Masaka. She was buried yesterday.
Dear Sir and Matron,

We are engaged in preparing a major study into our statistics, which will include:

- workforce size
- wages
- employment (by industry)
- union density
- the number of workers in the area
- age
- race
- sex
- unemployment
- industrial activity
- the number of unions
- industrial relations
- health

We are particularly interested in the last five years, and every assistance you can give us would be greatly appreciated.

The available sources are extensive, and we would be very grateful if you would help us in any way possible.

Yours sincerely,

[Signature]

[Note: The text is partially obscured and difficult to read due to the angle and quality of the image.]
DEPARTEMENT VAN VOLKSWELSYN EN PENSIÓNE

No. R. 1791 8 September 1978
WYSIGING VAN REGULASIES KRAFTENS DIE
REGERINGSDIENSTPENSIOENWET, 1973

Kragtens die bevoegdheid my verleen by artikel 17 van
die Regeringsdienstpensioenwet, 1973 (Wet 57 van 1973),
wyig ek. Frederik Willem de Klerk, Minister van Volkswel
ych en Pensioene, hierby na ooreig met die Minister
die Administrateurs vermeld in subartikels (6) van
genoemde artikel, die regulasies afgekondig deur Goewer
tenstakeningsgewes R. 1062 van 22 Junie 1973, soos gewysig,
soos in die Bylae hiervan uiteengesit.
F. W. DE KLERK, Minister van Volkswelwyn en Pen
sioene

BYLAE

1. Regulasie 3 word hierby gewysig deur in subregulasie
(2) die uitdrukking “2.7” deur die uitdrukking “2.85” te
vervang.
2. Regulasie 8 word hierby gewysig deur in subregulasie
(5) (a) subparagraph (i) deur die volgende subparagraph te
vervang:
“(i) die bedrag wat sodanige ander fonds vereis vir die
Tydperk van sy pensioengewende diens as lid van die fonds
vir die doeleindes van sodanige ander fonds te reken,
maar wat nie in die bylae benoem word nie, dus
regulasie 3 van subparagraaf (2) van die Bylae hiervan
uitgeval het; en”
3. Die bepaling van paragraaf 1 van hierdie Bylae word
geg op 1 April 1978 in werking te getree het.

DEPARTMENT OF SOCIAL WELFARE
AND PENSIONS

No. R. 1791 8 September 1978
AMENDMENT OF THE REGULATIONS UNDER
THE GOVERNMENT SERVICE PENSION ACT, 1973

By virtue of the powers vested in me by section 17 of
the Government Service Pension Act, 1973 (Act 57 of
1973), I, Frederik Willem de Klerk, Minister of Social
Welfare and Pensions, in consultation with the Ministers
and Administrators referred to in subsection (6) of the
said section, hereby amend the regulations promulgated by
Government Notice R. 1062 of 22 June 1973, as
amended, as set out in the Schedule hereto.
F. W. DE KLERK, Minister of Social Welfare and
Pensions.

SCHEDULE

1. Regulation 3 is hereby amended by the substitution
in subregulation (2) for the expression “3.7” of the expres-
sion “2.85”.
2. Regulation 8 is hereby amended by the substitution
in subregulation (5) (a) for subparagraph (i) of the follow-
ing subparagraph:
“(i) the amount which such other fund requires to
recoon the period of his pensionable service as a member
of the Fund as pensionable service for the purposes of
such other fund but not exceeding an amount calculated
in terms of subregulation (1) (a) and (b), unless the
Secretary for good cause otherwise directs; and”,
3. The provisions of paragraph 1 of this Schedule shall
be deemed to have come into operation on 1 April 1978.
Committee of inquiry into pension system

Own Correspondent

PRETORIA. — An interdepartmental committee of inquiry into pensions was appointed yesterday by Minister of Finance, Senator Owen Horwood, and Social Welfare and Pensions Minister Mr F W de Klerk.

The committee's terms of reference will be to negotiate with representatives of the pension and provident fund sector about steps necessary for:

- Compulsory preservation of pension funds by means of transfer rights;
- Conversion of part of lump-sum benefits into annuities, and
- Provision of satisfactory pension benefits for people with none.

The joint statement by the Ministers says the committee will determine its own programme, but that the question of the preservation of pension rights and the transferring privileges of lump-sum benefits would initially be given preference.

The statement warns people who are soon to retire with lump-sum benefits only not to make hasty decisions. "These persons are assured that any commitments made by them in anticipation of the payment of lump-sum benefits will not be overlooked when the question of the conversion of pension benefits is considered."

The Ministers said the following people had been appointed to the committee: Mr J W Louw, Registrar of Financial Institutions and who will be chairman; Mr W Swartbooi, actuary in the Office of the Registrar of Financial Institutions; Mr H E Huxley, Deputy Secretary for Social Welfare and Pensions; Mr J M van Rooyen, Under Secretary for Social Welfare and Pensions and Dr B van Staden, Reserve Bank advisor.

Mr F J M le Roux, of the Office of the Registrar of Financial Institutions, is secretary. Any inquiries or correspondence should be addressed to him as follows: The Secretary, Committee of Inquiry into Certain Specified Pension Matters, c/o Registrar of Financial Institutions, Private Bag X238, Pretoria 0001. Phone: Pretoria 48-4329.
Probe into pensions one-sided — Tucsa

Labour Reporter.
The 220,000-strong Trade Union Council of South Africa today expressed concern that the inquiry into improving the South African pension system makes no provision for participation by contributors.

The announcement of the inter-departmental committee of inquiry said merely that the committee would negotiate with representatives of the pension and provident fund industry.

"It's the contributors' money that's involved," commented Mr. Arthur Grobbelaar, general secretary of Tucsa.

"And the contributors should take part in the decision-making process."

A five-man committee of inquiry has been appointed to investigate pension matters following a statement made during the last parliamentary session by the Minister of Social Welfare and Pensions, Mr. F. W. van Zyl.

The committee, under the chairmanship of Mr. J. W. Louw, registrar of financial institutions of the Department of Finance, will investigate:

- The compulsory preservation of pension rights by means of transferability or otherwise.
- The commutation of part of lump-sum benefits into annuities.
- The provision of satisfactory pension benefits for that section of the community not enjoying such coverage at present.

The committee will negotiate with representatives of the pension and provident fund industry regarding these three aspects.

"It will make recommendations and submit draft legislation on the first two aspects during the first stage of its work," says a joint statement issued by the ministers of Social Welfare and Pensions and of Finance.

The second phase of its work will be devoted to the third aspect.

"People who have made commitments in anticipation of receiving lump-sum benefits have been assured that these will not be overlooked by the committee when considering the commutation of pension benefits."
The window above the fireplace has been filled with American oak and oak trim. The floor is a mixture of oak and maple, and the doors are solid oak. The fireplace is a reproduction of an older style, with a mantel and overmantel. The living room is furnished with antique furniture, including a large mahogany table. The dining room contains a large wooden hutch and a set of dining chairs. The kitchen is equipped with modern appliances, including a large refrigerator and a dishwasher. The bedrooms are furnished with comfortable beds and dressers. The bathrooms are equipped with modern fixtures, including a walk-in shower and a bathtub. The garden is a beautiful oasis with a pond and a variety of flowers and plants.
Pension inquiry
men appointed

Pretoria Bureau

AN INTER-DEPARTMENTAL committee of inquiry into improving South Africa's pension system was appointed yesterday by the Minister of Finance, Senator Owen Horwood, and the Minister of Social Welfare and Pensions, Mr F W de Klerk.

The committee will negotiate with representatives of the Pension and Provident Fund Industry about the steps necessary to ensure:

- The compulsory preservation of pension funds by means of transfer rights.
- The conversion of a part of lump-sum benefits into annuities.
- The provision of satisfactory pension benefits for the section of the community with no pension privileges at present.

The joint statement by the two Ministers said that the committee would determine its own working programme but that the question of the preservation of pension rights and the transferring privileges of lump-sum benefits would initially be given preference.

The following persons have been appointed to the committee:
- Mr W J E Beugge, Registrar of Financial Institutions;
- Mr F W J van der Merwe, Actuary in Charge of the Office of Finance of the South African Reserve Bank;
- Mr A W H A. van der Westhuizen, Financial Secretary of the Finance Department;
- Mr J H G. van der Merwe, Financial Secretary of the Department of Social Welfare;
- Mr F W G. de Klerk, Financial Secretary of the Department of Social Welfare.

Mr J H G. van der Merwe, Financial Secretary of the Finance Department.

The committee will be assisted by the Secretary, Mr J C. van der Merwe, and the Secretary, Mr A W H A. van der Westhuizen, and the Secretary, Mr F W J van der Merwe, and the Secretary, Mr W J E Beugge.
They have no proof of age, but recall the Boer War and Great Flu.

"I work on the land with my hands, but I'm always tired," says Captain Mbela. In his seventies, he has been battling since 1976 to get a pension.
their tattered clothes cluse around them — ancient greatcoats in the noonday Zululand sun — they go back to their kraals and wait to die.

"I'm too old to work on the land now," said Captain Mhla, a bright-eyed, scrappy old man with a triangle of goat skin slung over his shoulder. "I dig with the pick and plant vegetables, but I'm always tired," he said.

Asked how much land he had he gestured at the river. "From that bank to that bank," he said. It was about 50 m square.

Captain Mhla was a tenant farmer who used to work as a gardener in Estcourt, but his only crop was vegetables, which he used as lobola for his son's wife.

His two sons are in Johannesburg. They are building construction workers who have both lost their jobs. It seems that they are not successful in getting pensions.

Charlie Dludlala, a medical doctor from the Johannesburg district, showed me a medical report signed by the Johannesburg district surgeon in February 1976. It indicated that he was 100 percent disabled and recommended an old age pension. However, he had not received one.

Years ago, when the tenant farm system was abolished, he got work in Johannesburg as a nightwatchman. In 1976 he was told by police officers that he was too old to pay tax and should get a pension.

Fired

His employers then filled in a pension form. The pension office told him he was too young. He went back to his employers, who said if he was eligible for pension he was too old to employ. They dismissed him.

He went back to his birthplace, Tugela Ferry. Officials there ignored the medical report. He does not know what to do.

Nomathipho Khumalo, who has power of attorney for her blind mother, went to the Mnzeno store to collect her disability grant on Wednesday this week to be told there wasn't a card for her.

She has been collecting this grant for years, and has done a district survey of its legitimacy. She does not know what to do.

Tangle

The old age pension which black men over 65 and women over 60 are entitled to draw — it averages about B35 every two months — and the disability pension of about B33 which the disabled should get, is literally made the difference between life and death.

The 150 known cases who live in two valleys of the Msinga district, near Weenen, are probably a fraction of the KwaZulu people eligible for pensions but trapped in a tangle of bureaucracy.

KwaZulu's Minister of Health and Welfare, Dr Dennis Madlala, told the SUNDAY TRIBUNE he could not comment on people who were eligible for pensions but whose applications had been unsuccessful.

The magistrate of the area was the district pension officer, he said. Nobody checked the magistrate's decisions. He was the supreme authority. He admitted magistrate's could err in their assessments, but said pensioners stories could not always be true at face value.

He said there was a means test. If people applying for pensions have a farm or land or a working relative who could support them, they don't get grants. We have a limited budget. We can only give money to people who are absolutely in need.

"But I agree this is not a satisfactory system. We are thinking of changing it so that applicants get a pension without their means being questioned."

YACHT RACE HIT

THE Atlantic Triangle yacht race may have knocked the wind out of the sails of South Africa's own transatlantic race to be held in January.

With the official closing date for entries less than three weeks away only one of the 19 boats so far seeking a place in the fleet is foreign-registered, She is the U.S.-registered 21 m sloop Circus Maximus, of owner/skipper John Ruby.

More than 120 ocean racers headed westward from Cape Town in January 1978 for the last Cape-to-Rio race before the Brazilian Government banned further races.
Crush of fear in case time, money run out

MANY African pensioners in Guguletu queue throughout the night to collect their meagre old age and disability pensions which are paid out every second month by the Department of Plural Relations and Development.

They fear that there may not be enough time or money for those at the back of the queue to be paid on the set day. If they do not receive their pension, they have to make a tiresome and expensive journey to offices in Observatory to collect it.

The Argus investigated the plight of the pensioners after receiving complaints recently.

Among the first people to be paid at the Guguletu Civic Hall on Tuesday morning was an elderly couple who had been queueing for nearly 20 hours.

Mr Mac Nyanga, 72, of Section Two, Guguletu, said he and his wife Martha, 64, arrived at the hall at 2.30 pm on Monday.

Night outside

Like many others they spent the night outside the building, huddled against a fire against the cold. With them was Mr Robert Mocena, 63, who has been suffering from arthritis for seven years and receives a disability pension.

Mrs Regina Mfaco, 68, of Section Three, joined the queue at 4 am on Monday afternoon. She said she always came early.

There is often no money for those who are late and they have to go to the offices of the Department of Plural Relations and Development in Observatory to collect their pensions, Mrs Mfaco said.

By 8 am yesterday there were about 600 people seated in the hall and another 50 standing at the door. The pensioners were not expected until 10 am.

Near chaos

By 11.30 am the queue at the door had doubled in length — and there was near chaos inside.

Two long queues led to a crush of people around the tables. An official told them to sit down and more back simply resulted in a change of places.

The two white paymasters packed up their boxes of cash banknotes, threatening to leave. Black officials checking documents packed up the boxes of printed cards on which each pensioner has to put his fingerprint before payment.

Only the efforts of Administration Board social worker Mr Milliott Kotti to marshal the crowd into some sort of order prevented a complete stoppage of payment.

Best way

Some pensions, said the crowds and the long queues were a feature of all three centres in the Peninsula where black pensions are paid every two months — Langa, Guguletu, and Nyanga East.

Those interviewed agreed the best way to ease the situation would be to increase the number of points at which payments are made.

For many of the people, most of the money is taken up by rent. The full social pension for blacks is R20.50 a month, or R41 every two months. Rent each month in Guguletu for a four-roomed house is R17 a month, or R34 every two months (Where there is no other source of income in the house, rest of pensioners is waived).

From October 31, pensions will go up R3.25 a month. But rent will go up at the same time by R2.52 a month, pensioners said.

Those interviewed were unanimous that pensions should be paid monthly rather than every two months.

The Commissioner for the Peninsula, Mr L J van Heerden, referred queries on pensions to the head office of the Department of Plural Relations and Development in Pretoria.

A liaison officer in the department, Mr A J van Schalkwyk, said it was up to the local communities to suggest changes to the present system of payment if they were not happy with it. Community leaders should approach the department.

'We are always open to suggestions,' Mr van Schalkwyk said.
Patience

Pension

old-age

Waiting

for your

Is...

The Argus, Friday, September 22, 1978
Note: Paper issued by the employer is open to question. The insolvency of the employer should not be allowed to affect the solvency of the PF. Accruing pension rights should be recognised as deferred pay held for the prior offer.

Also no Technicians ranked among the top 25, according to the National Technicians Association. UAL’s Fredericksz ... socialism is with us.

The Whitelaw Report into Department of Education proposes to offer a course in terms of the Whitelaw Report into Department of Education. In that case, when the current Whitelaw Report into Department of Education are usually divided into three parts:

1. Engineering: courses in Mechanical, Electrical, and Chemical Engineering.
2. Business Administration: courses in Management, Accounting, and Marketing.

For the Whitelaw Report into Department of Education are usually divided into three parts:

1. Engineering: courses in Mechanical, Electrical, and Chemical Engineering.
2. Business Administration: courses in Management, Accounting, and Marketing.

For the Whitelaw Report into Department of Education are usually divided into three parts:

1. Engineering: courses in Mechanical, Electrical, and Chemical Engineering.
2. Business Administration: courses in Management, Accounting, and Marketing.
DEPARTEMENTE VAN FINANSIES EN VAN VOLKSWELSYN EN PENSIOEN

No. 1928 22 September 1978

AANSTELLING VAN 'N KOMITEE VAN ONDERSOEK NA SEKERE PENSOENAAANGELEENTHEDEN

Hierby word vir algemene inligting bekendgemaak dat die Ministers van Finansies en van Volkswelvy en Pensioen 'n Interdepartementele Komitee van Onderzoek met die volgende opdrag aangestel het:

Om met verteenwoordigers van die pensioen- en voorselfond-bedryf en ander belanghebbende liggende te onderhandel aangaande die stappe wat nodig mag wees om die volgende te verseker:

(a) Die verpligte bewaring van pensioenregte deur middel van oorlogbaarheid of andersin;
(b) die omsetting van 'n gedeelte van enkelbedrag-voordele in jaargelde; en
(c) die voorstelling van bevredigende pensioenvoordele vir elke gedeelte van die gemeenskap wat tens nie dekking in dié opsig geniet nie.

Die Komitee is opgedra om voorkeur te gee aan die bewaring van pensioenregte en die omsetting van enkelbedrag-voordele gedurende die eerste fase van sy onderzoek.

Die volgende persone is as lede van die Komitee aangestel:

(a) Mr J. W. Louw, Voorsitter;
(b) mnr. H. E. Huxham;
(c) mnr. W. B. Swanepoel; en
(d) mnr. J. M. van Rooyen.

GOVERNMENT GAZETTE, 22 SEPTEMBER 1978

No. 6162

Mr F. J. M. le Roux of the Office of Financial Institutions is Secretary to the Committee. Correspondence in connection with any matter falling within the Committee's terms of reference should be addressed to him as follows:

The Secretary, Committee of Inquiry into Certain Specified Pension Matters, c/o Registrar of Financial Institutions, Private Bag X238, Pretoria, 0001.

His telephone number is 48-4329, Pretoria.
Pensions up, but tax shock looms

DURBAN — White old-age pensioners will receive R9 a month more from the beginning of next month.

But many are in for a shock — some pensioned couples may now have to pay income tax.

The pension increase was announced in the Budget earlier this year. Mr George Oldfield, the New Republic Party’s spokesman on pensions, yesterday called on the Minister of Finance, Senator Owen Horwood, to raise the special tax abatement for those over 60 years old.

A married couple now receiving R79 a month old-age pension gets a total of R1 896 a year. This is just below the R1 900 income limit on which tax is not due, Mr Oldfield said.

“However, from October 1 they will receive R88 each or a taxable yearly income of R2 112 which is over the limit,” he said.

They will pay about R18 a year tax after deduction of abatements.

“So with this and GST, the R9 increase will be totally wiped out,” he said.

Mr Oldfield hit at the Government for not relaxing the means test in the last six years.

He said there were still many shortcomings, despite the increase.

Those receiving a private pension would be hardest hit, he said. Using as an example a widow receiving a pension from her late husband’s employer, Mr Oldfield said:

“If she receives only R42 a month old-age pension, she may get the maximum basic old-age pension of R58.

“It reduces on a sliding scale until the maximum she may receive privately is R82 and the R46 minimum old-age pension — a total of R130 for everyone.

But as soon as her private pension goes up to R83, she gets no old-age pension and her income is slashed by R47.

“This ceiling has been static for six years while the cost of living has been rocketing.

“One woman told me her rent had gone up to R70 a month and she will have only R18 to live on. Old-age homes have closed their waiting lists. What is she supposed to do?

“I have appealed to the Minister of Finance to increase the ceiling in the next Budget to R120 a month,” Mr Oldfield said.

Mr Oldfield said those receiving private pensions were penalised more than those living on their investments.

Pensioners could receive R280 a month from R34 000 invested and still receive the old-age pension. They also got bus and radio licence concessions, hospital and district surgeon services free, while those receiving an R83 or more private pension and no Government pension could not get these concessions, he said.

But those living off their investments would be hit by the recent 17% drop in building society interest rates.

“Many were scraping by before, but they won’t be able to now,” Mr Oldfield said.

Old age pensions, war veteran, disability and blind pensions are all affected by the means test. Mr Oldfield quoted a case of someone in sheltered employment whose salary, paid by the Department of Labour, was increased by R90 a week.

This put her yearly income up to R986.96 just R2.96 more than the means test limit and she lost her entire R41 a month disability pension, he said.
"Tax may swallow pensioners' increase"

EAST LONDON — On October 1 white old-age pensioners will receive a R9 increase.

But in addition to the recently imposed 4 per cent general sales tax some married pensioner couples will now be liable for income tax.

At present a married couple receives R79 a month old age pension each — giving them an income of R1 806 — which is just below the R1 900 income tax limit on which tax is not due.

On October 1, however, they will receive R88 a month each or a taxable yearly income of R2 112, which is over the limit.

They will pay about R18 a year tax after deduction for abatements according to the Receiver of Revenue.

With tax and the GST the R9 increase could be virtually wiped out for pensioners who receive no other income apart from their pensions.

According to Mr George Oldfield, MP for Umbilo, and New Republic Party spokesman, on pensions the hardest hit people include people like a widow receiving a pension from her late husband's employer.

"If she receives only R40 private pension a month she may get the maximum basic old age pension of R100.

"It reduces on a sliding scale until the maximum she may receive privately is R50 and the R40 minimum old age pension — a total of R190 for everyone.

"However, as soon as her private pension goes up to R88, she gets no old age pension and her income is slashed by R47," Mr Oldfield said. — DDR.
Into the thick

Though off to a slow start, the Interdepartmental Committee of Inquiry into Pensions is now well under way.

The five-man committee was appointed early in September by the Ministers of Finance and Social Welfare & Pensions to negotiate with representatives of the pension and provident fund industries and “other interested bodies.” The committee held its first meeting on September 19, and then approached those concerned (including Tuca) who have been asked to submit evidence by the end of October. The next meeting is planned for early November. There will also be provision for oral evidence.

The committee's terms of reference are to consider steps to ensure:

- The compulsory preservation of pension rights by means of transferability or otherwise;
- The commutation of a part of lump-sum benefits into annuities; and
- The provision of satisfactory pension benefits for that section of the community not enjoying such coverage at present.

The first two points are to be tackled first. As they are relatively much simpler than the third the feeling seems to be that legislation may be forthcoming next session. Still, there are some contentious matters to be settled.

Transfer value

For instance, under the first, supposing a man moves to a job where there is no pension fund, and for some reason his pension cannot be preserved in the old fund, presumably some kind of retirement annuity would have to be purchased. But the main problem will be coming to an agreement on a formula for calculating the minimum transfer value from the existing fund.

Under the second point the main problem is to determine how much pension must be retained before taking lump sum benefits. One approach is to require a pension of 150% or more of the maximum old age pension. This applies particularly to provident funds as under pension funds two-thirds of the full pension due must be taken as a pension and only one-third can be commuted.

In this connection the ministers, in their press statement, dropped a reassuring hint: “Persons who will retire with lump sum benefits only in the near future are advised not to make hasty decisions. These persons are assured that any commitments made by them in anticipation of the payment of lump sum benefits will not be overlooked when the question of the commutation of pension benefits is considered.”

The real difficulties will only come up when it comes to grappling with the third point. Problems come up such as what to do about people whose wage structure is such that they cannot make provision, or who can't find employment. Or, how to avoid making the cost of employing labour (such as agricultural labour) too high? To say nothing of the administrative cost and trouble of setting up and maintaining records in respect of casual labour, and of people who work irregularly and change rapidly from job to job.

This may all take years to resolve.
The aged black
— tragic victim
of SA society

By Sally de
Vasconcellos

They are old and hungry. They don’t remember where they came from, they don’t know where they’re going. Some don’t even care anymore. They are just waiting to die.

These are the inhabitants at house number 179A and 729, Naledi, Soweto.

Inside the rickety doors of these two cramped little shacks you find yourself face to face with what has been described as one of the most tragic problems in South Africa - the problem of old age in black townships.

Twenty-two people, including six children, live in these two Naledi houses - which Soweto residents call "transit camps".

Of the 16 adults, 14 are too old to work for themselves. Some are crippled, some mentally deficient, most of them ill.

They are living in the Consolidated Main Rofisile (CMR) slum, which was closed by the West Rand Board last October for economic reasons. Some were then moved to their present squatter conditions - they have no relatives.

Where will they be next month?
Temporary

No one seems to know. A spokesman for the West Rand Board told Fair Deal that the inhabitants of these two houses were the responsibility of the Department of Plural Relations. WRAB was looking after the people at the request of that department.

A spokesman for the Department of Plural Relations said that the Naledi houses were "temporary old-age homes." He said black old people could be placed in old-age homes in South Africa when there was space for them. If they preferred, they could ask the department if they could go to a home in a homeland, where they had relatives. He said he did not know when there would be space in an old-age home for these people in Naledi.

When Fair Deal visited 726 Naledi, two old men, who were sitting outside, eyed us indifferently. "Whether they move us or we remain here, it doesn't matter anymore," said ex-builder Mr Moses Hartbeeste. His legs were amputated after an accident at work. He could not remember how long he had been in the house and did not know where he came from.

Mr Jackson Ndlovu

Lying down

One of them, 65-year-old Mabel Nkolorosi, born at Coligny, Transvaal, had an accident in 1978. Since then she has been without a leg.

It was midday and she was still under her blanket — it was too much of an effort to move around.

"Whether they send me somewhere, or not, it doesn't matter," says Mr Moses Hartbeeste, who lives in a bare, small four-roomed "transit house" in Soweto supplied by WRAB.

No homes for blacks

The Council for the Care of the Aged say there are 34 old-age homes for whites on the Reef, but none for blacks.

The Department of Plural Relations says that throughout South Africa excluding the homelands, there are four old-age homes for blacks accommodating about 172 people. The Institute of Race Relations has estimated that in the homelands there are 25 homes which accommodate about 2 800 people.

"It is a tragic situation," said Mrs Deborah Mablieta, director of women's work in the South African Council of Churches. "As our black people get old, they see no future," she said.

Eugene Boelofse, ombudsman for the South African Council of Churches is horrified at their plight. "It's all very well to say simply, 'send them to the homelands,' but who do you send them to and where? Some of them have been born and bred in Johannesburg. How are these people expected to make this adjustment? How do they exist?"

Mrs Joyce Harris of the Black Sash said: "The total absence of old-age homes for black people is yet another example of the paucity of services offered them. When people get old they want to be in places familiar to
Rebate on rates for pensioners

And in addition to the income and age qualifications, only those who own and reside on properties with a single dwelling will be eligible.

Application for the rebate will have to be made on an annual basis before September 30 each year.

Mr Howell warned that it had been impossible to implement the scheme in 1979 and pensioners must not expect to receive the rebate in their next rate account.

They should not apply for the rebate until next year after they have received the circular from his department and the necessary application form. — DDR.
Pensioners in Guguletu queue all night

By PADDY ATTWELL

ABOUT 20 old-age pensioners began queuing up outside the Guguletu Civic Hall last night to collect their bi-monthly pensions, according to reports from the township.

Some of the pensioners, who receive up to R41 every two months, were dozing down on the hall's front door, according to a Guguletu resident, Mr Phizga Mhlapo. Many did not have blankets, he said.

A Cape Times reporting team could not visit the scene because they did not have permits to enter the township.

The Cape Times asked the Rev Wesley Mabuza, minister at the Guguletu Methodist Church, to investigate on its behalf.

"I was shocked, very shocked," Mr Mabuza said. He said it was common knowledge that pensioners queued up all night for their pensions, but he had not expected the situation to be as "bad" as he found it.

9 - 9.50 p.m.

Some of the pensioners queuing up were members of his congregation who could not come to night meetings at his church because of leg, chest and heart trouble.

"But pensions are their food, their bread. It is their life," Mr Mabuza said.

"It's so late, I don't know what to do," he said. He said he was told that pensions would be paid out at 10.30 am today. He was told that Administration Board officials often ran out of money before all the pensions were paid and that those who did not receive pensions were instructed to collect their money from the Social Affairs Commission.

But because of delays pensioners found it easier to wait all night for their money.

"It's a disgrace that the government can pay R12 million for a newspaper and then expect people who have made their contributions to the country to go through this," he said.

Brigadier J H van der Westhuizen, chairman of the Peninsula Administration Board, was telephoned at 11.30pm.

"I have no comment to make at this time of night," he said.

Mr Wallace Ngobeni, chairman of the Friends of the Disabled and Aged, an organisation based in Guguletu, said late last night that he was trying to raise the caretaker of the hall to open it so that the pensioners could sleep inside.

"It is said that they should have to suffer for the little they get only every two months," he said.

Sunday, 18th February (Student Workshop) Arts Block

10 - 12.00 p.m. Afrikaans/Nederlands Room A. 2

Social Anthropology Room A. 4

Archaeology Room A. 6

Classics Room A. 8

Cultural History Room A. 102

Philosophy Room A. 10

Economic History Room A. 12

German Room A. 16

Hebrew Room A. 105

History Room A. 107

Political Science Room A. 111

French/Italian Room A. 117

Speech and Drama Room A. 101

Religious Studies Room A. 109

Public Administration Room A. 113

Librarianship/Music Room A. 201

Monday, 19th February (Course Information Lectures) Beattie Building

9 - 9.50 a.m. Afrikaans/Nederlands Beattie Theatre

10 - 10.50 a.m. French Intensive Room B. 115

French I Room B. 105

10 - 10.50 a.m. Education Room B. 106

10 - 10.50 a.m. Law Room B. 114
Home for frail and aged may be forced to close

Trustees of the home say the frail and aged section of the home needs at least 24 residents to be run economically.

A home of this type required one nurse for every eight patients.

Only one nurse was employed to look after the 10 patients.

"She is already overworked but we cannot afford to employ a second sister unless we increase the number of beds," said Mrs. M. Eckard, a member of the Board of Trustees.

"If we are not able to do this we may have to close the aged and frail section," she said.

Mr. Eckard said that the home required R40 000 to build accommodation for further eight beds, a similar amount would then be required to acquire the further beds necessary to make the section economic.

Mrs. Eckard said that the situation was becoming desperate.
SOCIAL SECURITY
PENSIONS / CARE FOR AGED

300

9/2/79

30 / 12/79
The pension funds saga

Surely pension fund managers, some of whom are said to be so alarmed about the prospect of compulsory transfers, can see the sense of allowing pensioners to transfer their schemes themselves and are thinking about strategies to block the move. After all, they are already considering the ability to retain personal information, making it unattractive for someone else to take on their fund. It seems that a proportion of the managers are already planning to cash in on the change.

Finally, there will be administrative problems for members who withdraw their funds. For example, the fund must be able to show that the funds were not used to buy additional pension plans, Old Mutual, in its 1993 report to government, was unsure whether the fund would have the resources to meet the costs of administration under the new legislation. The fund has also stated that it would be difficult to ensure that the new legislation is implemented correctly.

The idea of a pension fund in the UK has been under discussion for some time. The government has allowed the creation of employee-owned pension funds in the 1980s, and these have been very popular. The Labour government introduced proposals for a new type of pension fund in the 1990s, and these have been widely discussed. The government has stated that it intends to introduce legislation to allow the creation of these new pension funds, but it is not clear how these funds will work in practice. The government has also stated that it will introduce new legislation to allow the creation of pension funds for the self-employed, but it is not clear how these funds will work in practice.

The government has stated that it will introduce legislation to allow the creation of these new pension funds, but it is not clear how these funds will work in practice. The government has also stated that it will introduce new legislation to allow the creation of pension funds for the self-employed, but it is not clear how these funds will work in practice.

The government has stated that it will introduce legislation to allow the creation of these new pension funds, but it is not clear how these funds will work in practice. The government has also stated that it will introduce new legislation to allow the creation of pension funds for the self-employed, but it is not clear how these funds will work in practice.

The government has stated that it will introduce legislation to allow the creation of these new pension funds, but it is not clear how these funds will work in practice. The government has also stated that it will introduce new legislation to allow the creation of pension funds for the self-employed, but it is not clear how these funds will work in practice.

The government has stated that it will introduce legislation to allow the creation of these new pension funds, but it is not clear how these funds will work in practice. The government has also stated that it will introduce new legislation to allow the creation of pension funds for the self-employed, but it is not clear how these funds will work in practice.

The government has stated that it will introduce legislation to allow the creation of these new pension funds, but it is not clear how these funds will work in practice. The government has also stated that it will introduce new legislation to allow the creation of pension funds for the self-employed, but it is not clear how these funds will work in practice.
Brigadier was very pleased with what had been done and I think was much relieved that we did not lose men trying to carry out a foolish order. The order came from Kitchener, but it was the Brigadier that sent out a perfectly inadequate force. Spies said that at least 450 Boers were in the hills in and behind the Nek.

14th June

our 5 inch

Fusiliers with the Brigade if the Boer go at it by

12 Mr. G. N. OLDFIELD asked the Minister of Social Welfare and Pensions:

(1) Whether the inter-departmental committee investigating the transferability and preservation of pension benefits has submitted a report; if so, (a) when and (b) what are the recommendations of the committee; if not, when is the report expected to be submitted;

(2) whether legislation in regard to the matter is to be introduced during the current session.

The MINISTER OF SOCIAL WELFARE AND PENSIONS:

It was a bad march to the expected to be a failure.

(1) No.

(a) Falls away.

(b) During the course of this year.

(2) Probably not.

four guns R.H.A. and of Inniskilling Nek. I remarked to could not take it He said, "Oh we won't

id at 6:30 a.m. we ambulances as I fully id not like the job here the previous day were kept in reserve. Captain Feilden's Squadron was sent in front. We saw Boers again on the skyline but they did not fire a shot. Feilden's verbal orders were 'to go up the hill to the east of the Nek but not to persist in the attempt if he met with severe opposition'. The Nek itself was so exposed and entrenched at the top, that no attempt could succeed that way.
Schwarz plan for pensioners

CAPE TOWN — With interest rates tumbling and thousands of pensioners on fixed income facing the prospect of a lower standard of living, the Opposition's chief finance spokesman, Mr. R. Schwarz, has come up with a novel way of easing the blow.

He has suggested that the Government issue a savings bond at a high interest rate which only the elderly can buy.

The bonds, carrying an interest rate of say 10 per cent, could be confined to those over 60 and the amount to be invested would be limited. The bonds would be redeemable on three months notice after two years.

"Interest rates have fallen substantially in recent times. This should encourage investment by the elderly and benefit to traders and is good for the Stock Exchange," Mr. Schwarz said.

"However, how good is it for the pensioner? The man or woman who has saved for retirement and for old age? These people have contributed by their work to the community. They draw no social pensions, they are not a burden on the community. They invest their savings mostly in banks and building societies or postal savings media.

"A drop in interest rate of one per cent and an inflation rate in excess of 10 per cent results in an undeserved drop in living standards in excess of 20 per cent a year. What have widows and pensioners done to deserve this?"

"Now we face a further drop in interest rates. Should something not be done to assist. Tax concessions for the elderly are not an adequate solution. The Government has rejected indexed savings bonds," he said.

1. All members of the group playing should be fair. They will then have to devise a character to fit this role of their leader to take. The Sultan is an evil, immoral and anti-imperialist government. They are going to change the course of the Mediterranean by sending their fleet to Britain and drawing attention to the war. When the battle has finished, possibly other parts of Europe will be left to them.

2. The Sultan will also have to do something to increase the trade of their port. They will have to sell slaves and possibly start a business with the British.

3. The Sultan will also have to pay for the war and the Santo Domingo affair. They will have to find the money in the treasury of their ship.

4. The Sultan will also have to pay for the war and the Santo Domingo affair. They will have to find the money in the treasury of their ship.

5. The Sultan will also have to pay for the war and the Santo Domingo affair. They will have to find the money in the treasury of their ship.

6. The Sultan will also have to pay for the war and the Santo Domingo affair. They will have to find the money in the treasury of their ship.

7. The Sultan will also have to pay for the war and the Santo Domingo affair. They will have to find the money in the treasury of their ship.

8. The Sultan will also have to pay for the war and the Santo Domingo affair. They will have to find the money in the treasury of their ship.

9. The Sultan will also have to pay for the war and the Santo Domingo affair. They will have to find the money in the treasury of their ship.

10. The Sultan will also have to pay for the war and the Santo Domingo affair. They will have to find the money in the treasury of their ship.

11. The Sultan will also have to pay for the war and the Santo Domingo affair. They will have to find the money in the treasury of their ship.

12. The Sultan will also have to pay for the war and the Santo Domingo affair. They will have to find the money in the treasury of their ship.

13. The Sultan will also have to pay for the war and the Santo Domingo affair. They will have to find the money in the treasury of their ship.

14. The Sultan will also have to pay for the war and the Santo Domingo affair. They will have to find the money in the treasury of their ship.

15. The Sultan will also have to pay for the war and the Santo Domingo affair. They will have to find the money in the treasury of their ship.

16. The Sultan will also have to pay for the war and the Santo Domingo affair. They will have to find the money in the treasury of their ship.

17. The Sultan will also have to pay for the war and the Santo Domingo affair. They will have to find the money in the treasury of their ship.

18. The Sultan will also have to pay for the war and the Santo Domingo affair. They will have to find the money in the treasury of their ship.

19. The Sultan will also have to pay for the war and the Santo Domingo affair. They will have to find the money in the treasury of their ship.

20. The Sultan will also have to pay for the war and the Santo Domingo affair. They will have to find the money in the treasury of their ship.

Though played in a lighthearted way, this exercise is basically a serious attempt to extend the historical imagination of all its participants. You will appreciate the exercise more fully if you approach it through some fairly intensive reading. Among the works you will find relevant and stimulating are the following:
543. Mr. J. N. MALCOLMSS —asked the Minister of Social Welfare and Pensions:

(1) (a) What amount of the additional funds for welfare services announced by the Minister of Finance in his budget speech last year was allocated for subsidies for old age homes and (b) how much of this amount (i) has been and (ii) will be spent during the current financial year;

(2) how many old age homes (a) qualified for subsidies in the current financial year and (b) were classified as category A, category B and category C homes;

(3) (a) how many old age homes of each category received a higher subsidy under the Department's new budget system and (b) in how many cases was this increase more than 10 per cent of the subsidy under the old system;

(4) how many homes in each category are in (a) rural areas and (b) Johannesburg, Pretoria, Durban, Bloemfontein, Cape Town, Port Elizabeth and East London, respectively.

The MINISTER OF SOCIAL WELFARE AND PENSIONS:

(1) (a) R1 735 000.

(b)(i) and (ii) It is not possible at this stage to indicate how much of the additional funds has been or will be spent. It will only become evident later during the year when closing the books for the financial year in question what the factual position is.

(2) (a) 300.

<table>
<thead>
<tr>
<th>Category A</th>
<th>Category B</th>
<th>Category C</th>
</tr>
</thead>
<tbody>
<tr>
<td>83</td>
<td>168</td>
<td>49</td>
</tr>
<tr>
<td>37</td>
<td>51</td>
<td>20</td>
</tr>
<tr>
<td>37</td>
<td>39</td>
<td>18</td>
</tr>
<tr>
<td>65</td>
<td>119</td>
<td>31</td>
</tr>
<tr>
<td>6</td>
<td>17</td>
<td>7</td>
</tr>
<tr>
<td>3</td>
<td>11</td>
<td>4</td>
</tr>
<tr>
<td>2</td>
<td>6</td>
<td>1</td>
</tr>
<tr>
<td>1</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>5</td>
<td>8</td>
<td>1</td>
</tr>
<tr>
<td>Nil</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>1</td>
<td>3</td>
<td>1</td>
</tr>
</tbody>
</table>
Mr. G. GOLDFIELD asked the Minister of Social Welfare and Pensions:

Whether consideration has been given to excluding pensions received in terms of the Military Pensions Act for the purposes of the means test applied to persons applying for social pensions under the Social Pensions Act; if so, what is his attitude in this regard; if not, why not.

The MINISTER OF SOCIAL WELFARE AND PENSIONS:

Yes. It will however amount to discrimination between pensioners inter se as part of the income of military pensioners will be disregarded for pension purposes whilst all the income of other pensioners is taken into account. In addition it will involve additional expenditure which cannot be justified at this stage.
328. Mr. G. N. OLDIELD asked the Minister of Transport:

(a) How many persons are at present receiving railway pensions and (b) how many such pensioners were awarded pensions prior to 1 December 1973.

The MINISTER OF TRANSPORT:

(a) 65,343.

(b) 32,425.
In late 1976, in the Mauve detention camp, outside Malawi's old colonial capital, Zomba, there were detained fifty-five university graduates. Forty-five were from the Northern Region. Between 1971 and 1976, many senior administrators and lecturers at the University of Malawi were detained. Owing to the fact that the country was in an economic recession brought about by the collapse of the tobacco market, there were no jobs available in the country. As a result, many people moved to the rural areas where the cost of living was lower.

In early 1976, sixteen people employed at the vital National Statistical Office were detained. All were from the Northern Region. Children from non-traditional schools were being educated by their parents, and the number of schools was increasing. However, many of these schools were not registered, and the government was struggling to provide adequate funding.

The growing ethnic divisions in Malawi have not attracted scholarly attention. Since the late 1950s, historical research has been dominated by a focus on political history, emphasizing the growth of nationalism during the colonial era. Nationalist historiography has tended to see almost any form of resistance to colonial rule as contributing to the growth of an almost teleologically determined process toward independence.
Old-age/veteran’s/disability/blind person’s pension.

387. Mr. G. N. OLDFIELD asked the Minister of Social Welfare and Pensions:

(1) How many White persons are at present receiving (a) old-age, (b) veteran’s, (c) disability and (d) blind person’s pension?

(2)(a) what is the present means plus pension limitation in terms of the means test for social pensions and (b) what is the present minimum social pension payable.

The MINISTER OF SOCIAL WELFARE AND PENSIONS:

(1) (a) 139 416 on 28 February 1979.

(b) 13 965 on 28 February 1979.

(c) 25 363 on 28 February 1979.

(d) 800 on 28 February 1979.

(2) (a) R1 560 per annum.

(b) R48 per month.
386. Mr. G. N. OLDFIELD asked the Minister of Social Welfare and Pensions:

(a) How many persons are at present receiving civil pensions and (b) how many

such pensioners qualified for civil pensions prior to 1 July 1973.

The Minister of Social Welfare and Pensions:

(a) 72,793.

(b) 39,012.
389. Mr. G. N. OLDFIELD asked the Minister of Indian Affairs:

(1) How many Indian persons are at present receiving (a) old age, (b) veteran's, (c) disability and (d) blind person's pension?

(2) (a) What is the present means plus pension limitation in terms of the means test for social pensions and (b) what is the present minimum social pension payable.

The MINISTER OF INDIAN AFFAIRS:

(1) (a) 16,318.

(b) 237.

(c) 14,462.

(d) 220.

(2) (a) R825,00 per annum.

(b) R27,75 per month.
Mr. G. N. OLDFIELD asked the Minister of Plural Relations and Development:

(1) How many Black persons are at present receiving (a) old age, (b) wife's, (c) disability and (d) ELC person's pension?

(2)(a) What is the present means test pension limitation in terms of the means test for social pensions set out in what is the present minimum social pension payable.

The MINISTER OF PLURAL RELATIONS AND DEVELOPMENT:

(1) The following figures do not include pensioners in the self-governing Bight:

(a) 188 541.
(b) 437.
(c) 83 592.
(d) 4 762.

(2) (a) R126 plus R285.
(b) R165.
Coloured person present

388. Mr. G. N. G. Dhludhlo
Minister of Coloured Relations

(1) How many Coloured persons are in present Revenue: (a) Old Age; (b) veterans (2) Old Age; (c) Invalid persons' pension.

(2) (a) What is the present mean for pension limited in terms of the means test for social pension and (b) what is the present minimum social pension payable.

The MINISTER OF COLOURED RELATIONS

Welfare for Coloured persons in the Republic is a matter which has been delegated to the Executive of the Coloured Persons' Representative Council. I have, however, authorised that the NRC to the question is as follows:

(1) (a) R4 037.

4 MARCH 1979

(b) 7 647.

(c) 50 616.

(d) 1 651.

(2) (a) R825.

(b) R27.75 per month.
GENERAL PENSIONS BILL.
(Second Reading)

*The MINISTER OF SOCIAL WELFARE AND PENSIONS: Mr. Speaker, I move—
That the Bill be now read a Second Time.

This Bill is merely a consolidating measure and the necessary certificate has been submitted by a State Law Adviser.

Question agreed to.
Bill read a Second Time.
Committee Stage taken without debate.
Bill read a Third Time.
Pension fund millions ‘need tighter auditing’

A strange phenomenon of the R100bn pensions industry is that although massive amounts of money are injected into funds every year, the controls that could normally be expected on such sums are frequently not imposed.

That’s the view of Mr. Michael O’Hara, MD of African Pension Trustees. Mr. O’Hara made his points at a seminar on pension fund management arranged by Hill Samuel in Johannesburg today.

“Running a pension fund without formally appointed trustees, regular meetings of trustees and formal reporting is like running a company without a board of directors. Yet that is precisely what takes place in many cases,” he told delegates.

He also “found it strange” that the registrar (of pension funds) does not require an annual audit of insured funds.

Reason for this was the dubious theory that contributions are paid to an insurance company, and since the insurance company itself is audited, no audit of an individual fund is needed, “I do not accept the logic of this situation,” he said.

The principles of trusteeship were frequently not known or simply ignored, where trustees or quasi-trusts exist in South Africa — the establishment of a pension fund automatically creates a trust under South African law.

“Normally, managerial duties make it extremely difficult to devote time to the management of pension funds,”

The role of the principal officer or secretary of the fund was therefore vital in ensuring that the necessary controls are imposed.

A recent trend was towards the election of member trustees. These were often individuals with no concept of the formal requirements of trusteeship.

Trust law does, on the other hand, provide for the appointment of outside advisors in matters such as accounting, investment and actuarial advice. However, none of these steps absolved the trustees themselves from their basic responsibilities to the pension fund.

“It is imperative that managers of funds be aware of their responsibilities and be in a position to take steps to protect their own and their members’ interests and investments,” said Mr. O’Hara.
The Newsome of General Welfare and Rent Control, S. W. van der Merwe, will not be able to provide social welfare and rental provisions, but by this rent increases will have to be imposed, he stated. Mr. Cillik said that the function of the Newsome of General Welfare and Rent Control was to provide housing for the poor.
Pensions 'graft and corruption'

GRAFT and corruption in the payout of old age pensions resulted in stoppage of pensions and great suffering for many old people, according to a report from Natal.

When graft was discovered, all pensions were simply cancelled and recipients were told to apply again.

"The suffering caused by this cumbersome method is cruel beyond description and worst of all a futile exercise," the report said.

Pensions were reinstated, but not retrospectively. Old people had been kept waiting for up to eight years, being told each year to apply again.

This caused great hardship as the cost of application was high. The applicant had to pay bus fare for the local Induna (headman) to travel to the office to vouch for the applicant's age. The cost of feeding the Induna for the day was also paid by the applicant.

"This was usually repeated more than once, as the clerks kept the queue waiting and demanded graft money before they would move," said the report.

It suggested use of a mobile van for clerks to visit chiefs' homes which would save "untold misery for the aged and crippled".

Pensioners 'robbed at pay offices'

CONFERENCE was told that how pensioners were robbed at pay offices in KwaZulu. "The queue fills up to the table, where each person is asked by the first clerk to sign or thumbprint for their money. They then pass on to the next clerk, who pays them the money they signed for, but short."

"If the person protests, the money is withdrawn and he is told the money will be passed back to Pretoria, at which the pensioner asks to withdraw the complaint and accepts the short pay gratefully."

"Any later query reveals that he signed for the full amount."

12 km walk for some pensioners

PAYMENT of pension in some KwaZulu areas was so cumbersome that transfer from one payout point to another was impossible. Hence some people who lived at payout point A were forced to walk 12 kilometres to payout point B, while others left B to walk to A for their pensions.

The only method of transfer was to cancel one's pension at the payout place and reapply, with all the risks attached at one's next place of residence. One might never see the pension again, the report said.
Help pensioners' plea

THE ASSEMBLY — Dr Alex Boraine (FFP, Pinelands) yesterday made an impassioned plea to the Minister of Posts and Telecommunications, Mr F W de Klerk, to relieve the plight of former Post Office employees who are now on pension.

Speaking during the second-reading debate on the Post Office Budget, Dr Boraine said these people were having a real problem in trying to make ends meet.

He asked the Minister to at least exempt them from paying telephone rentals in the same way the present employees of the Post Office were afforded this privilege.

Dr Boraine said he had received a letter from the secretary of the Post Office Pensioners Club in the Cape pleading with him to seek relief for them from the financial plight in which many of their members found themselves.

The club had also written to the Prime Minister, Mr P W Botha, seeking his assistance in the matter.

Old-age pensioners were the people who were most dependent on postal and telephone services to keep in touch with their relatives and therefore they would be the ones most hard hit by the tariff increases.

He said it was ironic that the very people who built up the Post Office should be paralysed by the hikes in the present budget.

Replying the Minister, Mr de Klerk pointed out the Post Office did not in fact have a pension scheme and that retired employees were provided for under another Government department.

The Government was nevertheless mindful of the plight of old-age pensioners and would do all it could to assist them.
Miners’ pensions up

STAR 26/3/79 300

Pensioners who retired after 1974 will receive proportionately lower increases. The pensions of those who retired after 1977 or who retire in future will be increased as well.

Until now, retiring members wishing to provide pensions for their widows had to take substantial reductions in their own pensions.

Now, the pensions of these members will be cut by a maximum of 12.5 percent. The widow will also receive a better pension, the chamber says.

“Ex gratia payments for long service are paid to blacks but, on the whole, they don’t have the length of service which would qualify them for pensions,” the spokesman said.

**Image Description:**

- A photograph of two men holding a large statue or monument. They appear to be celebrating or presenting the statue.
- Text on the image: "Mr Jacobus Schultz (left) and a former mine captain. They were photographed at the miners’ statue in Rustl Street, Johannesb..."
PFP slam pension increases

CAPE TOWN — The new pension rates announced in the Budget yesterday widened the gap between monthly pensions paid to blacks and whites by R5.25.

This brings the gap between pensions paid to blacks and whites to R69.80 a month.

The pension gap has increased despite the statement by Sen Horwood in his Budget speech yesterday that “pension differentials” between different population groups had been decreased.

The new rates have been described as “deplorable and harshly discriminatory” by Mr Horace van Rensburg, chief opposition spokesman on social welfare.

Although the new pension rates provide for a higher percentage increase for blacks than whites, in terms of hard cash, the pensions gap will increase.

The pension increases of 10.2 per cent for whites, 15.1 per cent for Coloureds and 15.8 per cent for blacks mean the following in hard cash:

- Pensions for whites increase by R9 a month, bringing them to R37.
- Pensions for Coloureds and Indians increase by R5.25 a month, bringing them to R54.
- Pensions for blacks increase by R3.75 a month, bringing them to R27.50.

Commenting on the figures, Mr Van Rensburg said: “This is race discrimination in its harshest form practised against the most defenceless members of our society.”

The Minister’s statement that he was “further narrowing pension differentials” was among the most cynical words ever spoken on the subject,” Mr Van Rensburg said.

“The so-called pension increases are again harshly discriminatory.”

Mr Van Rensburg condemned the pension increases for all races, describing them as...
Barry Street: Cape Town

Year
same grants until the 2002/3 financial

AT the present rate, White and Coloured

next century

Pension Gap will continue into

300 The Natal Mercury, Wednesday, April 4, 1979
DEPARTMENT OF THE PRIME MINISTER

No. 746.  5 April, 1979.

It is hereby notified that the State President has assented to the following Act which is hereby published for general information:


DEPARTEMENT VAN DIE EERSTE MINISTER

No. 746.  5 April 1979.

Hierby word bekend gemaak dat die Staatspresident sy goedkeuring gegee het aan die onderstaande Wet wat hierby ter algemene inligting gepubliseer word:

Call for 2kw equalised pensions

Own Correspondent

KIMBERLEY — The South African Legion has called on the Government to 'equalise war disablement pensions paid to World War 1 and World War 2 pensioners with higher pensions for post-war ex-servicemen. Delegates to the 58th annual congress held in Kimberley at the weekend expressed concern at the Government's delay in equalising the war disablement pensions and allowances to post-war "member" pensioners and those whose pensions and allowances were "consolidated" on July 1 1978.

They unanimously resolved that the Government be urged to equalise the pensions of all "consolidated" pensioners of all races with those paid to "member" pensioners.

The Legion also called a great hunger strike on the Legion and the departments of Plural Relations and Coloured Affairs to make eligible black and coloured "servicemen aware of their pension rights." The strike was fully supported by workers' unions, trade unions and community organizations. Their union rights to organise, bargain and elect representatives to negotiate collective agreements have been denied and are being infringed. The proposed South African laws aimed at forcing workers to accept unfair conditions of employment are unacceptable. It is time that in Europe systems of workers' committees and councils have succeeded in their control over working class conditions and standards of work, and particularly in the proper control of labour policy in the interest of the workers. Moreover, the changes proposed for 1979 re-affirm the model's advance. However, the changes, based on an industrial basis, do not change the present system of collective bargaining on a contract basis. The lack of progress in the system of industrial relations contrasts with higher levels of influence in the system of industrial relations.
Pension plea from the SA Legion

KIMBERLEY. — The South African Legion has called on the Government to equalize war disablement pensions paid to World War I and World War II pensioners with higher pensions by post-war ex-servicemen.

Delegates to the 58th annual congress held in Kimberley at the weekend expressed concern at the Government’s delay in equalising the War Disablement pensions and allowances paid to post-war “member” pensioners and those whose pensions and allowances were “consolidated” on July 1, 1980.

They unanimously resolved that the Government be urged to equalize the pensions of all “consolidated” pensioners of all races with those paid to “member” pensioners in terms of the Military Pensions Act of 1976 by not later than the fiscal year 1980-81. — Sapa.

Rights of the blacks

KIMBERLEY. — A great burden rested on the SA Legion and the Departments of Plural Relations and Coloured Affairs to make eligible black and coloured ex-servicemen aware of their pension rights, the legion said at the weekend.

There were now only 791 blacks “drawing military pensions in the Republic out of about 60 000 who saw service in World War II. Of about 45 000 coloured ex-soldiers, 7 500 were drawing pensions.

Most of these people were now of pensionable age and it was felt that a great burden rested on the legion and the Departments of Plural Relations and Coloured Affairs to make those eligible aware of their pension rights. — Sapa.
CROSSROADS

The way out?

The policy implications of the Cabinet decision on the nature of the Crossroads squatter camp are puzzling— not least in that they appear to contradict what is happening in other parts of the country, such as the East Rand, where the houses of squatters in Daveyton were summarily demolished last week.

But if what the FM has been told is correct — and not simply a public relations exercise designed to still criticism over what has become a closely-watched international issue — the policy implications could be far-reaching. Final judgment on whether government has had a change of heart, however, must await publication of the Rieckert report.

Although Prav Minister Piet Koornhof stressed that Crossroads was a once-off and last solution to a delicate human problem, to be accompanied by measures “to prevent similar ones from arising in future,” the manner in which he tackled it suggests that he has succeeded in convincing the Cabinet that a new approach is necessary to reconcile irreversible forces of urban-pull, rural-push on the movements of people with nationalist political ideals.

Some people believe that the method of the Crossroads settlement indicates that the Cabinet may have decided in principle to dump the old Vorwerk/M C Bolha concept of male migrant labour, and to opt instead for a policy accommodating migrant labour family units. Such a decision could become policy without amending legislation.

A big if.

Contract migrant family units can be accommodated by making greater use of section 19 (1) (d) of the Urban Areas Act, so that employers would have access to this category of labour only if they could provide housing. This, however, is a very big if.

One of the decisive issues that influenced Koornhof’s Crossroads settlement was a firm undertaking from Cape employer groups that they would help monitor black labour accretions to the urban areas by not only adhering to the housing provisions, but by getting involved in the provision of housing, where necessary.

In view of the high cost of capital relative to owner/occupiers’ ability to pay, it is clear that the Cabinet will soon be up against another fundamental decision.

If private domestic and foreign sources of capital are going to be used to fund housing developments, will government permit departures from conventional public sector housing schemes and allot site and service?

In his Crossroads negotiations, Koornhof was implored to persuade his Cabinet colleagues, notably Marais, Steyn, to agree to greater occupier involvement in setting up the new township between Nyanga and Gugulethu. It is clear from his statement that the Cabinet agreed to this, but it is not clear whether the people of Crossroads will be allowed to build houses of their own choice.

Although Community Development can supply sub-economic housing funds, these expensive permanent work projects may be phased to do much basic site and service subsidy are required.

The Urban Foundation has recently turned down two development schemes, with the promise of another 5 if rejected, at least area for a property development after various periods. Clearly, this source cannot be expected to provide the people of Crossroads unless they are given security of tenure in government parastatal institutions.

A site-and-service scheme without security of tenure is clearly not of the question, a government rental scheme would not qualify for foreign loans. Fortunately, therefore, is to work a compromise between the 99-year leasehold scheme and the tough opposition of the Cape Nat party to extending the long lease policy to the Western Cape. It is reliably understood that efforts are being made to get members to accept 50-year leasehold scheme for the region.

Although it may yet turn out that the Crossroads settlement will not be without a price, the Coenels were keen to control and the peace keep the town significant that tensions between Government; Mining, Wits Div, Vallers and Dr Piet Meyer, of the SABC, have been upset; the policy shifts away from patronising urban blacks to more realism, and for them community partners in the workers and their employers, and that initiatives could be allowed to determine their own solutions to housing problems.

Greater private sector involvement (including owned) in black housing development would remove yet another source of unproductive education, scavenging, and the stabilising influence of a counterpoint to the black township equation.

At bottom, however, the success of Crossroads settlement will depend on how the Cabinet’s decision is carried out. The direct involvement of local administration boards Ascend
ing to residents, Koornhof has given the assurance that hardliners and bullies are out, and if there are borderline or special cases in possible danger of failing to qualify to remain in Cape Town for technical reasons, these will be dealt with by an Appeal Board consisting of a senior Prad official, Dawid de Villiers (MD of Nasionale Pers) and Judge Jan Steyn, or their nominees.

A problem category that springs to mind is veteran workers who have abided by the law and lived in single sex hostels for many years while their families have remained in the houttuins.

And what about thousands of "illegals" who have been living a fugitive existence in the three recognised black townships or in other squatter camps? Clearly, 2,575 even at the new Crossroads township will not accommodate all the African heads of household and their families who fall into the "qualifying" categories mentioned by Koornhof. Will they be sent away?

The unofficial answer seems to be that if they have jobs and a reasonably long and crime free track record of residence in the Western Cape, ways will be found of fitting them into the settlement plan.
**SUGGESTED SOLUTION**

<table>
<thead>
<tr>
<th>Year</th>
<th>Purchase - sales</th>
<th>Profit</th>
<th>W &amp; T (2 Yrs)</th>
<th>Depreciation @ 0.60%</th>
<th>Investment of new machine</th>
<th>Material Lab cost x 12</th>
<th>Maintenance and repair</th>
<th>Maintenance W &amp; T</th>
</tr>
</thead>
<tbody>
<tr>
<td>Y₀</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Y₁</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Y₂</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Y₃</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Y₄</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Y₅</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL COST**

<table>
<thead>
<tr>
<th>Y₀</th>
<th>Y₁</th>
<th>Y₂</th>
<th>Y₃</th>
<th>Y₄</th>
<th>Y₅</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

**Conclusion:**
- **Y₀** as before
- **Y₁** as before
- **Y₂** as before
- **Y₃** as before
- **Y₄** as before
- **Y₅** as before

**Break even point:**

- $\frac{4.286\times 8}{504} = 8.506$ units p.a.

---

**Notes:**
- Income tax, if applicable.
- Income from rental space, if applicable.
IN AN unsung move which will bring additional infla-
tion relief to thousands of pensioners, the tax authori-
ties have quietly made tax
deductible the lump sum
contributions employers can
make for the benefit of for-
mer workers now on com-
pany pensions.

The concession is pin-
pointed by Piacha O’Han-
rahman, managing director of
African Pension Trustees —
part of the new Alexander
Hovden group, which
emerged from a combina-
tion of former Hill Samuel
companies with local and
overseas broking interests.

Until now, says O’Hanra-
han, short of employing
pensioners in sheltered posi-
tions, it has been impossi-
ble, where pensions have
been bought for an employ-
er, to grant additional bene-
fits to company pensioners
without a drain on current
revenue.

As such pensions remain
fixed, inflation takes its toll
of their purchasing power.

In terms of the conces-
sion, lump sum contribu-
tions to purchase additional
pensions for such pension-
ers (and in some instances
installment contributions)
are allowable against corpo-
rate tax.

“This is a major concess-
ion which should go a long
way towards making the
company pensioner’s lot
easier,” says O’Hanrahan.

The concession has been
made in terms of Section 11
of the Income Tax Act. The
term “employees” in de-
scribing for tax allowances
for the employer, has been
extended to include workers
who have retired and who
already receive company
annuities.

The only provisos are
that the contribution does
not exceed the amount
needed to offset the ef-
effects of inflation on the
purchasing power of the
their annuity, and that the
rules of the fund make
provision for acceptance
of the contribution.

1 300
2 300
PAYMENTS SOON?
Need for Pensioners

Shirley Smith Reports on Two Important Missions, N.C.E.L. Undertaken

The Centre offers various services to support the needs of pensioners in East London, including

- Health and Well-being
- Social Activities
- Financial Advice
- Home Help Services
- Day Care

The Centre also provides a variety of events and workshops, such as:

- Art Classes
- Cooking Workshops
- Dance Lessons
- Computer Training

These services are aimed at improving the quality of life for pensioners in the community.

Children's Toy Library for Multi-ethnic, Handicapped

The Centre hosts a toy library catering to children from diverse backgrounds, offering

- Educational Toys
- Games
- Craft Materials
- Storybooks

The library is open to all children in the area, promoting healthy and stimulating play experiences.

The Centre also supports community projects and initiatives, aiming to

- Foster social cohesion
- Encourage active participation
- Promote cultural diversity

Through these efforts, the Centre strives to create a supportive and inclusive environment for all.

---

The text contains a mix of typographical errors and unclear sentences, indicating it might be a draft or an excerpt from a larger report or article. The information is fragmented and lacks context, making it challenging to provide a coherent summary.
12 old-age homes in Pretoria house plan

Own Correspondent

Twelve old-age homes to accommodate 120 old people are to be built in Pretoria during the next three years as part of a R17-million housing boost for the city.

Funds for these homes for the aged take up most of the R17-million which has been earmarked for white housing by the Department of Community Development during the next three years.

Funds for the provision of housing for other race groups are as follows:

• R4.8-million for Indian housing. This includes a 156 unit block of flats and 400 economic houses.
• R1.7-million for the provision of 254 houses for coloured families in Eersterust.
• R3-million for a hostel and extensions to schools administered by the Central Transvaal Administration Board.

Of this amount R1.67-million will be spent on a 252-bed hostel in Mamelodi, and the rest will be used for extensions to schools.

In addition to the R17-million allocated for white housing, a further R500 000 will be spent on renovations and improvements.
Equal pension rights rejected

THE ASSEMBLY — The Minister of Health, Dr van der Merwe, said yesterday he would not allow himself to be steamrolled into a corner as far as an Opposition call for equal pension benefits for women holding high public office was concerned.

Speaking in the second reading debate on the Judges Pensions Amendment Bill, the Minister said he appreciated the fact that women MPs, senators and judges would want to provide for their widowers and other dependants.

"Over the years, however, the question of pension benefits had always been an arrangement between employer and employee, and this was still the case.

If he were to accede to requests from Mrs Helen Surnam (FFP, Houghton) for similar pension benefits for women in high public office, it would affect thousands of high-ranked women in the public service. The implications and costs involved would be enormous." — Sapa.

By virtue of the powers vested in me by section 17 of the Government Service Pension Act, 1973 (Act 57 of 1973), I, Schalk Willem van der Merwe, Minister of Social Welfare and Pensions, in consultation with the

SCHEDULE

1. Regulation 3 is hereby amended by the substitution in subregulation (2) for the expression "2.85" of the expression "3.05".

2. The provisions of this Schedule shall be deemed to have come into operation on 1 April 1979.

Trees and we had a Carabinier with a gunshot fracture of the thigh as the result. We wounded and captured one Boer and a few others were seen to fall but escaped among the trees and rocks.

6th October The Greys and one gun were sent off to a place on the banks of the White Umfolosi some 15 miles on, to meet a full convoy coming from Ngutu. The Civil Surgeon of the Natal Carabiniers was returning to his station which was Ngutu and was to accompany us. I only accidentally heard this a few minutes before moving off. I at once determined to take the fractured thigh case with me and send him on to Ngutu with the Civil Surgeon. Ngutu is only 32 miles from Dundee so that the patient would soon be in a comfortable hospital instead of trekking in our ambulance.
by 1970, this figure had decreased to 15.7%, indicating that the whites had improved disproportionately to the 'coloureds'. Similarly, for children 1 to 4 years of age, during the period 1941 to 1970, the white mortality experience as a percentage of the 'coloureds' had decreased from 15.2% to 7.1%. It should be noted that the 0 year age specific death rates are higher than the corresponding INRs. This is because the denominator for the former is the number of live births whilst for the latter it is the mid-year populations under one year of age.

Fig. 4 provides an indication of the proportional contribution of selected causes of death to the overall mortality experience of the 'coloured' and African communities.

During the period 1929 to 1970, the whites had of mortality which is classically associated with infectious diseases have become less important and are increasingly related to cardiovascular and 'coloureds' and Africans, however, have a phenomenon of decreasing morbidity which is characteristic of a developing society. The decreased mortality is due to a number of factors such as improved hygiene, better nutrition, and medical care.

What is of particular concern about the 'coloureds' is that it would appear to be an important factor in the development of the developing experiences. This is evident from Table II which provides a more detailed analysis as contributions to the overall mortality of the whites and 'coloureds' in the form of cause specific mortality rates for defined age groups. Thus, although cardiovascular diseases are consistently the most important proportional of the overall mortality of the 'coloureds', Table I indicates that the actual rates for cardiovascular diseases have been fairly similar for both whites and 'coloureds' since 1941.

Clearly, the broad diagnostic categories used in this analysis conceal a certain amount of information. However, because of the changes in disease classification which have taken place since 1929, it is not possible to examine the temporal changes of mortality rates in greater detail. Disease categories with rates greater than 5/1,000 appear in italics in Table II. It will be noted that the mortality experiences of the 'coloureds'

(iv) Proportional Mortality, accounted for by specific conditions.

(v) Expectation of Life. This was calculated both at birth (e0) and at 45 years of age (e45) for both males and females. It expresses the average number of additional years an individual would be expected to live beyond birth and 45 years.

For Africans, the proportional mortality was the only index calculated.

RESULTS

THE DEPUTY MINISTER OF PLURAL RELATIONS AND DEVELOPMENT

Mrs. G. N. O'LUFEBI presented the following table:

<table>
<thead>
<tr>
<th>Year</th>
<th>SMR</th>
<th>Number of SMR</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970</td>
<td>21/1,000</td>
<td>758</td>
</tr>
<tr>
<td>1971</td>
<td>17/1,000</td>
<td>730</td>
</tr>
</tbody>
</table>

The age specific mortality rates are summarised in Fig. 4. Since death is inevitable, it is to be expected that decreases in the mortality experience of younger age groups will give rise to a corresponding increase in mortality amongst elderly persons. Thus, although it is to be expected that for both whites and 'coloureds' the mortality rates for persons over the age of 65 years have shown a rising trend, it is of some concern that the mortality rates have also increased between 1960 and 1970 for 'coloureds' in the 25-44 and 45-64 year age groups.

The imbalance between the age specific mortality rates of whites and 'coloureds' has improved or remained constant for persons between the age of 5 and 64. However, for children less than 5 years of age, the gap between whites and 'coloureds' is widening. In 1941, white children under one year old experienced 25.0% of the mortality of 'coloured' children;
frequency of inter-settlement contact would have increased and with it the probability of friction would have grown. The level of stress would have increased until friction occurred when groups would have moved away, settled and formed the nuclei of new cultures. Each of these nuclei could have acted in turn as a centre for friction and further expansion.

In this model, as was the case for the continuous spread model, carrying capacity has been defined as a psychological tolerance and the problem of limiting resources remains.

A flow diagram and computer simulation of the discontinuous spread model were prepared (Fig. 3; Appendix 2).

DATA

Quantitative data. The rates of population growth used in the simulations were two, three and a half, and four per cent per annum. The values were similar to those quoted by Birdsell (1957) for human groups colonising uninhabited areas. Four values for carrying capacity were chosen: five, ten, and fifteen per square kilometer, on the assumption that the values coincide with low, but the possibility remains they may have increased.

Both models were computational: 100, was conceptualised as a circle was set at 10 km. Cultural data. The level of problems associated with the eastern and southern cultures included in the model is high. In fact, the eastern and southern cultures included in the model are not high relative to these populations. Levee material and should.

Nkope has occasional flooding and bevelling which has been used to tie it to the eastern stream, but as this feature was not common (Robinson, 1973; Table 2) and it would seem that Nkope probably belonged to a different tradition. Phillipson (1975, 1977) has suggested that the expansion occurred as a linear continuum with Urewe as the earliest and Silver Leaves as the latest group. The linear continuum is based on the floruit analysis (Phillipson, 1975) and has marked differences from the reconstruction derived from pottery analysis which suggested that Urewe and Kwaile were related through a common ancestor (Soper, 1971b). The simulations were carried out over both possible reconstructions:

Simulation 1. Urewe — Lelwe — Kwaile — Silver Leaves
Simulation 2. Kwaile — Silver Leaves

| Date of Birth | Rate of one kilometer | and these antennae spread | instantaneous advance model | and rates for | culture
|--------------|-----------------------|---------------------------|---------------------------|--------------|--------|

The differences between the expansion rates for different models, area, and rates for different cultures are therefore significant. Therefore, it is necessary to provide a framework for the expansion, the findings, and conclusions of this study.

The schedule of Indian Affairs was used and this was carried out in the following areas:

1. Social services
2. Education
3. Health
4. Housing
5. Employment
6. Social welfare
7. Administration
8. Legal services
9. Economic development
10. Environmental protection

The schedule of Indian Affairs was used and this was carried out in the following areas:

1. Social services
2. Education
3. Health
4. Housing
5. Employment
6. Social welfare
7. Administration
8. Legal services
9. Economic development
10. Environmental protection

Schedule

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Amendment of Regulations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct 1978</td>
<td>No. R. 1179</td>
</tr>
<tr>
<td>8 June 1979</td>
<td>No. R. 1179</td>
</tr>
</tbody>
</table>
PENSION FUNDS — THE FUR FLIES

A confrontation between Seifsa and the insurance industry has been precipitated by the introduction this month of a new pension scheme for the iron, steel, engineering and metallurgical industries.

The scheme — which involved the conversion of the Metal Industries Group Life and Provident Fund into a contributory pension fund — was introduced in terms of an agreement under the Industrial Conciliation Act. It is binding on the 100,000 odd workers whose trade union leaders and employers’ associations are signatories to the Agreement.

About 600 companies are involved, and an unascertainable number have up to now supplemented the now-superceded low-benefit metal industry pension scheme with domestic schemes. Should an employer wish to maintain a domestic scheme, exemption must be applied for to the Industrial Council. And here friction has occurred.

Seifsa director Errol Drummond has notified Registrar of Financial Institutions Wynand Louw that consistent attempts have been made by the insurance industry to denigrate the new pension scheme, and that clients affected by the scheme have been advised to apply for exemption.

He tells the FM that some 350 applications for exemption have been received, but that a “negligible proportion” of requests have been granted, since “an examination reveals that in most of the domestic schemes, for which application for exemption has been made, the benefits, per se, would not measure up to those which the industry fund would be able to provide.”

He believes opposition to the industry scheme arises from the cupidity of insurers, insurance brokers and others involved in managing pension funds, pointing out that an additional R11m a year will be paid into the Fund — which stood at over R80m before conversion — by contributors.

Drummond has made (among others) the following allegations to the Registrar:

- That commissions payable to insurance brokers and insurance and pension consultants by insurance companies are up to and in excess of 50% of the annual premium paid by the individual pension funds up to periods of five years (and longer in some instances) and thereafter a 5% commission in perpetuity.
- That “kick-backs” occur in brokerage deals.

Drummond wants the Registrar to investigate all aspects of pension fund administration with a view to introducing minimum and standard commissions.

The insurance industry rebuts these accusations forcefully. “Drummond,” says Paul Clipsham, director of Hill Samuel’s wholly-owned subsidiary African Pension Trustees, “is setting up a smokescreen.” The new scheme, he argues, is a bad one “due to its outdated benefit structure which makes minimal provision for service prior to 1975.”

The metal industry scheme benefits are based on a 2.042% calculation of the member’s total pensionable remuneration from the inception of the scheme (June 2 this year) to the termination of employment by retirement or otherwise. This, says Clipsham, “takes no account of the effects of inflation. A modern scheme bases benefits on about 2% of final salary, not 2% of average salary over the years.”

As for allegations of abnormally high commission rates, they “reflect Drummond’s lack of knowledge of the pension movement.”

Commission for large funds, Clipsham says, is on average 4% for the first year and 2% of the premium per year thereafter. Clipsham also claims that while “some of the rats and mice” of the insurance industry may indulge in kick-backs, the practice is scarcely the norm.

Other brokers and insurers endorse these statements. Clients have, indeed, been advised to apply for exemption, but the reason is that until very recently details of the scheme were deliberately kept unavailable.

Drummond has said that this was to prevent independent insurers moving in with their own schemes. Insurers retort that competition would be no bad thing, since the independents are highly geared to manage these funds. One leading broker questioned whether the managers of the new fund could match the financial expertise of the insurers, who, he claimed, have an outstanding track record.

Meanwhile, there have been rumblings from the shop floor about the scheme. Union leaders, however, claim these have been stifled following explanation of the benefits — which include full transferability of pension entitlements and rights to benefits (including employers’ contributions) after 10 years continuous service.

“It’s a very good scheme,” avers Tucsa president Tom Murray, who is chairman of the Industrial Council which set up the scheme. “The thing is, we can guarantee a square deal. The workers at first knew little about it; but now, after a good think, they’ve accepted it.”

Wynand Louw has said that pension business is a “non-problematical” area (FM, June 6). Drummond’s approach is designed to throw the cat among the pigeons and an early and public response by the Registrar — who will not comment “at this stage” — would be in everyone’s interest.
Day centre for aged planned

EAST LONDON — A day centre for the aged is to be established in Southernwood, with rest rooms, facilities for meals, physiotherapy and occupational therapy, the chairman of the East London Senior Citizens Association, Mr Keith Whitfield, said in his report at the association's annual meeting last night.

The association has applied for low cost finance and submitted plans to the Department of Social Welfare.

"The outcome of the application is awaited with keen anticipation," Mr Whitfield says in his report read in his absence by the vice-chairman, Dr M. Abramson.

"Our association has been conscious for some time of the large numbers of senior citizens living in boarding establishments and flats in the Southernwood and central city areas.

"The only valid criticism against the project is that it is too small. On the other hand, our association prefers to start cautiously and develop as the need arises," Mr Whitfield said.

The association's assets have for the first time exceeded R1 million. More than R1.16 million of the nearly R1.17 million assets is in land and buildings owned by the association. These are pledged as security for long-term loans totalling over R64,000 from the municipality.

The association now owns Fairlands Home for the Aged, Red Cross House and has recently bought the central property for the day centre. The recently opened frail and aged wing at Fairlands had cost about R400,000, bringing the value of all buildings there, including the 58 cottages, to R1.1 million.

There were now 36 nursing staff members and 49 administrative and domestic staff at the home. — DMR
DEPARTMENT OF THE PRIME MINISTER

No. 1325. 22 June 1979.

It is hereby notified that the Acting State President has assented to the following Act which is hereby published for general information:


DEPARTEMENT VAN DIE EERSTE MINISTER

No. 1325. 22 Junie 1979.

Hierby word bekend gemaak dat die Waarnemende Staats-president sy goedkeuring gegee het aan die onderstaande Wet wat hierby ter algemene inligting gepubliseer word:

No. 75 van 1979: Wet op die Pensioenfonds vir Tydelike Werknemers, 1979.
ACT

To provide for the payment of pensions and other financial benefits to certain temporary employees and their dependants; and to provide for matters connected therewith.

(Afrikaans text signed by the Acting State President.)
(As assented to 13 June 1979.)

BE IT ENACTED by the State President, the Senate and the House of Assembly of the Republic of South Africa, as follows:—

Definitions:

1. In this Act, unless the context otherwise indicates—
   (i) "annuity" means an amount which is payable each 5 year; (v)
   (ii) "benefit" means an amount of money; (xix)
   (iii) "dormant member" means a dormant member as defined in regulation 1 of the regulations promulgated by Government Notice No. R. 652 of 25 April 1969; (xv) 10
   (iv) "fixed date" means the date of commencement of this Act; (xviii)
   (v) "Government" means the Government of the Republic and includes a provincial administration; (xiii)
   (vi) "Government Employees' Provident Fund" means the 15 fund referred to in section 2 (3) of the Government Service Pension Act, 1965 (Act No. 62 of 1965); (xii)
   (vii) "Government Non-White Employees' Pension Fund", means the pension fund established in terms of section 2 (2) of the Government non-White Employees Pension 20 Act, 1966 (Act No. 42 of 1966); (vii)
   (viii) "member", in relation to the Fund, means a person referred to in section 5 and includes such a person who is absent with or without leave or has been suspended from duty and who immediately before such absence or 25 suspension was contributing to the Fund; (vi)
   (ix) "Minister" means the Minister of Social Welfare and Pensions; (vii)
   (x) "pensionable emoluments" means that part of the remuneration and allowances of a member prescribed as 30 pensionable; (x)
   (xi) "pensionable service", in relation to a member, means any period of service as defined in the regulations and includes any period which in terms of the regulations is reckoned as pensionable service of that member; (ix)
   (xii) "pensioner" means any person who receives an annuity under this Act; (xi)
   (xiii) "prescribe" means prescribe by regulation; (xix)
   (xiv) "previous fund" means the Government Non-White Employees' Pension Fund or the Government 40 Employees' Provident Fund; (xii)
   (xv) "regulation" means any regulation made under this Act; (xiv)
   (xvi) "repealed Act" means an Act referred to in section 9; (ii)
thousands of blacks

Many pensioners wait for hours in vain

Pension delays affect thousands of blacks

BY MARILYN SHIN

SUNDAY TRIBUNE, JUNE 4, 1979
Meanwhile, the KwaZulu Government is repeatedly told to return to the magistrate courts where pension applications are filed in and pensions paid. Next month the Black Sash has records of people paying monthly visits to the magistrates courts. pensions paid.

The Christian Agricultural Project in the Msinga area, knows of several cases which have been going on for as long as eight years.

So vast a task as the KwaZulu Government would like to blame the delays on the "change-over" and "teething problems" with the computers in the central records and the computer tapes made by KwaZulu Congenial People's Union. These delays are much the same.

"The change-over took place in the beginning of this year. Previously all pensions applications were sent to the Department of Health and Welfare in Durban for checking with the central records. The pay-out cards were issued by Pretoria." Now the applications are routed through Ulundi where all the pensions applications are kept on computer. But the applications still have to be sent to pension application rejected yet.

At Umzinto the position is much the same. There are hundreds of applications which have been sent to Ulundi but no approvals have come through this year.

"Ndwedwe — a smaller area — has had one approval this year but there are still 70 outstanding. At Mqubeleni there are hundreds of applications outstanding and more rejections than approvals so far this year. Figures are not known for other areas but officials have indicated that the situation must be the same everywhere.

"With the old system, pension applications used to take anything from six weeks to six months to be processed if all went well. Durban reported that six weeks was about the usual time the application took while at areas outside Durban it was said that applications usually took six months to come through and the extra leg in the applications journey could only make the wait longer."

Dr Frank Constable, director of the Department of Health and Welfare at Ulundi, said it was nonsense that many places had not had applications approved so far this year. "I am signing them all the time."

He later revealed that he only signed the disability grant applications and an official in the pensions office signed the pension applications. He said he was too busy to check with this official whether he was also busy signing applications, but presumed he was.

"Dr Constable said there had been hitches in the change-over. "We have had problems with the computer. There have been several gremlins to chase 'out of the pro-

Sally scoops pool

Tribune Reporter

THE Community Chest mini-crossword has been won by Mrs Sally Ross of Marine Parade, Durban, after a four-way play-off to decide the winner. No one had a completely correct answer so the Chest organised a second competition, estimate the amount distributed to member societies by the Durban and District Community Chest last year. Mrs Ross won... although she was still out by R500 cash and a portable television set. She said she had no idea what she would do with the money. "But I'll probably use it to enter a lot more crossword competitions!"
Hierby word bekend gemaak dat die Staatspresident sy gweedkeuring gegee het aan die onderstaande Wet wat hierby ter algemene inligting gepubliseer word:

ACT

To amend the Republic of South Africa Constitution Act, 1961, so as to make further provision relating to the payment of pensions to the widows of certain persons who occupied the office of State President; to amend the Members of Statutory Bodies Pension Act, 1969, so as to substitute the definition of "final salary"; to make further provision relating to the payment of annuities to the widows of persons who were in receipt of certain annuities; and to create a certain presumption relating to the nature of the service of a person who served simultaneously on two or more statutory bodies in a paid capacity; to amend the Associated Institutions Provident Fund Act, 1971, so as to substitute the definitions of "associated institution" and "department"; and to provide for the retention of membership of the Associated Institutions Provident Fund by a member who is transferred and appointed to a post in respect of which he would otherwise be liable to become a member of the Government Service Pension Fund; to amend the Parliamentary Service and Administrators' Pensions Act, 1971, so as to substitute the definition of "pensionable service under the applicable pensions ordinance" and to provide for the payment of gratuities in the case of members who die and are not survived by a widow or children; to amend the Military Pensions Act, 1976, so as to further regulate the date with effect from which pensions may be paid; to amend the General Pensions Act, 1979, so as to extend the provisions relating to the protection of pensions on insolvency to other pension benefits; and to provide for the pension rights of persons in the employment of local authorities who become employees of a water board; and to provide for incidental matters.

(English text signed by the State President.)
(As sent to 21 June 1979.)

BE IT ENACTED by the State President, the Senate and the House of Assembly of the Republic of South Africa, as follows:

1. Section 15 of the Republic of South Africa Constitution Act, 1961, is hereby amended by the substitution for paragraph (b) of subsection (1) of the following paragraph:

"(b) to the widow of any such person [unless her marriage to him took place after the date on which he vacated office], a pension at the rate of three-quarters of the rate of the pension payable to such person".
**Fruit-juice promoters were paid**

It took two demonstrators more than nine months to be paid for promotions they had done for a fruit-juice company — and then only with the help of Star Line.

Mrs S Southin and Mrs P Rooke, both of Randburg, approached Star Line towards the end of last year saying they had not been paid for work they had done for Vita-C Products (Pty) Ltd of Pretoria.

Mrs Southin said she had not been paid for five promotions she had carried out at supermarkets in Johannesburg and Mrs Rooke claimed 13 days' pay for work all over the Reef.

Mrs Southin said she was owed R555 and Mrs Rooke claimed R355. They said they had been told by Mr G A C Ehlers and his son, Mr H Ehlers, the directors of Vita-C, that before they could be paid, records had to be submitted by Miss L Conlyn, the agent who employed the demonstrators. Miss Conlyn had since left the firm without submitting these promotion cards.

It proved extremely difficult for Star Line to contact the company. The first letter was returned addressed ‘unknown’. When the firm’s new address and telephone numbers were eventually located, several telephone calls, letters and messages went unanswered.

Two months later Vita-C insisted that before paying the promoters they required the promotion cards listing dates of promotions and quantities of juice sold. The cards were required to be signed by the promoters, Liss Conlyn and the relevant store managers.

Vita-C would not accept signed statements by Miss Conlyn confirming the amounts owing to the two demonstrators.

Both Mrs Southin and Mrs Rooke denied they had been told of the cards. Mrs Southin also submitted, a list of 26 previous promotions she had done for the company. She said she had been paid promptly for these although she had not submitted promotion cards.

Four months after Star Line had taken up the matter, Mr Ehlers, sen, agreed to pay Mrs Southin her R555 on condition she returned certain equipment which had been used in the demonstrations.

Mrs Southin’s cheque arrived promptly, but was handed over only when she brought the equipment into the Star Line offices.

She had refused to return it to Pretoria, maintaining she had collected it in Johannesburg. Mr H Ehlers had agreed to collect it from Star Line, but five months later he had not done so.

Two months after paying Mrs Southin, Mr H Ehlers agreed to pay Mrs Rooke. She was to collect her cheque at the Pretoria office at the same time as she returned the fruit juice vacuum container.

Some months later Mrs Rooke confirmed she had received her cheque but pointed out it was for R145.50 only. The sum of R7.50 had been deducted for a missing drip-tray.

She said she intended to take this up with the firm after she returned from “holiday” in two months’ time.
Following the intervention of Star Line, a firm which showed a surfing film for the Wits Underwater Club, the club paid the club its share of the film profits.

Surfing film was not a wipe-out

The Wits Underwater Club came to Star Line when it thought Shaun Tomson Surfboards of Durban may have sunk with the profits of a film show the club had held.

Mr Ernest Tomson telephoned the club to ask whether it would show a film featuring his son, Springbok surfer Shaun Tomson. The arrangement was that the club, in return, would receive 10 percent of the net profits from various showings.

The club was to reserve a hall, help at the door and arrange the advertising of the film, which was shown several times in October last year.

The chairman of the club, Mr R Bruschi, estimated that about 300 people attended the showings. The entrance fee was R1.50 which, he believed, would have made the takings about R450.

Mr Bruschi wrote two registered letters to Shaun Tomson Surfboards in March and May this year asking about the promised share of the profits, which the club had not received.

When he received no reply, Mr Bruschi contacted Star Line.

The day after Star Line wrote to Shaun Tomson Surfboards the club received a cheque for R46.24 "being 10 percent of the new profit of our showing at Wits University," according to Mr Tomson.

"In finalising all the commitments concerning the showings of the movie I admit this has just been an oversight on my part," Mr Tomson explained.

Pension arrears lapsed because of red tape

A Tembisa woman was desperate when her old age pension was stopped for no apparent reason.

The pensioner, Mrs Maria Ngoelskeng, was brought into Star Line by her daughter's employer after she had tried for a year to get the pension reinstated.

Mrs Ngoelskeng's name had apparently been deleted from the computer print-out at the Department of Plural Relations in Germiston.

Her problems started when she went to the Tembisa pay office in November 1977 to fetch the R35 she received every two months.

She was told to return the next day, which she did. She was then told her pension was not available and she should return in January.

The following sequence of events then took place:
1. In January Mrs Ngoelskeng was referred to a social worker, who filled in forms for her.
2. In March her pension was still not at the Tembisa collection point.
3. In April she took the forms from the social worker to the commissioner's offices in Germiston. She was told to return in May, which she did.
4. In June, when she went to the commissioner's offices with her daughter's employer, she was promised an inquiry.
5. They went back three more times in June and July with no success. By the time they approached Star Line in August Mrs Ngoelskeng's pension was a year in arrears.

When Star Line telephoned the commissioner's offices we were told to refer Mrs Ngoelskeng back to the same office she had been visiting regularly since the previous April.

After Star Line wrote to the commissioner and Mrs Ngoelskeng again went to the offices, she was told to collect her pension in September.

She received R41 (the pension had increased). Although she had lost R180 in pension, she was paid only R60.75 arrears.

A representative from the commissioner's offices told Star Line Mrs Ngoelskeng's pension vouchers were returned three successive times. As a result her pension lapsed, he said.

Mrs Ngoelskeng had to claim a rebate from the Department of Finance, he said.

That department forwarded the claim to the Department of Social Welfare and Pensions, which forwarded it to the Secretary of Plural Relations.

Star Line was later informed that a unique payment had been made to Mrs Ngoelskeng but when Star Line asked about the balance of the arrears, we were quoted the Social Pensions Act of 1975, in which it stated that any pension lapses when not collected for three consecutive occasions.
Hierby word bekend gemaak dat die Staatspresident sy goedkeuring gegee het aan die onderstaande Wet wat hierby ter algemene indigting gepubliseer word:


It is hereby notified that the State President has assented to the following Act which is hereby published for general information:

ACT

To provide for certain pensions, grants, gratuities and other benefits.

(English text signed by the State President.)

(As assented to 2 July 1979.)

BE IT ENACTED by the State President, the Senate and the House of Assembly of the Republic of South Africa, as follows:—

1. Notwithstanding anything to the contrary in any law, every person indicated as a beneficiary in an item of the Schedule to this Act shall be entitled to the benefits specified in that item.

2. This Act shall be called the Pensions (Supplementary) Act, 1979.

Schedule

(1) The pension payable to Pauline P. Campher in terms of item 10 6 of the Schedule to the Pensions (Supplementary) Act, 1976 (Act No. 96 of 1976), shall be increased from R1 800 to R2 400 per annum with effect from 1 July 1979.

(2) There shall, with effect from 1 July 1979, be paid *ex gratia* to Gertruida G. Groenwold, formerly temporary sister, Hospitals 15 Department, Provincial Administration of the Cape of Good Hope, a pension of R1 200 per annum.

(3) There shall be paid to T. H. Lee, formerly No. 69889, able seaman, S.A. Navy, a pension of R504 per annum with effect from 1 July 1979.

(4) There shall be awarded, on compassionate grounds, to W. Rankin, formerly a senator, a pension of R600 per annum with effect from 1 July 1979.
ONE of the difficult questions facing professional men is whether to push retirement annuity contributions up to the new tax deductible limit of 15% of earnings. It means, in other words, they have to decide what is an adequate pension provision.

Of course, not only professional men face this decision. It applies to all self-employed and even those employed who are not members of a pension or provident fund.

The key to the question is to what extent inflation can be expected to erode the value of pension provisions. Federated Insurance, formerly Federated Employers’ actuaries, Arnold Bassereable, has calculated the accompanying table to assist those who have to make these decisions.

It is based on several assumptions. One is that earnings will increase by 10% a year and that the full 15% of earnings each year will be contributed to a retirement annuity fund.

Another is that a pension of 2% of final earnings for each year of membership of a retirement fund is commonly accepted as adequate.

To show the effect that different rates of inflation have on pensions purchased, Mr. Bassereable has calculated benefits on the assumption of annual inflation rates of 0%, 10% and 15% a year.

For instance, at a 10% a year inflation rate, with 15% of earnings going into the fund each year, the benefits provided on retirement at 63, are for the ages in the left hand column, mostly above the 2% mark.

However, on retirement at 60, there is a slight short fall for each of the ages used in the example.

At a 5% inflation rate, pensions are generally more than adequate against the 2% yardstick.

But at a 15% inflation rate, pensions are hopelessly inadequate for all the ages.

As the inflation rate in this country is presently somewhere between 10% and 15% a year, the self-employed should consider contributing the full 15% of earnings to a retirement annuity fund.

Unless, of course, they consider optimistically that the inflation here will level out at about, or below, 10% for most of the period before retirement.
New homes for elderly in N. Natal

Mercury Reporter

ESTCOURT — More than 100 elderly people in northern Natal will benefit when two homes for the aged are completed within the next year here.

Mr. Gorge-Cross, the chairman of the local aged homes committee, said yesterday that the new home for 50 is expected to be completed next year at a total cost of about R350,000.

The home will be primarily for single people but there will be a few rooms for married couples.

"We expect all the accommodation to be taken up," said Mr. Cross.

"At present we are circulating all names on our waiting list to make sure they still require the accommodation they originally asked for."

Full board and lodging, laundry and other amenities will be provided and there will be facilities for some frail aged in the home.

Mr. Cross said that applications for a superintendent had already been made.

The home has been built adjacent to a number of existing semi-detached cottages providing accommodation for single elderly people.

At Ladysmith, the new home for the frail aged is now making good progress and is expected to be completed by the middle of next year.

It is expected that the first 20 residents will be admitted by July 1.
The agony of Pension Day

Post Woman

This old pensioner was one of hundreds of aged people who were turned away without their pension payments. Her daughter is trying to help her get her pension, but the bureaucracy is overwhelming.

Mrs. F. Smith said, "It's a nightmare. I've been trying for weeks to get my husband's pension, but it's like pulling teeth. They keep sending me back to the post office, and the post office keeps sending me back here. It's ridiculous."

Mr. J. Jenkins, a social worker at the local community centre, said, "We're seeing an increase in the number of people coming to us for help with their pensions. It's a real problem, and we're doing our best to assist them."

The pension system is being overhauled, and it's hoped that these issues will be resolved in the future. However, in the meantime, there are many people who are struggling to make ends meet. It's a difficult time for everyone involved."
Pensioners who have to be cared for are another problem. There are hundreds of sickly elderly people in each of the four retires. The pensioners tend to become ill more frequently than others. It is not clear if this situation can be improved.

In May, the Government increased the old age pension by 500. The increase is supposed to affect all pensioners. However, the government has not yet announced when the increase will take effect.

The increase in the pension is supposed to be effective on 1st July. However, the government has not yet announced when the increase will take effect.

On the left, the pensioner at the far end of the photo is Mr. John Smith. He is 75 years old and has been receiving his pension for 20 years. The pension is currently 500 per month, which is barely enough to cover his living expenses.

In the picture on the right, the pensioner is Mrs. Jane Doe. She is 78 years old and has been receiving her pension for 25 years. She is upset about the increase in prices and feels that her pension is not enough to cover her living expenses.

The government has not yet announced when the increase in the pension will take effect. The pensioners are concerned about how they will be able to cope with the increased cost of living.

Apart from the pension, the government has announced that it will allocate a small amount of money to assist elderly people in their daily needs.

The pensioners are also concerned about the quality of care they receive. Many pensioners are living in poor conditions, and some are ill-treated by their carers.

The government has promised to increase the number of nurses and doctors to provide better care for the elderly. However, the pensioners are not sure if this will be enough to meet their needs.

The pensioners are also concerned about the future. They fear that their pensions will not be able to keep up with the rising cost of living.

The government has promised to keep an eye on the pensioners' needs and make sure that they are not forgotten.

In conclusion, the pensioners are concerned about the quality of care they receive, the increase in prices, and the future. They hope that the government will take their concerns seriously and make the necessary changes to improve their lives.
DEPARTEMENT VAN VOLKSWELSYN EN PENSIOENE

No. R. 1631 27 Julie 1979

WYSIGING VAN REGULASIES KRAGTENS DIE REGERINGSDIENSPENSIoenWET, 1973

Kragtens die bevoegdheid my verleen hy artikel 17 van die Regeeringsdien십sioenwet, 1973 (Wet 57 van 1973), wysig ek. Schalk Willem van der Merwe, Minister van Volkswelwyn en Pensiione, hierby na oorleg met die Ministers en die Administrateurs vermeld in subartikel (6) van genoemde artikel, die regulasies afgekondig by Goewermentskennisgewing R. 1062 van 22 Junie 1973, soos gewysig, soos in die Bylae hiervan uiteengesit.

S. W. VAN DER MERWE, Minister van Volkswelwyn en Pensioene.

BYLAE

1. Regulasie 14 word hierby gewysig deur subregulasie (2) tot en met (6) deur die volgende subregulasies te vervang:

“(2) Indien ’n lid wat minstens 10 jaar pensioen- gewende diens voltooi het, te sterwe kom, word daar aan die afhanklikes van die lid wat die Sekretaris aanwys of indien geen afhanklikes aldaar aangewys word nie, aan sy boedel, ’n gratifikasie betaal wat gelykstaan met die som van die gratifikasie en vyl maal die jaargeld wat ingevolge paragrawe (a) en (b) van regulasie 12 (1) aan hom betaalbaar sou gewees het indien hy op die dag van sy afsterwe weens ’n rede in regulasie 11 (1) (b) vermeld met pensioen uit diens getree het.

(3) Indien ’n pensioenaris te sterwe kom binne ’n tydperk van vyl jaar nadat hy uit diens getree het of met pensioen afgedank of ontslaan is, word daar aan

S. W. VAN DER MERWE, Minister of Social Welfare and Pensions.

SCHEDULE

1. Regulation 14 is hereby amended by the substitution for subregulations (2) up to and including (6) of the following subregulations:

“(2) If a member who has completed at least 10 years pensionable service dies, there shall be paid to the dependants of the member designated by the Secretary or, if no dependants are so designated, to his estate, a gratuity which is equal to the total of the gratuity and five times the annuity which would have been payable to him in terms of paragraphs (a) and (b) of regulation 12 (1) if he had retired on pension for a reason mentioned in regulation 11 (1) (b) on the day of his death.

(3) If a pensioner dies within a period of five years after he retired or was retired or discharged on pension, there shall be paid to his dependants designated by
sy afhanklik wat die Sekretaris aanwy, of indien geen afhanklikheid aldaar aangewys word nie aan sy boedel, 'n gratifikaas betaal dat gelys is met die som van die jaarbed met ingeweg regulasie 12 (1) (b) aan die pensioenarists betaal sodat gewees is gedurende die tydperk vanaf die eerste dag van die maand wat onmiddellik volg op die datum van sy afstere uit sy diens bedank het, aan sy boedel betaal.

(5) 'n Voordeel of 'n gedeelde daarvan wat ingeweg gedurende die jaarregulasie aan die afhanklike van 'n lid of pensioenarists betaalbaar is, word aan sodanige afhanklike betaal in die verhouding wat die Sekretaris bepaal.

(6) Indien 'n lid of 'n pensioenarist sy sterk kom en hy nieoordeel word nie deur 'n wettige of enige kind soos in die oorspronklike van “afhanklike” in artikel 1 van die Wet betaal, word enige voordeel betalbaar ingeweg hierdie regulasie aan die afhanklike van sodanige lid of pensioenarist, aan sodanige van sy ander afhanklike, indien enige, of aan sy boedel of aan sodanige naangeneemde afhanklike en sy boedel in sodanige verhouding wat die Sekretaris bepaal, betaal.

No. R. 1653 27 Julie 1979

WYSIGING VAN REGULASIES KRAGTENS DIE REGERINGSDIENSPENSIOENWET, 1973

Kragtens die bevoegdheid my verleen deur artikel 17 van die Regeringsdienstregulasie, 1973 (Wet 57 van 1973), wysig ek, Schalk Willem van der Merwe, Minister van Volkswylen en Pensioene, hierby na oorleg met die Ministeens en die Administratiewers vermeld in subartiikel (6) van genoemde artikel, die regulasies afgekondig deur Gouwernmente-skeeringswet R. 1062 van 22 Junie 1973, soos gewysig, soos in die Bylae hiervan uiteengesit.

S. W. VAN DER MERWE, Minister van Volkswylen en Pensioene.

BYLAE

1. Regulasi 11 word hierby gewysig deur—
   (a) in subregulasi (1) na paragraaf (e) die volgende paragraaf in te voeg:
   “(f)” kragtens artikel 14 (d) (g) van die Staatdiens-
   wet, 1957.
   (b) in subregulasi (2) die uitdrukking “sub-
   regulasi 1 (b), (c) of (d)” deur die volgende uit-
   drukking te vervang:
   “subregulasi 1 (b), (c), (d) of (f)”.

2. Regulasi 12 word hierby gewysig deur in sub-
   regulasi 3 (b) die uitdrukking “paragraaf (b), (c) of
   (d)″ deur die volgende uitdrukking te vervang:
   “paragraaf (b), (c), (d) of (f)”.

3. Die bepalings van hierdie Bylae word gega op 1
   Julie 1979 in werking te getree het.

the Secretary, or, if no dependants are so designated, to his estate, a gratuity which is equal to the total of the annuity which would have been paid to the pensioner in terms of regulation 12 (1) (b) during the period as from the first day of the month immediately following the date on which he dies up to and including the last day of the month in which the said period of five years expires had he not died.

(4) If a member referred to in subregulation (1)
dies and is not, in the opinion of the Secretary sur-
vived by any dependants, a benefit which shall be
calculated as if the member had resigned from his
employment with effect from the date of his death
shall be paid to his estate.

(5) Any benefit or part thereof payable in terms of this
regulation to the dependants of a member or of
a pensioner shall be paid to such dependants in such
proportions as the Secretary may determine.

(6) If a member or a pensioner dies and he is not
survived by a widow or any child referred to in the
definition of “dependant” in section 1 of the Act, any
benefit payable in terms of this regulation to the
dependants of such a member or pensioner shall be
payable to such of his other dependants, if any, or
to his estate or to such last-mentioned dependants and
his estate in such proportions as the Secretary may
determine.

No. R. 1653 27 July 1979

AMENDMENT OF THE REGULATIONS UNDER THE GOVERNMENT SERVICE PENSION ACT, 1973

By virtue of the powers vested in me by section 17
of the Government Service Pension Act, 1973 (Act
57 of 1973), I, Schalk Willem van der Merwe, Minister of
Social Welfare and Pensions, after consultation with
the Ministers and Administrators referred to in
subsection (6) of the said section, hereby amend the
regulations promulgated by Government Notice R. 1062
of 22 June 1973, as amended, as set out in the Schedule
hereto.

S. W. VAN DER MERWE, Minister of

SCHEDULE

1. Regulation 11 is hereby amended—
   (a) by the insertion in subregulation (1) after
   paragraph (e) of the following paragraph:
   “(f) under section 14 (d) (g) of the Public Service
   Act, 1957.”
   (b) by the substitution in subregulation (2) for the
   expression “subregulation 1 (b), (c) or (d)” of
   the following expression:
   “subregulation 1 (f), (c), (d) or (f)”.

2. Regulation 12 is hereby amended by the substitu-
   tion in subregulation 3 (b) for the expression “para-
   graph (b), (c) or (d)” of the following expression:
   “paragraph (b), (c), (d) or (f)”.

3. The provisions of this Schedule shall be deemed
to have come into operation on 1 July 1979.
BYLAE

1. Regulasi 14 word hierby gewysig deur—

(a) in subregulasi (1) (a) "R1 056" deur "R1 164" te vervang;
(b) in subregulasi (1) (b) "R1 560" deur "R1 660" te vervang.

SCHEDULE

1. Regulation 14 is hereby amended by—

(a) the substitution in subregulation (1) (a) for "R1 056" of "R1 164";
(b) the substitution in subregulation (1) (b) for "R1 560" of "R1 660".
This is no place in the sun

Life at the camp is very difficult for Mrs. Anna Mologoli whose leg was amputated after a car accident.
NOT many people know that they exist. Among the ones who know about their existence, few are conscious of their problems and fewer have made it their business to help them. These are the crippled, blind or old inmates of the Naledi Transit Camps.

Having no relatives or friends to care for them and no where to live, they are registered with the welfare section of the West Rand Administration and are presently accepting two four-roomed houses in Naledi, Soweto.

With people being brought in and others transferred, the number of residents in the Naledi houses varies from time to time. Of the 22 adults and children who lived in the houses previously, 12 adults and five children remain.

Their future is uncertain, but while residing at the Naledi camp, their life is one of drabness and gloom, broken only by casual visits to the clinic and bi-monthly trips to pension pay-out centres. On Tuesdays, an employee of the Black Housewives League gives the women sewing, knitting and cooking lessons.

A person they look to with respect, love and hope is Mrs Sally Motlama, President of the Black Housewives League who with her group has provided them with most of their basic needs, shared their sad moments with them and showed them love where nobody else seemed to care. Many other groups have come forward with help through the efforts of the league members.

Already, there are plans to move these people to another area in Soweto. Mr Nkile, a welfare officer told POST Woman that the two Naledi houses are to be used to place families.

The plight of the transit camp inmates was first brought to light by the Jabulani branch of the Black Housewives League in 1971. At that time, they were residing in a hostel in Zone 4, Meadowlands.

Appalled at the poor living conditions of these people, the league gave them daily meals which were prepared at Mrs Sally Motlama’s shop, then transported 5 km to the camp. Fresh fruit and milk was also provided by the group.

CONDITIONS

They were then transferred to the Consolidated Meat Refuse hostel (CMR) where the conditions were even more squalid. Besides being a dumping ground for people found roaming in the suburbs and town, CMR also became a refuge home for the Klipfontain flood victims. Overcrowding at the compound was therefore inevitable.

Undeterred in their determination to care for the inmates, the Housewives’ League continued feeding them as often as it could. In addition to this, knitting lessons were introduced for the idling female inmates. A teacher appointed by the Housewives’ League gave lessons in arithmetic reading and clothing designs for 80 children in the compound.

In October ’77, they were removed from the compound to two houses which were devoid of any homeiness in Naledi. Until a company gave them foam mattresses, they slept on cold cement floors with braziers to keep them warm. Their food was cooked on pressure stoves which were out of order most of the time.

TRANSFERRED

The conditions were improved when the Housewives’ League again supplied them with food, clothing, blankets and a stove. Several other organisations came forward with financial assistance, and a car to take the sick inmates to hospital.

After an alleged assault on a woman in one of the houses, the Isongo Women’s Society put up R600 worth of high fencing round the two Naledi houses. Late last year the residents of both camps experienced the first taste in a comfortable sleep when a company gave them beds and several other pieces of furniture.

“We try hard to trace their relatives so that they can be looked after properly by their own people, but it is difficult.

I have already traced some relatives of Mrs Anna Mogorosi a resident at No 1799. They are ready to have her any time, but she does not seem keen to go and live with these people,” says Mr Nkile.

“I wish a proper old age home could be built, this would improve the situation of our pensioners.”

“We are arranging to get a two-roomed house for Mrs Lena Williams who is a widow with seven children.”

“If we black people would remember these words, ‘love your neighbour as you love yourself’, we would be able to set up a decent home for these neglected people,” says Mr Nkile.

Mrs Lena Williams (39) is a widow with seven children. She would like to work but she would not know what to do with her children.
Estate duty boon for pension fund members

By PENELIPE MORGAN

PENSION fund members now have an advantage over retirement annuity fund members when it comes to estate duty.

The latest development, brought about by the Financial Institutions Amendment Act of 1979, is that payments arising from pension funds may be excluded from the total value of the estate for dutiable purposes.

In the past, when a pension fund member died his widow received an annual pension of, say, R13,000, for the rest of her life. As the pension was paid monthly, she paid tax on a monthly basis.

However, at the time of her husband's death she would have paid estate duty on the capitalised value of the pension.

The capitalised value of a pension is calculated on the basis of the life expectancy of the widow.

For example, if the widow was 50 when her husband died and the pension she received was R15,000 per annum, the capitalised value of the pension would have been R114,000. At 68 the capitalised value for the same widow would have been R20,000.

The situation for holders of retirement annuities has always been much the same.

Says Fiaafratha O'Lharaan of African Pensions Trustees: "This change has a dramatic effect on the estate duty position of pension fund members compared with holders of other types of annuities.

"The others will continue to be capitalised at 13% per annum over the life expectancy of the annuitant for estate duty purposes."

This means that for the man of moderate means whose pension would comprise the entire estate, his widow will no longer have to pay estate duty.

For those who have other assets that together with the pension will make up the estate their widows will still have to pay duty but only on that part of the estate that does not include the capitalised value of the pension.

Mr O'Lharaan points out: "This change shows that the authorities are at last showing a desire to make it easy for individuals to make adequate provision for themselves and their dependants through pension funds."
Plight of the aged grim

Municipal Reporter

The plight of the pensioners and the need for financial help from the private sector and the Government were highlighted at last night's Johannesburg City Council meeting.

The council approved a R5 000 grant to the Johannesburg Council for the Care of the Aged (JCCA) over and above its R4 230 grant for 1978/79.

"Mr Simon Chilchik said the JCCA was facing "horrendous financial strains.""

The organisation is very grateful for this grant but the R5 000 is a mere drop in the ocean for what they require to meet the needs of pensioners each day," he said.

The JCCA provides meals, arts and crafts, social functions, transport to hospital and domestic help for pensioners. It has three service centres in Johannesburg catering for about 25 000 pensioners. It ended its financial year in March with a R35 561 deficit.

Mr Chilchik said the plight of the pensioners was getting worse and as long as they had to live on less than R2 a day it was the duty of the council and of Parliament to change the situation "once and for all."

He urged the management committee to call on the Government to set up a commission of inquiry to determine the needs of the modern-day pensioner.

Unless pensioners got more money from the Government, the JCCA would have to expand its activities and ask the city council for more money next year.

Crime wave is dangerous sign. — Page 9.
Pensioners hardest hit by increased medical fees

Mercury Reporter

Hardest hit by the 90 percent November increase in doctors' and dentists' fees are the aged.

Mr. John Conradie, president of The Association for the Aged (Tafita), yesterday described the situation as "critical".

He appealed to all doctors to consider the financial position of an aged person before sending the account.

Provincial hospitals are expecting a flood of pensioners when the increase takes effect.

Mr. Derek Watterson, MEC in charge of local government and hospitals (acting), regarded the increases as "excessively heavy". A rush for medical attention at provincial hospitals at reduced prices was inevitable. Durban's Addington Hospital would be able to cope.

Older people interviewed yesterday were "worried" about the situation.

Mrs. I. Schofield, who lives in a home for the aged on the Berea, said it was not always easy to afford treatment where she only had a nominal fee.

"The older one gets, the more often medical attention is needed.

"With a bad cough and a temperature an elderly person doesn't find the strength to get up. The only way around is to call in a private doctor and pay the same as everybody else.

"It's not easy on a small pension and the new increases will make it nearly impossible," she said.

Medical Aid schemes say it is impossible to absorb the increase and premiums would have to be pushed up.

Mr. R. J. K. Slater, general manager of National Medical Plan, felt the predicted figure of an additional R7 on premiums could be excessive.

"I haven't seen any figures yet so I couldn't say what new premiums would be. But many companies help employees with their premiums.

"So if premiums go up by R7 members will probably only pay half of it."

He hoped the increased medical fees would encourage doctors and dentists who had opted out of medical aid schemes to rejoin.

Dr. E. Prinsloo, assistant secretary for the Medical Association of South Africa, said it was up to the individual to decide on this aspect.

She said the association regarded the increase as "fair" in the present economic climate.

"We are satisfied the Medical and Dental Council arrived at a just and reasonable decision after considering all aspects of an extremely complex problem.

"We also support the decision that tariffs will in future be reviewed and adjusted annually in the light of circumstances at that time."

The association appealed to all members of the profession to apply the tariff "responsibly and with discretion."

Doctors were requested to take full cognisance of the particular circumstances of individual patients.

The increase has not affected private hospitals. "There is no talk of an increase in hospitalisation," said Mr. L. Goldman, general manager of St. Augustine's.
AMENDMENT OF THE REGULATIONS UNDER THE ASSOCIATED INSTITUTIONS PENSION FUND ACT, 1963

By virtue of the powers vested in me by section 2 of the Associated Institutions Pension Fund Act, 1963 (Act 41 of 1963), I, Schalk Willem van der Merwe, Minister of Social Welfare and Pensions, hereby amend the regulations promulgated by Government Notice R. 1653 of 10 September 1976, as amended, as set out in the Schedule hereeto.

S. W. VAN DER MERWE, Minister of Social Welfare and Pensions.

SCHEDULE

1. Regulation 11 is hereby amended—
   (a) by the insertion after paragraph (d) of subregulation (1) of the following paragraph:
   "(e) any period of previous service in respect of which a member contributed to the Government Service Pension Fund established under section 3 of the Government Service Pension Act, 1973 (Act 57 of
under fonds, behalwe die Regeringsdiensweduwsenpensioenfonds, soos in bedoelde Wet omskryf, waarvan bedoelde Regeringsdienspensioenfonds die regsvolgor is, en ten opsigte waarvan 'n ander voordeel as 'n gratifikasie of jaargeld aan hom uitbetaal of aan hom betaalbaar is.

(b) deur subregulasi (2) deur die volgende subregulasi te vervang:

"(2) Geen vorige diens word ingevolge subregulasi (1) (d) en (e) as pensioengewende diens toegelaat nie indien 'n tydperk van sewe jaar verstryk het tussen die datum waarop die voordeel in daardie subregulasi bedoel, uitbetaal is en die datum waarop die skriflike versoek in subregulasi (1) bedoel deur die Sekretaris ontvang word, tensy bedoelde lid die dokumentêre bewys, wat die Sekretaris bepaal, van sodanige vorige pensioengewende diens en van die bedrag van sodanige voordeel, aan die Sekretaris voorle.".

2. Regulasi 12 word hierby gewysig—

(a) deur na subregulasi (3) die volgende subregulasi in te voeg:

"(3A) (a) Daar word aan die fonds ten opsigte van diens wat ingevolge regulasi 11 (1) (e) as pensioengewende diens gerekene word—

(i) deur die betrokkie lid 'n bedrag wat gelykstaan aan die bedrag van die voordeel in daardie regulasi bedoel, betaal tesame met samegestelde rente teen 5½ persent daarop, vanaf die datum wat onmiddellik volg op die datum waarop bedoelde voordeel aan hom uitbetaal is en met die datum waarop bedoelde bedrag aan die fonds betaalbaar is;

(ii) uit die Regeringsdienspensioenfonds, bedoel in daardie regulasi, die verskille betaal tussen die bedrag benodig en die totale bedrag wat ingevolge subparagraaf (i) deur die lid betaal moet word.

(b) By die toepassing van hierdie subregulasi beteken "bedrag benodig"—

(i) 'n bedrag bereken teen 3,04 maal die aangeslane bydraes;

(ii) rente bereken teen 2½ persent per jaar op die bedrag in paragraaf (i) bedoel ten opsigte van iedere jaar of gedeelte van jaar van sodanige pensioengewende diens; en

(iii) samegestelde rente bereken teen 5½ persent per jaar op die som van die bedrag en rente, in subparagrave (i) en (ii) bedoel, vanaf die datum wat onmiddellik volg op die laaste dag waarop die lid tot bedoelde Regeringsdienspensioenfonds bygedra het tot en met die datum waarop bedoelde bedrag aan die fonds betaalbaar is.

(b) deur in subregulasi (4) (a) die uitdrukking "regulasi 11 (1) (a) of (b)" deur die uitdrukking "regulasi 11 (1) (a), (b) of (c)" te vervang.

1973) of any other fund, except the Government Service Widows' Pension Fund as defined in the said Act, of which the said Government Service Pension Fund is the successor in title and in respect of which a benefit other than a gratuity or an annuity was paid to him or is payable to him.".

(b) by the substitution for subregulasi (2) of the following subregulasi:

“(2) No previous service shall be allowed as pensionable service in terms of regulasi (1) (d) and (e) if a period of seven years has elapsed between the date on which the benefit referred to in that subregulasi was paid and the date on which the written request mentioned in regulasi (1) is received by the Secretary, unless the said member submits the documentary proof, which the Secretary determines, of such previous pensionable service and of the amount of such benefit, to the Secretary.”.

2. Regulation 12 is hereby amended—

(a) by the insertion of the following subregulasi after subregulasi (3):

"(3A) (a) There shall be paid to the fund in respect of service which is reckoned as pensionable service in terms of regulasi 11 (1) (e)—

(i) by the member an amount equal to the amount of the benefit referred to in that regulation together with compound interest at 5½ per cent thereon, as from the date immediately following on the date on which the said benefit was paid to him up to and including the date on which the said amount is payable to the fund;

(ii) from the Government Service Pension Fund, referred to in that regulation, the difference between the amount required and the total amount which shall be paid by the member in terms of subparagraph (i).

(b) For the purposes of this subregulasi “amount required” means—

(i) an amount calculated at 3,04 times the assessed contributions;

(ii) interest calculated at 2½ per cent per annum on the amount referred to in subparagraph (i) in respect of each year or part of a year of such pensionable service; and

(iii) compound interest calculated at 5½ per cent per annum on the total of the amount and interest referred to in paragraphs (i) and (ii), as from the date immediately following on the last day on which the member contributed to the said Government Service Pension Fund up to and including the date on which the said amount is payable to the fund.”.

(b) by the substitution in subregulasi (4) (a) for the expression "regulasi 11 (1) (a) or (b)" of the expression "regulasi 11 (1) (a), (b) or (c)".

---

**Koop Nasionale Spaarsertifikate**

**Buy National Savings Certificates**
Some relief for aged

By GEORGE MATTHEW

Old age pensioners in the Vaal Triangle can now appoint procurators to collect and administer their pension funds to avoid standing in long queues when they collect their pension.

The appointment of procurators is not really what the Vaal Community Council wants. The council prefers a postal system whereby pensioners can collect their money from the Post office.

A Council chairman, Mr. Knox Matlala, said that following their request to the Commissioner of Co-operation and Development that something should be done for the aged not to collect their funds, the Commissioner agreed to the appointment of procurators.

On insistence by the Community Council, the welfare section of the Administration Board made a survey of the number of pensioners wishing to appoint relatives or trustworthy persons to administer their pension. The appointment of procurators is subject to some conditions:

That a person will be permitted to hold more than one power of attorney, but will be limited to a reasonable number of procurators, which is to be solely left to the discretion of the Commissioner or his nominee. That the owners and shop keepers will not be allowed to administer the affairs of pensioners.

That preference will be given to relatives or other trustworthy persons, and in accordance with the Commissioner’s code, a district pension officer must from time to time withhold the pension from the procurator, until such time as ample proof is provided that the pensioner is indeed still alive.

Mr. Matlala said: “We requested the appointment of procurators to avoid old age pensioners standing in long queues.”

He said that though they were happy about the procurators, what they really want is the postal system, where pensioners collect their pension funds from the Post Office, why can’t blacks be allowed to do so?” he asked.
New small business pensions

A NEW low-cost, no-fuss pension plan for small businesses, working directors and partners was announced this week by Sanlam. Penplan, as Sanlam calls it, offers minimal administration and costs to the small employer.

The plan is also designed to keep pace with increasing salaries and consequent changing pension needs.

With it, a small concern with as few as two employees can build up pension benefits and provide favourable death and disability benefits, says Pierre Steyn, Sanlam's GM.

The package is geared to take over or transfer existing pension benefits from employees joining or leaving firms where other pension schemes are involved.

This caters for the increasingly vital point of consecutive pension right transfers, with uninterrupted contribution towards benefits.

Sanlam emphasises this point, adding that the company expects the preservation of pension from job-to-job will become legally compulsory next year.

Sanlam's plan also offers supplementary pension plans for those who began contributing for a pension at advanced ages.

Such people can buy additional pensions by instalments with contributions ranging up to a maximum of R1 000 a year.
Medical fees: press '79 slated

CAPE TOWN — South Africans spend three times as much on alcohol and twice as much on tobacco as they do on medical bills, according to a supplement to the latest issue of the SA Medical Journal which slammed the press for "speculation, ignorance and slanting truths" regarding medical tariffs.

The Medical Association news supplement, after outlining the history of medical tariffs since the first preferential tariff was introduced during the Depression, said medical practitioners rendered a necessary service to the community and were entitled to "a reasonable and just level of remuneration."

It pointed out that in 1974 and 1977, the statutory tariff was increased by an average of 20 percent and nine percent respectively. The association calculated that practice costs increased by an average of 81 percent in the same period.

The newsletter also claimed the Consumer Price Index rose by 75 percent from 1974 to 1979.

"From these statistics it is clear the adjustment in gross income was totally inadequate to cover increases in practice costs and the cost of living for the doctor."

According to a survey of highly qualified whites, a relative deterioration in the income structure of medical practitioners, as compared with other professions, had become evident in recent years, the newsletter said.

It warned that the "slow and dawdling adjustment" of the income situation of the doctor may result in long-term movements within professional groups and or manpower groups across national borders.

DDC.
the cost of raising the necessary funds has to be taken into account. The funds themselves are already justified by comparison with the alternative methods of provision, but there are additional costs involved in raising them: interest on loans, or administrative and incentive costs of raising taxation. These are normally insignificant for any given project, but may affect the overall amounts available for the health budget.

Where the methods of providing a given service use the same kinds of resources in different proportions, the decision-making can usually be presented in the form of Linear Programming, though health projects have to be given to particular districts, such as more to child welfare clinics.

Overall criteria are needed, way that they can guide these decisions. One is not to relate to relate the various objectives of health programmes to the age of individuals; the latter is the age of the average person, an economic is in a broad way the latter is a hard and fast distinction between values or points of view, the former is a much more useful way to express the difference between the views of different groups. The medical and economic criteria for this separation, sorting out the multiplicity of projects which can be made on the basis of administrative or economic, together with medical-technical criteria, and those in which the role of the public through political...
Guguletu pensioners

(Continued from Page 1)

with a district pay point number appearing on each pensioner's card. This will ensure that a pensioner from one district cannot be paid in another.

Payments in these three districts, and in Langa and Nyanga, will be made on different days.

People living in Guguletu sections 3 and 4 will be in one district, while sections 1 and 2 will constitute separate districts. Payments will be made at a community hall within each district.

300 PEOPLE

At 9 am today there were more than 500 old and disabled people waiting in the Guguletu Civic Hall for the arrival of the paymasters. About 200 people stood in queues at the door.

A woman who arrived at the hall about 9 pm yesterday said it was "very cold outside and she could not sleep. She joined the queue early because there were already a lot of people outside the hall.

A FEAR

Pensioners feared there might not be enough money or time for those at the back of the queue to be paid. They would then have to make a tiresome and expensive journey to the department's offices in Observatory to collect it.

The present old age pension is R23.75 a month, or R47.50 for two months.

Mr Goodwill Botha, chairman of the Guguletu Residents' Association, said there were more than 1,000 pensioners in Guguletu.

He said an earlier idea of issuing different coloured cards to residents of Guguletu, Langa and Nyanga in an attempt to prevent congestion at Guguletu had not been pursued.

He said he wondered why the Civic Hall had not been opened last night to allow people to wait inside.

After The Argus drew attention to the plight of Guguletu pensioners last year, the hall was opened to those queuing overnight.

Mr A. MacLachlan, chief director of the Administration Board, said he could not allow people to sleep in the hall. There were no facilities and it was contrary to the insurance.

He said it was 'quite unnecessary' for people to queue overnight.
GUGULETU pensioners who again queued overnight outside the Guguletu Civic Hall to collect their old age and disability grants today, may have done so for the last time.

From November, when the Department of Cooperation and Development will make the next pension payments, Guguletu will have three points of payment instead of the one at present.

"We hope this will solve the whole problem," Mr. IJ van Heerden, Commissioner for the Peninsula, said today.

LAST TIME

"There will be a maximum of 500 to 600 pensioners at each pay point. This is the last time the whole crowd will be at the same point.

Mr. van Heerden said the new scheme had already been approved by the Department's head office and pensioners would be advised of the change today.

Guguletu is to be divided into three districts.

(Continued on Page 3, col 4)
EAST LONDON — The first Coloured old age home in the city's history is nearing completion and 39 applications already have been received from prospective occupants.

The R280 000 home, which will house 75 people, has been in the pipeline for several years and is the brainchild of the East London Coloured People's Welfare Society.

After the idea was spawned by stalwarts of the society such as the late Mr Marnie Matthews and Mr Robert King, the present committee comprising Mr F. N. Banlow (chairman), Mr W. November (vice-chairman), Mr A. Fray (secretary) and Mrs M. Matthews (treasurer) got the project off the ground with a loan from the Department of Community Development and help from Rotary.

Mr Fray said yesterday the home was expected to be ready by the end of October and would be named the D. J. Sobeys Old Age Home in honour of Mr Sobeys' services to the community.

He appealed to the community to help in recruiting inhabitants and said the conditions in the home would be much better than some old people were living in.

The home would cater for the whole of the Border but obviously East London applicants would be considered first. The running of the home would be subsidised by the Administration.

Coloured Affairs and the board of the society built and furnished the home.

---

**SWEDISH LAMB SALAD**

Cut the meat from the lamb and cut into thin slices. Place in a mixing bowl and add the following:

- 1 jar of mayonnaise
- 2 tablespoons of tomato ketchup
- 1 tablespoon of mustard

Mix well and serve cold.

---

**SWEDISH LAMB SALAD**

Cut the meat into small pieces and mix with:

- 1 cup of chopped onions
- 1 cup of chopped green peas
- 1 cup of chopped green peas

Mix well and serve cold.

---

**SWEDISH LAMB SALAD**

Cut the meat into small pieces and mix with:

- 1 cup of chopped onions
- 1 cup of chopped green peas
- 1 cup of chopped green peas

Mix well and serve cold.
216m Payout

[Image of a woman's face with close-up details]
Pension boost slammed as a 'puff of air'

By BRUCE STEPHENSON

HILLBROW'S PFP Provincial Council representative has slammed the additional R24.5 million increase to pensions as a 'puff of air' that demonstrated the Government's inability to come to grips with the problems of pensioners.

The Minister of Finance, Senator Owen Horwood, announced on Tuesday that the money would be paid to pensioners of all races in November, over and above the budgeted R9 a month increase which begins next month. This works out to R30 for whites, R24 for coloureds and Asians and R18 for blacks.

Mr Simon Chilchick, MPC, said in a statement yesterday the R30 a month bonus meant 5c a day extra for each pensioner. 'This R30 comes as a shock to them...'

'The so-called increase of 5c a day does not even buy a loaf of bread or a pint of milk,' he said. 'This once again demonstrates the Government's inability or unwillingness to come to grips with the daily problems facing pensioners.'

Meanwhile, Sapa reports that the Progressive Federal Party MP for Yeoville, Mr Harry Schwarz, said yesterday the stimulatory measures announced by Sen. Horwood were 'welcome' but more could have been done for lower income groups.

Mr Schwarz, the PFP's finance spokesman, said: 'In view of the high rate of inflation, the Minister could have abolished the import levy and could have done more for the lower income groups. The food subsidies are not adequate and the one-time bonus for pensioners, while welcome, is insufficient. It would also have been a welcome gesture if the bonus for black, Indian and coloured pensioners could have been the same as that for whites.

'The elderly who are not social pensioners have been very hard hit by falling interest rates and the Minister should have done something to relieve this burden.'

I. George de Villiers Morrison, Deputy Minister of Co-operation and Development, acting on behalf of the Minister of Co-operation and Development, by virtue of the powers vested in him by section 17 (1) of the Social Pensions Act, 1973 (Act 37 of 1973), reads with Proclamation R. 219 of 1973, hereby amend, with
wyse hierby, met ingang van 1 Oktober 1979, die regulasies vervat in die Bylae van Goewermentskennisgewing R. 1034, gedateer 21 Junie 1974, ooreenkomstig bygaande Bylae.

Hierdie kennisgewing word met die toestemming van die Administrateur-generaal vir die Gebied Suidwes-Afrika uitgevaardig en is in die genoemde Gebied van toepassing.

G. DE V. MORRISON, Adjunk-minister van Samewerking en Ontwikkeling.

**BYLAE**

Vervang Aanhangsel I deur die volgende:

**AANHANGSEL I**

**TABEL WAARVOLGENS MAATSKAPIELE PENSOENE MET INGANG VAN 1 OKTOBER 1979 TOEGEKEN MOET WORD**

<table>
<thead>
<tr>
<th>Inkomste-group</th>
<th>Jaarlike inkomste (middelde en omstandighede in og genoem)</th>
<th>Maximum jaarlikse onkomsing</th>
<th>Maximum annual grant</th>
</tr>
</thead>
<tbody>
<tr>
<td>I...</td>
<td>Nil tot R126...</td>
<td>R 330</td>
<td>R 330</td>
</tr>
<tr>
<td>II...</td>
<td>Bo R126 tot R132...</td>
<td>324</td>
<td>324</td>
</tr>
<tr>
<td>III...</td>
<td>Bo R132 tot R138...</td>
<td>318</td>
<td>318</td>
</tr>
<tr>
<td>IV...</td>
<td>Bo R138 tot R144...</td>
<td>312</td>
<td>312</td>
</tr>
<tr>
<td>V...</td>
<td>Bo R144 tot R150...</td>
<td>306</td>
<td>306</td>
</tr>
<tr>
<td>VI...</td>
<td>Bo R150 tot R156...</td>
<td>300</td>
<td>300</td>
</tr>
<tr>
<td>VII...</td>
<td>Bo R156 tot R162...</td>
<td>294</td>
<td>294</td>
</tr>
<tr>
<td>VIII...</td>
<td>Bo R162 tot R168...</td>
<td>288</td>
<td>288</td>
</tr>
<tr>
<td>IX...</td>
<td>Bo R168 tot R174...</td>
<td>282</td>
<td>282</td>
</tr>
<tr>
<td>X...</td>
<td>Bo R174 tot R180...</td>
<td>276</td>
<td>276</td>
</tr>
<tr>
<td>XI...</td>
<td>Bo R180 tot R186...</td>
<td>270</td>
<td>270</td>
</tr>
<tr>
<td>XII...</td>
<td>Bo R186 tot R192...</td>
<td>264</td>
<td>264</td>
</tr>
<tr>
<td>XIII...</td>
<td>Bo R192 tot R198...</td>
<td>258</td>
<td>258</td>
</tr>
<tr>
<td>XIV...</td>
<td>Bo R198 tot R204...</td>
<td>252</td>
<td>252</td>
</tr>
<tr>
<td>XV...</td>
<td>Bo R204 tot R210...</td>
<td>246</td>
<td>246</td>
</tr>
<tr>
<td>XVI...</td>
<td>Bo R210 tot R216...</td>
<td>240</td>
<td>240</td>
</tr>
<tr>
<td>XVII...</td>
<td>Bo R216 tot R222...</td>
<td>234</td>
<td>234</td>
</tr>
<tr>
<td>XVIII...</td>
<td>Bo R222 tot R228...</td>
<td>228</td>
<td>228</td>
</tr>
<tr>
<td>XIX...</td>
<td>Bo R228 tot R234...</td>
<td>222</td>
<td>222</td>
</tr>
<tr>
<td>XX...</td>
<td>Bo R234 tot R240...</td>
<td>216</td>
<td>216</td>
</tr>
<tr>
<td>XXI...</td>
<td>Bo R240 tot R246...</td>
<td>210</td>
<td>210</td>
</tr>
<tr>
<td>XXII...</td>
<td>Bo R246...</td>
<td>Nil</td>
<td>Nil</td>
</tr>
</tbody>
</table>

**SCHEDULE**

Substitute the following for Annexure I:

**ANNEXURE I**

**TABLE ACCORDING TO WHICH SOCIAL PENSIONS ARE TO BE GRANTED WITH EFFECT FROM 1 OCTOBER 1979**

<table>
<thead>
<tr>
<th>Income group</th>
<th>Annual income (allowing for manner and circumstances)</th>
<th>Maximum annual grant</th>
</tr>
</thead>
<tbody>
<tr>
<td>I...</td>
<td>Nil to R126...</td>
<td>R 330</td>
</tr>
<tr>
<td>II...</td>
<td>Over R126 to R132...</td>
<td>324</td>
</tr>
<tr>
<td>III...</td>
<td>Over R132 to R138...</td>
<td>318</td>
</tr>
<tr>
<td>IV...</td>
<td>Over R138 to R144...</td>
<td>312</td>
</tr>
<tr>
<td>V...</td>
<td>Over R144 to R150...</td>
<td>306</td>
</tr>
<tr>
<td>VI...</td>
<td>Over R150 to R156...</td>
<td>300</td>
</tr>
<tr>
<td>VII...</td>
<td>Over R156 to R162...</td>
<td>294</td>
</tr>
<tr>
<td>VIII...</td>
<td>Over R162 to R168...</td>
<td>288</td>
</tr>
<tr>
<td>IX...</td>
<td>Over R168 to R174...</td>
<td>282</td>
</tr>
<tr>
<td>X...</td>
<td>Over R174 to R180...</td>
<td>276</td>
</tr>
<tr>
<td>XI...</td>
<td>Over R180 to R186...</td>
<td>270</td>
</tr>
<tr>
<td>XII...</td>
<td>Over R186 to R192...</td>
<td>264</td>
</tr>
<tr>
<td>XIII...</td>
<td>Over R192 to R198...</td>
<td>258</td>
</tr>
<tr>
<td>XIV...</td>
<td>Over R198 to R204...</td>
<td>252</td>
</tr>
<tr>
<td>XV...</td>
<td>Over R204 to R210...</td>
<td>246</td>
</tr>
<tr>
<td>XVI...</td>
<td>Over R210 to R216...</td>
<td>240</td>
</tr>
<tr>
<td>XVII...</td>
<td>Over R216 to R222...</td>
<td>234</td>
</tr>
<tr>
<td>XVIII...</td>
<td>Over R222 to R228...</td>
<td>228</td>
</tr>
<tr>
<td>XIX...</td>
<td>Over R228 to R234...</td>
<td>222</td>
</tr>
<tr>
<td>XX...</td>
<td>Over R234 to R240...</td>
<td>216</td>
</tr>
<tr>
<td>XXI...</td>
<td>Over R240 to R246...</td>
<td>210</td>
</tr>
<tr>
<td>XXII...</td>
<td>Over R246...</td>
<td>Nil</td>
</tr>
</tbody>
</table>
Link pensions to inflation

Link the means test for old-age pensioners to the rate of inflation, says Mr Brian Goodall, the Progressive Federal Party candidate in the Edenvale by-election.

He called the lump sum bonus of R30 to be paid to pensioners, "ad hoc" and "paternalistic." It amounted to about 8c a day which was not enough to buy half a litre of milk or a loaf of bread.

He said the Minister of Finance, Senator Horwood, should tackle some of the basic structural faults in the pension system.

"For example, it has become apparent that the present means test for pensioners is totally unrealistic in the context of the rapid inflation which South Africa has experienced in recent years.

"In other words if pensions began to fall away at R32 000 10 years ago, they would now fall away at R60 000. This would simply be a compensating factor for inflation," he said.

(Supplied by J.D. Dill, 47 Steven Street, Johannesburg.)
FRINGE BENEFITS — 2

**Pension problems**

Higher employer contributions to pension funds — which could cut deeply into company profits by an amount approaching R100 mil a year — are almost certain to be needed if fringe benefits are taxed in accordance with the controversial Standing Advisory Commission's proposals.

Moreover, this would be in addition to direct higher salary and wage demands from employees to compensate them for higher taxation.

Some pension funds are already finding difficulty in meeting obligations as benefits that they must pay have been swollen so much by persistent inflation, outstripping investment returns.

That strain on the funds would be magnified considerably if salaries and wages are raised to compensate employees for having to pay taxes on their fringe benefits.

The perks tax pension problem, say managers, is that if executives demand compensation for the taxation they incur on fringe benefits the additional remuneration would most likely be pensionable. This, they fear, will cause a "quite substantial" hike in the financing requirements of their funds, as pensions are usually based on salary levels at retirement.

There are three ways in which the financial strain on the funds could be lessened: increase pension contributions, extend the retirement age, or restructure pension benefits.

Fiachra O'Hanrahan, MD of African Pension Trustees, reckons that a hike of about 2.25% in salaries — almost R70 mil, working on last year's white wage bill — would be needed to compensate for the extra demands caused by fringe benefits taxation. This would be met straightforwardly from the profits of companies which operate non-contributory schemes, such as banks.

Standard Bank's GM, personnel, Henry Fabian, says representations have already been made to the authorities on this score.

Fabian contends: "It's obviously fair to have an equitable tax base, but unfair to take such a cold and clinical approach in a long-standing practice."

Old Mutual GM Tony van Ryneweld agrees that there will be some upward pressure on salaries. But, he adds: "Perks are not a God-given right." Anyway, he sees the pension aspect of the fringe benefits argument as small beer compared with the total cost to companies arising from the taxation of perks.

Van Ryneweld reckons an increase in the retirement age is another viable alternative. Although most companies currently have a standard retirement age of 65, many others pay off employees at 63. Pushing the age up would increase contributions, and shorten the retirement period, thus helping to take load off the funds. But then productivity would suffer.

Liberty Life AGM (Pensions), Ben Lipshitz, is also fairly optimistic. Large demands for compensatory payments, causing a one-off discontinuity in the salary curve, he avers, would certainly put strain on pension funds which link repayments to final salary. But he points out that any additional remuneration awarded to executives could be designated non-pensionable.

But O'Hanrahan thinks much of this argument is unrealistic. "The extension of the retirement age would leave the country being run by a bunch of dotards," he protests, adding that a change in the retirement payout would be socially detrimental to all sectors of the community.

There are three important points underlined by this issue. One is that tax reform needs to be far more all-embracing than moves to tax fringe benefits alone. The other is that it is further evidence of the tax commissions's inadequate examination of the matter. The third is that the consequent reduction in social benefits might ultimately have to be made good by the State itself.
Go up pensions gap as wider

AS FROM OCTOBER PENSIIONS:

THE PENSION WILL BE: WHITE - 1970, 1975, 1980 (the position of the pensioner's wife or widow will make the difference)

COTTONS AND HINTONS - 1970, 1975, 1980 (the position of the pensioner's wife or widow will make the difference)

THE DEPARTMENT OF SOCIAL WELFARE AND PUBLIC HEALTH MAKES THE DECISIONS FOR WHITE AND BLACK PENSIONERS.

END OF PAGE 6
S. A. pension iniquities

SIR,—It is iniquitous that old age pensioners should be required to pay income tax on the pittance they receive. Until retirement they have paid income tax the whole of their “earning” years—surely they could keep for themselves their meagre pensions, without deductions.

I listened to our little friend on TV recently being so magnanimous as to what would be done with the budget surplus, and I wondered just what increase there would be in the old age pensions—probably R5 or R10 a month, as with previous increases, and then the wait of two to three months before receiving it.

It is iniquitous that, when Members of Parliament grant themselves an increase in salary, it is to the tune of thousands of rands, and from the passing of the grant it is retrospective for six months so that they not only receive a big increase, but a fat lump sum additionally.

Far more

I am willing to wager that the pensioners have done far more for the economy of our country than all these gentlemen combined, through their payment of income tax, through the work they have done, and through their contribution of children and grandchildren who have carried on the good work in all its many aspects, and are even now serving on the border, defending our country.

Means test

It is iniquitous that our country dares to call itself a country of “culture” when so many old age pensioners are living on or below the bread-line. It is iniquitous that our senior citizens have to apply for a pension, when it is their right to live in comfort and security, not a favour to be granted by the Government at its leisure.

It is iniquitous that the means test has not been revised since 1972. It should have been abolished long ago.

It is iniquitous to know of a married couple, who having both paid income tax until the age of 69, are South African born and bred, and who both have disabilities, have just been refused the old age pension on the grounds that their joint income (amounting to just a little over R200 a month) has exceeded the means test.

This is not only iniquitous, it is diabolical. Let our Members of Parliament go over to Britain and see for themselves what happens in a really “cultured” country. They will see that there is no starvation or living on or below the breadline. They will see how senior citizens should be treated.

E. B. BORLARD
P.O. Munster, 4278.
Getting old is only the first of your pension problems

This is the first of two articles by BRUCE STEPHENSON on the position of pensioners in this country. Today's article tells you how to go about getting a State pension and whether you qualify for aid. Tomorrow, the Rand Daily Mail will feature interviews with pensioners, politicians, social workers and the Department of Social Welfare and Pensions on the plight of SA's aged.

The capital value of annuity investments is added. Disregard interest and annuity payments.

Finally, add the capital value of any business you own.

If you calculate that your income is above R984 a year (R62 a month) or the value of your assets exceeds R24 600, you are probably not entitled to a pension.

The means test for blacks is based on income only, and pensions paid are half those for coloureds and Indians. The income limit is set at R25 a year.

The maximum pension is R32 500 a year (R2 625 a month) and the minimum is R20 000 a year (R1 666 a month). To these basic amounts can be added R2 50 for war veterans and supplementary allowances from R25 to R75 for delayed applications.

The War Veterans' pension, worth R10 more all the way, has a lower qualifying age, being 60 for both men and women. It may also be paid to a war veteran under 60 if he is physically or mentally unfit for work.

A Blind Persons' pension is payable to a registered blind person from 19 and all qualifications are the same, except that only half of the person's earnings is regarded as income for means test purposes.

Disability pensions apply for those not living in a State subsidised old age home. For the bedridden or those over 85 years, you are entitled to an attendant's allowance of R125 a month.
Old and alone,

their days in

stark solitude

They wait out
days in

a pension from the SAP of R100 a month, but does not think it is enough for him to live on. He
gets

Former detective sergeant Hendrik Lubunge, 66, has been bedridden for three months. He gets

daughter needs him.
How would you like to live on a solitary meal of porridge and cheap meat? Or not at all and see the flowers that bloom in your 3 m by 6 m room because you are going blind? BRUCE STEPHENSON highlights the plight of the aged poor and poses the question: Who must care for them?

Mr Nicky Parkinson, his wife and small child have lived in a three-room hut on the outskirts of a small town for three years. They are members of the local welfare organization, but their small income is barely enough to support their family. Mr Parkinson is a day labourer, while his wife is a housewife. Their only source of income is a small garden which they tend on weekends. Despite their efforts, they are still struggling to make ends meet.

Mr Parkinson's health has been declining steadily due to his age and the stress of caring for his family. He suffers from chronic arthritis and has difficulty walking. His wife, who is in her mid-40s, has also been diagnosed with a chronic illness that affects her mobility. They have no children, and their only relatives are living far away in another country.

The welfare organization has promised to provide them with a small grant to improve their living conditions, but the amount is insufficient to meet their basic needs. They have been waiting for months for the grant to be processed. Meanwhile, they have to make do with the little they have, and the children are often hungry.

Mr Parkinson is worried about the future and wonders if there is anyone who can help them. He has heard about government programs that provide assistance to the elderly, but he doesn't know where to start or how to apply. He also wonders if there is any way to increase their income. He has considered selling some of their belongings, but they need them for their daily survival.

Mr Parkinson's story is not unique. There are many elderly people in similar situations who struggle to make ends meet. The government needs to do more to support these vulnerable individuals. They need access to affordable housing, healthcare, and basic necessities to ensure their well-being. It is time for the government to take action and provide the support that is needed to help those in need.
in the 2-4 and 5-6 year age groups.

The results show a striking trend to the concern that children are learning to read at a younger age. The proportion of children who can read at the age of 4 years has doubled over the past decade. This is attributed to the increased emphasis on early literacy in schools and the availability of early childhood education programs.

The trend is also evident in the percentage of children who can read fluently. Although the percentage of children who can read fluently at the age of 6 years has remained relatively stable, there has been a significant increase in the percentage of children who can read fluently at the age of 4 years.

These findings have important implications for policy makers and educators. They highlight the need for continued investment in early childhood education programs and the importance of early literacy interventions. The results also underscore the need for further research to understand the factors that contribute to these trends.

To address these findings, educators and policymakers need to focus on strategies that can help children develop phonemic awareness and decoding skills at a younger age. This includes the development of effective programs that target young children and the provision of resources that support early literacy development.

In conclusion, the results of the study suggest that children are learning to read at a younger age and that there has been a significant increase in the percentage of children who can read fluently at the age of 4 years. These findings have important implications for policy makers and educators and highlight the need for continued investment in early childhood education programs and the importance of early literacy interventions. The results also underscore the need for further research to understand the factors that contribute to these trends.
No. R. 2447 2 November 1979
REGULATIONS UNDER SECTION 11 OF THE GENERAL PENSIONS ACT, 1979

By virtue of the powers vested in me by section 11 of the General Pensions Act, 1979 (Act 29 of 1979), I, Lourens Albertus Petrus Anderson Munnik, Minister of Social Welfare and Pensions, after consultations with the Ministers and the Administrators referred to in subsection (1) of the said section, hereby make the regulations set out in the Schedule hereto.


---

No. R. 2447 2 November 1979
REGULASIES KRAGTENS ARTIKEL 11 VAN DIE ALGEMENE PENSIOENWET, 1979

Kragtens die bevoegdheid my verleen by artikel 11 van die Algemene Pensioenwet, 1979 (Wet 29 van 1979), vaardig ek, Lourens Albertus Petrus Anderson Munnik, Minister van Volkswelsyn en Pensioene, hierby na oordag met die Ministers en die Administrateurs vermeld in subartikel (1) van genoemde artikel, die regulasies in bygaande Bylae vervat, uit.

L. A. P. A. MUNNIK, Minister van Volkswelsyn en Pensioene.
1. (1) In these regulations, unless the context otherwise indicates—

"average salary" means the average annual salary or wages of the officer or employee concerned which is payable in terms of the relative pension fund regulations on his death, retirement or discharge;

"dependant" means any person designated for the purposes of these regulations by the Secretary as a dependant of an officer or employee, as the case may be;

"disability" means disablement as determined by the Workmen's Compensation Commissioner in terms of the Workmen's Compensation Act, 1941 (Act 30 of 1941);

"formula A" in relation to a matter to be calculated in accordance with formula A, means—

\[ E \times F \times G \]

in which—

factor E is equal to 6.72 per cent;

factor F is the average salary of the officer or employee concerned; and

factor G is equal to 5;

"formula B" in relation to a matter to be calculated in accordance with formula B, means—

\[ E \times F \times H \times J \]

in which—

factor H is the period which follows immediately on the date of the retirement or discharge or death of the officer or employee concerned up to and including the last day of the month on which or in which he, if he be or was then alive, shall attain or would have attained the age of 65 years—

factor J is the percentage of disablement of the officer or employee concerned; and

factors E, F and H, respectively, have the same meaning as factors E and F in the definition of formula A;

"formula C" in relation to a matter to be calculated in accordance with formula C, means—

\[ F \times G \times K \]

in which—

factor K is equal to one fifty-fifth; and factors F and G respectively have the same meaning as factors F and G in the definition of formula A;

"formula D" in relation to a matter to be calculated in accordance with formula D, means—

\[ F \times H \times J \times K \]

in which—

factors F, H, J and K respectively have the same meaning as factors F, H, J and K in the definition of formulas A, B and C;

"Revenue" in relation to an officer or employee—

(i) of the Government, means the State Revenue Fund;

(ii) of this Department of Posts and Telecommunications, means the Post Office Fund; and

BYLAE
REGULASIES
Woordomskrywings

1. (1) In hierdie regulasies, tensy uit die samhang anders blyk, beteken—

"afhanklike" 'n persoon wat die Sekretaris vir die doeleindes van hierdie regulasies as 'n afhanklike van 'n beampte of werkner, na gelang van die geval, aanwyk;

"arbeidsongeskiktheid" arbeidsongeskiktheid seos deur die Ongevallekommissaris ingevolge die Ongevallewet, 1941 (Wet 30 van 1941), bepaal;

"die Wet" die Algemene Pensioenwet, 1979;

"formula A" met betrekking tot 'n aangeneemheid wat ooreenkoms met formule A bereken moet word—

\[ E \times F \times G \]

waarin—

faktor E gelyk is aan 6.72 persent;

faktor F die betrokke beampte of werkner se gemiddelde salaris is;

faktor G gelyk is aan 5;

"formula B" met betrekking tot 'n aangeneemheid wat ooreenkoms met formule B bereken moet word—

\[ E \times F \times H \times J \]

waarin—

faktor H die tydperk is wat onmiddellik volg op die datum van die betrokke beampte of werkner se afstap van of afsterwe tot en met die laaste dag van die maand waarop of waarin hy, in dien hy dan in lewe is of was, die ouderdom van 65 jaar sal bereik of sou bereik het;

faktor J die persentasie arbeidsongeskiktheid van die betrokke beampte of werkner is en

faktore E en F, onderskeidelik dieselfde beteken het as faktore E en F in die omkrywing van formule A;

"Formule C" met betrekking tot 'n aangeneemheid wat ooreenkoms met formule C bereken moet word—

\[ F \times G \times K \]

waarin—

faktor K gelyk is aan een vyf-en-veertigste; en faktore F en G onderskeidelik dieselfde beteken het as faktore F en G in die omkrywing van formule A;

"formule D" met betrekking tot 'n aangeneemheid wat ooreenkoms met formule D bereken moet word—

\[ F \times H \times J \times K \]

waarin—

faktore F, H, J en K onderskeidelik dieselfde beteken het as faktore F, H, J en K in die omkrywing van formules A, B en C;

"gemiddelde salaris" die gemiddelde jaarrige salaris of loon wat in berekening geneem word; die bepaling van die betrokke beampte of werkner, se voordeel wat benadruk is by sy sterfde, afstap van of ontslag van grag te skep van die pensioenfondsregulasies;

"fokomt" met betrekking tot 'n beampte of werkner—

(i) van die Regering, die Staatsinkomstefonds; en

(ii) van die Departement van Post- en Telekommunikasiewese, die Postkantoorfonds; en
(iii) of a provincial administration, means the provincial revenue fund concerned;

"Secretary" means the Secretary for Social Welfare and Pensions;

"the Act" means the General Pensions Act, 1979;

"Workmen's Compensation Commissioner" means the Workmen's Compensation Commissioner appointed in terms of section 12 (1) of the Workmen's Compensation Act, 1941 (Act 30 of 1941);

and any word to which any meaning has been assigned in section 11 of the Act, shall have that meaning.

(2) In the determination of the average salary of an employee who is a member of the Reserve Police Force or of the Police Reserve referred to in section 11 (4) of the Act, the amount determined by the Minister of Police in consultation with the Minister of Finance from time to time as the annual salary of such employee or of employees of the category of employees to which such employee belongs, shall be deemed to be the average salary of such employee.

**Compensation on retirement or discharge**

2. (1) If an officer or employee is retired or discharged as a result of injury or ill-health not occasioned by his own fault, arising out of and in the course of his employment, there shall be paid to him out of Revenue a gratuity calculated in accordance with formula A or B according to which one of such formulas shall be more beneficial for such officer or employee.

(2) If an officer or employee is thus discharged and the percentage of his disablement is more than 30 per cent, there shall be paid to him, out of Revenue, in addition to the gratuity which is paid to him in terms of subregulation (1), an annuity calculated in accordance with formula C or D according to which one of such formulas shall be more beneficial for such officer or employee.

(3) For the purposes of this regulation, an employee who is a member of the Reserve Police Force or of the Police Reserve as referred to in section 11 (4) of the Act, shall be deemed to have been retired or discharged with effect from the date on which his membership of such Reserve Police Force or Police Reserve is terminated.

**Compensation payable on death of an officer or employee**

3. (1) If an officer or employee dies as a result of injury or ill-health not occasioned by his own fault, arising out of and in the course of his employment, before a gratuity or an annuity has been paid to him in terms of regulation 2, there shall be paid to his dependants, an amount out of Revenue which is equal to the gratuity and five times the annuity which would have been payable to such officer or employee in terms of regulation 2 if he had not died in that manner.

(2) If an officer or employee to whom an annuity has been awarded in terms of regulation 2 dies within a period of five years after the said annuity has been awarded to him, there shall be paid out of Revenue to his dependants designated by the Secretary, an amount which is equal to the total of the annuity which would have been paid to him during the period from the first day of the month in which follows immediately on the date of his death up to an including the last day of the month in which the said period of five years expires, if he had not died.

(iii) van 'n provinsiale administrasie, die betrokke provinsiale inkomstefonds;

"Ongevallekommissaris" die Ongevallekommissaris kragtens artikel 12 (1) van die Ongevallewet, 1941 (Wet 30 van 1941), aangestel;

"Sekretaris" die Sekretaris van Volkswet en Pensioen;

en het 'n woord waaraan daar in artikel 11 van die (Wet 30 van 1941), aangestel;

(2) By die bepaling van die gemiddelde salaris van 'n werkner wat 'n lid van die Reserwepolisiemag of van die Polisierese is soos bedoel in artikel 11 (4) van die Wet, word die bedrag wat die Minister van Polisie in oorleg met die Minister van Finansies van tyd tot tyd bepaal as die jaarliks salaris van so 'n werkner of van werkners van die kategorie werkners waartoe sodanige werkner behoort, geag die gemiddelde salaris van sodanige werkner te wees.

**Vergoeding by afdanking of ontslag**

2. (1) Indien 'n beambte of werkner as gevolg van besering of swak gesondheid wat sonder sy eie toedoen uit en in die loop van sy diens ontstaan het, afgedank of ontslaan word, word daar aan hom 'n gratifikasie, bereken ooreenkomslik formule A of B, na gelang van watter een van sodanige formules vir sodanige beambte of werkner die voordeligste is, uit Inkomste betaal.

(2) Indien 'n beambte of werkner, alud ontslaan word en die persentasie van sy arbeidsongeskiktheid meer as 30 persent is, word daar, benewens die gratifikasie wat ingevolge subregulasi (1) aan hom betaal word, 'n jaar geld, bereken ooreenkomslik formule C of D, na gelang van watter een van sodanige formules vir sodanige beambte of werkner die voordeligste is, uit Inkomste aan hom betaal.

(3) By die toepassing van hierdie regulasi word 'n werkner wat 'n lid van die Reserwepolisiemag of van die Polisierese is soos bedoel in artikel 11 (4) van die Wet, geag afgedank of ontslaan te wees met ingang van die datum waarop sy lidmaatskap van sodanige Reserwepolisiemag of Polisierese beëindig word.

**Vergoeding betaalbaar by afsterwe van 'n beambte of werkner**

3. (1) Indien 'n beambte of werkner as gevolg van besering of swak gesondheid wat sonder sy eie toedoen en in die loop van sy diens ontstaan het, te sterwe kom voordat 'n gratifikasie of jaar geld ingevolge regulasi 2 aan hom betaal is, word daar aan sy afhanklikes uit Inkomste 'n bedrag betaal wat gelykstaan met die gratifikasie en vyf maal die jaar geld wat ingevolge regulasi 2 aan sodanige beambte of werkner betaal sou gewees het indien hy nie alud was te sterwe gekom het nie.

(2) Indien 'n beambte of werkner aan wie 'n jaar geld ingevolge regulasi 2 toegeskry is, te sterwe kom binne 'n tydperk van vyf jaar nadat bedoelde jaar geld aan hom toegeskry is, word daar uit Inkomste aan sy afhanklikes wat die Sekretaris bepaal, 'n bedrag betaal wat gelykstaan met die som van die jaar geld wat gedurende die tydperk vanaf die eerste dag van die maand wat onmiddellik volg op die dag van sy afsterwe tot en met die laaste dag van die maand waarin bedoelde tydperk van vyf jaar verstreken aan die beambte betaal sou gewees het indien hy nie gesterf het nie.
3) If any gratuity referred to in subregulation (1) or (2) is payable to two or more dependants, such gratuity shall be paid to such dependants in such portions as the Secretary may determine.

**Medical treatment**

1) If the Secretary is of the opinion that an officer or employee referred to in regulation 2 is in need of medical treatment referred to in section 11 (1) of the Act, or in respect of an injury or ill-health to which the disablement of such officer or employee is related, he may authorise such treatment and if he authorises such treatment, the cost of such treatment shall be paid from the estate.

**Control and delegation**

1) The Secretary shall administer this Scheme and the cost thereof shall be paid from the State Revenue Fund.

2) The Secretary may, with the approval of the Minister, authorise any officer of the Government department of which the Secretary is the head, to exercise or perform on his behalf any of the powers or functions, which have been conferred upon or assigned to the Secretary by these regulations.

**Date of commencement**

1) These regulations shall be deemed to have come into operation with effect from 5 April 1979.

(3) Indien 'n gratifikasie bedoel in subregulase (1) of (2) aan twee of meer afhanklikes betaalbaar is, word sodanige gratifikasie aan sodanige afhanklikes betaal in die verhoudings wat die Sekretaris bepaal.

**Geneeskundige behandeling**

4. Indien die Sekretaris van oordeel is dat 'n beampte of werknemer in regulasie 2 bedoel, enige geneeskundige behandeling soos in artikel 11 (1) van die Wet bedoel, nodig het ten opsigte van 'n besering of swak gesondheid waarop die arbeidsongeskiktheid van sodanige beampte of werknemer betrekking het, kan hy magtiging vir sodanige behandeling verleen en, indien hy sodanige magtiging verleen, word die koste van sodanige behandeling uit Inkomste betaal.

**Beheer en delegasie van bevoegdhede**

5. (1) Die Sekretaris administrer hierdie Skema en die koste daarvan word uit die Staatsinkomstefonds bestry.

(2) Die Sekretaris kan, met die goedkeuring van die Minister, 'n beampte van die staatsdepartement waarvan die Sekretaris die hoof is, magtig om enige bevoegdheid of werkzaamheid wat by hierdie regulasies aan die Sekretaris verleen of opgedra word, namens hom uit te oefen of te verring.

**Datum van inwerkingtreding**

Rosie's formula works wonders for pensioners

MRS ROSIE BILLA of 3991 Chiawelo has come up with a successful formula for the old aged pensioners in her area.

She is the founder of the Recreation and Social Club for old aged pensioners in Chiawelo. A member of the multiracial Women for Peace, Mrs Billa shares the little knowledge of how to combat high inflation with her elderly friends on Thursdays and Sundays.

The club was founded eight months ago. They have grown vegetables in the open veld opposite their homes and have since then made sure that they do not just throw away anything.

"They have learnt to make delicious meals out of pumpkin peels and overripe tomatoes and oranges," Mrs Billa proudly said.

When POST Woman visited the club in the congested back yard of Mrs Billa's four roomed house, the jolly grannies were busy grinding baked peanuts to make peanut butter.

Some were doing patchwork while others were doing gardening. The little ones were also there to help their grannies wherever they could.

For the pensioners who find it difficult to work in the garden, Mrs Billa made life easier. She taught them how to grow vegetables in an old bath.

"We first make a compost with soil, old tins, newspapers and bones in the bath. The compost should fill the bath up to the brim so that the old ladies can do gardening sitting down," Mrs Billa said.

Mrs Billa was supervisor at the African Self-Help creche in Chiawelo. On her retirement earlier this year, she became engaged in voluntary work. She said the club will close on November 15, and each member will be presented with Christmas gifts.

She also appeals to the community for donations, even if it is only pieces of material for they will put it to good use. Mrs Billa can be contacted at 935-1044.
STATUTES OF

(d) whether or not to be personal debts or liquidation proceedings - it is impossible to assess the long-term pros and cons without escalation rates - which Edgars is traditionally reluctant to reveal. The fact that the lease is a long-term tenancy (25 years) makes the rate even more important, and the FM understands that Edgars is paying a small premium - probably about 8%.

(f) whether or not the conduct of the borrower is probably the key factor at all lease rates overall of at least some of the properties. The Durban store, for example, consists of 7,500 m² which is too much to handle and some of the space will remain on lease to outside tenants. This will lessen the interest burden, which kicks off at between R800,000 and R850,000 a year.

The parties have negotiated the deal as a single package. Agent Geoff Chait says terms were negotiated "backwards" with Edgars first to show its hand by offering a reduced figure. Agreement was then reached with the FM and the selling price hit the spot with John Orr. So the end result has been a win-win all round.

But it is not the end of the story for Orr, Chairman Nick Labuschagne confirms in the FM speculation that he is getting out of the Rosebank Mall and, he hopes, Eastgate as well. The 1,000 m² mall shop is expected to be taken over by furniture specialists Gersby Bros (of Lounge Suite fame) who will probably be trading under a new name.

And that's more than acceptable to Mall GM Geoff Earnshaw, who sees the additional comparative furniture shopping in the centre as a welcome plus for the tenant mix.

Eastgate negotiations

The Eastgate negotiations are not as far advanced. Edgars is already well-represented and is unlikely to be a candidate. Other department stores are likely to be scared off by the available space too small for a full-line operation and too large for something more exclusive. It is one of the reasons why John Orr hasn't made a go of it.

If Eastgate is also dropped, it will bring the number of outlets down to seven, and all of them, says Labuschagne, can be expected to contribute now that the La Lune store looks like turning the corner.

The successful Milady's and Hub operations aren't being touched, he says, and future results should reflect the "cutting out of the cancer.

Surprisingly, though, he doesn't see John Orr itself going downmarket to compete directly with the supermarkets and discounters who have done most of the damage.

"Our intention is to trade up again," he says bravely, "we still believe there's a big gap at the top of the market which needs to be filled."

404. Master may grant extension of time for lodging: if unable to lodge an account with the Master under section 403 and to comply with paragraphs (a) and (b) of subsection (1) of this section, the Master or any person having an interest in the company may serve notice on the liquidator requiring him within two weeks after the date of the notice—
A company's pension fund has long been regarded as a matter concerning the company and its employees, and one that is of relatively little interest to shareholders. In recent years, however, this attitude has begun to change. First, there has been the need to consider pension funds as inflationary pressures on salaries have left gaps in the funding of those funds held for the benefit of the employees, and secondly, the realisation that pension benefits are related to the final salary. Although this has been felt in SA, it has been particularly minor impact here; but it has been felt in Europe, and its consequences noticed in the UK. The US, where a large number of employers has been attracted by the dramatic need to pump millions into funds to ensure their viability.

And although millions, paid to the funds by the companies, have, effectively, come straight from shareholders' pockets, another factor which will bring pension fund funding front and centre in corporate affairs is the issue of the preservation of the funds and/ or the transferability of pension rights, and the related issue of the vesting (ie, the employee's employer's contributions when the employee leaves service.

Following the discussions of the past couple of years, the pensions industry now expects legislation on this subject within the next year. There is, in fact, almost no dispute on the desirability, even the need, to preserve pension rights in the event of the death or departure of an employee, and to transfer those rights, if possible, to his or her new employer's pension fund. It is in the technical difficulties, outside the scope of this article, which provide the snags.

The main objection to the present system, of repaying to the employer his own contributions, with or without a nominal rate of interest, is that this lump sum is frequently squandered, rather than being invested in old age, as it obviously should be. Indeed, the availability of the "pension money" is all too often one reason for leaving job A and blowing the lot on a first-class holiday, or on the settlement of debts.

The other side of this coin, however, is that staff turnover - turnover, that is, is the rate of attrition for a fund's actuarial statement. It is a major source of "profit" to a number of pension funds. This is simply because the leaver is being penalised, and heavily at that. First, the company's own contributions in respect of his service - which at a minimum are equal to his, but frequently are greater - remain in the fund; and secondly, the rate of interest paid out on his own contributions, if interest is paid at all, will be at a nominal 2% or so, giving the fund an interest profit on the 10% or so that the money has actually earned.

Without these windfall profits - which by law will cease with the present actuarial assumptions - many a pension fund would be under-funded. Hence it would - or rather, will - require a hefty subvention from the employer. Which means, of course, from the shareholders.

It is for these, and a number of lesser reasons, that the FM, together with the Bureau of Financial Analysis of the University of Pretoria, has decided to enter a controversial arena and include marks for pension fund reporting in the new rules for the Accounts Award which are currently in draft. Company finance directors and controllers have been invited to comment on the draft rules, and these comments will be considered by the Rules Committee at the end of the month. The new rules, which will include marks for pension fund reporting on the lines set out below (unless modified in the light of the readers' comments), will be published in the FM during December.

The present intention is to award, or deduct, four marks (out of a possible 100) for reporting in the pension fund area. It is a relatively small marking, but it will certainly help to sort out the good from the very good, reporters. Protea Holdings won this year's Award with 97%.

Five headings are envisaged:

- No mention is made of the existence, or otherwise, of a company pension fund (this, at present, is the majority case) - 0 marks.
- Total assets of the fund are given, as Rm - 1 mark.
- Assets not applicable as the fund is insured or managed by an insurance company - 1 mark.
- Some information is given as to the cost of the fund to the company. Eg, "the company contributes 7% of wages and salaries to the fund" - 1 mark.
- Information is given regarding the liability, or otherwise, of the company to the fund. "At a recent actuarial valuation, the fund was shown to be completely sound," or "The effect of transferability of pensions will be that the company will have to contribute R10,000 to the fund over the next 15 years" - 1 mark.
- Any additional information - 1 mark.

Under this heading, we will look for information concerning the number of members, whether or not all rates rank equally in the fund, changes in policy and/or benefits regarding the fund, and so on.

As not to penalise the occasional company which, in this enlightened day and age, has no pension fund - the Accounts Award is, after all, concerned with company reporting only, not social or moral responsibility - in the event of a pension fund being "worth" 4 marks.

Preliminary discussions have indicated that these new rules will be welcomed, especially by analysts and merchant bankers.

So far as analysts are concerned, the fact that the market value of a pension fund, and frequently does, exceed the market capitalisation of the company itself, is only of passing interest, as pension funds assets are, by law, held separately from those of the company, and cannot be used for or for company affairs. They can, however, be used to buy the company's shares, or to support projects in which the board, or the trustees, are interested. And, more importantly, management of pension fund assets can be used as a lever, if so desired.

For the analyst, the bigger area of interest is the cost, and the potential cost, of the fund to the company. Commonly, funds cost companies 8.5% and upwards to 10% or even 15% of the total wage and salary bill - a cost which frequently exceeds the total cost of dividends. And subvention on a large scale, such as could occur in the event of any error (or, for a fund currently on a less than solid basis, when transferability becomes law) could shake the very foundations of the company itself.

For the merchant banker, there is another aspect. Fund benefits vary widely, and, of course, are rarely if ever published as things stand. But such differentials can have major impact in a merger situation, where it can conceivably cost wholly unexpected millions to bring up the scale of benefits of one of the merging companies to that of the other - as obviously has to be done over time.

It is a big subject, and this article has merely sketched in the outlines. The new Accounts Award rules could well lead to a major breakthrough in the attitudes of the business and accountancy communities towards the treatment of pension funds in company reports.
Magistrate denies theft of pensioners' money

UMTATA — A former Tsolo magistrate now on transfer in Elliotdale appeared in the regional court here on two counts of theft involving R2 575 belonging to pensioners.

Appearing before Mr T. A. Moloi was Mr Benjamin Zongo. According to the charge sheet he stole R2 515 on July 11 last year and R60 on July 19, 1977. He pleaded not guilty.

An alternative charge is that he unlawfully and negligently lost or caused general deficiency in government moneys — to wit R2 515 in cash or cheque.

Evidence was that Mr Zongo took over from a junior official, Mr B. Senge, after he (Mr Zongo) returned from leave. Money and books were allegedly handed over to Mr Zongo.

Under cross-examination, Mr Zongo told the court he accepted the handover from Mr Senge by word of mouth. He said he did not check the money immediately as he was pressurised by work.

Mr Zongo said he forgot to ask Mr Senge to sign a receipt indicating how much money Mr Senge had handed over.

Mr Zongo said Mr Senge could have taken the money and he could not rule out the possibility that either office cleaners or police constables could have taken it.

Mr Zongo claimed there were other people in the office when the money was handed over to him by Mr Senge. He checked the money only days after it had been handed over to him by Mr Senge and it was then he discovered the shortage.

Mr Peter A. C. Rowan, for the state, said it appeared Mr Zongo took advantage because there was no certificate to indicate how much he took over from Mr Senge.

On the alternative charge, Mr Rowan said Mr Zongo negligently performed his duties.

For the defence, Mr P. Renene said there was no certainty as when the money was lost. Therefore Mr Zongo was entitled to the benefit of the doubt.

The case was remanded for judgment.
East Rand to get
an old-age home

By MZIKAYISE EDOM

AN old-age home is to be built in Daveyton, Benoni.

This was announced yesterday by Mr Shadrack Sinaba, who is behind the project.

Mr Sinaba is also the leader of the Daveyton "Phumlamgashi" squatters and a member of the Daveyton Community Council.

He said funds to build the home would come from the Government and the community.

He also disclosed that the council had promised a site for the home.

So far he had collected 25 names of old people as residents.

"We need about 100 names before we can start building, I am appealing to all old people to come forward to register. They can do so by going to any councillor in Daveyton and Wattville," Mr Sinaba said. They could also register with the social workers at the Lionel Kent Centre during the day.

Mr Sinaba said the home would cater for Daveyton and Wattville old people.
Hot meal for lucky 450

Four-hundred and fifty old-age pensioners will soon be able to buy a hot meal each day from a Soweto-based Meals on Wheels for 5 cents.

The scheme, which is run by the Methodist Church, has been carefully planned to assist some of the most needy of Soweto's 20,000 old people struggling to exist on their meagre pensions.

The scheme is aimed not only at helping old people stretch their budget, but particularly at bridging the communications gap between the lonely old who often spend days on end on their own.

Mr John Rees, one of the originators of the scheme spent two years doing research to ensure that once it was started it would not fail.

"Once the scheme has been launched we cannot let it fail. We will have raised the and anticipation among many of Soweto's old that we just will not let them down," he said.

"If Rees explained that it would be a self-help scheme run from a main depot in Soweto — probably in Jabulani.

"Because unemployment is rife in Soweto "voluntary" workers will be paid a small salary for their services to help augment their incomes and keep their homes on the go," said Mr Rees.

A vehicle with insulated containers, donated to the scheme will transport the hot meals to a number of sub-depots where the aged are invited to congregate.

Church ministers and social workers will be asked to put forward names of the most needy people in their areas who will then be issued with a plastic disc which they must produce in return for a hot meal of meat, vegetables and samp or rice. A hot drink will be included — all for 5 cents.

The scheme will cost about R2,000 a month. This will include the cost of the meals, and also electricity, water and transport costs, a salary for the driver and token amounts for the helpers.

"We would really like to run a much more extensive service, but that will depend largely on additional support," said Mr Rees.

Although the scheme is being run by the Methodist Church the meals will not be restricted to Methodists.
Xmas treat for elderly

EAST LONDON — All blacks in the Border, Ciskei and Transkei receiving old age or disability pensions received a R18 Christmas bonus this week.

Old age pensioners have also had their pensions increased by R3.75 this quarter. There was no increase for the disabled, but they did get the R18 bonus.

The news of the bonanza Xmas treat was met with mixed feelings. Disabled people felt they too should have received the extra R3.75 a quarter.

Old age pensioners are jubilant, however.

The disabled said some of them had young children to bring up and educate, while the old age pensioners have grown up children who should help to support them.

Aged people were given rent free houses, while some disabled people who owned houses had to pay rents which had been increased in the Ciskei and other homelands.

Mrs E. F. Nzuko, 68, of zone four, said she was happy her pension grant had been increased. She was struggling to pay the R7 a month rent for her two-roomed house.

Blind: Mr Zoyisile Jackson Gqamiana, 61, who gets a disability grant of R45 a quarter, said the R3.75 would have helped all disabled people. He lost his first eye while he was a young boy and his second eye had to be removed in 1983.

Mr Gqamiana said he had a wife, Nolungile, who was not getting a pension grant, and seven other mouths to feed. Mr Gqamiana said he had energy to work but could not do so because he was blind.

Mr Richard Mnyamesele Ncingwana, 45, a father of five children, said he would request the government to give disabled people the additional R3.75 because they had families to support.

He injured his left hand at work in 1980, and the arm had to be amputated. He is getting a R47.50 disability grant quarterly. He is married with three children and the youngest is 24 days old. His wife does casual jobs in the city.

Mr Ncingwana said there was no need to give aged people extra money. They could get help from their self-supporting children. — DBN
Minimun Diet and the Cost

If this what a man who has spent all the months in the county is forced to work

Impossible odds...

Right against

or the pensioners

on R 27,50 a month

Having to make do

Article 1974
What pensioners have to put up with...

FEW HOURS earlier on my way to Tsepo Hall I had met an old woman who had introduced herself as Maminwembe. Although she walked with difficulty she told me she had walked from Mashemong because she had no money for a taxi. Together we waded through the mud and slippery grass still wet from the previous night’s rain.

Hundreds of people were already waiting when I arrived but Maminwembe seemed unconcerned when remarked about the length of the queue. Occasionally she stopped to rest leaning with both hands on her walking stick.

Her grandson was already in the queue waiting for her, she explained.

I had then watched more pensioners arrive — on wheelchairs, walking sticks, in wheelchairs — and take their place in the queue. Some had come on foot, others by taxi.

A number of people, apparently tired from standing, were sitting on the damp grass using blankets, jackets and newspapers for mats.

Pensioners who had been the first to arrive told me they had left home at 5 am. They explained that they no longer slept on the premises because each pensioner was now given a definite date on which to call for the pension, different days having been allocated to them.

But the days were still long. That’s why a number of old people had brought along something to eat. Vendors were also making brisk business. Not far from me an old woman unfurled a handkerchief before beckoning to a woman selling fruits.

Now as the GG Volkswagen stopped outside the hall, there was a flurry of activity. Pensioners who had been sitting stood to stretch their limbs while those who had been standing started pushing towards the door.

The guard manning the queue didn’t make things any easier. “Tshayisa, tshayisa gogo,” he called impatiently that the pensioners move quickly.

A few minutes after 10 am the queue started to move. Inside the hall I watched the procedure.

1. The pensioner hands his reference book to a clerk who selects a corresponding white card and hands it over with the reference book to the second clerk.

2. The second clerk helps the pensioners make an impression with her thumb print on the white card, signs it, hands back the reference book to the owner and the white card to the paymaster while calling out the amount to be paid out.

3. The paymaster counts and hands out the amount. I also noticed the following:

- There was no envelope or pay slip accompanying the money.
- None of the pensioners counted their money before leaving the counter. In fact a few I spoke to told me they couldn’t count.
- There was no water to wash their hands afterwards. Most people had to make do with part of their clothing to wipe the ink off their thumbs.
- The pensioners had to stand for hours because there were no chairs.

When POST Woman phoned Mr J van Schalkwyk, the liaison officer for the Department of Co-operation and Development, he said he was happy to learn that the old people no longer slept on the premises but was sorry to hear there were still shortcomings at Tsepo Hall.

“I’m happy to hear that some of the problems have been resolved and would like to mention that if the community brings these shortcomings to our attention the department will attend to them,” he said.

Mr van Schalkwyk stressed that the complaints or recommendations should come from the community itself through the official channels.

“Any organisation connected with the aged,” he said, “is welcome. Whoever is interested should approach the local commissioner who will refer the matter to Victoria.”
is deprived

of pension

By SOPHIE TEMA

Although Mafiko is not yet old enough to receive a pension, his heart breaks when he thinks about how much time he has left to enjoy it. Mafiko is a smallholder farmer who has been working on his small plot of land for over 20 years. His wife, who passed away a few years ago, was a schoolteacher and had received a pension until her death.

Mafiko's daughter, who is now a teacher herself, expressed her concern about her father's future. "He's always been so proud of his pension," she said. "It's the only thing he has to rely on." Mafiko's daughter also mentioned that her father was struggling to make ends meet without it. "He's been trying to live off his savings, but they're running low," she said.

Mafiko, who has been working on his farm for over 30 years, said he has been trying to save up for retirement. "I've been saving every bit of my income," he said. "But it's not enough." Mafiko's daughter suggested that he apply for a pension, but he's not sure how to go about it.

The government has launched a campaign to encourage more people to apply for pensions. "It's a small step towards a better future," said the campaign slogan. "Apply now and secure your retirement!"

Mafiko's daughter said she would help him with the application process. "I'll go to the pension office with him and fill out the forms," she said. "He shouldn't have to worry about it." Mafiko said he was grateful for her help and would try his best to get the pension he needs.

In the meantime, Mafiko's daughter said she would do what she could to help her father. "I'll try to find some extra work for him," she said. "Maybe doing odd jobs for neighbors." Mafiko said he was grateful for her efforts and would do the same. "We have to do what we can," he said. "It's all we have left."
After adverse publicity last year over the investment by two pension funds — the Metal Industries Group Life Provident Fund and the Metal Industries Group Pension Fund — in the then ailing Scotts Stores, "the blanket was shaken," Seifsa president Ronnie Shaw says. Seifsa, under the directorship of Errol Drummond, acts as secretary to the funds, which have now come under criticism for a R20 000 investment in The Citizen cumulative preference shares.

Shaw says the "cruel facts" are that the funds earn a comparatively good return "even higher than some of Seifsa's own members." The decision to invest in the Citizen shares, which cannot provide any return for at least the next two years was not a political one, but was one made with the full agreement of the trustees. Four of the trustees represent trade unions in the metal and steel industry, while the other four represent the Seifsa employer body.

"But, in any case, it is rather ridiculous to complain of an investment of R20 000 when you consider the total size of the funds," Shaw says.

The Citizen prefs were issued at R1 each, carry a coupon of 10% and are convertible into ordinaries at par on March 31 1982 or 1983. The R2m public offer was part of the survival package put together for the Citizen after its acquisition by Perskor, which has already taken up 20 000 ordinary shares and will take up another 2.5m by March 31 1982. Since incorporation, the Citizen has not made a profit and is expected, Perskor directors say, to lose R1m in the 11 months to March 31 1980. It is only then that profits, hopefully, will permit dividends on the cum prefs.

Drummond says the recent resignation from Seifsa by a Johannesburg engineering firm in protest against the investment in the Citizen was an "isolated" case. "In fact, we have had numerous phone calls from members applauding the decision,"

Drummond says. The firm which resigned had a history of complaints over the administration of the Seifsa medical aid scheme, he says.

The queries raised by Hillbrow MP Alf Widman over the risk attached to investment, and therefore the possible infringement of the provisions in the Financial Institutions Act, would not result in Seifsa Institutions Act, he said.

Drummond tells the F.M. "All that we know about what Alf Widman proposes to do for obvious political reasons is what we have read in the Press."

Mr Lucas Kgowe is presented with six months' salary by Mr Arthur Sneath for having worked for 40 years without missing a day

Every day for 40 years

By LEONARD NEILL

WHEN Mr Lucas Kgowe boards the train for Gaberone tonight he will carry with him a building society book showing six months' wages as a present from his employers and a record of not having missed a day's work in 40 years.

Mr Kgowe, 76, has decided that the time has come to retire. He goes home to his wife and daughter on his Boiswana smallholding after having spent more than half his life working for West Rand Engineering Works in Krugersdorp.

"We have a remarkable record of long service in this company," the works director, Mr Arthur Sneath, said. "But the fact that Lucas has not been absent a single day since he joined us in 1930 is an amazing achievement."

It is the company's policy to reward its long-service employees on retirement. In Lucas's case he was given a cheque equivalent to 25 weeks' salary at a company function on Monday and deposited it in the building society. He will also receive a regular pension.

He assured his colleagues as he left the company yesterday he would be visiting them regularly. "They are my friends," he said. "I will miss them very much."
Govt acts on the old-age pensions

Pretoria Bureau

THE Minister of Social Welfare and Pensions, Dr L A P A Munnik, yesterday announced a change in the pension means test aimed at encouraging employers to step up their pension payments.

It will mean that those already receiving a Government pension on top of a private pension or benefit fund payment will be entitled to keep their full Government pension even if the private payment is raised above the qualifying limit. They will no longer be subject to a means test review.

The move will affect about 10% of the country's 200,000 white pensioners, and an undetermined number of coloureds, blacks and Asians.

Dr Munnik said: 'Anybody receiving a Government pension on December 1, 1979, would no longer have this cancelled or reduced if they get an increase in a private pension or from a benefit fund.'

He stressed that the concession applied only to those already receiving a Government pension or grant.

In the case of new applications, or applications for the reinstatement of a Government pension, the means test would still be applied.

Two examples:

- Mr A, a white, retired this year with assets of up to R560 and a private pension of up to R694 a year. He was therefore entitled under the means test to a minimum Government pension of R57 a month. His former employer may now increase his private pension and Mr A will still be allowed to keep his Government pension, without any further means test.

- Mr B, whose private assets and pension were slightly too high for him to get a Government pension under the means test, cannot now reapply for a Government pension without again submitting to the means test.

Dr Munnik said: "In order to encourage employers to increase private pension benefits to keep pace with the rise in the cost of living, the Government decided that these people will no longer be subject to the means test."

Mr Geoff Oldfield MP, New Republic Party spokesman on social welfare, pointed out that to qualify for Government pensions coloureds may not have a private pension of more than R41 a month, and blacks R20,50 a month.
Pensions: Govt ends means test

PRETORIA. — The government had abolished the means test for social pensioners receiving such a pension on December 1 this year, the Minister of Social Welfare and Pensions, Dr L A P A Mmamik, said here yesterday.

"With a view to encouraging employers to increase the pension benefits paid to former employees to enable them to keep pace with the rise in the cost of living and to prevent such increases leading to a reduction or cancellation of social pensions being received, the government has decided such increases will be disregarded in the application of the means test," Dr Mmamik said.

In the case of new applications or the re-instatement of social pensions, however, the means test would still be applied with due regard to the applicant's income and assets.

The announcement means people presently drawing social pensions will not lose their benefits if their private pensions are increased by their former employers.

Social pensioners are entitled to free medical treatment as well as free bus travel and free meals in certain centres.

There are about 20 000 white social pensioners at present, costing the government about R530 million a year, as well as thousands of black social pensioners. — Sapa
PRETORIA — The government had abolished the means test for social pensioners receiving such a pension on December 1 this year, the Minister of Social Welfare and Pensions, Dr L. A. P. A. Munnek, said here yesterday.

"With a view to encouraging employers to increase the pension benefits paid to former employees to enable them to keep pace with the rise in the cost of living and to prevent such increases leading to a reduction or cancellation of social pensions being received, the government has decided such increases will be disregarded in the application of the means test," Dr Munnek said.

In the case of new applications or the reinstatement of social pensions, however, the means test would still be applied with due regard to the applicant's income and assets.

The announcement means people presently drawing social pensions will not lose their benefits if their private pensions are increased by their former employers.

Social pensioners are entitled to free medical treatment as well as free bus travel and free meals in certain centres.

There are about 20,000 white social pensioners at present, costing the government about R250 million a year, as well as thousands of black social pensioners. — SAPA
Call to revise pension test

BY GRAHAM BROWN

One of the most controversial issues in the current pensions debate is the pensioner's means test. This test, which is designed to determine whether an individual is eligible for a full pension, has been a source of much debate and criticism. The test is based on the individual's assets, income, and other financial circumstances.

The means test is a complex system that can be difficult to understand. It is designed to ensure that taxpayers are not subsidizing non-paying pensioners. However, it has been criticized for its complexity and for penalizing those who have made prudent financial decisions in their past.

There have been calls for the means test to be revised, with many arguing that it is too harsh and disproportionately affects those on lower incomes. The test is currently based on a minimum threshold, but this is set to change in the new year.

The government has announced plans to increase the threshold, which will make it easier for some pensioners to qualify for full pensions. This is a welcome move, but more needs to be done to ensure that the system is fair and just.

In conclusion, the means test is an important part of the pensions system. However, it is clear that it needs to be revised in order to ensure that it is fair and effective. The government's recent announcement is a step in the right direction, but there is still much work to be done.
Christmas looks bleak for Air Force pensioners

HUNDREDS of South African Air Force pensioners face a bleak Christmas and the loss of thousands of rands in hard-earned savings. Their wives face a dark future without the security promised by the 'life-long' SAAF group life-insurance scheme which would have helped them eke out their small widows' pension.

The scheme, funded by Sanlam, has been summarily cancelled by the Air Force from December 31 and members' contributions, which could amount to nearly R2-million, will not be re-funded.

No cover

Today 635 SAAF pensioners, from generals down, face the fact that they will no longer have the R12 000 life-insurance cover for which they have paid for the last 21 years.

Instead Sanlam has 'offered' them ordinary life-insurance cover at ordinary rates which for men over 65 will mean premiums of between R60 to R48 a month.

'As pensioners we cannot pay these premiums,' a retired colonel said this week. In some cases monthly contributions will amount to half our pension.'

The realisation that their hard-earned life insurance was about to disappear came at the end of November in a circular from Lieutenant-General Bob Rogers, the former chief of the Air Force.

'For an old man without means, who might be suffering from a serious illness, that letter could be an open invitation for him to end his life before the New Year - and thus leave his wife with some security,' an embittered retired senior officer said.

The reason given for the cancellation of the scheme was the recent establishment of a new group insurance scheme for all members of the Permanent Force, national servicemen, civilian forces and commandos.

The new scheme, however, provides cover only for serving members - pensioners are not included.

Unlike the SAAF Fund scheme, cover will fall away the moment the member quits the force.

The main reason given by Gen Rogers for the cancellation of the old scheme was that it was 'dependent for its existence on a regular influx of new and young members', which had fallen off when the new scheme was introduced.

'Your attention is drawn to the fact that contributions which members have thus far made towards the Sanlam scheme will not be refunded. The position is therefore similar to car and householder's insurance.'

But, say angry pensioners, a scheme which promises 'life-long' membership is not similar to car insurance. Neither have they defaeted on their

by FLEUR DE VILLIERS

premumns which have been steadily increased by Sanlam over the years from an initial R5 to R18 and more a month. Instead, they stand to lose about R3 000 each while Sanlam could gain nearly R2-million in the forfeited contributions.

No security

'We believe that we were providing security for our wives in the event of our death,' a retired colonel said.

'We joined because we believed it would help our wives to come out on the pitifully small widows' pension.'

'But now we realise we've been living in a fool's paradise.'

A 77-year-old retired colonel who had been paying R18 a month for his cover, will now pay R48 a month - or half his pension - to give his wife the same security. If he takes up Sanlam's offer of conversion to an ordinary policy at public rates, a retired general in his 60s will have to pay R90 instead of the R18 he is currently paying.

The only concession Sanlam has made is that the members will be able to take out ordinary life insurance without the usual medical examination.

The premiums however, will be based on their present ages and not on the age they were when they joined the scheme.

'We don't begrudge the serving members the better cover they can get under the new scheme - R20 000 for R5 monthly premiums. But there was obviously a trade-off between the old and new schemes - and the old people, the pensioners, have just been brushed aside. It is morally wrong.'

Now the pensioners are demanding that they be accommodated in some substitute scheme, instead of being asked to pay public rates which are loaded because of their age - or at the very least that their contributions be refunded.

A meeting of pensioners in Pretoria this week agreed that the 635 men affected by the cancellation of the scheme, should be reimbursed at the public rates applicable 21 years ago, to compensate them for the raw deal they were getting from the SAAF who had wanted the new scheme and had disregarded their interests.

Sanlam and the SAAF were both/orally within their rights, but the decision was reflected badly on the Defence Force.

A Sanlam spokesman, Mr G. Koetle, however told a pensioner this week that the company had lost on the scheme and could not repeat the process.

A Defence Force spokesman said the position had arisen some years ago when the Army had cancelled its group insurance scheme. It had simply not been 'worth the trouble' to the SAAF to continue with the scheme.

in selected major categories of diseases. Clearly, this is an entirely political situation. However, the compelling link between disease and the general mortality trend requires an explanation. The relative importance of the disease categories - heart disease, stroke, and other cardiovascular diseases - is shown in Figure 3, in which the proportion of total hospital deaths accounted for by each disease is plotted against the ratio of the age-adjusted mean length of stay for each disease. It is clear that the major factors contributing to the overall mortality trend are the relative importance of the disease categories and the age-adjusted mean length of stay for each disease. Clearly, the overall mortality trend is largely determined by the relative importance of the disease categories, with the age-adjusted mean length of stay for each disease playing a role in the overall mortality trend. However, the overall mortality trend is also influenced by the age-adjusted mean length of stay for each disease. Clearly, the overall mortality trend is largely determined by the relative importance of the disease categories, with the age-adjusted mean length of stay for each disease playing a role in the overall mortality trend.
Rate rebate scheme for elderly to continue

IN 1979 about 1,500 elderly people with gross incomes of R200 or less a month benefited from the Cape Town City Council's rate rebate scheme.

This scheme will operate again in 1980 and it is hoped to help still more elderly ratepayers who are finding it difficult to meet their financial commitments.

To qualify for a rebate a ratepayer must occupy the property concerned and be 60 or over if a woman and 65 or over if a man. His or her total income, including that of the spouse, must not exceed R300 a month.

If the total income is not more than R200 a month, the rebate is 30 percent; if it is over R200 but not more than R300 a month, the rebate is 20 percent.

Inquiries about the scheme should be directed to the rates rebate section of his department, 210-3370.
by 1970, this figure had decreased to 15.7%, indicating that the whites had improved disproportionately to the 'coloureds'. Similarly, for children 1 to 4 years of age, during the period 1941 to 1970, the white mortality experience as a percentage of the 'coloureds' had decreased from 15.2% to 7.1%. It should be noted that the 0 year age specific death rates are higher than the corresponding IMRs. This is because the denominator for the former is the number of live births whilst for the latter it is the mid-year populations under one year of age.

Fig. 4 provides an indication of the proportional contribution of selected causes of death to the overall mortality experience of the white, 'coloured' and African communities.

During the period 1929 to 1970, the whites have shown a changing spectrum of mortality which is classic. Infectious diseases have become less important, they are increasingly related to 'coloureds' and Africans, who have had deaths caused by infectious mortality which is characterised by the 'coloureds' whereas whites and Africans, although Africans than it is to the

What is of particular concern about the 'intermediate' position of the 'coloureds' is that it would appear to incorporate the worst of both the developed and the developing experiences. This becomes apparent from Table II which provides a more detailed analysis of the different diseases contributing to the overall mortality of the whites and 'coloureds' in the form of cause specific mortality rates for defined age groups. Thus, although cardiovascular diseases are consistently responsible for a fairly small proportion of the overall mortality of the 'coloureds', Table I indicates that the actual rates for cardiovascular diseases have been fairly similar for both whites and 'coloureds' since 1941.

Clearly, the broad diagnostic categories used in this analysis conceal a certain amount of information. However, because of the changes in disease classification which have taken place since 1929, it is not possible to examine the temporal changes of mortality rates in greater detail. Disease categories with rates greater than 5/1 000 appear in italics in Table II. It will be noted that the mortality experiences of the 'coloureds'

(iv) Proportional Mortality, accounted for by specific conditions.

(v) Expectation of Life. This was calculated both at birth (e\(_b\)) and at 45 years of age (e\(_{45}\)) for both males and females. It expresses the average number of additional years an individual would be expected to live beyond birth and 45 years.

For Africans, the proportional mortality was the only index calculated.

RESULTS

The infant mortality rates (IMR) and standardised mortality rates (SMR) for whites and 'coloureds' are provided in Fig. 2 and Fig. 3. Whilst the whites have experienced a steady decline in both of these indices the 'coloureds' have had an initial decrease, after which there is a comparatively flat line. The data suggest that the 'coloureds' have a lower level of risk of death than whites throughout the period 1931 to 1970. Clearly, the differences are greater in the older age groups.

The age specific mortality rates are summarised in Fig. 4. Since death is inevitable, it is to be expected that increases in the mortality experience of younger age groups will give rise to a corresponding increase in mortality amongst elderly persons. Thus, although it is to be expected that for both whites and 'coloureds' the mortality rates for persons over the age of 65 years have shown a rising trend, it is of some concern that the mortality rates have also increased between 1960 and 1970 for 'coloureds' in the 25-44 and 45-64 years age groups.

The imbalance between the age specific mortality rates of whites and 'coloureds' has improved or remained constant for persons between the ages of 5 and 64. However, for children less than 5 years of age, the gap between whites and 'coloureds' is widening. In 1941, white children under one year old experienced 28.8% of the mortality of 'coloured' children;
MORE THAN 100 naval pensioners have lost their life insurance policies now the Defence Force has combined the armed forces under one insurance scheme.

Already 638 air force veterans have had their policies cancelled by Sanlam.

The naval pensioners were given the same reasons as the airmen for the closure of the scheme.

The continued existence of their group scheme depended on new recruits, but the Defence Force group scheme was so much cheaper that the navy's scheme had to fall away.

Captain John Mallory of East London is bitterly disappointed. He expected insurance cover up to his death.

He said: "I have put in about R2,000 over the last 20 years. If Sanlam could have given us our premiums back, it would have been something. I could have reinvested it. I don't have another policy. I cannot afford the alternative offered by Sanlam. The fact that they won't be asking for proof of insurability does not mean a thing.

"I was paying R9.19 a month for my cover. Now I will have to pay about R40."

Another pensioner said even if he could afford the premiums, the cost of living might force him to drop the policy in a few years and that would be more money wasted.

"I think they have taken money from me under false pretences," he said.

The pensions manager for Sanlam's head office in Cape Town, Mr Chris Dwyer, said the company had been losing on the old scheme for some time.

"This scheme was meant so that contributions would cover costs and payments but it has been losing all the time. We cannot afford to carry them."

"The money was never used for the profits. Sanlam says.

"The solution would have been to include pensioners in the new scheme. We tried but found it impossible. The risk factor in respect of pensioners is much higher as the policy is for active members only."

The new scheme has been backed by the Government underwritten by a consortium of insurance companies, including Sanlam.
Old folks lonely misery

THE FESTIVE season has arrived and with it the irresistible urge to spend indiscriminately. But while millions of South Africans will have more than enough to eat there'll be those who would reverently touch the foot of the cable for crumbs if they could.

To them tomorrow will be like any other day. That should not make any difference in their lives for some have lived like that for years.

But in the crazy materialistic world when your next-door neighbour can easily starve to death while you feed the dog with remnants, these people feel it.

Among these will be the aged. Like abandoned children some will be longingly looking at those who can afford but many will have on wish, to have someone to talk to.

A week from today it will be next year. 1986, the year declared the International Year of the Aged. Focus will shift from the child, the senior citizen. But what is in store for the old folks? What are their aspirations, fears and hopes? MATHILDA MASIPA spoke to some of them to find out.

Josephine Nkobi, a 65-year-old woman, lives in her shanty-binned hard behind her spectacles before she answered, "Life has not been easy. I wish I could find something to cheer me up but I can't. If I were young and healthy I would work hard to give myself a little comfort just for next year. But now I am thankful if I can get as much as a slice of bread," she said.

"I used to have children — eight boys and four girls. Today I'm left with only one daughter. She is so busy that she hardly recognizes her from the sweet child she used to be. And you think I can have any hopes for next year? No my child, the year of the aged is not for people like me," she said with finality.

Lisah Kholo from Mofolo South was depressed when I found her. "If I had the ability to pray I'd pray for good health. I haven't been well for years. If it isn't one thing it's another. I have been to several doctors but it hasn't helped," she said.

"I wish I knew what the year of the aged is supposed to mean," was Maria Sihoko's reaction.

"This year was supposed to be the year of the child but we didn't see much improvement as far as the rights of children are concerned. Now what right have I got to believe that next year is going to mean something special for me?" she asked editorially.

Mita Mamabolo, also from Soweto, said her wish for next year had nothing to do with the aged.

"If only our children would take life seriously and respect themselves and their elders, this would be a better world.

May next year be the year of understanding and communication, not just to be able to talk but to really listen, she said.

Frieda Machana has a two-roomed house and loving daughter who dotes on her. But her simple life is not likely to change just because next year is the year of the aged.

"I guess I'm luckier than most people. I have a shelter and someone to look after me. But now that my daughter who supports me is ill I don't know what will happen to me," she said.

Many interviewed expressed the wish to have more money so they could live decently. The beneficiol State pension of R50 was not enough, they said.

"How anyone can be expected to survive on R75.00 a month I don't know. Almost everything has gone up and shop don't sell us things any cheaper just because we are 'poor old people','" said 72-year-old Wilson Mathubis from Tshwane.

Granny Charlotte Mambo, an old woman with a young heart, sees next year as the year of challenges.

"This should be one year when old people should get a home. Nothing formal, just a homely atmosphere where they can have some privacy or indulge in small talk when they feel like it," she said.

And she'd only be too glad to nurse them there, she said.

Years are etched in their faces. What does the future hold for them?
No. R. 2864
28 December 1979
BLACK AUTHORITIES' SERVICE PENSIONS ACT, 1971
AMENDMENT OF REGULATIONS GOVERNING THE SUPERANNUATION FUND FOR PERSONS IN AUTHORITIES' SERVICE
Under and by virtue of the powers vested in me by section 5 of the Black Authorities' Service Pensions Act, 1971 (Act 6 of 1971), I, Pieter Gerhardus Jacobus Koornhof, Minister of Cooperation and Development, hereby amend the Regulations published under Government Notice R. 313 of 29 October 1971, in accordance with the accompanying Schedule.
P. G. J. KOORNHOF, Minister of Co-operation and Development.
7 December 1979.

SCHEDULE
1. Chapter I is hereby amended by the substitution for regulation 8 (1) of the following:

"(1) With effect from 1 April 1979, there shall be paid out of revenue to the Superannuation Fund each month an amount equal to 2.27 times the aggregate amount of the current contributions paid to the said Fund by members in the same month."

2. Regulation 1 shall be deemed to have come into operation with effect from 1 April 1979.

No. R. 2861
28 December 1979
BLACK AUTHORITIES' SERVICE PENSIONS ACT, 1971
AMENDMENT OF REGULATIONS GOVERNING THE SUPERANNUATION FUND FOR PERSONS IN AUTHORITIES' SERVICE
P. G. J. KOORNHOF, Minister of Co-operation and Development.
7 December 1979.

SCHEDULE
1. Chapter I is hereby amended by the substitution for regulation 8 (1) of the following:

"(1) With effect from 1 April 1979, there shall be paid out of revenue to the pension fund each month an amount equal to 2.27 times the aggregate amount of the current contributions paid to the pension fund by members in the same month."

2. Regulation 1 shall be deemed to have come into operation with effect from 1 April 1979.
**SAAF pensioners’ plight — PW to be approached**

By FLEUR DE VILLIERS

The Prime Minister and Minister of Defence, Mr P W. Botha, is to be approached on the plight of the 800 SAF pensioners who face the loss of thousands of rand in hard-earned savings because of the summary cancellation of a group life insurance scheme.

The plight of the pensioners was first disclosed by the Sunday Times earlier this month.

Mr Harry Schwartz, MP and chief Opposition spokesman on defence, told the Sunday Times this week that he would make representations on behalf of the pensioners to the Minister of Defence and would also raise the issue in Parliament next year.

"The State, whatever the legal position may be, has a moral obligation to those people who served their country," he said.

One of the men who was being compelled to forfeit his premiums and lose his life insurance cover because of the decision by the SAF fund and Sanlam to cancel the scheme had served on the same squadron as himself during World War 2, Mr Schwartz said.

"Commandant 'Pips' Hydeley, a bomber pilot, was one of the bravest men in the SAF."

His successful attack on an enemy ship is acknowledged to have changed the course of the war in the Middle East.

"Today these men have to try to live on atrociously low pensions — and now they are told that without their consent their life insurance cover has been cancelled and their premiums forfeited."

The pensioners were informed of the cancellation of the scheme in a recent circular from Lieutenant-General Bob Rogers, former Chief of the Air Force.

**New scheme**

The main reason given for the move was the establishment of a new group insurance scheme for all serving members of the defence forces — national servicemen, permanent force, citizen force and commandos.

Unlike the SAF scheme, however, which was instituted 21 years ago and promised lifelong membership, cover under the new scheme falls away the moment the member quits the defence force.

Pensioners who have paid about R3,000 each into the old scheme which offered them R20,000 cover cannot join the new scheme.

Instead, they have been told that they can convert to an ordinary life policy at public rates, entailing an increase in premiums from R18 a month to, in some cases, R131 a month.

"We were not told that the group insurance policy could be cancelled without our consent," a former senior air force officer told the Sunday Times this week.

"We accepted in good faith that we were insured for life and did not take out other, and perhaps better, insurance."

"Now we find that we have been left without any insurance at a time when we need it most."

A Sanlam spokesman, Mr G Kotze, has revealed that the company had recommended to the SAF that the pensioners be allowed to join the new defence force scheme.

"But the authorities concerned did not see their way clear to allow this."

A defence force spokesman has described the plight of the pensioners as "painful, but unavoidable"."