PROFESSIONS - 1993
Abasa founded to address inequality in the profession

The Association of Black Accountants in SA (Abasa), founded in 1985 by a group of black accountants bent on addressing the inequalities in the accounting profession, was officially launched in 1986.

Abasa president Junius Lekgela says the organisation has charged itself with the responsibility to encourage, promote, and facilitate the advancement of blacks in accounting.

Abasa's objectives are to promote the interests of people engaged in the accounting profession by advancing their professional standing.

Promote adult education, vocational training and technical education in the accounting profession;

Encourage the development of dedicated accounting-technical managers and public administrators;

Recognise and repudiate the basic needs of the black community for accounting support to community-based organisations and the small business sector;

Establish contact and maintain cordial relations with local, regional and international institutions engaged in the accounting profession;

Investigate and deal with professional grievances.

The CA's Eden Trust offers two bursary schemes - the Female Accounting Bursary Scheme and the Accounting Technician Bursary Scheme for a national diploma.

Addresses

The Abaca Awareness Programme addresses the lack of knowledge about accounting opportunities in high schools and the post-matric world.

Abasa has branches in Johannesburg, Pretoria, Durban, Port Elizabeth, Cape Town and Umtata.
The introduction of the ACCA qualification in SA serves to emphasise the importance of the Public Accountants' & Auditors' Board (PAAB) initiative in setting up its Future of Accounting Education in SA (Faesa), says Rhodes University accounting professor Jeff Rowlands.

"The Faesa project was established in 1991 under the chairmanship of Prof F. de V. Booyten, retired vice-chancellor of the University of Natal."

Its brief is, firstly, to analyse the future need for accounting information and accounting services, secondly, to identify and define the type of accounting expertise necessary to meet information and services needs and, thirdly, to make recommendations regarding structure, content and scope of education and training of accountants," says Rowlands.

Rowlands says the brief given to Faesa includes the full range of accounting services, qualifications and expertise. The introduction of the ACCA is therefore of direct interest to Faesa.

The ACCA has been represented on the Faesa Consultative Council from the inception of the Faesa project.

"The Central Working Group (CWG) of Faesa is conducting a number of research projects aimed at gathering data upon which to base its recommendations. A survey is being conducted, with the assistance of the Human Sciences Research Council, of all educational institutions and of certifying bodies.

"A second project also analyses the information and personal needs of the private sector. A third project is gathering data about accounting requirements in non-government organisations, while a fourth will analyse accounting requirements in the public sector."

Faesa is concerned about the under-representation of blacks in the profession and feels any initiatives in accounting education should address this.

The question of over-qualification at the professional level and the possibility of a structurally tiered profession are also being addressed by Faesa.

Faesa will publish an interim report by mid-1993 and a final report by the end of the year.
The Accounting in SA to make mark and
move to change the face of
accountancy. Among the Chartered
Association (ACCA) at launch of the Chartered Association of
professional has an elitist approach.

There are only 25 black accountants.

Survey

Business Day

Establishing world standards in SA

Chartered
Diplomats under discussion

CAPE TOWN — Local and foreign diplomats and academics began a three-day workshop yesterday to discuss a professional diplomatic corps for SA. (24X)

Conference organiser Prof Peter Vale and delegates would focus on the need to transform the diplomatic corps into a professional body divorced from party-political interests, serving the entire nation.

Participants included SA Foreign Affairs director-general Rusty Evans, ANC and PAC international affairs spokesmen Thabo Mbeki and Gora Ebrahim, and diplomats from Britain, Germany, and Norway. The workshop is being chaired by former UN Undersecretary-General Sir Brian Urquhart of New Zealand. — Sapa 13/11/93.
Diplomats under discussion

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Robert Rice

in setting legal fees
Chen, upper hand
Recession gives

Robert Rice

4009 711-713

In September, 1981.

...
Lawyers berate Broeders

A SERVING Supreme Court judge's membership of a secret organisation such as the Afrikaner Broederbond was improper and incompatible with the proper administration of justice, the Johannesburg Bar Council said yesterday.

The council, in a statement, expressed concern about recent media reports that a Natal judge was on the executive council of the Broederbond.

"The Broederbond is a secret society which pursues objectives essentially political in nature. Accordingly, membership thereof by a serving judge is improper and incompatible with the proper administration of justice," council chairman Wim Trengove said.

He said it was fundamental to the administration of justice that judicial officers not only be impartial, but that they be perceived by the public to be impartial.

"Any derogation from an unqualified public perception of impartiality will undermine confidence in the judiciary and will ultimately undermine the administration of justice itself," Trengove said.

It had long been recognised that the holding of judicial office was incompatible with membership of a political party or any other organisation with essentially political objectives.

The public would inevitably, rightly or wrongly, perceive a judicial officer who was a member of such an organisation, as committed to the furtherance of the objectives of the organisation to the detriment of his judicial duty of impartiality, Trengove said.

ANC's election campaign shifts into first gear

The ANC's election campaign moved into first gear yesterday when its Witwatersrand regional executive committee announced plans to adopt a three-phase programme of action for a "mass-driven" election campaign.

ANC PWV region secretary-general Paul Mashatile said the campaign would be discussed and adopted at a general council in Mayfair, Johannesburg, on Saturday and Sunday.

The first phase would include the mobilisation of volunteers and consolidation of the ANC/SACP/Cosatu alliance, the mass democratic movement and the patriotic front, said Mashatile.

Phase two would include door-to-door campaigning, march and house meetings aimed at recruitment and disseminating information on ANC policy.

The third phase would mark the transition from the preparatory stage to a "Votes for All" campaign, encompassing subregional and regional conferences, rallies and public meetings focusing on unemployment, education, housing and health.

Throughout the phases the ANC PWV would rebrand its efforts to create and consolidate peace initiatives in the region.

"Central to these meetings will be the issue of the climate of free political activity, political tolerance and peaceful coexistence of different organisations," said Mashatile.

The successful adoption and implementation of this programme should ensure the broadest possible support for democratic forces led by the ANC and its allies to bring an end to more than 300 years of minority rule and usher in an everlasting peace and democracy for all South Africans," he said.

Thirty-three outstanding resolutions from an annual regional conference last year, including resolutions on the Peace Accord, socio-economic issues, self-defence units, VAT and food prices, the restructuring of the SABC, affirmative action relating to women and education, would also be discussed, Mashatile said.

DP to focus on domestic workers

THE DP has set out to inform domestic workers in Johannesburg's north-eastern suburbs of their civil, political and employment rights.

MP Tony Leon said yesterday that the Houghton branch was holding a meeting for domestic workers on Saturday. He said organisers also sought to prepare domestics for the coming elections.

"We have arranged for voter education plays to be staged, which is a highly professional and entertaining drama staged by the Mattle Trust," Leon said.

The meeting will be held at the Norwood Primary School at 3pm.

Council settles hostel dispute

CONFRONTATION between hostel residents from Thokoza, on the East Rand, and the local town council council was averted this week when agreement on the occupation of the newly renovated Thokoza 1 hostel was reached.

The hostel recently underwent a R4m upgrade, Sapa reports.

The agreement was reached on Tuesday by the TPA, the council and the hostel residents' committee.

In terms of the agreement, those who had vacated the hostel during its upgrading should recoup it and undertake to bear its running costs.

In a joint statement the parties said a joint management committee - comprising representatives of the hostel residents, the council and the TPA - had been formed to manage the hostel's finances.

The committee would manage the hostel independently of the council and the TPA if it were to decided on the date for recoupment of the hostels and on new rentals.

Tensions between the hostel residents and the municipality arose recently when the council ordered residents from occupying the hostel until they had returned - in writing - to pay a 35% increase in rent.

Residents, who had paid R15 a month before they vacated the hostel, refused and threatened to gain entry to the hostel by force.
THE LAW SOCIETY OF THE CAPE OF GOOD HOPE
AMENDMENT OF THE RULES

248

It is hereby notified that the subpoenaed amendments to the rules framed in terms of section 21 (1) of Act No. 41 of 1975 [now section 74 (1) of Act No. 53 of 1979] by the the Council of the Law Society of the Cape of Good Hope were agreed to by the majority of the members of the Society present or represented at the Annual General Meeting of the Society held at the Fish River Sun, Ciskei, on 22 and 23 October 1991 and at the Special General Meeting held at Somerset West on 24 February 1992 and have in terms of section 74 (2) of Act No. 53 of 1979 been approved by the Chief Justice of South Africa in consultation with the Judges President of the Cape of Good Hope Provincial Division, Eastern Cape Division and Northern Cape Division of the Supreme Court of South Africa.

C. F. POHL,
President.

1. That Rule 3 3 15 be repealed.

2. That the first four lines of the English version of Rule 14.14 be deleted and replaced by:

"14.14 Printing on the letterheads of his firm, or any other papers or nameplates or signs on which his legal qualifications of attorney, notary or conveyancer appear, of any other qualification or any appointment he may hold or any occupation he may follow other than the following":

3. That the following subrule be inserted immediately after Rule 14.14.9:

"14.14.10 a specified area of work undertaken by him as practising practitioner which is not specially reserved to practising practitioners by law."

4. That the following rule be inserted immediately after Rule 18:

19. Accreditation of Law Clinics

Any law clinic which seeks recognition as a law clinic for the purposes of the Act and these Rules shall comply with the following requirements:

19.1 The clinic shall be properly constituted, organised and controlled to the satisfaction of the Council, either as part of the Faculty of Law at a university in the Republic or as a law centre controlled by a non-profit making organisation.
19.2 The clinic must provide legal services to the public.

19.3 The legal services provided by the clinic must be rendered free of charge, direct or indirect, to the recipient of those services, provided that—

19.3.1 the clinic may recover from the recipient of its services any amounts actually disbursed by it on behalf of the recipient,

19.3.2 where the clinic acts for the successful litigant in litigation, the clinic will be entitled to take cession from such litigant of any order for costs awarded in favour of the litigant and the recover those costs for its own account.

19.4 The services may be rendered only to persons who, in the opinion of the Council, would not otherwise be able to afford them.

19.5 The clinic may not undertake work in connection with the drawing up of a will or other testamentary writing, the administration or liquidation or distribution of the estate of any deceased or insolvent person, mentally ill person or any person under any other legal disability, or the judicial management or the liquidation of a company, nor in relation to the transfer or mortgaging of immovable property, nor in relation to the lodging or processing of claims under the Multilateral Motor Vehicle Accidents Act, 1989, or any amendment thereof, or litigation in regard to matrimonial disputes.

19.6 The name under which the clinic is to carry on its activities, and the letterheads and other stationery of the clinic, shall require the prior approval of the Council.

19.7 Attorneys in the employ of the clinic may be remunerated only by way of salary payable by the clinic or by the organisation to which it is attached.

19.8 If an attorney in the full-time employment of a clinic wishes to engage a candidate attorney under articles of clerkship he may do so only if—

19.8.1 the candidate attorney is to be under his direct personal supervision or under the direct personal supervision of another attorney who is a member of the professional staff of the clinic;

19.8.2 such attorney is a declared member of the Society;

19.8.3 the clinics is open for business during normal office hours for not less than 11 months in any year,

19.8.4 the clinic has proper office systems with telephones, typing facilities, files and filing procedures, a diary system and at least elementary library facilities;

19.8.5 the clinic has a proper bookkeeping system and accounting procedures;

19.8.6 the clinic handles a reasonably wide range of work to give the candidate attorney exposure to the kind of problems that a newly qualified attorney would expect to encounter and be able to handle competently during his first year of practice. The Council shall have the right to direct the clinic to require the candidate attorney to attend a training course approved by the Council in areas of practice which, in the opinion of the Council, are not adequately dealt with by the clinic.

1. Dat Reël 3.3.15 herroep word.

2. Dat die eerste vier reëls in die Engelse weergawe van Reel 14.14 deurgehaal word en met die volgende vervang word:

"14.14 Printing on the letterheads of his firm, or any other papers or nameplates or signs on which his legal qualifications of attorney, notary or conveyancer appear, of any other qualification or any appointment he may hold or any occupation he may follow other than the following"

3. Dat die volgende subreël onmiddellik na subreël 14.14 9 bygevoeg word:

"14.14.10 'n spesifieke werkgebied wat deur hom as praktiserende praktisyn onderneem word en wat nie kragtens wet spesiaal vir praktiserende praktisyne voorbehou word nie."

4. Dat die volgende Reël onmiddellik na Reël 18 bygevoeg word.
SHORTAGE OF WORK FOR LAW GRADUATES

PRETORIA — SA is being flooded with legal eagles with nowhere to go.

Association of Law Societies legal education committee chairman Tony Hutchin-
son said yesterday law school graduates were increasing and many of them were
unable to find work with legal firms.

He said in 1991 2,903 law degrees were
conferred on students at the country's 18
law faculties but law firms had only been
able to employ 1,200 to serve articles.

It was estimated this year that 3,000 law
students would graduate but only 1,500
would find work.

Hutchinson said 600 law graduates were
on a Justice Department waiting list for
work as prosecutors or legal advisers.

A few years ago a shortage of prosecu-
tors had forced the department to raise
salaries.

Unsuccessful graduates seemed to be-
lieve the prevailing system of clerkship
was designed as a barrier to keep them out
of the profession.

Hutchinson said he believed the numbers
were increasing because of the perceived
status of the profession and the material
rewards associated with it.

Additionally, universities encouraged
students to take law because they could
make a profit on the state student subsidy
which could be diverted to cheaper other
more expensive courses.

The ALS was now looking at alterna-
tives to the articles system. A school to
provide practical training had been estab-
lished in Pretoria and the concept would be
extended to Cape Town and later to other
major centres.

The most promising scheme to absorb
surplus graduates was community service
through the Legal Aid Board.

Hutchinson said that during the first
three-year phase of a community service
plan, it was intended to appoint 60 attor-
neys and advocates throughout the country
who would employ between 10 and 15
graduates each as assistants.

The Legal Aid Board would administer
the scheme.

It was estimated that 200,000 cases a
year could be handled at an average cost of
only R270, bringing legal aid in reach of the
majority of the population.

Hutchinson said efforts were being
made to attract funds from abroad to sup-
port and extend the system of legal aid. A
grant of $500,000 from the US govern-
ment was now being negotiated.
ANC slams illegal arms

WILSON ZWANE

The ANC said yesterday the carrying of illegal arms and ammunition by its members was contrary to its code of conduct which prescribed disciplined behaviour.

The organisation was responding to the conviction this week of its northern Natal administrator Boagani Moom for the possession of illegal arms and ammunition.

The ANC said in a statement it did not condone such acts by its members.

"Our code of conduct specifies that our members should be disciplined and not bring the name of the ANC into disrepute," the organisation said adding that no arms had been issued to members (since the armed struggle was suspended in 1990).

It stressed that before its members were condemned for possessing weapons illegally, their circumstances should be known. Empangeni was "notorious for the killings and harassment of ANC members".

The ANC however encouraged its members, who felt their lives were in danger, to apply for licences to carry firearms. "Since discretion in such matters is in the hands of the police, there have been few positive responses."

The proliferation of arms, however, was of concern and needed to be combated, the ANC said.

DP calls for judge to quit

SUSAN RUSSELL

NATAL Judge W H Booysen should resign either his judicial office or his executive position in the Afrikaner Broederbond, if his membership of the organisation was confirmed, DP justice spokesman Tony Leon said yesterday.

Leon was reacting to recent reports that Booysen was a serving member of the Broederbond.

"The Johannesburg Bar Council said in a statement on Wednesday that a serving Supreme Court judge's membership of a secret organisation such as the Broederbond was improper and incompatible with the administration of justice."

The Bar Council statement did not identify the judge referred to, but Booysen has been named in recent reports.

Leon said Booysen should be allowed to clarify his position. "Should his executive membership of the Broederbond be confirmed, the interests of justice suggest he should resign either his executive position and active membership of the Broederbond, or his judicial office."

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31 December 1992

Director, E H J Stoyell
T M du Villers, R J du Preez
R A Lee (British), M M Nel,
Wilkinson.

Rates of 35 cents each, fully

VAT for the quarter ended
Quarter Financial year ended ended
31/12/91 30/09/92
(Audited)

1 067 199 4 303 270
139 661 295 295
64 272

(R'000) (R'000)

7 403 31 235

5 209 18 261
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1 241 9 972

2 497 9 724

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*Comment: Page 10*
Fixing up SA’s foreign affairs

Mention foreign policy to most South Africans and you are likely to get a blank stare, a shrug or comments such as “that’s government business.”

But the foreign policy of any country affects all its citizens in one way or another and raises moral issues about the responsibilities of those citizens for what their government does to other states.

In post-apartheid South Africa, foreign policy will become a more complex and wide-ranging issue as diplomatic links are forged with more countries at a time of rapid globalization and when South Africa is expected to be a major regional power once again.

These were a few of the issues discussed last week at a conference on professional diplomacy in a changing world held in Cape Town.

Delegates included former heads of the liberation movement’s missions abroad, senior representatives of the Department of Foreign Affairs and top diplomats from 12 countries, including Ghana, Nigeria, India, Australia, the United States and several European countries.

The conference was organized by the University of the Western Cape’s Southern African Studies and Rhodes University’s International Studies Unit. Delegates debated how to separate diplomacy from party political interests in a new South Africa and develop a professional diplomatic corps which serves the country as a whole.

Centre for Southern African Studies director, Professor Peter Vale, told the closing session that greater public debate would be needed about South Africa’s foreign policy under a democratically elected government.

He said this was particularly important because of rapid global change and the fact that South Africa had a narrow vision of the world because of years of self-imposed isolation.

About 70 diplomats and academics gathered in Cape Town last week to consider South Africa’s future foreign policy, reports Lynda Loxtin in the first of a two-part series.

Most people expected or wanted their worldview to be defined for them by a political leader or the television. But if they were at all concerned about democracy in this country, they had to, for example, ask some searching questions about what was happening now in Angola.

This underscored the need for a strong and professional diplomatic service that was fully accountable to an aware and questioning electorate.

“We have learnt with great pain that if we allow our foreign policy to escape the hands of diplomats and be run by military people, we end up in a pretty messy situation.”

Some delegates had said that a new South Africa would be so busy righting the wrongs of apartheid that it would have little time or energy for foreign policies. But said Vale, “these days, if you have a fax machine and a border, you actually have to develop a foreign policy.”

“There is no way we will be able to sit here and be so absorbed with our internal reconstruction that we will not have a foreign policy.”

That foreign policy will have to be more open and representative than previously, usually secretive and sometimes subservient, foreign policy.

It would have to be determined in consultation with all groups in the country and the region.

Delegates from the government and the liberation movements did not think it feasible to attempt to shape the diplomacy of a future, democratic SA until a new government was in place and had announced its foreign policy.

The ANC’s Ms Prene Ginwala and the PAC’s Mr Gera Ibreham said, however, that any research by academics would be valuable inputs to all parties as they considered their foreign policy options.

Ginwala said that the conference had been important because part of the legacy of apartheid, censorship and oppression was the closed minds and different realities within which South Africans operated.

This posed immense barriers in negotiations for a new South Africa as many people used the same words to mean different things.

It was therefore vital to develop a common basis at conferences such as this from which all parties could move forward.
BUSINESS  
Aim to develop and retain skilled labour  
Tanzanian academic for Soweto

Educationist warning to Africa

By Mzimkulu Malunga

Without economic improvement, Africa will not be able to stop the brain drain, says William Sant, higher education specialist in the human resources division of the World Bank.

Interviewed in a recent issue of a World Bank publication, World Bank News, Sant argues that while the continent's economies struggle to lift themselves out of the doldrums, certain interim measures could be applied to halt the flight of skills out of Africa.

Performance incentives, merit rewards, access to computers, opportunities for remunerated research and occasional participation in international scientific meetings are some of the measures African governments could apply to stop massive migration of skilled labour.

Many institutions of higher learning in Africa are experiencing problems in keeping talented academics on campuses.

A sharp decline in funding has eroded salaries, making it hard for universities to produce graduates equipped to compete in national and regional labour markets.

In many countries, a holder of a doctorate degree may earn about the equivalent of R900 a month. Lecturers in certain countries earn as little as R57, which is barely enough to buy food for the week.

Faced with this dilemma many African professionals leave their countries to look for greener pastures elsewhere — mainly in Europe and the Americas.

A factor which compounds the situation is the fact that enrolments keep increasing. The continent's university population grew 61 percent between 1980 and 1990.

On the other hand higher education's share of African governments' budgets dropped from 19.1 percent in the early eighties to 17.6 percent towards the end of the decade.
Body of miner found

RESCUE workers at Western Deep Levels' West Mine near Carletonville yesterday recovered the body of another miner missing since Monday's rockfall.

Altogether five miners died and three were slightly injured in the rockfall which occurred 300m below the surface.

Mineworkers Anglo American said the fall of ground was caused by a tremor just after midday on Monday.

Lawyers choose SA

THE International Bar Association, the world's largest law society organisation, is to hold its first ever regional conference in South Africa next month. The three-day conference, which will be held in Cape Town from February 7, will be officially opened by President FW de Klerk.

Reuter 28/1/93.
BOARD NOTICE 15 OF 1993
PERISHABLE PRODUCTS EXPORT CONTROL BOARD

In terms of section 17 (i) of the Perishable Products Export Control Act, 1983 (Act No. 9 of 1983), the Board hereby imposes the following additional levies and tariffs in respect of the following items for the calendar year 1993:

Container Holding Store Table Bay Harbour: R228 per container
Special Building Levy R0,03 per cubic metre.

H. E. OLIVIER,
Administrative Manager
(29 January 1993)

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BOARD NOTICE 16 OF 1993

RULES IN TERMS OF THE ENGINEERING PROFESSION OF SOUTH AFRICA ACT, 1990 (ACT NO. 114 OF 1990)

APPLICATION AND ANNUAL FEES PAYABLE BY PERSONS REGISTERED IN TERMS OF THE ACT
NOTICE IN TERMS OF SECTION 6 (4) OF THE ENGINEERING PROFESSION OF SOUTH AFRICA, 1990 (ACT NO. 114 OF 1990)

The Engineering Council of South Africa, in terms of section 6 (1) (g) of the Engineering Profession of South Africa Act, 1990 (Act No. 114 of 1990), hereby makes known that it has prescribed the fees and made the provisions set out in the Schedule hereto.

The provisions set out in the Schedule shall come into operation on 1 April 1993.

SCHEDULE

Definitions

1. In this Schedule, unless the context otherwise indicates, every expression or word shall bear the meaning assigned to it in the Engineering Profession of South Africa Act, 1990 (Act No. 114 of 1990), and—

"annual fee" shall mean the fee or fees payable to the Council by a person registered in terms of this Act—

(a) within 30 days from the date on which he is informed of his registration in terms of the provisions of the Act; and thereafter

(b) annually on or before 30 September;

"application fee" shall mean the fee or fees payable to the Council when a person applies for registration in terms of sections 11, 12, 13, 14 or 15 of the Act, which shall include a fee for an examination if the Council prescribes and examination in terms of sections 11, 12 or 14 of the Act,

"examination", for purposes of this rule only, shall mean an examination by the Council of any qualification and any written or oral examination, if applicable, held to determine whether any particular qualification complies with the requirements for recognition in terms of section 11, 12, 13 or 14 of the Act and shall also mean any written or oral examination prescribed by the Council in terms of sections 11, 12 or 14 of the Act,

RAADSKENNISGEWING 15 VAN 1993

RAAD VAN TOESIG OP DIE UITVOER VAN BEDERFBARE PRODUKTE

Kragsens artikel 17 (i) van die Wet op Reeling van die Uitvoer van Bederfbare Produkte, 1983 (Wet No 9 van 1983), lê die Raad hierby die volgende addisionele heffings en tariewe op ten opsigte van die volgende items vir die kalenderjaar 1993:

Houtstooi, Tafelbuahawe: R228 per houer
Spesiale gebouheffing R0,03 per kubieke meter

H. E. OLIVIER,
Administratiewe Bestuurder
(29 Januare 1993)

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RAADSKENNISGEWING 16 VAN 1993

REELS KRAGTENS DIE WET OP DIE INGENIEURSWESEPROFESSIE VAN SUID-AFRIKA, 1990 (WET NO. 114 VAN 1990)

AANSOEK- EN JAARGEDE BETAALBAAR DEUR PERSENE KRAGTENS DIE WET GEREGLIFREER KENNISGEWING KRAGTENS ARTIKEL 6 (4) VAN DIE WET OP DIE INGENIEURSWESEPROFESSIE VAN SUID-AFRIKA, 1990 (WET NO. 114 VAN 1990)

Die Suid-Afrikaanse Raad vir Ingenieurswee maak hiermee bekend dat hy, kragsens artikel 6 (1) (g) van die Wet op die Ingenieursweesprofessie van Suid-Afrika, 1990 (Wet No 114 van 1990), die geldie voor- geskryf en die bepalings uitgevaardig het soos in die Bylae uitgeees.

Die bepalings vervat in die Bylae tree in werking op 1 April 1993.

BYLAE

Definisies

1. In hierdie Bylae, tenys die samehang anders blyk, het enige uitdrukking of woord waaraan in die Wet op die Ingenieursweesprofessie van Suid-Afrika, 1990 (Wet No 114 van 1990), 'n betekenis geheg is, die selfde betekenis en beteken—

"aansoekgeld" die bedrag of bedrae betaalbaar aan die Raad wanneer 'n persoon aansoek doen om registrasie kragtens artikels 11, 12, 13, 14 of 15 van die Wet, wat 'n bedrag insluit ten opsigte van 'n eksamen indien die Raad 'n eksamen kragtens artikels 11, 12 of 14 van die Wet voorskryf,

"die Wet" die Wet op die Ingenieursweesprofessie van Suid-Afrika, 1990 (Wet No 114 van 1990),

"eksamen", vir doelenaars van hierdeel alleenlik, 'n evaluation deur die Raad van enige kwalifikasie en enige geskrewre of mondelinge eksamen, indien van toepassing, wat gehou moet word om te stel of 'n betrokke kwalifikasie aan die vereistes vir doelendaans van erkenning kragtens artikels 11, 12, 13 of 14 van die Wet voldoen en beteken ook enige geskrewre of mondelinge eksamen wat deur die Raad voorgeskryf word kragtens artikels 11, 12, of 14 van die Wet,
"the Act" shall mean the Engineering Profession of South Africa Act, 1990 (Act No 114 of 1990); and
"year" shall mean the period commencing on 1 April of any year and ending on 31 March of the succeeding year.

**Application Fee**

2. (1) Where the Council does not prescribe an examination, the application fee for registration as a professional engineer, professional technologist (engineering), registered certificated engineer and a registered engineering technician, as the case may be—

(a) in respect of a person not registered as an engineering training, an engineering technologist in training, a certificated engineer in training, or an engineering technician in training, shall be R220,00 which includes VALUE ADDED TAX;

(b) in respect of a person already registered as an engineer in training, an engineering technologist in training, a certificated engineer in training, or an engineering technician in training, shall be R140,00, which includes VALUE ADDED TAX;

(2) Where the Council does not prescribe an examination, the application fee for registration as an engineer in training, an engineering technologist in training, a certificated engineer in training or an engineering technician in training, shall be R80,00 which includes VALUE ADDED TAX.

(3) Where the Council prescribes an examination, the application fee shall be the application fee as prescribed in subrules (1) or (2), as the case may be, and, in addition to such fee, the following fees, which include VALUE ADDED TAX, shall be payable as applicable to each particular case:

<table>
<thead>
<tr>
<th>Description</th>
<th>Fee</th>
</tr>
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<tbody>
<tr>
<td>(a) In respect of an oral examination prescribed by the Council in terms of sections 11 (1) and (3), 12 (1) and (3) and 14 (1) and (2) (including an examination on a prescribed project)</td>
<td>400,00</td>
</tr>
<tr>
<td>(b) In respect of an oral examination to determine whether any particular examination complies with the Council's requirements for recognition in terms of sections 11 (1) (b) (i), 12 (1) (b) (i), 13 (1) (b) (i) and 14 (1) (b) (i)</td>
<td>100,00</td>
</tr>
<tr>
<td>(c) In respect of any written examination prescribed by the Council in terms of sections 11 (1) and (3), 12 (1) and (3) and 14 (1) and (2)</td>
<td>50,00</td>
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<td>(i) registration fee.</td>
<td>80,00</td>
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**Annual Fee**

3. (1) The annual fee (per annum) in respect of a person registered as a professional engineer, a professional technologist (engineering), a registered certificated engineer or a registered engineering technician, shall be R209,00, which includes VALUE ADDED TAX. Provided that if such person produces

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<td>(a) In respect of a person registered as a professional engineer, a professional technologist (engineering), a registered certificated engineer or a registered engineering technician, shall be R209,00, which includes VALUE ADDED TAX. Provided that if such person produces</td>
<td>50,00</td>
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**Jaargeld**

2. (1) Waar die Raad nie 'n eksamen voorskry nie, is die aansoekgeld vir registrasie as 'n professionele ingenieur, 'n professionele tegnoloog (ingeineerswese), 'n gereigsteerde gediplomeerde ingenieur en 'n gereigsteerde ingeneurstechnikus, na gelang van die geval—

(a) ten opsigte van 'n persoon wat nie as 'n ingenieur-in-opleiding, 'n ingeneurstechnikus-in-opleiding, 'n gediplomeerde ingenieur-in-opleiding of 'n ingeneurstechnikus-in-opleiding geregistreer is nie, R220,00, wat BELASTING OP TOEGEVOEGDE WAARDE insluit,

(b) ten opsigte van 'n persoon wat reeds geregistreer is as 'n ingenieur-in-opleiding, 'n ingenieurstechnikus-in-opleiding, 'n gediplomeerde ingenieur-in-opleiding of 'n ingeneurstechnikus-in-opleiding, R80,00, wat BELASTING OP TOEGEVOEGDE WAARDE insluit;

(2) Waar die Raad 'n eksamen voorskry, is die aansoekgeld as volgt:

(a) Met betrekking tot 'n mondelinge eksamen wat deur die Raad voorgekry word, R400,00;

(b) Met betrekking tot 'n mondelinge eksamen wat deur die Raad voorgekry word, R100,00;

(c) Met betrekking tot 'n geskrywe eksamen wat deur die Raad voorgekry word, R50,00.

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<td>(a) Met betrekking tot 'n mondelinge eksamen wat deur die Raad voorgekry word kragtens artikels 11 (1) en (3), 12 (1) en (3) en 14 (1) en (2) (insluitende 'n eksamen oor 'n volgestelde projek)</td>
<td>400,00</td>
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3. (1) Die jaarfeesgeld (per jaar) ten opsigte van 'n persoon wat geregistreer is as 'n professionele ingenieur, 'n professionele tegnoloog (ingeineerswese), 'n gereigsteerde gediplomeerde ingenieur of 'n gereigsteerde ingeneurstechnikus, is R209,00 wat BELASTING OP TOEGEVOEGDE WAARDE insluit. Met dien
proof of current membership of an institute, institution, society or association which is recognised for purposes of exemption from payment of a portion of the annual fee, the fee shall be R89.00, which includes VALUE ADDED TAX.

(2) The annual fee (per annum) in respect of a person registered as an engineer in training, an engineering technologist in training, a certificated engineer in training, or an engineering technician in training, shall be R83.00, which includes VALUE ADDED TAX. Provided that if such person produces proof of current membership of an institute, institution, society or association which is recognised for purposes of exemption from payment of a portion of the annual fee, the fee shall be R45.00, which includes VALUE ADDED TAX.

(3) The annual fee (per annum) in respect of an engineer in training who has been registered as such for longer than seven years shall be the annual fee payable by a professional engineer as set out in subparagraph (1): Provided that, if the Council so decides, the provisions of this sub-paragraph shall not apply in respect of an engineer in training who, prior to the expiration of such period of seven years, has submitted an application for registration as a professional engineer and such application is either still under consideration by the Council, or has been refused by the Council, and the relevant annual fee payable in terms of subparagraph (2) shall remain payable by such engineer in training until the Council is satisfied that the engineer in training complies with the Council’s requirements for registration as a professional engineer.

Duplicate registration certificate

4. The fee for issuing a duplicate registration certificate shall be R22.00, which includes VALUE ADDED TAX. Provided that a duplicate registration certificate shall only be issued to the person to whom the original certificate was issued: Provided further that such duplicate registration certificate shall only be issued if the applicant submits an affidavit to the effect that the original certificate was not received through the post or, if it was so received, that such certificate was subsequently lost, that every effort had been made to trace it and that he had nevertheless not succeeded in finding the certificate concerned.

Withdrawal of Board Notices

5. Board Notices Nos. 67 of 17 May 1991 and 5 of 31 January 1992 are hereby withdrawn

(29 January 1993)
Bar Association to discuss product liability

Product liability is one of several issues which will be discussed next week when the International Bar Association holds its first regional conference in South Africa since the imposition of sanctions. The conference has been organised in conjunction with the Association of Law Societies of South Africa and will be held in Cape Town on February 7, 8 and 9.

Other issues which the conference will focus on will be those affecting the general practice of law and trial techniques using computers, lasers and videos.

Webber Wentzel's senior litigation partner Michael Bennett, who will be among the speakers, said the conference would concentrate on product liability in South Africa and elsewhere "because it is a developing system which is different in each country, and for these reasons has enormous implications for South African business."
Jowell to head UCT business school

CAPE TOWN — Prof Kate Jowell has been appointed director of the UCT Graduate School of Business with effect from February 1.

Jowell succeeds David Hall, who resigned last year, and has also been appointed professor of business administration at the university.

She said yesterday she was very happy with the growth of the graduate school since its move to the new Breakwater campus. She saw her immediate task as consolidating gains made.

"She planned to develop the associate-in-management (AIM) programme for managers who had the potential to meet MBA admission criteria," she said.

"Jowell said the school's MBA programme was doing extremely well, with 62 new full-time students enrolled this year."}

Making the announcement yesterday, UCT vice-chancellor Stuart Saunders said the graduate school had an important role to play in business education in SA and beyond.

"The university is confident Kate Jowell will provide the leadership which will secure this," he said.

Jowell's previous public offices include eight years on the National Manpower Commission and membership of the Standing Commission of Enquiry into Taxation Policy and the Margo Commission.

A former financial journalist in London and former editor and associate editor of "Far, Lady, Jowell has been on the UCT graduate school's staff since 1974, teaching courses in human resources management, industrial relations and negotiation by MBA students and business executives. She was director of publications of the MBA programme in 1991, and assistant director of the school from 1987 to 1989."}

She is a member of the mediation panel of the Independent Mediation Service of SA and a director of the Western Cape board of First National Bank.

"Jowell's previous public offices include eight years on the National Manpower Commission and membership of the Standing Commission of Enquiry into Taxation Policy and the Margo Commission."
LINDSAY MADDEN

is a lawyer from norm before value building

It's a matter of time

Lindsay Madden.
Lawyers urged to help unclog prisons

By Jo-Anne Collinge

Mr Justice Johan Kriegler of the Transvaal Bench has condemned the "interminable war for turf" among lawyers and urged that they begin to till barren legal land, assuaging the mass of undefended and unrepresented people who clog the country's jails.

During his keynote address to the annual meeting of Lawyers for Human Rights in Pretoria this week, Kriegler argued the case for "barefoot lawyers", with "properly directed training" of 18 months or two years, to go into the criminal courts to advise unrepresented accused how to defend and test the cases against them.

He observed that whatever a future Bill of Rights contained, there would still be 20,000 awaiting-trial prisoners in jail every day — people who had been convicted of no crime.

In addition, 70,000 people were jailed every year without the benefit of legal representation.

"I refuse to accept that it is beyond the combined talents of the profession to deal with the problem of the daily prison population," the judge said.

And so, the legal profession could prepare and standardise curricula for "barefoot lawyers".

Worsened

Improved defence should go hand in hand with a renewed focus on prisoners' rights.

Arguing that the outstanding role of lawyers was to defend the weak against the powerful, Mr Justice Kriegler contended there was no greater disparity of power than in jail. Therefore, lawyers should help ensure that the punishment of incarceration was not worsened by prison conditions.

He was appalled to find no voice raised to query the "double-bunk" plan that Correctional Services Minister Adriaan Vlok had posed as a solution to the overcrowding in prisons.

"Does this mean that he will double up on a single toilet for 30 prisoners and double up on a single shower for 30 prisoners?"

Former Zimbabwe Chief Justice Enoch Dumbutshena, in the second keynote address, said Zimbabwe had taken a chance after independence by appointing relatively inexperienced black advocates to the Bench in the interests of redressing past discrimination. Although some had proved unsuccessful, most had turned out to be excellent judges.

But the real pay-off had been elsewhere, said the judge. Justice, he reckoned, was not something that resided in Bills of Rights and constitutional courts, it had to be felt in the heart of society.

"From our humble background we lifted the belief of our people in justice."
Cuban trên ảnh đây về sự kiện ở Cuba.
Claims against attorneys on the increase, conference told

CAPE TOWN — There had been a substantial increase in the number of claims lodged against attorneys in recent years, Small Claims Court commissioner Des topping Hoton said yesterday. The International Bar Association regional conference yesterday "laid out the groundwork for attorneys' Fidelity Fund Professional Indemnity Insurance Scheme had increased from about 200 in 1987 to about 450 in 1991, he said.

Considering there were only about 8,000 attorneys in SA, this meant the annual number of claims represented more than 5% of the total number of attorneys.

The increase was part of a worldwide trend, attorneys were handling more work and were expanding into new areas of practice which carried greater risk and exposure to clients, and clients were becoming more demanding and more aware of their rights.

About 47% of claims in 1991 related to claims under the Motor Vehicle Accidents Act, 20% were conveyancing-related, 15% related to general commercial matters and 15% to general litigation matters.

SA attorneys had automatic cover under the fidelity fund scheme, and the limits of the scheme had been increased considerably in recent years. But many legal practices needed substantial top-up cover, and some were obtaining cover of up to R5m of each claim.

"A further reason for obtaining additional cover is that the scheme no longer grants indemnity in respect of the provision of investment advice. Separate cover must therefore be arranged in respect of the provision of investment advice."

Williams urged law firms to institute malpractice exposure audits, as the adoption of risk management would "almost certainly lead to a major shake-up and revision of management, administration and professional procedures."

Prof Werner Ebeke of the University of KwaZulu-Natal said several common-law courts abroad were anxious to limit auditors' liability for negligence affecting people with whom they had no contract.

Denies' Rand partner Michael Hart said that while SA auditors had had reasonably good claims experience until the end of the 80s, and underwriters had been willing to provide professional indemnity insurance for this market, there had been an appreciable increase in the number and size of claims brought against local auditors during the past five years.

High-tech anti-violence train put through test

A COMMUTER train equipped with high-tech security devices worth R1.4m was tested by the SA Rail Commuter Corporation (SARCC) yesterday after a delay while video monitoring equipment was improved.

The train, which has new violence-proof windows and doors, a video monitoring system, a public address system and radio communication between drivers and guards, was put through a two-hour test on the Braamfontein-Krugersdorp line.

SARCC development engineer Brian Curran said the train had proved ready for service and would carry its first passengers between Johannesburg and Soweto by the weekend.

SARCC security GM Francois van Eden said the new train would cut down on the time it took to arrest those involved in violence as guards would react immediately to incidents shown on closed circuit television.

Curran said the new video system, which consisted of 56 concealed video cameras on a 14-coach train and a monitoring booth, would cost R500,000 a train.

A further five trains would be equipped with the video system, which would then be evaluated thoroughly before a decision was made on whether or not to install the system on all trains, he said.
Training for ANC members

A PARA-LEGAL training programme, which might be the answer to ending violence in the country, has been unveiled by Lawyers for Human Rights and the ANC's PWV region.

LHR national director Mr Brian Cuffin told a news briefing in Johannesburg yesterday the programme, which would begin on Saturday and last for three months, was intended for ANC members in the region. But as the LHR was not trying to empower one organisation with the skills, it was prepared to train members of other organisations which approached his institution — Sowetan Reporters and Sapa
Jobless artist returns to US

Promoter promised him a licensing deal but never came back.

By Elliot Makhaya

MODISE Molefe left South Africa in 1988 to study for a masters degree in theology. While in the United States he became a musician and record producer, doing comparatively well. When talk of a "new" South Africa reached his ears, he was excited. Like most artists who were abroad, he packed his bags last August and headed back home to Botapotong in the Vaal Complex.

"Hardly four months later, Molefe has again packed his bags to go back to the United States. Why?"

Music career

"I came back home to settle but could not strike a job with all my degrees and a music career behind me. It is frustrating and makes you hopping mad. I am going to settle in the United States and make it my home away from home, unless something dramatic happens," said Molefe at the Jan Smuts Airport in Johannesburg before his departure for New York.

Molefe has Masters degrees in Ethics and Community Development. His wife Thiti has a sociology degree. "The minute I land in the United States I know I have a job. I am going to have shows at the Apollo Theatre as an opening act to Michael Elias," he said.

Although not so well-known in South Africa, Elias is a renowned jazz guitarist in the United States. Molefe said he was not bitter but he had been disappointed by a record company's executives who made empty promises to him.

Licensing deal

"One leading artist promised me a licensing deal. He never came back to me."

Molefe said he initially left South Africa on a theology mission but got into music by accident. "We were on a pilgrimage to the United States. Our leader had a mission to renovate a retreat centre in Mississippi and to raise funds. I told him I could not donate cash but that I would record an album with royalties going to the mission," he said.

Molefe said he recorded the album using highly skilled, professional musicians in the United States. Coyote, Stumela's lead singer, worked on the LP's melodies.

"This was a grand entry into the music scene. Now I came back to make a contribution to my own people."
More black requirements say professor

Association of Certified Accountants
Body aiming to change the face of accounting

THE man co-ordinating the SA launch this month of the Chartered Association of Certified Accountants (ACCA) is slight of stature.

But Mashudu Ramano, who has been deeply involved with the Association of Black Accountants of SA for five years, packs a big punch — and he is convinced the ACCA is going to change the face of accounting in SA dramatically.

"The SA accounting profession has been characterised by an elitist approach until now. There are only 62 black accountants in SA, 20 of whom qualified in the past two years. Blacks were appointed to the executive committees of the SA Institute of Chartered Accountants for the first time in 1991. It is clear the profession faces an urgent problem - to substantially increase the number of blacks employed in the profession in the years ahead," Ramano says.

Remedial

The SA Institute of Chartered Accountants president Neville Vorster agrees. More than a decade ago, he says, the Institute implemented various remedial programmes like a career guidance programme for black students and the CA's Eden Trust, which grants about 200 bursaries annually.

But Vorster is in conjunction with the Association for the Advancement for Black Accountants and the Public Accountants and Auditors' Board.

Other measures taken by the institute include the development of academic support programmes and mentorship schemes.

There is also a voluntary code under which accounting firms ensure that at least 15% of their annual intake is black.

Vorster says the benefits of these and other programmes have been slow to take hold because of the extensive training required and the long standard of education.

"Our combined effort is now beginning to show results and we expect a significant increase in the number of blacks qualifying in the future," he says.

Ramano believes SA needs to adapt to the new situation. "Our combined effort is now beginning to show results and we expect a significant increase in the number of blacks qualifying in the future," he says.

"The present system - which is myopic, elitist and not adapted to SA's real developmental needs - has no place in a future SA."

Needs

Ramano says it has been suggested that SA needs 20 000 qualified accountants by the turn of the century. "The present system - which is myopic, elitist and not adapted to SA's real developmental needs - has no place in a future SA."

In addition, drastic changes are needed in the education and training of accountants, and in the recognition of other accounting qualifications, if SA's accounting needs are going to be met. "The present system - which is myopic, elitist and not adapted to SA's real developmental needs - has no place in a future SA."

Vorster also argues that financial and entrepreneurial skills are essential for developing successful businessmen and creating jobs.

Potential foreign investors have told the institute they need assurance that investments would be properly managed and accounted for. He says SA will have to compete widely for investment and do so on the international financial community's terms.

"Chartered accountancy is built on two key foundations - skills and integrity. And in an environment tarnished by the apartheid years, CAs can do much to raise public and investor confidence," he says.

Vorster says it would be "fundamentally wrong" to lower the qualifying standards for CAs because once lowered, it would be difficult to re-establish standards, he says.
Chartered

Trust looks at easing access for disadvantaged

THE Centre for Accounting and Management Development Trust (CEMADT) is a facility set up to improve the access of disadvantaged people into accounting.

CEMADT acting co-ordinator Mathabang Ramone says the accountancy profession has, to urgently bring about a large increase in the number of blacks in professional and managerial positions.

Perhaps the most damning and glaring indictment of the underlying problems was revealed in a study by Dr. Henke van Greening of the SA Reserve Bank, which illustrated in the table (left) the scale of the task ahead.

The specific objectives of the project are to:

☐ Provide an alternative route to professional accounting qualification.
☐ Make accounting, administration and management skills training accessible and available to a larger pool of disadvantaged communities.
☐ Improve the quality of technical, management, administration and accountability at all levels of society.
☐ Develop an integrated approach to providing accounting, administration and management skills.
☐ Increase knowledge of accounting and accountability among all South Africans.
☐ Facilitate the evolution of a more flexible and mutually beneficial system of accreditation between formal and non-formal accounting institutions.

Plains have been devoted to focus on upgrading the financial and managerial skills of black business people, trade union and civic organisation officials, adult education and youth workers, black professional organisations, school and charity administrators, bookkeepers and black matriculants who have been unable to progress to the tertiary sector.

Specific

Among the study programmes conceived and developed by CEMADT are:

☐ The Skills Development Programme, designed to address specific human resource requirements.
☐ The Foundation Course to upgrade the skills of prospective students who wish to pursue a career in accountancy but do not possess the requisite academic entrance requirements, and
☐ The Professional Development Programme which aims to help redress the under-representation of the black communities in the accountancy profession.

The programme will also help to provide access to an internationally-recognised body of accounting and business knowledge leading to professional qualification.

The establishment of CEMADT followed a study commissioned by Abasa in 1989 which concluded that administrative, educational and financial accountancy structures remained segmented and elitist.

The study identified the following barriers to wide-scale black entry into the profession:

☐ Limited opportunities for blacks to qualify.
☐ Lack of entry or limited access and high demands of accounting education at universities accredited by the Public Accountants' & Auditors' Board.
☐ Limited access to, and opportunities for, effective practical training in professional firms.
☐ Racial and structural discrimination.

CEMADT comprises the following organisations:

☐ SA Committee of Higher Education (Scohed), Association of Black Accountants of Southern Africa, the ANC, the Black Management Forum, Community Resource Trust, Cosatu, Independent Business Enrichment Centre, Kagiso Trust, National Committee for the Repatriation of SA Exiles, NECC, Naucu, the PAC and the SA Students Internship Foundation.
Open Learning creates active study methods

The ACCA Open Learning programme is designed to be flexible; the trainee is freed from the restrictions of college schedules, offers a complete series of study packages leading him through the entire syllabus to his own pace and place of study.

The key element in the programme is learning through doing; the trainee's workbooks require his ideas and written contributions in the form of activities and self-assessment questions (SAQs).

The programme, designed to ease the problems of trainee-employer relationships, allows complete flexibility of study and removes the rigid demands of college and tutor study. The trainee can work out with the employer a programme of study which suits them both.

Through SAQs, learning becomes not just a passive absorption of facts but the active application of theory and technique to real-work situations, and a constant self-analysis to check that objectives have been achieved.

The programme, while guiding the trainee through to examination success, gives him learning techniques which will have a positive effect on his career.

Particular care has been taken to ensure that the language level is appropriate for learners for whom English is not the first language.

The programme is the largest ever open learning project in any subject area, providing 2700 hours of learning.

Developed over three years, the programme is said to be the best in the field in terms of innovative accountability education development.

Replacement

The key to the Open Learning programme is the replacement of the teacher in the conventional classroom context by thoroughly researched and expertly prepared workbooks and audio tapes.

In the workbooks, study sections are short, objectives are clearly set out, and there are many practical worked examples.

Unlike most study manuals and correspondence courses ask students to read, memorize and reproduce what they find in the text. Open Learning requires them to undertake activities where they review what they have read, consider how they can use it, and satisfy themselves that they have understood it.
LOUISE Tager was 32 and a mother of three before she decided to try the job market for the first time.

She had dropped out of university six months before. She was due to complete a BA degree to get married and raise a family.

In doing so, she also threw out her dream to be a high school teacher.

Today, at 58, she has an established career as a law professor behind her. She is chairman of the Harmful Business Practices Committee, executive director of the long-standing Law Review Project, a director of Barlow Rand and Transnet, and a tireless campaigner for consumer rights, making her a natural choice to head the high-profile Vatwatch Committee.

She moved from being an unknown housewife to a role model for women in a variety of areas.

It all started in 1963, says Tager, when her husband, Harris, a Johannesburg pharmacist, encouraged her to leave the domestic domain and head back to university to finish her degree.

Before then she had not thought of studying or taking up a career.

"I had been at home for 12 years raising my three children, and wrapping myself in my gardening, dress-making and other domestic titbits," she says.

Her husband's suggestion was the cue she had been waiting for.

She says she went back to university and majored in history of art.

She also took a course in legal theory and completed her BA.

She then took up law and graduated with an LLB degree in 1970.

Her rise was meteoric. In 10 years she moved from being a senior bursar at the school of law to being a professor of law and dean of the faculty of law at the University of the Witwatersrand.

It was a hectic time. She was mother, student and lecturer at the same time. But she coped well, she says, because she was a mature student.

She believes that nothing is impossible for women, once they put their minds to a course of action.

PHANGISILE MTSHALI
Productivity below par in SA

SOUTH African companies needed to make full use of their production capacity to compete internationally, leading economists said yesterday.

Credit Guarantee senior economic and investment adviser Luke Doig said most SA companies were complacent about their productivity rate which was well below their high cost structure. "We need to reverse this situation to compete with the world."

He attributed this imbalance to a dependency syndrome in SA. "We're all used to getting things done for us. This applies to the whole spectrum. This needs to be outgrown."

Doig also said the South African work ethic was problematic. "The ethic was designed for the employee to support the firm, which would in turn support him. People are now more concerned with their welfare."

A multi-pronged strategy — designed to educate people on productivity — was needed to redress the problem, he said.

NPI executive director Jan Visser said there was "spare capacity" that could improve productivity if used. He attributed this extra capacity to the recession which limited the market for locally-produced goods.

"The main problem was the management of capital investment as labour was adjustable, he said.

However, with the world in recession, Visser reckoned that SA would have to change its "inward-focused" economy. "Our management skills also have to be improved."

Sasol economist Keith Lockwood felt SA companies had not taken productivity seriously because of recession. "Most companies think they're productive. But a look at them shows significant room for improvement."
Moseke promoted
Atteridgeville lawyer now SC:

By Monk Nkomo and Josias Charle

PRETORIA-BASED advocate Mr Dikgang Moseke has been promoted to Senior Counsel, it was confirmed yesterday.

Moseke, who lives in Atteridgeville and has been a lawyer for 17 years, confirmed the appointment.

He is the third black lawyer to be promoted to this position. The others are Mr Louis Skweyza of Durban and Mr Ismail Mohammed, who is now a judge.

Moseke became the youngest political prisoner when he was sentenced by the Supreme Court to 10 years imprisonment.

As an advocate, he has defended in many political trials.
Sharing the cream with the fat cats

Miners' decision to enter into a profit-sharing agreement, rather than accept basic wage increases, has paid off – much to the relief of the National Union of Mineworkers.

By FERIAL HAFFAJEE

Sulfontein and Marievale – were among the top five contributors to the scheme.

They paid out R559, R442 and R401 respectively to their workers in the first six months of the scheme's operation, while healthy mines, such as Winkelhaak and Kinross, paid R133 and R123 in the same period.

"There is a need to challenge the formula" on which profits are calculated, said the union's assistant general secretary, Marcel Golding.

The scheme, introduced last July, covers 220,000 workers on 16 mines. It was an attempt to supplement the low wage increases miners settled for by giving them a share in the profits.

The agreement works on three different levels. Simple profit-sharing – the first level – means the mine shares 20c in the rand of the profit with workers. The second and third levels are more complex: they work on trigger profit levels which determine the amount in the rand shared.

But with its talk of "trigger levels", "capex" and "20c in the rand", profit-sharing is not an easy concept to understand. The union acknowledges this, saying "NUM will put more resources into training shaft stewards at mine level to understand and monitor the profit-sharing schemes."
A MAN with a serious heart condition has initiated legal proceedings against insurance giant Sanlam because the company has refused to pay him a R100 000 disability claim.

Professor WT Barham, 56, an associate professor of zoology at the University of Zululand for 14 years, had double-bypass heart surgery in January last year and was declared medically unfit to return to work by four specialists and a cardiologist.

Staff members of the University of Zululand are obliged to contribute to its Group Life and Disability Scheme, which is underwritten by Sanlam.

The University of Zululand "boarded" Professor Barham in May last year, following which he lodged a claim for a "lump sum payment" with Sanlam.

The case has raised questions about the definition of "disabled." It has also caused controversy at the university because its Board of Trustees is obliged to act as claimants on behalf of a staff member and has not done so yet.

Acute News, an internal newsletter, noted that although the rules of the Group Life Assurance Scheme state that the university is not subject to the scheme, it has chosen not to do so.

There was no one available at the University of Zululand for comment.

Professor Barham's son, Mr Dave Barham of Cape Town, said this week his father had issued summons against the Group Life Assurance Scheme.

A spokesman for Sanlam said one of the company's doctors had discussed the case in detail with one of Professor Barham's cardiologists.

They concluded that Professor Barham was fit to continue with the job at the university, but they also agreed that on medical grounds, there was not enough reason to find him disabled for another, less stressful occupation.

"Both doctors were worried about the possibility of Alzheimer's disease," Sanlam suggested that Professor Barham visit a psychiatrist for an evaluation, to enable us to reconsider the claim," Professor Barham said this week. He was willing to have these tests but had asked that Sanlam pay his transport costs from Ladysmith. He also wanted a written promise that this action would not be prejudicial to his legal rights.

"I wrote to Sanlam through the university in December and still haven't had a reply," Professor Barham said.

He had been hospitalised with angina three weeks ago and doctors had discovered a leaking valve.
My appointment not cosmetic, says Sheila

By Brendan Templeton

New Deputy Justice Minister Sheila Camerer does not believe her weekend rise in Government-ranks was a cosmetic appointment to win votes in the next election.

The former university Rag queen and Westdene, Johannesburg, city councillor yesterday said she was excited to be appointed to the position at a time when women's rights were coming to the fore in South Africa.

Asked if she thought her appointment had been for appearances only, she said, "I would hate to think that. President de Klerk has said on television that National Party women want to be appointed on merit. I do feel that the fact that he has appointed me shows he is committed to equal opportunity.''

She had informed the Rosettenville MP of her new post on Friday and Camerer said she had not been expecting it.

"I am looking forward to working with (Justice Minister) Kobus Coetsee. He has done interesting things like introducing the Equal Opportunity Bill, the Family Violence Bill and the Elimination of Discrimination Against Women Bill. Justice is not a new field to

Sheila Camerer ... from Rag; Queen to deputy Minister

her. She was a practising attorney and had been a member of the parliamentary joint committee on justice for several years, she said.

Camerer said she had always been a strong proponent of women's rights.

This may come as a surprise to some voters in Rosettenville. She told them during her successful 1984 bid for election as their representative on the Provincial Council "A woman must go where her husband goes". She was explaining why she did not live in the southern Johannesburg suburb.
Moseweke dons silk as third black SC in SA

By Joe Mdilela

ALMOST a decade ago, a 36-year-old Pretoria attorney was admitted to the bar as an advocate of the Supreme Court of South Africa

At about the same time, a caricature in a daily newspaper depicted an aged judge in spectacles. He was scratching his head as if trying to recall where he had seen the slightly built man he was about to admit as a barrister

"I recall seeing you somewhere?" said the judge tentatively.

He was right, except that he had not seen the man "somewhere." The man had stood trial in his court and had been sentenced by him to 10 years imprisonment for sabotage 20 years before.

The cartoon strip was rather a comical, albeit heart-rending, depiction of events surrounding DiGang Moseweke, his incarceration and his determination to rise to the top of his chosen profession.

The admission ceremony took place at the Pretoria Supreme Court on July 19, 1983.

The same court, 20 years before, had found him to be a saboteur and sentenced him to a prison term on Robben Island.

He was a mere 15-year-old sprout. Last week Moseweke joined an exclusive club of barristers. As Senior Counsel he now wears silk, giving him the honour to have his name suffixed by the abbreviations SC, the equivalent of Britain's Queen's Counsel (QC).

The 15-year-old sprout who returned to the court that put him away:

Two other blacks who share this honour are Mr. Louis Skeweya of Durban and Mr. Ismail Mohamed of Johannesburg.

Mohamed was promoted to the bench a few years ago.

Moseweke’s elevation to Senior Counsel puts him in line for an appointment to the bench as a judge.

Promotion:

The 46-year-old Moseweke, who resigned his position as PAC second deputy president last December, had his promotion confirmed last week.

At 15 he was probably one of the youngest political prisoners to be incarcerated on Robben Island. He served the whole sentence until he was released in 1973.

On his release he was served with a five-year banning order which remained effective until 1978.

Undaunted by his term in jail, he went on to pass the Standard 8 and matriculation examinations on the island. While serving his term, he graduated with Bachelor of Arts and B Juris degrees through the University of South Africa (Unisa) in 1969 and 1973.

Four years later he graduated with a Bachelor of Laws degree (LLB) from Unisa and served articles until he was admitted as an attorney in 1978.

Five years later Moseweke became an advocate, all along earning himself respect in legal and political circles.

Two years ago he was in the legal team that defended Mrs. Winnie Mandela, who was charged with the abduction and assault of the child activist, 14-year-old Stompie Seipei.

Moseweke scored a legal victory in 1978, winning the right to practise as an attorney in South Africa after his loss of citizenship as a South African.

This came about when Bophuthatswana gained its so-called independence in 1977.

Moseweke had citizenship of the homeland forcibly imposed on him. Moseweke proved that he was a South African and that he would never relinquish it for a sham citizenship.

After a lengthy legal battle, the full bench of the Pretoria Supreme Court reinstated his citizenship. He was then allowed to practise as an attorney.

Moseweke’s victory was to become a test case for many Tswana-speaking South Africans who had lost their citizenship when the bantustan gained independence today. Moseweke stands on the threshold of bigger things as a Senior Counsel.

His many struggles, both in the leadership of the PAC and for human rights, have contributed immensely to changing the country’s political landscape.

Even his resignation from the PAC last December was received with shock, especially by the Afrikaners. But his promotion is certainly a victory for the disadvantaged people of this country.
Recognising the fact that young professionals trying to establish themselves are generally not supported by financial institutions, Standard Bank launched two new banking packages.

Standard Bank's new Med-Elite and Pro-Elite banking services packages for professionals have had a significant impact in the market. Since their recent launch, the innovative packages have captured a major share of these niche markets.

The packages are essentially tailored for the "professional" market in the broadest sense, including the recently qualified and up-and-coming young professional.

Med-Elite caters for doctors, dentists and veterinary surgeons, and Pro-Elite meets the needs of CA's, lawyers, degree architects and engineers.

The new packages recognise the fact that, erroneously in the past, professionals who were "still in the process of establishing themselves were not able to always apply for such facilities and that there was a need for more comprehensive services for this market.

"Essentially qualification for one of the earlier packages was based on income and not on status per se," says Standard's general manager retail markets, John Holloway.

"This has been based on the initial niche marketing forays made by Standard and other banks beginning in the mid-80s when it was realised that different income groups within the client mix should be recognised for their achievements by way of access to more advantageous products and services.

"The notable case in point was Standard's AchieverPlan which had been very well received and was seen as a stepping stone to the ultimate Standard Bank Package - the Prestige Plan."

"We recognised the fact that because our plans were income based there was an important gap in our niche marketing philosophy. We therefore decided to broaden the scope of the potential applicants among SA's 60,000 professionals and at the same time to enhance the product.

"By way of an initial sortie into the market, it was decided to concentrate on the medical sector for reasons of its homogeneity and clearly definable nature.

"Med-Elite was the result, a package billed as Standard Bank's financial package that meets all the needs of SA's medical practitioners."

The benefits of Med-Elite are extensive. Members are guaranteed access to an exclusive and sought-after range of preferential financial services in a matter of course. These include: automatic secure overdraft facilities at prime rates for Med-Elite clients. The guaranteed limits are determined by gross annual income but are less than R25,000.

"Distinctive Med-Elite cheque books for members and their spouses with individual cheques guaranteed up to R1,000 - members are able to draw up to R1,000 a day through Standard's AutoBank, and service fee rates are highly competitive.

"Standard Bank's Gold MasterCard is available to Med-Elite members and their spouses with combined limits ranging from a minimum of R5,000 with increased limits in line with income.

"Clients qualify for Standard Bank's superb AccessBond, a breakthrough in home loans financing providing flexibility and control - also at a preferential rate.

"Med-Elite study loans for registrars, up to R25,000 can be made available at below prime rates to assist registrars for post graduate study purposes.

"We also recognised the strong need for financing a new practice, for buying into an existing practice or increasing an existing share in a practice," says Mr Holloway.

"In this context, our Equity Purchasing Scheme and Stanfiled's Floatbond financial lease and instalment sale instruments are ideally suited for financing of motor vehicles and equipment. These services naturally complementary to the overall package with the added incentive of accessing them at preferential rates."

"In addition, medium-term loans are available to finance expenditure of a capital nature and commercial bond purchase over 20 years assists the professional and his partners to purchase a property for practice.

"The impact of Med-Elite and PrestigePlan has been tremendous and we estimate we now have about 50% of the medical banking services market," says Holloway.

"Having tested the water as it were, it soon became apparent that other professionals sought similar facilities. In fact we fully anticipated a reaction of this kind and we acted rapidly.

"As a result we formulated the Pro-Elite package for chartered accountants, lawyers, degree architects, and engineers.

"While Pro-Elite has been tailored to meet the specific needs of the abovementioned professional market niches, it offers similar facilities to Med-Elite, again at preferential rates. Since launch, we have experienced a tremendous response with market penetration in these niches increasing steadily."

For further information, please telephone (011) 636-4804.
AVI set to achieve eighth growth year

EDWARD WEST

ANGLOVAAL Industries (AVI) results for the six months to end-December 1992 show earnings up 21% to R147.2m from R121.5m in 1991 and on track to achieve eight years of consecutive growth in spite of recession.

However, the AVI board said the extent of the forecast earnings improvement for the full financial year would depend on business conditions.

The first-half earnings' increase was diluted to 9% at the earnings a share level to 46c (interim 1991: 45c) following an increase in the issued share capital as a result of the acquisition of 29% of Anglo Alpha and a further 4% of Consol's equity.

Total turnover increased 6% to R4.2bn (R3.96bn), but reduced margins limited the rise at operating level to R371.4m (R369.2m) Interest paid fell to R41.7m (R43m), while a lower tax rate reduced the tax charge to R135.9m (R145.5m).

Taxed profit was 7% up at R193.8m (R180.7m).

Consol improved its pre-tax profit contribution by 4% and National Brands by 18%. These increases, combined with additional AVI investment income, offset lower earnings of Irvin & Johnson and AVI Diversified Holdings' textile division. Unrest in the residential area serving Mooi River Textiles was unresolved.

AVI surplus on disposals (R0.5m) and rationalisation (R2.1m).

Cash balances dropped to R41.9m from R66.5m at the year to end-June 1992, mainly because of Consol's R212.2m acquisition of the Contred minority holding and capex of R144.7m.

Consol's acquisition of the Contred minority resulted in both Tredcor and Tycon becoming wholly owned subsidiaries of Consol AVI Diversified Holdings subsidiary Aven also acquired further Trastel Holdings shares, raising its interest in that company to 97.6% (94.1%).

Goodwill of R122.3m from both acquisitions was disclosed as a fixed asset. Capex from Page 1 was R144.2m (R102.3m), while authorised capex at half-year end was R215.5m (R137.4m), of which R109.5m (R47.2m) had not been committed.

Net asset value (NAV) climbed to R65.52 (R51.92). In terms of NAV the share was highly rated. It was one of the most actively traded shares on the JSE yesterday, closing 50c up at a 12-month high of R136.50.

The results showed that if AVI produced the same second-half earnings it did in the 1992 financial year — about R11.9m more than 1992’s first-half earnings — 1993 earnings would be 9.4% higher than 1992’s.
A Lawyer on the Ball

By Abby Magee

The link with outside world

Feature: Trapido praises himself on his thriving law firm and his connections with soccer

NOT A DREAM Sport

SOWTAN Friday 26 February 1993
It's the quicker way to become an accountant

ANYBODY can become an accountant without necessarily first becoming an auditor. The London-based Chartered Association of Certified Accountants has set up an office in SA and will start running courses from mid-year.

South African course co-ordinator Mashudu Ramano says the ACCA qualification allows people to do their articles or apprenticeship in a field in which they would like to become competent instead of in auditing.

For example, if a person wants a qualification in order to become a financial advisor, they need to spend three years working for one.

"Many people in the corporate environment have to work with figures and need experience in such," he says. "Few people studying to become accountants stay in auditing, so it is better to get experience in a relevant field."

A person with an ACCA qualification is capable of doing anything a chartered accountant can do, such as being an auditor, financial director or even liquidator.

"The ACCA is considered to be of the highest international standard, placing few artificial barriers in front of those wanting the qualification."

Mr Ramano stresses that this is not a lower level professional qualification and is recognised under the UK Companies Act for the purpose of auditing.

It is the largest accountancy body recognised by statute in the UK, with more than 120,000 members and students. It has been in existence since 1994.

By TERRY BETTY

Mr Ramano says the course will be cheaper than its university equivalent, but he cannot quote the exact cost as lecturers and venues have not yet been finalised.

The ACCA also offers open learning packages for home study.

"The key element in this is learning through doing, so that the student is not just a passive absorber of facts but an active application of theory and techniques in real work situations."

A matriculant wanting to do the course would need 14 credits and it would take about four years. A person with a degree would get a credit and would need to study for only two years.

SUNDAY TIMES, Business Times, February 28, 1993
Accountants able to abandon audit route

SOUTH AFRICANS were, for the first time in 30 years, able to become professional accountants without first having to be auditors, Chartered Association of Certified Accountants (Acca) president David Bishop said last night.

Bishop was speaking in Johannesburg at the launch of the SA operation of Acca, which is to resume activities after ceasing operations here in 1983. Acca was founded in 1894 to provide an alternative entry route to the profession for those who could not pay for their training, but who had the capability to qualify as accountants, the UK-based Bishop said.

"It is simply no longer appropriate that the only route to full professional status in SA should be the limited audit route."

"We have a long and honourable tradition of opening up the accountancy profession to people of merit, regardless of background. At the present time, over 90 000 students are taking advantage of that tradition in no less than 123 countries," he said.

He added: "There is a pull of people out there from all population groups who, for one reason or another, are denied access to a professional accounting qualification."

"There is no way that a structure which requires accountants to qualify through the auditing sector can provide the training and numbers now required," he said.

The existing structures were not organised to produce the numbers and types of accountants, drawn from all communities, which would be necessary if there were to be sufficient highly qualified accountants and business leaders in the second half of this decade.

"Our guiding concern is to ensure that SA is equipped to satisfy its new domestic economic development and future prosperity. Acca can play a significant role in the country's economic development and future prosperity."

Acca was to provide SA tax and law within its syllabus and establish an administrative office in the country as proof of its long-term commitment to a role in SA.

This ensured that all those following the Acca qualifications emerged with a genuinely South African qualification and training, Bishop said.

The organisation had consulted a wide range of organisations and individuals, to ensure that the activities proposed were relevant and responding to the changing business environment.
PAC calls for greater access to information

This composition of the Public Accountants and Auditors' Board should include representatives from the trade unions, the National Consumer Council, accountancy students, the private sector and the state sector, says PAC economics spokesman Sipho Shabalala.

He argues the democratisation of SA will increase the number of legitimate users of accounting information well beyond those currently represented on the board and served by the accounting profession.

He says workers, as well as managers, should have access to accounting information.

In addition to shareholders and providers of financial resources outside individuals, enterprises, consumer organisations and national trade unions, should also have access to accounts. And accounting students, as the support base of the accounting profession, should also be accommodated.

Shabalala believes there is a need to develop accountants to serve the public sector on developmental projects and community-based organisations.

But for this to happen, the Theory of Accounting certificate should be made

He says information and processes should be structured to provide information on the current and future social and economic needs of the different sections of society.

In addition, accounting for the redistribution of wealth, which Shabalala expects in a democratic SA, requires appropriate economic and social measurements of existing wealth so as to determine "the exact size of the cake".

Practices like confidentiality, objective economic measurement and conser...

"Voters, state employees and consumers of state services should have access to state accounts. And accounting students, as the support base of the accounting profession, should also be accommodated.

Shabalala believes there is a need to develop accountants to serve the public sector on developmental projects and community-based organisations.

But for this to happen, the Theory of Accounting certificate should be made..."
‘Too many free choices’ in accounting standards

By Leigh Hassall

International accounting standards allow accountants too many free choices in financial reporting.

This was the message of David Cairns, secretary-general of the International Accounting Standards Committee (IASC) at a conference organised by the South African Institute of Chartered Accountants in Johannesburg.

Cairns said also that some important topics were not covered by the international accounting standards.

The IASC carried out a study in January 1999 which showed there were 29 issues where international accounting standards permitted a free choice in accounting treatment.

The IASC’s current project of revising the existing accounting standards had achieved elimination of some of these free choices.

It hoped to complete its revision of the accounting standards by the end of this year.

Of the gaps in the existing standards Cairns said new standards were being brought out on cash flow statements, earnings a share, financial instruments and intangible assets.

“The IASC is at the forefront of the response to the pressures for common, high quality standards for financial reporting,” said Cairns.

“It has made significant progress in terms of developing high quality standards. However it has made less progress in gaining acceptance of its standards so they are not yet ‘common’.”
Hurley’s life-long search for truth

HEAVILY robbed in gold and red, Natal University’s new chancellor pronounced over his first official function that trust with the people born of long training.

After more than 40 years as bishop and archbishop, Denis Hurley looked at home in his created gown, the black birettum and gold tiara. The Latin phrases dissolving the university congregation rang with words of authority.

But for all his many high offices and honorary degrees, Archbishop Denis Hurley remains a kindly, humble man. His simple lifestyle contrasts sharply with the dazzling complexity of his intellectual life.

Just hours before his inaugural address to the university congregation, Hurley told of the "common rooms" of his home. Since he retired as Archbishop of Durban last year, the frankly batty herself to Durban’s 10-year-old Emmanuel Cathedral has been home.

St Ninian’s park and home are at the heart of the sporting club, and Steve’s strong interest in the property and vegetables, on his plate, and in the city’s critics. Archbishop Hurley knows it.

He graduated from the Anglicans and the Congregations in Rome. There he became addicted to Greek and medieval scholastics, philosophy and heard the rigorous mystical discipline it demanded.

Now he thinks that what he taught concentration, it also created a shortage in the minds of students. Giving the impression that faith should be taught about and communicated in a highly abstract, systematized philosophical pattern. But he clearly still feels its attraction and its need for logic and order.

Speaking of his introduction to the French philosopher Jacques Maritain he recalled precisely the moment and his response. One Sunday, tired from the morning’s work, he lay down to rest with Maritain’s book of essays on Christian humanism: “I got no rest, got no sleep. I read that book for the rest of the afternoon.”

Now he reads a book which says “coming to an upside down” Elizabeth Annin’s Who is Grappling with the history of women’s operations, the book has “locked” him, putting power in a complete conversion.

His “conversion” has already begun. Several years ago he said a course that he could find no reason why women should not be credited in the Catholic priesthood. He still holds this view, despite its unpopularity in the Vatican.

He also feels concern at moves by some Anglicans to cross the border, spiritually, or ecumenically, and join the Catholic church. The orion of their opposition has been weakened, he says.

"It is very sad that the Anglicans are divided over the question of women’s ordination. I don’t welcome the idea that Anglicans, divided by the emergence of women priests, would now like to join the Catholic church."

The main concern of the Anglican Church is the major obstacle to true "organic unity" between the Catholic and Anglican churches. Specializing the future of relations between the two churches, he said that it might eventually lead to unity while allowing the Anglicans in communion and keeping them to seek greater "understanding and unity." The archbishop balances within himself a commitment to the ecumenical, the centralized church structure and a deep commitment to democratic values. They do not sit, he says, because in the matter of faith he accepts that "authority, even hierarchical authority, has its place in society, and social and economic reality. However, values are best protected by as much cooperation and consultation as possible, and in politics that means democracy."

This passion for democracy led him to take a strong stand for social justice in South Africa long before it became politically correct. He spoke out, and was charged and harassed. This passion came from his student days in Rome.

“We were at the heart of Europe. We had in Rome, in Germany, in Nazi Germany, and in Russia communism, all totalitarian systems. The reactions against that always pushed me towards democracy.”

He could happily have been an academic, with his delight in history, physics, politics and philosophy. He studied deeply the relationship between the university and the Church and finds they are "talking together." Although, this is a different way from the view "of the pursuit of truth, as revealed in the Church and in the spiritual faith as revealed by God, as the other side of the pursuit of creative truth."

Beyond those relations they both have a responsibility to society to create the correct social dynamics, and to foster the operation between groups within a nation, between nation and nations. We call that evangelization in the Church. You might say it is the university’s responsibility for the possibilities of culture people living and working together.”

Carmel Rickard
‘Fortunat’ if you have her

Word of this public defender's success has spread among poor

VIVIAN Fortunat, senior public defender at the Johannesburg Magistrate's Courts, is the best-dressed criminal lawyer in town.

So she stands out like a model in those drab, off-white corridors where everyone else dresses as though they are afraid of being noticed.

Fortunat (30) is one of two senior public defenders in an office of 10 who handled 2,000 cases last year, with a 60 percent acquittal rate for clients who pleaded not guilty. And a 90 percent success rate in bail applications.

Word of their success has spread among the poor of the city who end up in court, and their help is constantly solicited by defiant people in the corridors who can't afford to pay for lawyers.

Her day often starts in the holding cells below the courts, among people without bail.

She darts down a flight of stairs and into a long grey steel door, which is opened by a policeman.

Minutes later she's in the corridors again, talking to people as she hurries to Court 13 for a remand hearing, clicking along in high heels, with short steps because the floors are highly polished. "A woman fell and broke her arm the other day," she explains.

After the remand (the prosecutor opposed bail for a minor crime, her client was released on warning), she was in a juvenile court on the top floor, pleading mitigation for a youth with a string of previous convictions. He was sent to a reformatory, not to jail.

Fortunat's day is one of constant action, and impatience at delays. She would pour the whole bucket over the victim's head.

The only time she slows down is when she stops doing her job and starts talking about it.

She applied for the job when she was asked if she had the energy for it. Legal Aid Board created the public defender system as a two-year pilot project for Johannesburg Public defenders act only for people with an income of R500 or less (R1,000 for married couples), plus R150 for each defendant. They are allowed some discretion in this.

She handles black and white clients, more or less in proportion to the national mix, and gives them all a total, driving commitment.

"What concerns me most about the system is that the majority of the people are not educated, are certainly not legally educated and must have legal representation if they are to have trust in our legal system."

"They do not know how to handle their defence, how to cross-examine, and a lot of evidence presented by the State is not challenged at all."

"To achieve fairness in our adversarial system of law, the due process must be equally weighted on both sides."

She feels strongly that the public defender system is better than the continuing alternative of juries, which guarantees a free lawyer in the lower courts for those who cannot afford one, but not necessarily an expert in criminal law.

Judicare is similar to the pro Deo system in the Supreme Court.

"The public defenders quickly build up skills in criminal law, and I think the accused, and the courts, are better served because of it," she says.

She was supported by one of Johannesburg's control magistrates, M. R. Moller, who said of the public defender system, "It does assist us.

The Legal Aid Board is headed by Professor N. V. Pretorius, a former Pocheifrostum University law lecturer who assesses the work done by the poor. He says, "The credibility of the system, the administration of justice, and civil society cannot allow anyone to go into court unrepresented."

"Public confidence in the law is essential, especially with the new political dispensation that is coming."

The board began with help, in divorce and civil matters, but now 60 percent of its cases are criminal ones, mostly in the magistrate's courts.

The Johannesburg pilot scheme was costing R2.5 million for the two years, says Pretorius. "For another R50 million or so we could run a national public defender system, it's a question of getting the money."

He has ambitious plans if the system is either continued after this year, or broadened to other centres.

One is permanent lawyers in the holding cells and the remand courts. Another is about to happen, is that articulated clerks and student advocates doing their pupillage be seconded to the public defenders office for a month at a time, but paid by their law firms.

The Legal Aid Board has nothing to do with the private funded Legal Aid Bureau. The bureau provides pro Deo representation, and other assistance, for poor people.
‘Fortunat’ if you have her

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The letters page is a collection of opinions and commentary related to various education topics. The page contains a letter from Andre T. Kroonen, discussing the importance of schools, schemes, and locals, and their role in providing a coordinated education system. The letter emphasizes the need for clear guidance and support from educators to ensure that all students are provided with the best possible education. The page also includes a small graphic with the text "Schools scheme aids locals and professionals."
Row over top job for 'disgraced' advocate

By Ester Fabrius
Political Correspondent

CAPE TOWN — The Government has been severely castigated for appointing "disgraced" Pretoria advocate Piet Kemp to a top official post after the Bar Council had found him guilty of misconduct.

DFP justice spokesman Tony Leon said Kemp's appointment as Registrar of Patents and Trade Marks "makes a mockery of the Government's stated commitment to root out corruption and malpractices".

Leon said the Bar Council had found Kemp guilty of misconduct and the Society of Advocates had terminated his membership for overcharging the Government while working for the Minister of Defence.

His fees were found to be "totally excessive and shocking".

"What is even more alarming is that at the very time of his appointment, the General Council of the Bar has an application pending for his removal from the roll of advocates, which is the most extreme form of professional censure and condemnation which can be levelled against a practising advocate in South Africa."

Leon said both Minister of Trade and Industry Derek Keyser and Director-General Stief Naude had supported Kemp's appointment.

This was "tantamount to the Government giving a green light to professional misconduct of the most serious and reprehensible nature."

Leon said it totally undermined the concept of an open and clean administration, and urged the Government to reconsider the appointment."
Failure to enforce fiscal discipline, complains ANC

LINDA ENSOR

CAPE TOWN - Finance Minister Derek Keys was criticised by ANC economics chief Trevor Manuel yesterday for failing to introduce measures into the Budget to enforce fiscal discipline.

"There is no indication in the Budget that discipline goes beyond aggregate expenditure cuts. Poorly targeted and inefficient delivery of social services will, by and large, continue to waste wasteful apartheid structures," Manuel told a media briefing on the Budget.

He criticised the absence of clear objectives which would allow the measurement of performance. He said the nature of the internal budgetary process encouraged departments to build fat into their estimates.

"The budgetary process undermines the good intentions the Minister may have on exerting fiscal discipline," he said.

Manuel challenged Keys to provide the ANC with all the relevant data that went into the calculation of the Budget so that it could produce a costed development plan for social expenditure within three months.

He said the theme of the Budget was discipline and growth — was inappropriate at this stage.

Further, there was nothing on the revenue side of the Budget which would promote economic growth. The effective personal tax rate had been increased and the higher VAT rate and excise duties would contribute to the contraction of consumer spending. These measures would contribute to a 2% rise in inflation.

At the same time, government expenditure would be kept constant or decline slightly in real terms and as a proportionately higher amount would be used for interest payments, expenditure on goods and services would be reduced in real terms. Neither would the change in company tax have the desired supply-side impact on economic growth, Manuel said.

Our political staff reported that opposition parties slammed Keys' Budget for further milking taxpayers while failing to curtail government expenditure.

- Government efforts to relieve unemployment were also criticised.

- But there was praise for the equalisation of pensions for all races and efforts to stimulate the growth of emerging and small businesses.

The DP said the Budget came as a "great disappointment" because the government had placed the burden "almost entirely on the public's shoulders."

DP finance spokesman Ken Andrews said the "galling omission" in the Budget was the "totally inadequate way in which the massive and dangerous problem of unemployment was addressed."

The CP said the 16c/l fuel price hike and the increase of VAT to 14% meant that the "ordinary man-in-the-street" would have to dig much deeper into his pocket.

CP finance spokesman Casper Uys said no allowance had been made for fiscal drag or bracket creep.

Cosatu secretary-general Jay Nando lashed out at government for unilateral decision making and criticised Keys for missing an opportunity to address corruption.

Sapa reports he said the 40% VAT increase was the most significant feature of the Budget and would have a major effect on society. But he said Cosatu supported progressive taxation.
Still suspended.

Convicted Professor Koos Vermaak has had a year-long suspension from the University of Port Elizabeth extended by three months pending the outcome of a disciplinary inquiry. The brilliant nuclear physicist was convicted last month of defrauding the university last month and given six months to repay R202 500.
Gerard Sekoto’s works have a universal appeal which is subtly intimate and inherently beautiful. **Barbara Lindop pays tribute to this great South African artist, who died in exile in France over the weekend.**

Gerard Sekoto. Photo by Peter Johnson taken from Lindop’s book *Gerard Sekoto.* Mental hospital. He drew pictures of his fellow patients, which form an important part of a collection of drawings owned by *Soweto.*

Gerard attended drawing classes during the day and played the piano in jazz bars at night. He was included in many exhibitions and group shows in Paris, South Africa, Venice, Denmark and Stockholm.

In 1946 he travelled to Senegal to participate in the first festival of negro artists. He made many sketches and held two exhibitions in Senegal. He returned to Paris because his companion of 20 years, Marthe Hennebert, had taken ill.

**Involved in accident**

In 1983 Sekoto was involved in an accident and was admitted to the Dupuytren Hospital in Draveil, where he remained until 1987 when he was moved to the old age home for artists in Nogent-sur-Marne.

During his life Gerard received many awards. Some of these are:

- **1937** - Awarded two bronze medals in the May Esther Bedford Art Competition.
- **1959** - His poster chosen for the second Congress of Negro Writers and Artists in Rome.

- **1964** - Prize at exhibition of African art, Namours, France.
- **1968** - Awarded the Xixe Grand Prix International de Peinture de Deauville.
- **1939** - Honorary doctorate of letters, University of the Witswaterrand, Johannesburg.
- Retrospective art exhibition, Johannesburg Art Gallery
- **1990** - Ment Award, AA-Vita Competition Chevaliers des Arts et des Lettres, from the French government.

All deaths are untimely and Gerard’s is no exception. On July 1 the Soweto collection of Sekoto drawings will open at the National Arts Festival in Grahamstown.

**Black art**

Gerard has been described as the father figure of black South African art. His painting *Suspence a Door* was recently sold at an auction for a record sum of R186 000. As an artist Gerard had no ambition for fame or fortune.

"I had never dreamed of gold, except of spiritual gold, at all costs."

His paintings embody an empathetic understanding of human nature. His eyes are sympathetic to the condition of humanity as he sees it.

His brush embraces the monochromatic dignity of his subject matter, no matter how humble, wretched and poverty-stricken that person might be.

His paintings are historical records of South Africa in the 1930s and 1940s. Gerard’s keen eye, his interest in dioidacritic detail, sense of humour and intense personal involvement with his subject matter transform his paintings from impersonal recordings into a world of belonging.

He uses colour and lively brushwork to create original compositional formats from which intimate and personal world emerges.

Many of his paintings have a beauty and majesty that lift them from the mundane to wonderful creations in their own right.

The subtle commentary on the social, political and economic circumstances of black South Africans living under apartheid is there for all to see, but the invitation to intimacy and the interior beauty of the paintings gives them a universal appeal.
DURBAN attorney, David Asherson, was elected president of The Association of Law Societies' at the organisation's AGM in Cape Town yesterday. Asherson, a senior partner at Shepelove and Wyllie law firm, succeeds, Minde Schapero and Smith senior partner, Morven Smith.
Technihire bounces back to strength

HUMAN Resources group Technihire re-
bounded sharply in the year ended Janu-
ary, more than doubling its attributable
earnings compared with the previous
year's annualised figure.

Technihire, controlled by French com-
pany Ecco since last year, saw its earn-
ings increase to 8,07c a share (3,82c) from
which a dividend of 3,2c a share was
declared. (ADF 23/3175)

The group did not declare a dividend
last year. (ADF 23/3175)

CE Jack Elmes said certain core busi-
nesses had experienced excellent growth
during the year.

But the past year's "excellent perform-
ance" would not be repeated in the com-
ing year as a result of the uncertain
political and economic climate.

Turnover was not disclosed, but the
company said it was up 15% over the
previous year's figure. Operating income
before tax increased by almost a half to
R1,6m (R1,2m).

The tax rate fell to 43%, previously
58%, and attributable earnings increased
111% to just more than R1m (R484 000).
RHODES University academics have gone back to the classroom to learn Xhosa — and their teachers are staff workers on the campus. The pilot course, with 48 "students", is under the tutelage of eight "teachers" — including a security guard, a laboratory assistant and a clerk.

Staff members Professor David Gough and Charlotte Jeffray spent a year compiling a manual for the project, following a need expressed by English speakers on campus to learn Xhosa.

Said co-ordinator Lucy Smith: "We are on words for carrying out conversations at home and work, asking directions and speaking to informal market people."
New Bill affects accountants

LEGISLATION was introduced in Parliament yesterday, which will allow a firm of chartered accountants to use the designation "Chartered Accountant" or "Chartered Accountant (SA)" — a usage which is prohibited at present.
A RECORD 1,759 candidates will sit for the restructured Public Accountants and Auditors Board examinations on Wednesday, 28 July 1973.

The examination has been amended, international standards but is always under review.

The new format was developed in conjunction with several organisations, including educational institutions and employers to allow for the multi-disciplinary nature of practical experience thus gained in an office.
Attorney in landmark ruling

By MONWABISI NOMADOLO

LEGAL history was made this week in a landmark judgement involving a well-known East Rand lawyer and official of the Benoni Magistrates Court.

The Pretoria Supreme Court ruled that a magistrate cannot be an attorney-general (to decide whether to prosecute or not), a witness in the same case and also the presiding officer in any case of contempt of court. The appeal case was a sequel to a contempt of court summary conviction and R200 or 50 days imposed on attorney Thekwane Moloto on July 4 1991 while he was defending a criminal case.
Legal bodies support ANC call on judges

PRETORIA — Legal authorities yesterday supported the ANC's call for more black judges but stressed the dangers of an affirmative action programme which ignored essential qualifications and experience.

The ANC in the Western Cape last week condemned the present system of appointments to the bench as "racist, sexist, illegal and non-representative".

Johannesburg Bar Council chairman Wim Trengrove said the council was encouraging blacks to obtain the needed qualifications to join the ranks of advocates as a background for possible appointment to the bench by the bench 31/3/13.

He said the number of blacks in the law profession had not kept pace with the substantial black student component at law schools.

African student organisations (ASL) director-general Andre van Vuuren said part of the solution lay in granting the right of audience in the Supreme Court.

Concern over new child labour laws

THE practice of child labour was on the increase in SA and proposed new legislation threatened to exacerbate the problem, the Network Against Child Labour claimed yesterday.

Jackie Loffell, the organisation's convenor, said proposed regulations covering the issue of labour in the Child Care Act would further entrench and expand exploitation.

She said a storm had broken between the Department of Health and the network, which had been fighting to block the practice and the introduction of new clauses in the Child Care Act.

The network comprised a wide range of welfare, legal, labour and church bodies.

In terms of guidelines approved by a working group, convened by the Department of Health, employers will be permitted to hire children aged 12 to 15 years for pocket money, subject to a set of restrictions on hours and conditions of work.

But the network has contested the clause on the grounds that it would allow too many loopholes.

The guidelines were unenforceable and the addition would exempt sectors, such as supermarkets, which had been barred from employing children under 15, Loffell said.

The organisation recently dissociated itself from the working group, because despite its objections, the controversial clause was endorsed.

By far the most exploited were children working on farms, said Loffell. "Farm children who stood to benefit by the recent extension of industrial legislation to cover agriculture, will, if the guidelines come into force, remain completely vulnerable."

The SA Agricultural Union has been actively lobbying government to retain the practice, she said.

A Health Department spokesman said he could not comment because the matter was sub judice.

Loffell said it was difficult to establish the extent of the problem because employers, parents and children were reluctant to report the practice.

But in 1985 the International Labour Organisation reported the figure to be at least 60 000 and it had grown since then.

She said the issue of child labour was complicated because many families depended on the wages brought in by children.

The network was campaigning for adequate social security grants so that families would not have to depend on child labour, as well as universal free education.

Aside from being allocated constitutional lines, social security grants were in practice difficult to obtain and only available to the destitute, she said.

FINANCIAL RESULTS
for the year ended 31 December 1992

\section*{Consolidated balance sheet}

<table>
<thead>
<tr>
<th>ROOCo's</th>
<th>1992</th>
<th>1991</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital employed</td>
<td></td>
<td></td>
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<tr>
<td>Shareholders' interests</td>
<td>17 827</td>
<td>20 463</td>
</tr>
<tr>
<td>Long-term liabilities and provisions</td>
<td>10 980</td>
<td>10 419</td>
</tr>
<tr>
<td></td>
<td>27 807</td>
<td>30 882</td>
</tr>
<tr>
<td>Employment of capital</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land and buildings</td>
<td>12 000</td>
<td>12 000</td>
</tr>
<tr>
<td>Fixed assets</td>
<td>14 410</td>
<td>16 319</td>
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<td>Current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities</td>
<td>18 702</td>
<td>14 559</td>
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<tr>
<td>- Interest bearing debt</td>
<td>6 189</td>
<td>5 156</td>
</tr>
<tr>
<td>- Other</td>
<td>9 923</td>
<td>7 283</td>
</tr>
<tr>
<td>15 202</td>
<td>12 385</td>
<td></td>
</tr>
<tr>
<td>Net current assets</td>
<td>1 598</td>
<td>2 593</td>
</tr>
<tr>
<td></td>
<td>27 807</td>
<td>30 882</td>
</tr>
<tr>
<td>Net assets (excluding current assets)</td>
<td>15 825</td>
<td>18 222</td>
</tr>
<tr>
<td>Number of shares in issue</td>
<td>12 250</td>
<td>11 250</td>
</tr>
</tbody>
</table>

SAP reassigns manpower to aid operations

PRETORIA — Police would strengthen their operational manpower by transferring personnel from purely administrative duties to the operations division, police commissioner Gen Johan van der Merwe said yesterday.

He said the basis of a plan to use manpower more efficiently was to achieve a clear division between operational and administrative activities.

Operational division members engaged in purely administrative work would be transferred back to the operational division.

Civilians would take their place. The programme also applied to retired members re-employed as temporary workers. They were given the opportunity of transferring to civilian posts.
Legal advice just a phone call away

A TELEPHONE service, offering subscribers a full range of advice on legal matters seven days a week, will come into operation on April 1.

Legal Line MD Abrie du Preez said the service would be operated by qualified and experienced legal advisers with at least a B Proc or LLB qualification.

Du Preez said the new service would greatly help to alleviate less serious problems, while cases requiring legal process would be referred to attorneys.

Many people, he said, were uncertain about their rights and obligations because they were reluctant to ask for advice or thought they could not afford to obtain legal advice.

"Legal Line will not represent clients, nor will it act on their behalf," said Du Preez. "That is the task of the attorneys and lawyers.

"However, we will help people by giving them professional legal advice so they know what their rights are and where they can get legal representation.

Du Preez said local and international research showed that on average eight out of 10 typical inquiries could be solved telephonically.

"Legal Line is not insurance against the cost of legal action."

"It is an affordable personal legal advice service informing you about your rights and options."

Typical inquiries range from problems with contracts with domestic servants, inadequate or incomplete craftsmanship, problems with bank charges, guarantees on goods bought, recovery of excess payments on insurance claims and even problems with neighbours' barking dogs.

Du Preez said the service was available to subscribers.

Prestasi Brokers has already subscribed on behalf of its 150 000 clients.
NOTICE 297 OF 1993
ADMINISTRATION: HOUSE OF ASSEMBLY
DEPARTMENT OF AGRICULTURAL DEVELOPMENT

NOTICE OF MEETING OF CREDITORS IN TERMS OF SECTION 22 (1) OF THE AGRICULTURAL CREDIT ACT, 1966

A meeting of the undermentioned applicant and his creditors is hereby convened at the place and date mentioned hereunder for the purpose of enabling creditors to prove their claims against the applicant and of considering a proposal for a compromise by the Agricultural Credit Board

J. H. SMIT,
Director: Directorate Financial Assistance,
Department of Agricultural Development.

Applicant by
Aanvoerder van
Erasmus Lambrechts (ld. No. 670214 5110 08 1) of the farm/van die plaas Goergap, Het Kruiis, 8100

Place of meeting
Plek van byeenkomst
Magistrate's Office/Kantoor van die Landbou Ontwikkeling

Date and time
Datum en tyd
11 May/Mei 1993 at/om 09 00

(2 April 1993)

BOARD NOTICES

RAADSKENNISGEWINGS

RAADSKENNISGEWING 32 VAN 1993
DIE SUID-AFRIKAANSE RAAD VIR NATUURWETENSKAPLIKES

REGISTRASIE- EN JAARDELS DEUR NATUURWETENSKAPLIKES EN NATUURWETENSKAPLIKES-IN-OPELING. KENNISGEWING KRAGTENS ARTIKEL 7 (6) (b) VAN DIE WET OP NATUURWETENSKAPLIKES, 1982 (WET NO. 55 VAN 1982)

Raadskennisgewing 18 van 1993 gepublisereer in Staatskoerant No 14579 van 19 February 1993, word hiermee soos volg gewysig met effek van 7 April 1993:

1. Deur klousule 2 (b) (i) en 2 (b) (ii) te vervang met die uitdrukking:
   "Ten opsigte van alle persone, R102,60" as klousule 2 (b) (ii)

2. Deur klousule 3 (b) (i) en 3 (b) (ii) te vervang met die uitdrukking:
   "Ten opsigte van alle persone, R34,20 met dien verstande dat as hy vir langer as vier jaar as 'n natuurwetenskaplike-in-opleiding geregistreer is, die jaaragelde R102,60 is " as klousule 3 (b) (ii).

(2 April 1993)
NOTICE OF ELECTION: ELECTION OF MEMBER OF THE SOUTH AFRICAN DENTAL TECHNICIANS COUNCIL

Notice is hereby given in terms of the regulations relating to the election of members of the Council that an election of one dentist member of the Council to serve for the unexpired period ending 30 September 1994, in the place of Dr H. Heydt, who has vacated his office is about to be held.

Nominations of eligible dentists are awaited. A person nominated shall (a) not be an unrehabilitated insolvent; (b) not be disqualified in terms of the Dental Technicians Act, 1979 (Act No. 19 of 1979), or the Medical and Dental and Supplementary Health Service Professions Act, 1974 (Act No. 56 of 1974), from practising his profession; (c) not be a patient or a President's Patent as defined in section 1 of the Mental Health Act, 1973 (Act No 18 of 1973); (d) be a South African citizen and be permanently resident in the Republic.

Each candidate shall be nominated on a separate nomination form, but each person who is entitled to vote at the election may sign the nomination forms of any number of candidates, provided the number does not exceed the number of members to be elected.

Each nomination form shall state the first names and the surname of the candidate nominated and shall be signed by two registered dentists. The person nominated shall also sign the form, confirming that he consents to his nomination. The registered address of each one so signing shall be appended to his signature. If the person nominated is unable to sign the nomination form, he may inform the returning officer by letter or telegram that he consents to his nomination. Every nomination form shall reach the undersigned (form whom nomination forms can be obtained on application) at the address given below not later than 16.00 on 2 May 1993.

A deposit of R50 shall accompany the nomination.

Every nomination form in respect of which any of these provisions has not been complied with, or which is not received by the aforesaid date at the address given below, shall be invalid.

J. A. SWANEPOEL,
Returning Officer,
630 Robert Koch Building
Pretonus Street
P.O Box 995
PRETORIA
0001
23 March 1993
(2 April 1993)
Doctorates for four women from UWC

THE University of the Western Cape (UWC) will confer honorary doctorates on four women, including Mozambique's Graca Machel and France's Danielle Mitterand, on April 14.

A doctorate will also be conferred at the special graduation ceremony on unionist Ray Alexander, and an honorary doctorate posthumously on human rights activist Dorothy "Mama" Zilzlanga.

Latvian-born Ms Alexander returned to Cape Town in March 1990 after 23 years in exile. She has been organising workers from various sectors for 60 years.

Recognition was being given to the role Ms Alexander played as socialist, feminist, trade unionist and intellectual, said UWC.

Arrested

Dorothy "Mama" Zilzlanga, who died more than two years ago, was known for her work in civic and woman's organisations. She was repeatedly arrested, detained, imprisoned, banned, and was placed under house arrest and was shot at when she challenged the arrests of her husband and two of their seven sons in 1969.

At the formation of the United Women's Organisation in 1982 she was elected its first chairperson.

Former Mozambican Minister of Education Graca Machel joined Frelimo in 1974, after studying law.

She was one of the first in Mozambique to highlight the necessity for special programmes for children traumatised by war.

Mrs Mitterand is the founder of several associations for the advancement of human rights and of particular interest to South Africans is the foundation in 1989 of "France Liberte".

It was instrumental in bringing together for the first time representatives of the white and Afrikaners speaking community and senior African National Congress members at a meeting in Dakar in 1987. — Sapa
### Question 1

The information is required to be
described as follows:

- **School**
  - (a) Name of School
  - (b) Number of Pupils
  - (c) Number of Teachers

#### Question 2

The information is required to be
described as follows:

- **School**
  - (a) Name of School
  - (b) Number of Pupils
  - (c) Number of Teachers

#### Question 3

The information is required to be
described as follows:

- **School**
  - (a) Name of School
  - (b) Number of Pupils
  - (c) Number of Teachers

#### Question 4

The information is required to be
described as follows:

- **School**
  - (a) Name of School
  - (b) Number of Pupils
  - (c) Number of Teachers

#### Question 5

The information is required to be
described as follows:

- **School**
  - (a) Name of School
  - (b) Number of Pupils
  - (c) Number of Teachers

#### Question 6

The information is required to be
described as follows:

- **School**
  - (a) Name of School
  - (b) Number of Pupils
  - (c) Number of Teachers

#### Question 7

The information is required to be
described as follows:

- **School**
  - (a) Name of School
  - (b) Number of Pupils
  - (c) Number of Teachers

#### Question 8

The information is required to be
described as follows:

- **School**
  - (a) Name of School
  - (b) Number of Pupils
  - (c) Number of Teachers

#### Question 9

The information is required to be
described as follows:

- **School**
  - (a) Name of School
  - (b) Number of Pupils
  - (c) Number of Teachers
### The Ministry of Justice

<table>
<thead>
<tr>
<th>Division</th>
<th>1996</th>
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</tr>
<tr>
<td>TOTAL</td>
<td></td>
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</tr>
</tbody>
</table>

The legal education division received funds in 1996, 1997, and 1998. The total budget for the legal education division increased from 1996 to 1997 and then decreased in 1998. The education division also received funds for training, but the amount was not specified.

### The Minister of Justice

<table>
<thead>
<tr>
<th>Year</th>
<th>Funded Programs</th>
<th>Budgeted Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1997</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1998</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The minister of justice presented the budget for the legal education division, including funding for training and education programs. The budget for the legal education division increased from 1996 to 1997, but decreased in 1998.

### Conclusion

The legal education division received funds in 1996, 1997, and 1998, with a significant increase in funding from 1996 to 1997. The budget for the division was presented by the minister of justice, who discussed the importance of legal education and training in the legal system. The budget for training and education programs was highlighted, with an increase in funding from 1996 to 1997 and a decrease in 1998.
From silk to blue jeans

S

WOP your silk gown for a pair of jeans and your BMW for a 4x4. Then take a long drive along dusty roads to bring the law to the country’s rural population.

This is the message to South African lawyers from Durban Legal Resources Centre attorney Peter Rutsch.

Rutsch, who recently won an international award for his rural work, said “Lawyers need to be accessible and affordable. Human rights can’t only be won in conferences.”

The LRC Durban office set a precedent last month when it became the first legal body to win an award granted each year by a Danish-based organisation, Mellemdokkigt Samvirke (MS), for rural development.

In the past three years, MS gave the 10,000 kroner award to environmental groups in India, Brazil and Kenya.

In making its announcement, MS said, “The board has decided to award the prize specifically in recognition of the rural work carried out by the (LRC) Durban office. We know about this work from our contribution and we think it is justifiable to say that a pioneer effort is being made to link law and rural development under extremely difficult circumstances.”

A delight Rutsch — who travelled to Denmark recently to receive the award — said: “To be honest, I didn’t even know it existed. It is a feather in our cap. It shows that lawyers can make a con-
A boost for black lawyers

The legal education centre of the Black Lawyers' Association has taken on a new look since the appointment of Mojokumanye Gumbi as executive director earlier this year. Gumbi, who has experience as an attorney and as an advocate at the Pretoria Bar, is developing new programmes and projects for the BLA. Short-term projects include election education programmes, working with universities and other education institutions. Long term, the centre is training black lawyers in fields of law which have in practice been closed to them up to now, like international contracts and maritime law. BLA is also sending selected black lawyers abroad for specialised training in key areas such as structural adjustment programmes and International Monetary Fund contracts. Contact Gumbi at (011) 337-1535.

[Signature] Law Supp 23/4/93
Is a PC better than an SC?

When he was asked about courtroom tactics, Webb was asked whether he could help the lawyers win the case. He replied, "Yes, I can help them win." He then went on to explain how he used the computer to analyze the evidence and make decisions during the trial.

The lawyer in question, who had been working on the case for several months, was impressed with the results. "I've never seen anything like this before," he said. "Webb has really helped us win this case."
Is a PC better than an SC?

over three days," Walton recalls. "It boiled down to a series of incidents each day, involving key actors in each incident. Using a computer, we were able to isolate the key actors and cross reference from the evidence exactly what they were involved in and when."

The evidence was updated and cross-referenced daily, enabling the team of two attorneys and three advocates to establish a clear picture of patterns of involvement.

"We were also able to break events down into chronological periods, and could tell exactly what a policeman did from say 10.30pm to 11.30pm that day. We were able to keep our opinions open throughout with regard to how we would argue our case each day. The computer was indispensable."

Walton acknowledges that the case could have been fought without a computer, but certainly not on behalf of 3,000 people. Technology proved its worth long before the case came to court.

"Within a week of deciding to initiate the damages action, it was obvious we would only be able to bring cases on behalf of a handful of people, unless we used a computer. Firstly, we had to get out 3,000 separate summonses. We used a basic word processing package, and devised three basic forms of summons with the help of two computer consultants.

"One of the forms could be applied to every single case, with only the name of the parties, and personal, details like marital status and the amount they had lost, having to be entered. If we hadn't had that package, I doubt whether we could have got out a hundred summonses. When we began we had nothing except basic instructions from our clients. We only had two-and-a-half months to serve the summonses, and it took three weeks just to work out what we were going to need."

The case ran for three-and-a-half years; the court record filled to thousands of pages, besides numerous documents, photos and the like. Without sophisticated scanners, it was all entered by hand on a basic word processing package.

"At the end of each week we divided up the evidence in the court record of that week between the people on the team. Each person summarised the 200 pages or however many, and then we sat at computers typing it in. We created a separate file for different categories of evidence, for each incident, for each vehicle involved, for each individual we could identify."

In February 1990, the minister of law and order finally settled the case, making a payout of R2-million. The money was used to pay individuals who had lost property, to help community organisations, and to benefit community projects.

So far, it seems, computers are on the side of the angels in court.
Time to protect against slip-ups

SOUTH AFRICAN lawyers have been urged to spend more time and energy guarding against claims for professional negligence.

Johannesburg attorney Des Williams, who has made a study of the professional negligence claims against lawyers over the past four years, says the number of claims has more than doubled in this period. Williams, a partner at Werksmans and head of the firm's litigation department, urges lawyers to take out "top-up cover" against negligence claims and ensure they have strict management procedures so that actions brought on behalf of clients do not prescribe.

He discovered that more claims were made arising from the 1986 Motor Vehicle Accidents Act than any other single cause. In 1991, for example, about 47 percent of the professional negligence claims related to the MVA Act. About 20 percent were conveyed by related, 15 percent concerned general commercial matters and a further 15 percent, general litigation.

The old MVA Act has often led to actions for negligence: its complex procedures can easily cause claims to become prescribed because they are not brought within the specified period. Williams says the suspension of the old Act and the introduction of the Multilateral Motor Vehicle Accidents Fund Act of 1989, with the 1991 amendments, could lead to a drop in MVA-related negligence claims. This is because the new legislation simplifies procedures and extends the period before a claim prescribes.

However, Williams warns that the change in the MVA law does not mean attorneys can relax. He predicts that the growing sophistication of clients could lead to a startling increase in negligence claims. "An enormous number of claims prescribe without the client involved knowing about it. But times are changing."

"There are a lot of attorneys with black clients obtained through touts. At the moment when a claim prescribing, lawyers can simply tell their clients they lost the case and will therefore not be getting any money."

"The client will not realise the case was "lost" because of the negligence of the attorney. This is changing as more people become aware of their rights. Unless attorneys improve their management practices, we can expect to see an increase in the number of negligence actions against members of the profession as clients start asking questions about prescribed claims."

His research has shown that over 70 percent of the 1991 claims involved small legal firms with not more than three partners. Lawyers most at risk of negligence claims are therefore small firms handling large MVA matters but without strict management procedures in place.

All attorneys in this country are covered for professional negligence by the professional indemnity insurance scheme. The cover is automatic and the Fidelity Fund pays the premium. There are limits on the indemnity cover, but these have been increased over the past few years. Before 1987 the limit was R30 000 each claim for all practices, limited to four claims a year. In 1987 this increased to R30 000 each claim for sole practitioners, limited to four claims a year, and to R50 000 each claim for practices of 17 or more principals, also limited to four claims a year. These limits have increased again. They now range from R1-milion for a claim for sole practitioners to R2-milion for a claim for practices of 17 or more principals, and there are now no limits on the number of claims.

Williams cautions, however, that even this cover is not enough and suggests that all firms consider top-up cover. Already some larger practices have extra cover — in some cases of up to R100-million a claim.

"One has only to think of the size of certain major commercial transactions which have been concluded in recent years and the magnitude of some of the more spectacular financial collapses we have seen, to realise the importance of top-up cover."

A further reason for obtaining additional cover is that the scheme no longer grants indemnity in respect of the provision of investment advice. Separate cover must therefore be arranged in respect of the provision of investment advice.

Speculating what is causing the increased number of negligence claims, Williams mentions increased client sophistication. But he also suggests there are more claims against lawyers because lawyers are doing more work. "The volume of conveyancing transactions is increasing, there are more accidents on the roads, the divorce courts grow busier by the year and the number and size of commercial transactions in which attorneys are involved is increasing."

Lawyers are also moving into new practice areas. "Ten years ago it was unusual for Transvaal attorneys to be appointed as liquidators or trustees in insolvent estates. Now, however, attorneys in the Transvaal and the other provinces, are being appointed as liquidators in many of the largest liquidations in the country. This expanding area of practice obviously brings with it increased risk and exposure to claims and the trend will no doubt continue as attorneys expand into other areas of practice such as environmental law and alternative dispute resolution."

He says lawyers in this country appear to be less concerned as their US counterparts about avoiding conflicts of interest, and show a "remarkable lax attitude" to the issue. He suggests a formal scheme should be implemented within all law firms to avoid the problem. According to Williams, attorneys too often act for both parties in conveyancing, commercial and matrimonial matters and he predicts it is only a matter of time before malpractice claims based on conflict of interest become common.

By CARMEL RICKARD
Sachs clearly does not believe that, in the context of the ANC’s New Deal, judges should be anything but mechanistic automata of the constitution.

In prose that is nothing if not blunt, Sachs states “The (ANC’s) draft Bill of Rights embodies an attempt to constitutionalise the foundations of a government programme not dissimilar to the New Deal.”

“Our fear is that judicial review based on knee-jerk statism could make the country as ungovernable under democracy as mass action.”

The whole tenor of Sachs’ contribution is one in which the courts are seen, not as the disinterested guardians of the constitution, but a potential menace to the socio-economic plans of an ANC government elected on a programme of radical social reform.

This is deeply ironic, given the ANC’s structures of the South African judiciary’s performance during the era of gross apartheid, where the Appellate Division cynically upheld the policy of forced removals.

This led the English courts into a 15-year era of substantive formalism, what Sir William Wade has described as “judicial blacksliding” into an extended (administrative law) depression.

Asmal’s views are not dissimilar. Claiming that judicial review could, by immobilising government, lead to the disempowerment of the majority, Asmal remarks, “the new jurisprudence must therefore be based on an economic and social reality which is peculiarly South African — in which the relationship between the individual and state will have little to do with 19th century liberalism and much to do with multinational and the fact that the modern doctrine of judicial review originated in the 17th century as a conscious judicial effort by the court of King’s Bench to restrain the excesses of Star Chamber, does not appear to have occurred to him.

Consistent with his philosophy, the ANC’s 1992 draft judicial review clause in its proposed Bill of Rights is essentially formalistic — concerned not with substance, but with procedural propriety (“irregularity... abuse of authorities (gross) unreasonableness”)

By contrast, the Law Commission’s draft Bill of Rights proposes to entrench, constitutionally, the right of everyone to judicial review of “any subordinate legislation and any executive act and any administrative act”

Given its authoritarian history, the government, in its proposed Charter of Rights, merely proposes to entrench constitutionally a person’s right to natural justice, although unlike the ANC, it also proposes making an authority’s reasons for decisions mandatory.

Ques custodiet custodes spose? (Who will guard the guards themselves?)” asked the Roman poet, Juvenal, rhetorically 2000 years ago. According to Sachs and Asmal, it will not be the judiciary under a new constitution, but parliament.

Looking back at our sorry history since 1948, that should give all of us much cause for concern.

Peter Leon is a partner in Webber Wentzel, a past chairman of Lawyers for Human Rights and a former tutor in public law at the universities of Cape Town and Cambridge.
Time to protect against slip-ups

SOUTH AFRICAN lawyers have been urged to spend more time and money guarding against claims for professional negligence.

Johannesburg attorney Des Williams, who has made a study of the professional negligence claims against lawyers over the past four years, says the number of claims has more than doubled in that period.

Williams, a partner at Weckmans and head of the firm's litigation department, urges lawyers to take out "top-up cover" against negligence claims and ensure they have strict management procedures in place that actions brought on behalf of clients do not prejudice.

He discovered that more claims were made arising from the 1986 Motor Vehicle Accidents Act than any other single cause in 1991, for example, about 47 percent of the professional negligence claims related to the MVA Act. About 20 percent were conveyancing related, 15 percent concerned general commercial matters, and a further 15 percent, general litigation.

The old MVA Act has often led to actions for negligence as its complex procedures can easily cause claims to become prescribable, especially if settlements are not made within the prescribed period.

Williams says the suspension of the old MVA and the introduction of the Multilateral Motor Accidents Fund Act of 1989, with the 1991 amendments, could lead to a drop in MVA-related negligence claims. This is because the new legislation simplifies procedures and extends the period before a claim prescribes.

However, Williams warns that the change in the MVA law does not mean attorneys can relax. He predicts that the growing sophistication of clients could lead to a startling increase in negligence claims. "An enormous number of claims prescribes without the client involved knowing about it. But times are changing. There are a lot of attorneys with black clients obtained through loans. At the moment when a claim prescribes, lawyers can simply tell their clients they lost the case and will therefore not be getting any money. The client will not know the case was lost because of the negligence of the attorney. This is changing as more people become aware of their rights. Unless attorneys improve their management practices, we can expect to see an increase in the number of negligence actions against members of the profession as clients start asking questions about prescribed claims."

His research has shown that over 70 percent of the 1991 claims involved small legal firms with not more than three partners. Lawyers most at risk of negligence claims are therefore small firms handling many MVA matters but without strict management procedures in place.

All attorneys in this country are covered for professional negligence by the professional indemnity insurance scheme. The cover is automatic and the Fidelity Fund pays the premium.

There are limits on the indemnity cover, but these have been increased over the past few years. Before 1987 the limit was R3,000 each claim for all practices, limited to four claims a year. In 1988 this increased to R5,000 each claim for sole practitioners, limited to four claims a year, and to R10,000 each claim for practices of 17 or more principals, also limited to four claims a year. These limits have increased again. They now range from R1 million a claim for sole practitioners to R2 million a claim for practices of 17 or more principals, and there are now no limits on the number of claims.

Williams cautions, however, that even this cover is not enough and suggests that all firms consider top-up cover. Already some larger practices have extra cover — in some cases of up to R10 million a claim.

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A further reason for obtaining additional cover is that the scheme no longer grants indemnity in respect of the provision of investment advice. Separate cover must therefore be arranged in respect of the provision of investment advice.

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Lawyers are also moving into new practice areas. "The years ago it was unusual for Transvaal attorneys to be appointed as liquidators or trustees in insolvent estates. Now, however, attorneys in the Transvaal and the other provinces, are being appointed as liquidators in many of the largest liquidations in the country. This exposing of a practice obviously brings with it increased risk and exposure to claims and the trend will no doubt continue as attorneys expand into other areas of practice such as environmental law and alternative dispute resolution."

He says lawyers in this country appear to be not as concerned as their US counterparts about avoiding conflicts of interest, and show a "remarkable lack of interest" to the issue. He suggests a formal scheme should be implemented within all law firms to avoid the problem. According to Williams, attorneys too often act for both parties in conveyancing, commercial and insolvency matters and he predicts it is only a matter of time before malpractice claims based on conflict of interest become common."
JUDICIAL review in modern South Africa is no longer a matter of arcane interest to public lawyers. Traditionally, administrative lawyers have tried to create a system of legal control over government by analysing when public officials act beyond their powers. However, judicial review in a constitutional law sense is concerned essentially with legislative policy.

Constitutionally sanctioned judicial review, as in the celebrated Bill of Rights, takes lawyers and judges into the very heart of policy-making. It is precisely because of this that at the University of Cape Town's recent international administrative law conference, African National Congress constitutional lawyers Alex Sachs and Kader Asmal expressed strong reservations about the constitutional propriety of judicial review in a post-apartheid South Africa.

At this gathering of distinguished administrative lawyers, Sachs and Asmal, while professing a classical approach to constitutionalism, voiced disquiet about the appropriateness of the judiciary exercising wide powers to invalidate statutes (or administrative action) under a new constitution. According to Sachs, not only must the issue of judicial review itself be reconsidered, but in the South African context, it should be seen against the 'popular struggle against apartheid'.

Taking this popularist non-lawyer view further, Sachs argues that judges should not sit in judgment on the constitution of Bill of Rights, as 'judges owe loyalty to the constitution'.

While recognizing lawyers' obsession with doctrinal nuances, Sachs argues that in assessing judicial review, 'we have to try to imagine who will be reviewing whom in the future'.

Such clarity does not characterise, in the context of the ANC's New Deal, judges should not make the decisions of the new constitution.

In prose that is nothing if not blunt, Sachs states: 'The ANC's draft Bill of Rights envisages an attempt to constitutionalise the foundations of a government programme rather than to scrutinise it. Our fear is that judicial review based on narrow doctrinal standards could make the country as unworkable under democracy as under apartheid.'

The whole tenor of Sachs' contributions is one in which the courts are seen, not as the disinterested guardians of the constitution, but as a potential menace to the socio-economic plans of an ANC government elected on a programme of radical social reform.

Thus, as deeply ironic, given the ANC's stridentures of the South African judiciary's performance during the era of apartheid, where the Appellate Division cynically upheld the policy of forced removals under the Group Areas Act as the 1961 Lockhart case as "a colonial social experiment and a long-term policy. It necessarily involves the movement out of group areas of numbers of people throughout the country."

Sachs' views are, however, neither recent nor unique. They reflect an altered mindset of the judiciary. It was after all, the British Labour Party's Rye Benyon who warned the English judiciary on the back of Attlee's Labour landslide in 1945 that he would break no "judicial sabotage of legislation" introduced to create the welfare state.

This led the English courts into a 15-year era of substantive formalism, when Sir William Wade has described as "judicial black-letters" into an extended (administrative law depression). Asmal's views are not dissimilar. Charming that judicial review could, by smothering government, lead to the disempowerment of the maquis, Asmal remarks, 'the new jurisprudence must therefore be based on economic and social reality which at its heart is South Africa — in which the relationship between the individual and the state will have little to do with 19th century liberal individualism and much to do with materialism."

The fact that the modern doctrine of judicial review originated in the 17th century as a conscious judicial effort by the court of King's Bench to restrain the excesses of Star Chamber, does not appear to have occurred to him.

Consistent with this philosophy, the ANC's 1992 draft Bill of Rights is essentially formalistic — concerned not with substance, but with procedural aspect ("irregularities of authority (group) unamendable")

By contrast, the Law Commission's draft Bill of Rights proposes to entrench, constitutionally, the right of everyone to judicial review of "any subordinate legislation and any executive act and any administrative act".

Given its authoritative history, the government, in its proposed Charter of Rights, merely proposes to entrench constitutionally a person's right to natural justice, although unlike the ANC, it also proposes making an authority's reasons for decision mandatory.

"What counsel, what counsel gives?" (Who will guard the guards themselves?) asked the Roman poet. Indeed, two years ago, according to Sachs and Asmal, it will not be the judiciary under a new constitution, but parliament that looks back at the sorry history since 1946, that should give all of us much cause for concern.

Peter Leon is a partner in Webber Wentzel, a past chairman of Lawyers for Human Rights and a former tutor in public law at the University of Cape Town and Cambridge.
More attorneys may join bench

CAPE TOWN — It was likely that senior attorneys and legal academics would be eligible for appointment to the bench in the new SA to ensure that judges were drawn from a wider community. Judge Pat Tebbutt of the Cape Supreme Court said yesterday.

Speaking at a Mount Nelson Breakfast Club function, Tebbutt said greater community participation in all facets of the judicial process would be the fundamental principle underlying changes made in the future SA legal system.

There would have to be a greater number of judicial officers of all races and in order to achieve this judges would have to be drawn from a wider cross section of the legal profession, including senior attorneys and academicians. Presently there was only one black judge in the Transvaal, one in Bophuthatswana and one in Transkei, and only two black senior counsel in SA.

A corollary of this development would be the abolition of the two branches of the legal profession, namely advocates and attorneys, to create one unified profession. Greater community participation in the administration of justice could also be achieved by the appointment of more black assessors in criminal cases, though Tebbutt hoped that this would not involve the return of the “undesirable” jury system.

He believed the inevitable incorporation of a Bill of Rights in a new constitution would mean a greater role for the courts in the legislative process.

“It will be the law, as applied by the courts, to test future legislation which may, or may appear to conflict with such a Bill of Rights.”

In the past the courts had had an interpretative role vis-a-vis legislation rather than the policymaking role played, for example, by the US Supreme Court.

US judges acted as guardians of the Bill of Rights and as adjudicators with the power of judicial review of legislation.

Tebbott thought it likely that in SA the Bill of Rights would be watched over by a special constitutional court, including judges, academicians and experts.

Finally, he considered it likely that the emphasis in sentencing in a new dispensation would be on rehabilitation of offenders rather than retribution.
JOB MARKET

CAs' fiddle out of work numbers

By ADRIAN HERSCH

The CA world is in crisis. Unemployment is at an all-time high, and the future looks bleak. Many CAs are disillusioned and are considering other career paths. The CA profession is facing a crisis of confidence, and the future of the CA world is uncertain.

Success

Mr. Bernard, the CA world's leading authority, predicts a bright future for the CA profession. He believes that the CA world will recover, and that the CA profession will continue to thrive. He predicts that the CA world will soon see a revival, and that the CA profession will once again be respected.

Failure

Mr. Brown, on the other hand, predicts a bleak future for the CA profession. He believes that the CA world will continue to decline, and that the CA profession will eventually be abandoned. He predicts that the CA world will soon see a decline, and that the CA profession will eventually be forgotten.

The CA world is in crisis. Unemployment is at an all-time high, and the future looks bleak. Many CAs are disillusioned and are considering other career paths. The CA profession is facing a crisis of confidence, and the future of the CA world is uncertain.
Judge gives go-ahead on lower fees
ROBERT CHARLTON

Setting out the facts

This is an edited version of an address on academic standards delivered by Prof Robert Charlton, principal and vice-chancellor of the University of the Witwatersrand, at a Wits Business School breakfast this week.

It isn't difficult to show that, by any objective measure, Wits' standards are as high as ever, if not indeed higher.

Good universities ensure that their criteria for assessing students do not change over time. This is crucial, for the same reasons that manufacturers need to practise quality control — to ensure that the quality of their products can be taken for granted. The reputation of the university depends on the quality of its graduates. So all concerned with the university have compelling reasons for ensuring that standards are maintained.

The principal instrument for the preservation of standards is the external examiner system. The assessment of the students is not left entirely in the hands of the teachers who have taught them. For higher degrees there must be at least one examiner from abroad — and we use the top academics wherever they are to be found in the US, UK and elsewhere.

A further control applies in most professional disciplines such as medicine, dentistry, architecture and engineering — that is, regular inspections for accreditation purposes. Under this rigorous system, all professional Wits degrees continue to pass muster. In engineering, for instance, the quality of both students and staff has been shown to have improved over the past five years.

Another yardstick for assessing the quality of professional education is graduate success rates in the examinations set by the professional societies and councils. Our department of accounting, for instance, has a consistently good record in the board exams, last year they had more first-time passes than any other residential university.

In medicine there is an examination which has to be passed by doctors emigrating to the US. Since 1984 the average pass rate of all foreign graduates taking this exam is 18%, in contrast, the pass rate of Wits graduates is 89%. Obviously, we are still producing graduates of high quality, though we would prefer not to be exporting them.

In general, the formative degrees do not entitle one to a professional registration, there is the enduring acceptability of our graduates in the international world of learning. A surprising number of Wits graduates go on to higher degrees at other universities, including the best in the world. If our graduates no longer performed well at places like Oxford or Yale, it would signal a decline in quality. But they continue to do us credit in competition with the world's best.

To provide high quality education you must have high quality academic staff. We are fortunate in having more than our share of the top academics. In the faculties of engineering and science, for example, we have 13 of the 50 scientists and engineers in SA rated by the Foundation for Research Development as world leaders in their fields.

The talent in the Law School, complemented by the members of the Centre for Applied Legal Studies, rivals that of the days of Hablo and Ellison Kahn. The Dental School has an international reputation and is one of only two foreign dental schools chosen by the American Association of Dental Schools to join a curriculum analysis consortium.

In arts, the School of Music is stronger than it has ever been; many other departments are thriving as never before. A good yardstick of the quality of staff members of a university is their research productivity, and Wits remains the pre-eminent university in the country in terms of publications.

What about the quality of students? One can't make silk purses out of sow's ears, and we could have the finest scholars in the world on the staff and still produce only mediocre graduates if the intellectual capabilities of our students were below par. There is competition to register the top matrix achievers.

We have joined our competitors in offering scholarships to the academically stars. This year, for the first time, we awarded 10 Vice-Chancellor's scholarships to the most outstanding new students. We acquired many brilliant achievers.

There are many black students at Wits, almost 6 000 out of the total of about 18 500 are not white. About two-thirds of the 6 000 are African, the rest being nearly all Indian. If you are one of those people who thinks that black people are inferior, even the facts I have been quoting won't make the slightest dent in your prejudices.

What is true is that many black students, particularly those who are the products of the schools of the Department of Education & Training, come to the university with certain deficiencies in their education. But it is a cardinal error to regard them as therefore intellectually inferior. In order to have achieved matriculation in spite of all their disadvantages, they have to be bright — though it is true that students from the DET schools have gaps in their education in spite of their respectable matrix symbols. In addition to coping with the university curriculum, those gaps have to be made up.

So we try to select on the basis of ability, taking into account as much as possible the positive and negative influences of the previous educational experience. The cardinal principle is not to admit any applicant who is considered unlikely to succeed.

But how can these disadvantaged students succeed, when they have gaps in their knowledge and skills, they are wedded to rote learning and don't even have enough English to comprehend fully what is going on? Academically, staff may have to change the tacit assumptions about the basic level of knowledge and skills possessed by their students and adjust their teaching accordingly. There are academic support tutors in many of the academic departments now, they focus on imparting language skills and elucidating active learning techniques while dealing with the content of the course.

This does not mean that they settle for a lower end-point, and it is vital to distinguish between starting levels and the exit standard. There is not, and there will not be, any compromise on quality of the final product.

While many disadvantaged students in every faculty do succeed, the failure rate across the university is about three times higher than it is for students with no previous academic disadvantage. That is hardly surprising, given the additional load of educational disadvantage and the fact that no concessions are made.

Indeed, this failure rate is surely evidence that there is no relaxation of standards.
LAWYERS have formed a united front to fight Absa's attempt to give consumers cheaper legal fees on home loans.

The legal profession has attracted the interest of the Competition Board, which says that a rule which protects vested interests is of doubtful legitimacy.

The Toastmasters of Law Societies (ALS), which comprises the four regional law societies, decided this week to ask Absa to drop the demand for lawyers to take a 25% cut in fees to help finance a marketing scheme. Absa home-owners are offered a 50% reduction in registration costs.

ALS's decision follows a report in Business Times two weeks ago that Absa was threatening to use their financial clout - they control trust funds of up to R4 billion - should Absa proceed with its demands.

Mr. Ignatia Klynn, president of the Law Society of the Transvaal, said: "We believe the imposition on the profession by any financial institution of a predetermined discount in respect of bond registration costs is unacceptable."

Mr. Klynn did not believe any campaign, by any financial institution, whereby its members were pressured into doing bond work at less than existing tariffs, was in the long-term interests of the profession or the public.

"We are agreed that we want Absa to stop pressuring attorneys into lowering their fees, and we want Absa to pick up the tab for this whole marketing exercise," says Carl Pohl, president of the Cape Law Society, which has 1,000 member firms in the Western Cape.

Pierre Brooks, Competition Board chairman, says he has "an interest" in the matter and was giving it "due consideration."

"In a free market economy, any move to lower the cost of property transactions to the public is to be welcomed."

A confidential memorandum from Absa Bank to its branch managers says "The matter must be handled very diplomatically and under no circumstances must attorneys be threatened with a withdrawal of Absa support if they do not agree to participate in the scheme."

"It is, however, recommended that attorneys who do participate in the scheme be rewarded with other business at the full tariff in order to compensate them for the reduced fees charged in support of the scheme."

"This will have to be at the expense of attorneys electing not to support the scheme."

Bid Booyse, Absa operating executive, commercial banks, says "the plight of customers who are struggling to meet bond and other expenses cannot be ignored."

**Competition**

Mr. Booyse said that Absa's 50% scheme saves the client R58 on a R150 000 bond.

"Intense competition in the home-loan market has led to sky-rocketing business volumes and a substantial increase in conveyancing business."

"We have consequently approached the legal fraternity to seek their co-operation in the interests of the consumer," he says.

"Under its rules, members of the Cape Law Society are not allowed to lower their fees, except in special circumstances of need. If they do, they face disciplinary action."

"However, the Transvaal Law Society has different rules, and its members are allowed to negotiate their charges, though they are not permitted to tout for business."

In Natal this week a Durban firm of attorneys, Shepstone & Wylie, challenged a refusal by the Natal Law Society to allow them to charge lower fees on some conveyancing work. It may become a landmark judgment, Mr. Justice McLaren, who ruled in favour of the firm, says "The matter must be handled very diplomatically and under no circumstances must attorneys be threatened with a withdrawal of Absa support if they do not agree to participate in the scheme."

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A confidential memorandum from Absa Bank to its branch man-
Accountants bid to improve image

By Des Parker

DURBAN — Chartered accountants hope by next year to be able to raise standards of self-regulation to improve an image which has been tarnished in recent years by business failures and the activities of some crooked practitioners.

Neil Gerber, a former president of the Natal Society of CAs and a member of the executive committee of the Public Accountants and Auditors Board, says professional bodies of auditors and accountants worldwide are reacting to criticisms of poor work standards and business failures by jacking up the self-administered systems for policing the activities of members.

The World Bank has warned that failure by professional accountability bodies in African countries to implement practice inspection and review procedures poses a threat to foreign investment.

SA’s reaction takes the form of the Public Accountants’ and Auditors’ Amendment Bill, which last week went through its second reading debate in Parliament.

Gerber said the amendment allowed for reviews of practices by the PAAB or by peer groups.

“The thrust of the programme is to ensure that registered accountants and auditors adhere to the high standards set by the profession and for which they have become known.

“The system has not been designed to be of a punitive nature, although those who fail to achieve the required standards may face the risk of disciplinary action.”
Commission to look at role of attorneys

CAPE TOWN — The terms of reference for the commission to investigate whether attorneys should have the right to appear in the Supreme Court were released yesterday by Justice Minister Kobie Coetsee.

The commission is to investigate whether it is desirable, feasible and in the public interest that attorneys in private practice be given the right to discharge all or some of the functions of an advocate, including the right of appearance in the Supreme Court.

If attorneys were to be granted these audience rights, the commission would investigate what academic qualifications they would require, whether they should pass an examination to appear in the Supreme Court, papillage for advocates, the so-called 'cab-rank' principle at the Bar, professional advertising, the rendering of pro bono services by attorneys with audience rights and whether attorneys could appear as junior counsel or be given SC status.

The commission would also investigate legislative enactments or amendments necessary to give effect to its recommendations; Coetsee said in reply to a question.
Throwing down the gauntlet

Professionals challenged

By Pearl Majola

PROFESSIONAL people in Soweto should take part in resolving the education crisis in the township.

This is one of the issues the Soweto Pick 'n Pay Parenting Workshop at the Iqologa Community Centre in White City Jabavu will address tomorrow.

"Our workshop will challenge professionals to become more involved in local education," says Soweto Parenting Committee chairman Mr Jacob Ntozeka.

Speakers will include Mr Tamsanqa Kambule of Pace College and Mr Ismail Mkhabela of the Interface Community Development Organisation.

The workshop starts at 8am and admission is free. For further information please contact Ms Thabi Manhuta at 889-9243.
Academics and lawyers take over and real debate beckons

For the first time since the negotiations council, the constitutional executive council group committed the sin of expressing an opinion that there is a need for TCOs. The Cosas people, who have been acting as if nothing will lightly forgive such an error in the leading of its brief by this TC, which went a step further than merely stressing the need for a state. It went to do so.

The violence committee got its brief right - but that is about all it did. Listing little more than the members present and the topics before them, turning in what one delegate called a "poor little report." Alone among the two the violence committee was a man who also sits on the negotiations council - Mr. Ekelo, on the TC in his capacity as a member of the Peace Secretariat. From the very start, the violence group looked set to fulfill predictions that it will perform the task of keeping a contentious issue alive and endlessly winding its way through the committee loop.

The delight at the prospect was not shared by all. At least one Cosas delegate already branded the coming debate a "phony debate" and the progress as lateral at best.

While the two TCs have presented an outline for what must be debated - it is for the order in which the terms of state, violence and regionalism must be addressed.

Once again, the fear has been raised that momentum - or even a suggested, secret, cut-and-dried deal between the government and the ANC - will bulldoze the smaller parties.

"Once again, they play in private their bloody trump predictions, if not threats of violence if their views are not met in negotiations."

The reports from the seven technical committees were rushed off to the 20 departments yesterday. On Wednesday, they will be asked to debate the issues raised.

The TC members will observe this debate, receive further written input from the delegations the next day and, judging by present form, cut and dry all out for the politicians on the negotiations council by the next week.

CLAIRE ROBERTSON
PR profession ‘needs to change with the market’

THE public relations profession needed to adapt to increased competition and a changing market, TWS Communications chairman Keith Rhodes and MD Vicky Baker told delegates at a recent International PR Association (Ippra) professional conference in Cape Town.

They said the size of the industry in SA was in the region of R350m to R400m.

About 36% of the PR services employed were marketing. Corporate PR represented about 25%, while employee and financial PR made up the remaining share of PR spending. But in the future, marketing and corporate PR spending as a proportion of the total would drop, and PR spending on employee and community relations would grow. Special events would also lose their relative importance.

Rhodes and Baker said many disciplines were moving into areas previously considered to be the field of the public relations practitioner. Thus, with the possibility of international consultancies operating in the region, would mean increased competition for the PR profession.

SA’s industry had skills, flexibility and growing recognition. But generally it had poor standards, lacked accountability and stability and had a negative image.

“We are an industry of generalists, turning our hands to almost anything from writing copy for a radio ad to conducting a climate survey,” they said.

The profession would have to acquire and use other skills, including creativity and innovation, to take advantage of fresh opportunities.

During recession, bad news required better communication than good news did, and the demand for strategic consulting had increased.

An economic recovery was needed to bring the market back to the growth performance achieved until the mid-1990s, they said.
LAWYER'S FIRM STAND

One of the foremost who stood firmly against KwaNdebele taking the route to "independence" is Mr Nano Abram Matlala, senior partner in the firm Matlala Attorneys, Notaries and Conveyancers, which has offices in Johannesburg and Pretoria.

Matlala acted for the Ndzundza-Mabhoko tribe led by the late King Mabhoko II, Prince James Mhlangu, the present Chief Minister, and King Masa II, the present king of the tribe, who all campaigned against independence.

As a result, US-AID made funds available to the KwaNdebele Legal Defence Fund to finance the campaign.

During the height of the struggle of the people of KwaNdebele, Matlala was detained by Commissioner of Police Brigadier Lerm immediately after Mr Matlala's release from detention he was charged in terms of the Intimidation Act of 1982 for allegedly having threatened a member of the Legislative Assembly of KwaNdebele, a Mr Mahena, with death by necklacing. The intimidation charges were withdrawn in 1988.

Matlala's firm was also involved in the investigation into the shooting of Mandinka residents on November 21, 1985 by the South African Police and members of the South African Defence Force. The investigation was funded by Lawyers for Civil Rights. During the emergency era the firm handled many cases of unlawful detention, assault, etc. In July 1991 the firm's premises were set alight and many files, computers, furniture and equipment were lost.

The firm is also involved in the registration of transfer land, mortgage bonds, all aspects of rural and township development, family and business trusts and other legal activities.

The firm was appointed by the ANC to handle the Commission of Inquiry into atrocities committed in ANC camps outside South Africa.

Matlala says: "We presently believe that the new nonracial South Africa should mirror our social strata. No professional should be seen in terms of colour but of ability."

"This should, however, not lead to discrimination in reverse."
New blood for association

Mr Ashwin Trikamjee (right) with Mr David White.

Durban legal firms merge

Trikamjee made director of Garlick and Bousfield:

MR Ashwin Trikamjee and Mr Ishwar Amnu of the Durban attorneys Amnu and Trikamjee, will join Durban attorneys Garlick and Bousfield Inc on July 1 as director and consultant respectively.

Trikamjee is president of the Natal Law Society, chairman of the NSL and a director of the SA Post Office. He has been in practice in Durban since 1974.

Amnu is the founder of Amnu and Trikamjee. He has been practising as an attorney since 1944.

David White, senior partner of Garlick and Bousfield, said: "Ashwin Trikamjee is a prominent personality who will complement Garlick and Bousfield's standing and, more importantly, he is a highly regarded litigation lawyer who will add to the strength of our litigation department.

"Ishwar Amnu is an elder statesman of the profession and, although he no longer wishes to carry the responsibility of a partner, he will remain in active practice in our conveyancing department."
No extra cost’ to rehire

By Paul Bell and Phil Molefe

The rehiring this year of 1 014 of the 5 060 teachers retracted from the “white” Department of Education and Culture (DEC) last year will not cost the taxpayer more money, according to the DEC’s superintendent-general, Dr Henry Stone.

Stone was defending his department’s decision to rehire about 20 percent of the sacked teachers.

Disclosures to this effect were made in Parliament last week after a question was put by the Democratic Party education spokesman, Roger Burrows (Pinetown).

“No extra money is being provided by the department and we are doing it only to prevent pupils from suffering,” said Stone.

Retrenched teachers were being rehired on a temporary basis, for periods of anywhere between a week and a term, to fill in where other teachers were not available.

But Burrows accused the Government of “gross bad management” — principally for using 1990 and 1991 figures for the number of pupils in white schools.

Burrows said the Government should have known that, as a result of the opening of most schools under the Model C dispensation, there had been an influx of children into these schools from other sectors of the formerly racially exclusive education system.

“They were cutting from a white budget that should have been bigger, not smaller; they needed more teachers, not fewer,”

According to Stone, his department was some R900 million short in the previous financial year. This would have required a cut of 11 000 teachers, but for the introduction of Model C — which allowed parents to assume the responsibility for running costs at most schools.

This had reduced State spending and permitted a reduction in the number of permanent posts that had to be axed, to 5 000.

The SA Democratic Teachers’ Union (Sadtu) yesterday slammed the rehiring of retrenched teachers as “despicable”.

Sadtu secretary-general Randall van den Heever said it was indefensible to lay off teachers when their services were sorely needed in other areas.

Van den Heever said the revelation would undermine the Government’s position in forthcoming negotiations on retrenchments.

Sadtu would not accept arguments on the necessity to proceed with layoffs, particularly in the Indian and coloured education departments where a total of 2 200 teachers faced the axe. Van den Heever said.
Lawyers aim to halt executions

Staff Reporter and Sapa

Lawyers for Human Rights (LHR) were expected last night to bring an urgent application to stop the execution of two prisoners in Venda today.

LHR spokesman Andries Nel said yesterday that Foreign Affairs Minister Pik Botha and ANC president Nelson Mandela had urged Venda Military Council chairman Brigadier Gabriel Ramushwana to stop the executions.

Franz Siswefugeni and Wilson Nekholo were due to be executed today for a ritual murder committed in June 1980.

Nel said the Venda government had indicated it would grant a stay of execution. But one of Ramushwana's personal assistants told him yesterday the executions would go ahead.

In a statement earlier, Nel said LHR found Ramushwana's decision "completely unacceptable" since his government was party to a decision taken at Co-desa to suspend executions pending the negotiation of a new constitution.
Dress Protection of Professions

Doctors and lawyers should be treated like any other business, says Errol Price

OPINION
much professional liability cover does the brokerage need in case some advice is wrong?

Prestasi marketing director Arnie van der Linde says the service, introduced two months ago, has been “remarkably successful.” All 150,000 policyholders have been enrolled free. In the past two months, Legal Line’s panel of advisers have been receiving an average 200 calls a day from clients uncertain of their rights and obligations. Van der Linde says clients are often hesitant to seek formal legal advice, usually because they assume they cannot afford to do so.

He says the service is contracted out to a proprietary company and that Prestasi carries insurance against potential claims for professional liability. As it is a free service, he feels existing clients who act on Legal Line’s advice might have a problem pursuing a liability claim. A client who says he was induced by the offer of the service to use Prestasi as a broker could have a stronger case.

Prestasi says the line is manned by experienced legal personnel, all with at least a B Proc or LLB. They advise on matters ranging from insurance to contracts with domestic servants, appliance guarantees and even neighbours’ disputes about dogs.

Van der Linde says the service is aimed at resolving small problems. It does not act on behalf of clients. Where a case requires legal action, clients are advised to consult an attorney. But he adds, “Within two weeks of Prestasi’s mass enrolment of policyholders, 2,400 calls were received.”
AMENDMENT OF RULES

It is hereby notified that the following amendments to the Rules framed in terms of section 74 (1) of Act No. 53 of 1979 and which have been approved by the Chief Justice of South Africa in consultation with the Judge President of the Transvaal in terms of section 74 (2) of Act No. 53 of 1979, are promulgated by the Council of the Law Society of the Transvaal:

Amendment of rule 81

248

The following new rule is adopted in the place of the existing rule (underlined portions of the rule are new, and words in square brackets and in bold print have been deleted from the existing rule):

"Attorney and client charges"

81.1 1 Subject to the provisions of rule [s 81.3 and] 81.5 a member to whom any claim of whatever nature is handed for collection may in addition to any professional fees (e.g. the charges for any proceedings in a court of law) charge reasonable attorney and client charges. For the guidance of members the following attorney and client charges have been prescribed by the Council as being reasonable attorney and client charges for purposes of this rule, but this shall not be construed as prohibiting a member from departing from the prescribed charges, either upwards or downwards, in appropriate circumstances.

81.1.1 1 (a) In the case of the member originally instructed before the granting of a judgment, and also in the case of every member who receives instructions thereafter but before the granting of a judgment, instruction charges of—

(i) R15 for claims of R1 to R1 500;
(ii) R30 for claims over R1 500 to R5 000;
(iii) R60 for claims over R5 000 to R10 000;
(iv) R100 for claims over R10 000.

(b) In the case of every successive member who receives instructions after the granting of a judgment, instruction charges of—

(i) R15 for claims of R1 to R1 500;
(ii) R30 for claims over R1 500.
(c) R10 for every necessary letter or telegram written or received and for each necessary attendance

(d) R15 for every 10 minutes or part thereof of every necessary consultation with a debtor

81.1.1.2 Collection commission at the rate of 10% on the amount collected, subject to a recommended maximum amount of R200 for each payment or instalment, provided that where the member recovers collection commission from the debtor, either in terms of any law or in terms of a contractual obligation, he shall credit his client therewith to the extent of, but not exceeding the collection commission debited to his client. Collection commission covers all attendances and work done in connection with the receipt of a payment and accounting to a client in respect of a payment.

81.1.2 The charges set out in rule 81.1.1 and 81.1.1.2 shall be made only in respect of professional services rendered in cases where no tariff is prescribed by any other law

[81.2] For the purposes of this rule the expression "amount collected" shall include any payment made by or on behalf of any debtor direct to the client, whether in cash or in kind, or by way of novation or set-off after the claim is handed to the member for collection.

[81.3] Where the collection commission chargeable by a member in any one matter exceeds the amount of R250 he may, notwithstanding the provisions of rule 81.1.12, waive or reduce his collection commission charges to the extent that they exceed the amount of R250.

81.2.1 In the case of final recovery or repossession of movables in terms of a hire purchase agreement, a suspensive sale agreement, a lease or any other contract of a like nature, a member may, subject to the provisions of rule 81.2.3 in addition to any professional fees, charge collection commission, calculated in accordance with the provisions of rule 81.1.2 [and 81.3] on the value of the movables so recovered or repossessed

81.2.2 The value referred to in rule 81.2.1 shall be the value fixed on the movables by a court of law at a final judgment or the value fixed on the movables by an appraiser.

81.2.3 Where the total unpaid amounts owing under the agreement are less than the value of the movables recovered or repossessed or no value has been fixed on such movables by the court or by an appraiser the collection commission shall be calculated on the total unpaid amounts and not on the value of the movables

81.3 The council may make general rulings regarding the application of this rule and the circumstances under which and the extent to which members may deviate from the provisions of this rule [and

81.5.2 on written application from the member, but only in exceptional circumstances, authorise such member to deviate from the provisions of this rule; provided that the council shall not authorise charges in excess of those prescribed in this rule.]

81.4 Rules 81.1 to 81.3 are applicable to claims in respect of which a magistrate's court has jurisdiction.

Amendment of rule 84:

Delete all the words commencing with and following the words "provided that"

Wysiging van reël 81

Die volgende nuwe reël is aangeneem in die plek van die bestaande reël (die onderstreepte gedeeltes van die reël is nuut en woorde in blokkekes en in vetdruk is weggelaat uit die bestaande reël)

"Prokureur- en klientgelde"

81.1.1 Behoudens die bepalings van reël 81.3 en 81.5 mag 'n lid aan wie enige eis van watter aard ookal vir invordering oorhandig word, benewens professionele gelde (byvoorbeeld vorderings vir enige verringinge in 'n geregehoef) ook redelike prokureur- en klientgelde vorder As n_wind vir die lede is die volgende prokureur- en klientgelde deur die raad voornestel as synde redelike prokureur- en klientgelde vir doeleindes van hierdie reël, maar 'n lid word nie verbed om in gepaste gevalle meer of minder as die voorgestelde gelde te vorder nie
81.111 (a) In die geval waar die lid oorspronklik opdrag ontvang het en ook in die geval van elke ander lid wat daarna maar voor die toestaan van ‘n bevel opdrag ontvang, opdraggelde van—
(i) R15 vir eise van R1 tot R1 500;
(ii) R30 vir eise van R1 500 tot R5 000;
(iii) R60 vir eise van R5 000 tot R10 000;
(iv) R100 vir eise van R10 000.

(b) In die geval van elke opvolgende lid wat opdrag ontvang na die toestaan van ‘n bevel, opdraggelde van—
(i) R15 vir eise van R1 tot R1 500;
(ii) R30 vir eise van R1 500;

(c) R10 vir elke noodsaaklike brief of telegram wat geskryf of ontvang word en vir elke noodsaaklike opwagting

(d) R15 vir elke 10 minute of gedeelte daarvan vir elke noodsaaklike samepreskende met ‘n skuldenaar

81 1.2 Invorderingskommisies teen 10% van die ingevorderde bedrag, onderworpe aan ‘n voorge- stelde maksimum bedrag van R200 vir elke betaling of paaemoment, met dien verstande dat waar ‘n lid of ingevolge ‘n wet of kontraktuele verplichting kommissie van die skuldenaar verhaal, hy sy kliënt daarmee moet krediteer tot ‘n bedrag gelyk aan, maar nie meer as die invorderingskommissie waarmee sy kliënt gedeelte is nie. Invorderingskommissies dek alle opwagtings en werk gedoen in verband met die ontvangs van ‘n betaling en verslagdoening aan ‘n kliënt korr ‘n betaling.

81 1 2 2 Die vorderings gemeld in reel 81.1 1 1 en 81 1 1 2 moet slegs gedoen word vir professionele dienste wat gelever word in gevalle waarvoor geen tansel kragtens enige ander wet voorge- skryf is nie.

81.2 Vir die doeleindes van hierdie reël beteken die uitdrukking “ingevorderde bedrag” ook ‘n bedrag wat nadat die eis vir invordering aan ‘n lid oorhandig is, deur of ten behoeve van ‘n skuldenaar regstreeks aan die kliënt betaal word, hetsy in kontant of enige ander vorm of by wyse van skuldnernuwing of by wyse van skuldvergelyking.

81.3 Waar die invorderingskommissie wat ‘n lid in verband met ‘n enkele aangeleentheid kan vorder meer as R250 is, kan hy ongeag die bepalings van reël 81.1.1.2 sy invorderingskommissie prysgee of vermind in die mate waarin dit die bedrag van R250 te bowe gaan.

81 2.1 In die geval van finale verhaal of terugneming van roerende goed ingevolge ‘n huurkooppkon- trat, ‘n opskortende verkooppkontrakt, ‘n huurkontrak of enige ander kontrak van dergelike aard mag ‘n lid behoudens die bepalings van reël 81 2.3 benewens professionele gelde ook invorderingskommissies vorder wat ooreenkomsig die bepalings van reël 81 1 1 2 [en 81 1.3] op die waarde van die aldus verhaalde of teruggenoem roerende goed bereken moet word.

81 2.2 Die waarde in reël 81 2.1 vermeld is die waarde wat deur ‘n geregshof in ‘n finale uitspraak of deur ‘n waardoeder op die roerende goed gestel is.

81 2.3 Waar die totale onvreënde bedrae verskuil op kragtens die ooreenkoms minder is as die waarde van die herwonne of teruggenoem roerende goed of waar geen waarde deur die hof of deur ‘n waardoeder op sodanige roerende goed gestel is nie, moet die invorderingskommissie op die totale onvreënde bedrae bereken word en nie op die waarde van die roerende goed nie.

81 3 Die raad kan algemene voorskrifte uitreik betreffende die toepassing van hierdie reël en die omstandighede waarin en die mate waartoe lede mag afwyk van die bepalings van hierdie reël.

81.5.2 op die skriftelike aansoek van ‘n lid, dog alleen in buitengewone omstandighede, sodanige lid magtig om van die bepalings van hierdie reël af te wyk; met dien verstande dat die raad nie gelde sal magtig wat daardie in hierdie reël voor- geskryf, oorskry nie.

81.4 Reels 81.1 tot 81 3 is van toepassing op eise waar ‘n landdroshof funsduske het "

Wysiging van reël 84:

Skrap al die woorde wat begin met en volg op die woorde “met dien verstande”
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THE LAW SOCIETY OF THE TRANSVAAL

AMENDMENT OF RULES

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81.2.1 In the case of final recovery or repossession of movables in terms of a hire purchase agreement, a suspensive sale agreement, a lease or any other contract of a like nature, a member may, subject to the provisions of rule 81.2.3 in addition to any professional fees, charge collection commission, calculated in accordance with the provisions of rule [81.1.2] 81.1.2 [and 81.3] on the value of the movables so recovered or reposessed.

81.2.2 The value referred to in rule 81.2.1 shall be the value fixed on the movables by a court of law at a final judgment or the value fixed on the movables by an appraiser.

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81.3 The council may make general rulings regarding the application of this rule and the circumstances under which and the extent to which members may deviate from the provisions of this rule.

81.5.2 on written application from the member, but only in exceptional circumstances, authorise such member to deviate from the provisions of this rule; provided that the council shall not authorise charges in excess of those prescribed in this rule.

81.4 Rules 81.1 to 81.3 are applicable to claims in respect of which a magistrate's court has jurisdiction.”.

Amendment of rule 84:

Delete all the words commencing with and following the words “provided that”

Wysiging van reël 81

Die volgende nuwe reël is aangeneem in die plek van die bestaande reël (die onderstreepte gedeeltes van die reël is ruut en woorde in blokletters en in vetdruk is weggelaat uit die bestaande reël)

“Prokureur- en klientgelde

81.1 Behoudens die bepalings van reël [81.3 en] 81.5 mag ’n lid aan wie enege eis van watter aard ookal vir invordering oorhandig word, benewens professionele gelde (byvoorbeeld vorderrings vir enige verrigtinge in ’n geregsbekl) ook redelike prokureur- en klientgelde vorder As nlglyn vir die lede is die volgende prokureur- en klientgelde deur die raad voorgestel as synde redelike prokureur- en klientgelde vr doeleindes van hierdie reël, maar ’n lid word nie verkies om in gepaste gevalle meer of minder as die voorgestelde gelde te vorder nie
announce for general information that the paragraph titled “New Exclusion” of Board Notice 26 of 1989, as amended, is amended by the following deletions in square brackets and underlined additions:

“...new leave benefits in terms of an approved scheme applicable to employees in the service of local authorities on or before [30 June 1993] 30 June 1994 and more beneficial than those applicable to a deputy director-general, are excluded from ‘leave scheme’ as defined in the Act, with the exception of those leave conditions amended during the period 1 January 1987 to [30 June 1993] 30 June 1994 and of a more beneficial nature than the benefits in force before 1 January 1987. This exclusion applies to individual cases for as long as the employee concerned stays in the service of the local authority where the benefit was earned, or until such time as he chooses to receive his leave benefits in terms of the scheme within the Board’s determination.”.

J. VENTER,
Acting Secretary.
(28 May 1993)

NATAL LAW SOCIETY

AMENDMENT OF RULES

It is hereby notified that the following amendments to the Rules of the Natal Law Society as published in Government Gazette No. 6316 dated 2 March 1977, and as amended by—

Government Gazette No. 6848 dated 15 February 1980;
Government Gazette No. 7924 dated 20 November 1981;
Government Gazette No 9316 dated 13 July 1984;
Government Gazette No. 10100 dated 21 February 1986;
Government Gazette No. 10679 dated 3 April 1987;
Government Gazette No. 12300 dated 23 February 1990;
Government Gazette No. 13933 dated 24 April 1992,

have been made by its members at an Annual General Meeting, and after consultation with the Judge President of Natal, have been approved by the Chief Justice of South Africa in terms of section 74 of the Attorneys Act, No. 53 of 1979.

1. In Rule 14—
   (1) in paragraph (b), by the substitution for subparagraph (vi) of the following subparagraph:

“(vi) Doing or permitting in the carrying on of, or in the course of, his practice anything which may reasonably be regarded as likely to attract business unfairly.”;

“Nuwe uitsluiting” van Raadskennisgewing 26 van 1989, soos gewysig, soos volg deur die weglatings in tekshakes en onderskepe byvoegings, gewysig word:

“Alle verlofvoordele van werknemers wat op of voor [30 June 1993] 30 June 1994 in diens van plaaslike overhede is of was en op wie ’n goedgekeurde verloфтkema van toepassing is wat gunstiger is as dié van ’n adjunk-direkteur-generaal, word uitgesluit van ’n verloфтkema’ soos in die Wet omskryf, met uitsondering van daardie verlofvoordele wat in die tydperk 1 Januarie 1987 tot [30 June 1993] 30 June 1994 gewysig en gunstiger is as dié voordele wat voor 1 Januarie 1987 gegeld het. Hierdie uitsluiting geld per individuele geval vir solank die betrokke werknemer in die diens van die plaaslike overheid waar hy die voordeel verdien het, bly, of tot wanneer hy verkeer om volgens die saaiese binne die Raad se vaststelling sy verlofvoordele te ontvang.”.

J. VENTER,
Waarnemende Sekretaris.
(28 Mei 1993)

NATALSE WETSGENOOTSKAP

WYSIGING VAN REËLS

Hiermee word kennis gegee dat die volgende wyings van die Reëls van die Natalse Wetsgenootskap soos afgekondig in Staatskoerant No. 6316 gedaate 2 Maart 1977, en gewysig deur—

Staatskoerant No. 6848 gedaate 15 Februarie 1980,
Staatskoerant No. 7924 gedaate 20 November 1981;
Staatskoerant No. 9316 gedaate 13 Julie 1984;
Staatskoerant No. 10100 gedaate 21 Februarie 1986;
Staatskoerant No. 10679 gedaate 3 April 1987;
Staatskoerant No. 12300 gedaate 23 Februarie 1990;
Staatskoerant No. 13933 gedaate 24 April 1992;

deur lide op ‘n Algemeene Jaarvergadering gemaak is en na oorlegpleging met die Regler-president van Natal is dit deur die Hoogleerdeur van Suid-Afrika kragtens artikel 74 van die Wet op Prokureurs, No. 53 van 1979, goedgekeur.

1. In Reel 14—
   (1) in paragraaf (b), om subparagraaf (vi) deur die volgende subparagraaf te vervang:

“(vi) om enigiets in die loop van in die uitvoering van sy praktyk te doen of toe te laat wat redelik wees geag kan word waarsoeklik besigheid op onbliële wyse aan te trek.”;
(2) by the substitution for paragraph (d) of the following paragraph.

"(d) Subject to the provisions of Rule 14 (b) (vi), a member may at his discretion publicise his practise, or permit another person to do so, provided that in publicising his practise he, or such other person, shall not do anything which in any manner compromises or impairs, or is likely to compromise or impair, any of the following:

(i) His independence or integrity,
(ii) the client’s freedom to instruct an attorney of his choice;
(iii) his duty to act in the best interest of the client;
(iv) his good repute or that of the attorneys’ profession;
(v) his proper standard of work.”.

2. In Rule 15, by the substitution for paragraph (1) of the following paragraph:

"(1) The costs of the Society shall be deemed to include a basic charge of R200 in respect of administrative services not otherwise itemised and a charge of R100 per hour for every hour or part thereof during which the Secretary is required to appear before an enquiry committee in terms of Rule 15 (d) (vi).”

3. By the insertion of the following rule after Rule 24 and the existing Rule 25 to be renumbered to read Rule 26.

"25. Law Clinics
(1) Any law clinic which seeks recognition as a law clinic for the purposes of the Act and of this Rule shall comply with the following requirements
(a) The law clinic shall be properly constituted, organised and controlled to the satisfaction of the Council, either as part of the faculty of law at a university in the Republic or as a law centre controlled by a non-profit making organisation,
(b) the law clinic must provide legal services to the public,
(c) the legal services provided by the law clinic must be rendered free of any direct or indirect charge to the recipient of those services; provided that—
(i) the law clinic may recover from the recipient of its services any amounts actually disbursed by it on behalf of the recipient, and

(2) om paragraaf (d) deur die volgende paragraaf te vervang:

"(d) Onderworpoe aan die bepaalings van Reel 14 (b) (vi), kan ’n lid na goedgunne vir sy praktys reklaame maak, of ’n ander persoon toelaat om dit te doen, met dien verstande dat wanneer reklaam vir die praktys gemaak word hy of sodanige ander persoon niks sal doen wat op enige wyse enige van die volgende sal kompromitteer of belemmer of waarskynlik sal kompromitteer of belemmer nie:

(i) sy onafhanklikheid of eerbaarheid;
(ii) die klient se vryheid om ’n prokureur van sy eie keuse opdrag te gee;
(iii) sy plig om in die beste belang van die klient op te tree;
(iv) sy goeie naam of dié van die prokureursberoep;
(v) sy behoorlike werkstandaard”

2. In Reël 15, om paragraaf (1) deur die volgende paragraaf te vervang

"(1) Die Genootskap se koste word geag ’n basiese vordering van R200 in te sluit ten opsigte van administratiewe dienste wat nie anders gespesifieer is nie en ’n vordering van R100 per uur vir elke uur of deel daarvan waartydens die Sekretaris vir die onderzoekskomité moet verskyn ingevolge Reël 15 (d) (vi)”

3. Deur die invoeging van die volgende reël na Reël 24 en dat die bestaande Reël 25 hernummer word na Reël 26.

"25. Regsklinieke
(1) Enige regskliniek wat vir doeleindes van die Wet en van hierdie Reël as sodanig erken wil word, moet aan die volgende vereistes voldoen:
(a) Die regskliniek moet behoorlik gekonstitueer, georganiseer en beheer word tot die bevordering van die Raad, of as deel van ’n regsakademiese instelling verbonden aan ’n universiteit in die Republiek of as ’n regskentrum bestaande van ’n organisasie sonder winsoogmerk beheer word,
(b) die regskliniek moet regsdienste aan die publiek verskaf;
(c) die regsdienste wat deur die kliniek verskaf word, moet sonder koste, direk of indirek, aan die ontvanger van sodanige dienste gelever word; met dien verstande dat—
(i) die regskliniek van die ontvanger van sodanige dienste enige bedrae mag invorder wat werklik deur die regskliniek ten behoeve van die ontvanger uitbetaal is, en
(ii) where the law clinic acts for the successful litigant in litigation it will be entitled to take cession from such litigant of any order for costs awarded in favour of the litigant and to recover those costs for its own account;

(d) the services may be rendered only to a person who would not otherwise be able to afford them;

(e) the law clinic may not undertake work in connection with—

(i) the drafting of Wills;

(ii) subject to the provisions of paragraph (f), the administration, liquidation or distribution of the estate of any deceased person, insolvent person, mentally ill person or any other person under any other legal disability;

(iii) the judicial management or liquidation of any company;

(iv) the transfer or mortgaging of immovable property;

(v) the lodging or processing of any claims under the Multilateral Motor Vehicle Accidents' Fund Act, No. 93 of 1989, its predecessors or its successors;

(vi) such other work as may from time to time be prescribed in this Rule;

(f) the law clinic may undertake work in connection with the administration, liquidation or distribution of the estate of any deceased person only in those cases where the executor has declined nomination and the Master of the Supreme Court has exercised his discretion in terms of the Administration of Estates Act, 1965, and has appointed an attorney employed full-time at a law clinic as Executor;

(g) the name under which the law clinic is to carry on its activities, its letterheads and other stationery shall require the prior approval of the Council;

(h) attorneys in the employ of the law clinic may be remunerated only by way of salaries payable by the clinic or by the organisation to which it is attached.

(ii) waar die regsklimiek vir 'n suksesvolle gedingvoerder in 'n geding optree, sal hy geregte wees om van sodanige gedingvoerder sessie te neem van enige kostebeveel wat ten gunste van die gedingvoerder gemaak is en om sodanige koste vir eie rekening in te vorder;

(d) die dienste mag slegs gelever word aan 'n persoon wat dit nie andersom sou kon bekostig nie;

(e) die regsklimiek mag nie werk onderneem nie in verband met—

(i) die opstel van testamente;

(ii) onderworpe aan die bepalings van paraagraaf (f), die administrasie, likwidasie of verdeling van die boedel van enige oorlode persoon, insolvente persoon, geestesongestelde persoon of enige ander persoon met enige ander juridiese ongskiktheid;

(iii) die geregtelei bestuur of likwidasie van enige maatskappy;

(iv) die oordrag of verbandgewing van onroerende eendom;

(v) die indien of verwerking van enige else kragsies die Multilaterale Motorvoertuigongelukkefondswet, No. 93 van 1989, sy voorgangers of sy opvolgers;

(vi) enige sodanige ander werk soos wat van tyd tot tyd in hierdie Reel bepaal mag word;

(f) die regsklimiek mag werk onderneem in verband met die administrasie, likwidasie of verdeling van die boedel van enige oorlode persoon alleenlik in daardie gevalle waar die eksekuteur nominasie weggewys het en die Meester van die Hooggeregshof sy diskrise uitgeoefen het of by die Beoordelingswet, 1985, en 'n prokureur, wat voltyds in diens is van 'n regsklimiek as Eksekuteur aangestel het;

(g) die naam waaronder die regsklimiek sy aktiwiteite beskryf, asook die briefhoofde en ander skryfbehoertes, die voorafgaande goedkeuring van die Raad benodig;

(h) prokureurs in diens van die regsklimiek mag slegs by wyse van salarisse betaalbaar deur die klimiek of deur die organisasie waaraan dit verbonde is, vergoed word
(2) If an attorney employed full-time at a law clinic wishes to engage a candidate attorney under articles of clerkship he may do so only if—

(a) the candidate attorney will be under his direct personal supervision or under the direct personal supervision of another attorney who is a member of the professional staff of the law clinic;

(b) the law clinic carries on its activities during normal business hours for not less than 11 months in any year;

(c) the law clinic has proper office systems with telephones, typing facilities, files and filing procedures, a diary system and at least elementary library facilities;

(d) the law clinic has a proper bookkeeping system and accounting procedures, and

(e) the law clinic handles a reasonably wide range of work to give the candidate attorney exposure to the kind of problems that a newly qualified attorney would expect to encounter and be able to handle competently during his first year of practice.”

(2) Indien ’n prokureur wat in voltydse diens by ’n regskleine staan, van voorneme is om ’n kandidaatprokureur onder ’n leerkontrak in diens te neem, mag hy dit doen slegs indien—

(a) die kandidaatprokureur onder die direkte toesig van sodanige prokureur of onder die direkte persoonlike toesig van ’n ander prokureur wat ’n lid van die professionele personeel van die regskleine is, dien;

(b) die regskleine sy aktiwiteite bedryf gedurende normale besigheidsure vir nie minder nie as 11 maande in enige jaar;

(c) die regskleine oor behoorlike kantoorstelsels met telefoong, tikfasilitate, leërs en liasseerprocedures, ’n dagboekstelsel asook ten minste elementêre biblioteekfasilitate bestryk;

(d) die regskleine oor ’n behoorlike boekhoustelsel beskik en behoorlike rekenkundige procedures volg;

(e) die regskleine ’n redeelike wye verskynheid werk hanteer om sodoende die kandidaatprokureur bloot te stel aan die tipe probleme wat ’n pasekwalifiseerde prokureur gedurende sy eerste jaar in dié praktyk kan verwag om mee te doen te kry en vaardig behoort te kan hanteer.”
AWB insists that talks be suspended

Ray Hartley

THE AWB would never become involved in talks with communists because this amounted to "sitting around a table and trying to negotiate with the devil himself," AWB leader Eugene Terre'Blanche said yesterday.

Addressing a lunch organised by Randburg mayor Brian Crail, he said ANC president Nelson Mandela was under pressure from radicals to nationalise banks and industries once the ANC came to power.

In a separate statement issued yesterday, the AWB called for the immediate suspension of negotiations because of attacks on whites. The organisation said it would have "no choice but to use other methods if talks were not stopped.

Terre'Blanche said conflict between MK and Inkatha would worsen once the ANC had achieved its 75% majority in nonracial elections because Zulus would never accept rule by Xhosas.

Communism was the only political philosophy which had as its objective "the dethroning of God. I don't believe you can compromise with communism. They are not interested in any form of power sharing: what they really want is SA," he said.

Terre'Blanche said in his experience blacks were incapable of sharing power. "Our task is to prepare for war and a bloody revolution. There is no way confrontation can be prevented," he said.

"I was the first leader to sign a non-aggression pact with Inkatha," he said.

"The AWB is not the racist organisation the media makes us out to be. I will talk with any leader - white, brown or techni-

Plan to boost opportunities for lawyers

There were too few opportunities for the number of potential candidate attorneys to be trained professionally and a Bill would soon be tabled in Parliament to provide alternate ways for law graduates to enter the profession, Deputy Justice Minister Sheila Cameron said yesterday.

In an address to a seminar presented by the Johannesburg Attorneys' Association and the Transvaal Law Society, she said in terms of the Bill graduates might enter the profession in five ways:

- Attendance at the Association of Law Society's Law School for four months plus a year of community service;
- One year of articles plus one year of community service;
- Two years of community service;
- Five years of experience in an appropriate related legal practice.

"This will not only ensure greater possibility of entry into the profession, but will afford greater legal representation to persons who appear daily in our courts."

She said there were also opportunities in the public sector for entering the profession. - Sapa.
service • DET denies responsibility for school

Access to legal help for deprived people

By Ismail Lagardien
Political Correspondent

Poor people and those in squatter communities will have greater access to lawyers when a Bill which has been tabled in Parliament becomes law later this year.

The Attorneys Amendment Bill also provides for a major incentive for law graduates to work in deprived areas and among poor communities, because of high legal fees, have no access to legal help.

Law clinics and community legal work have traditionally never been regarded as adequate training for lawyers and were never a criterion for qualification as attorneys.

The new Bill provides for entry to

- NEW BILL It provides for law
graduates to work among the poor:

- the Bar after a period of this "community service" and is aimed at easing the problems of law school graduates who cannot find jobs

- When it is enacted, law graduates could, for example, work for two years in squatter communities or the poorer areas of any black township, after which they would qualify as lawyers.

- They will have to work in these communities full-time. There are currently more law school graduates each year than can be absorbed by the legal profession. The provisions of the Bill are that law graduates could become lawyers once:
  - They complete a training programme of at least four months and do articles or community service for at least a year;
  - They serve articles for a year and then community service for a year, or
  - They do community service for two years, and
  - They gain five years' experience in an "appropriate" legal practice.

A memorandum to the Bill explains that, once it becomes law, it would ensure that "a vast numbers of persons who appear in court daily will have the benefit of legal representation."
TECHNOLOGY PARKS

It's a long way to Silicon Valley

Thanks to industrial and economic isolation, the recession and lack of business confidence, SA's two official university-aligned technology research parks are in no position to challenge California's Silicon Valley any time soon.

The Stellenbosch Technopark has attracted 20 organisations since its inception in 1986. These include the IDC and Barlows Group company Reunert Radar Systems At the Pretoria University-aligned park, called Perseguor, 25 companies have signed on since it was established two years ago, including Olivetti.

"The development has not grown as fast as expected but, given the economic circumstances, we are doing well," says Perseguor director Hugo Meyer.

The idea behind technoparks is to provide an environment where academic researchers and their students can pool resources with private-sector entrepreneurs. The parks provide students with a way of commercialising their research and also give businesses the opportunity to stay competitive by having permanent access to the latest basic and applied research at universities.

One of the oldest technoparks is California's Silicon Valley, which started in 1939.

When Stanford University engineering graduates Bill Hewlett and Dave Packard rented a garage at Palo Alto to develop a US$55 audio-oscillator, their company, Hewlett-Packard, has grown into one of the world's top computer companies.

From the Sixties to the mid-Eighties, with the emergence of electronic and computing technologies using the latest developments in silicon chip circuitry, many more "backyard" firms sprang up in the area south of San Francisco. Since then, Silicon Valley has mushroomed into a major computer R&D centre.

This concept of mutual co-operation between academic institutions and businesses is popular worldwide. The UK has more than 40 technoparks, each specialising in a particular field. In the US, the spirit of commercialisation has resulted in $50m in annual royalties to universities from technopark inventions and products.

The local story has been different. Despite its ties to five academic institutions in the region - the universities of Stellenbosch, Western Cape and Cape Town, and the Cape and Penninsula techknokum - the Stellenbosch park has attracted only 20 companies to invest in the 50 ha development.

There have been few investments in recent years. The large electronics group Altron was one of the first to buy land but decided not to develop it.

On the brighter side, however, the IDC's Innovation Centre has proved to be successful and will be expanded, says Stellenbosch Technopark director Johan Malan. Based on the popular "incubators" overseas, it provides common work space, secretarial services and facilities such as fax, photocopying, telephones and a discussion room. Experts from the universities' and technokum's law, accounting and business schools are also available for consultations.

The aim is to help small entrepreneurs and innovative university researchers who want to commercialise research results or new products but who don't have access to capital, business expertise or support services.

The new Perseguor Technopark is in a better position to succeed because of its proximity to private h-tech industries in the PWV, as well as institutions such as the University of SA, the Atomic Energy Corp, Armscor, the Foundation for Research Development and, just up the road is the CSIR.

Typical commercial applications of university research at Perseguor include the development of optical-fibre communication modules for telephone, data, voice and video transmission, and the development of electronic hardware and software for testing vehicle suspension.

Situated in tranquil park-like surroundings in the hills east of Pretoria, the low-density Perseguor development spreads over 66 ha. More than R6m has been invested in the infrastructure and about R20m on building development, with the university investing much of this. A post office, roads and other services have been built but only nine buildings, accommodating the 25 businesses, have been occupied. Another 16 stands must still be sold for the completion of phase one.

A luxury hotel, service station and another 70 stands are on the drawing board. If the economy improves, this ambitious project may yet succeed. Meanwhile, an outlying piece of land is made available to farmers for a fresh produce market on Saturdays.

Meyer, who expects more students will use the technopark, is negotiating to open an incubation centre early next year. He also sees the Pretoria University post-graduate business school moving to Perseguor.
FINANCIAL reporting in SA was set for a shakeup next year when legal backing for accounting standards would be established, the SA Institute of Chartered Accountants (SAICA) said yesterday.

SAICA technical director Monique Singer said auditors had not been required to follow accounting standards and risked bringing the auditing profession into disrepute.

To rectify this, the standing advisory committee on company law had agreed to amend the Companies Act to introduce standard accounting rules.

The law should be passed in 1994, after which a self-regulatory review panel, comprising high-profile businessmen, would monitor it.

Arthur Andersen partner John Donnelly said the initiative would “enhance and maintain the level of local professional accounting and auditing standards.”

“Unfortunately the panel will not have legal recognition as in the UK, nor money to take people to court.

However, we believe Press exposure would be successful in exposing misleading accounting treatments or lack of disclosure in financial statements.”

Singer said the opinions of a capable and high-profile panel would make shareholders aware of what was not being disclosed.

Intense competition for clients forced auditing firms to be manipulated by directors and to accept financial statements that showed companies in the best possible light.

In instances of “opinion shopping,” one auditing firm could be played off against another, with the threat of losing a client.

Further penalties for infringement of the amended Companies Act could include criminal liability or being flagged on the JSE board.
Public defence system is in full flight, and ready to fight your battles.
Advocates and attorneys are SA's legal eagles.

The law regulates the way we run our lives.

Without it a state of anarchy would exist in which people could behave in any way they liked.

There would be no law to say that a person could not steal, it would be impossible to prove that you owned the property in which you lived and for which you paid an agreed price; without a legal process marriages would not be recognised, and as citizens we would have no entrenched rights to protect us against abuse by the State or by other individuals.

Because the law covers so many aspects of our lives and because the law of today is the result of decisions in court and statutes passed in parliament over decades and even centuries, it is not always easy to understand or interpret.

For this reason lawyers — who spend many years studying law at university, and who, prior to being allowed to practice, are articled to a law firm for a period of time for practical training — are available to assist and advise us in this vital aspect of our lives.

Many attorneys concentrate on property matters, dealing with everything from the transfer of a house from one owner to another to dealing with the complexities of the establishment of a new office block or shopping centre.

Businesses also have a continuing need for legal advice.

This may be concerned with agreements between directors, partners and staff; other companies with which the firm does business; the collection of debts; advice on labour and tax matters and, increasingly in these times of recession, the liquidation or closing down of a firm.

In the event that a dispute causes you to appear in court, attorneys will guide you through the court procedures and will represent you during the hearings.

If your case is heard in the magistrate's court, an attorney will argue your case before the magistrate.

Your case will be heard in the magistrate's court if your claim is less than R20 000, with certain exceptions, such as in the case of a mortgage bond or with the agreement of the parties concerned.

As matters presently stand, the attorney will brief an advocate to represent you if the case is to be heard in the Supreme Court.

It is expected that this situation will change shortly when a commission appointed by the Minister of Justice completes its investigation into rights of appearance for attorneys.
Contributing to the future

It is likely that a much more comprehensive legal and network will come into existence, which will have a significant impact on the work of the LRC. It is presently in consultation with the Legal Resources Centre, which has a huge reservoir of knowledge, skills and human resources which can make a significant contribution to the future of South Africa.

What is its role in helping to bring about a new society now, and in the longer term?

The legal aid network consisting of public defenders for those cases where the professional private can handle better than employed lawyers, a network of employed lawyers and advice officers working together to provide legal services to civil and constitutional cases, and a public defender office to address the needs of the underrepresented accused.

This system can be given substance by requiring law graduates to serve internships in one of these institutions for a period of at least a year before being admitted to practice, in the same way as doctors.

This will not only extend the scope of the legal aid services and bring them within the financial capacity of the state, but also have an impact upon young law graduates, who will be brought into contact with the problems of the majority of the people, not just those who can afford lawyers, which is largely the case under the present system of articles.

The LRC in the future

What would such a change mean for the LRC?

A proper legal aid service would be able to address most of the labour litigation, domestic violence, and welfare claims and, ultimately, the advice office network the LRC handles at present. That would free resources for land, housing, and development work, legal services to rural communities and human rights issues, in which the specialist capacity of the LRC would most needed and most effective.

National director retires

Arthur Chaskalson has been publicly announced as the new director of the Legal Resources Centre. "Arthur Chaskalson is a generous and a very remarkable man who has given a very long and dedicated service to the LRC," said the outgoing director, Judge Goldstone. 

Arthur Chaskalson is the retired national director of the LRC. He has been in the position for 15 years and has been the most satisfying of any professional life. He says he would like to continue his work in a new role in the LRC, which he has recently taken up.

He is able to maximise his impact in a very particular area of law, which is the environment and the protection of the environment in South Africa. He is a very important and influential figure in the environmental law community.
Top position for Church

UNISA law professor Joan Church has been elected president of the Southern African Society of University Teachers of Law — the first woman to hold the position.

Her fields are comparative family law, gender issues and legal education. Among the committees on which she serves are the Unisa Legal Aid Centre, and the Centre for Women’s Studies, the Pretoria local branch of Lawyers for Human Rights, and the South African Certification Council.

The law teachers’ society holds a conference every 18 months, and acts as a mouth piece for the profession. For example, representatives of the society have had talks with the minister of justice, lobbying for Latin to be phased out as a requirement for the LLB.

For more details about the society, contact its secretary, Cheryl Loots, at (011) 716-5547.
Dune mining study rejected as a "hoax"

Own Correspondent

DURBAN — The St Lucia dune mining controversy heated up again yesterday when leading conservationists dismissed the 1,700-page environmental impact report as a "hoax".

Members of the conservation movement are considering challenging the St Lucia dune mining report in court on the basis that certain decision-making procedures have not been adhered to properly.

Those expressing their support for the Campaign for St Lucia yesterday included Dr Ivan Player, Democratic and Conservative MPs, senior representatives of the Wildlife Society, the Natal Parks Board, the SA Nature Foundation and the KwaZulu Bureau of Natural Resources.

Wildlife Society spokesman Jeremy Ridi said: "This is not an environmental impact assessment that has been done. It is an attempt to justify mining."

The Government should "put the report aside" and look for other areas to mine. Ridi slammed the "voodoo economics" contained in the report and said its findings on job creation were "absolute nonsense."

Conservative Party MP Joseph Chole said Parliament would block the dune mining proposals by a two-thirds majority if President de Klerk allowed his MPs to vote according to their consciences.

Conference to examine law's future

Legal dignitaries will address a one-day Johannesburg conference on the future of South African law on Monday to celebrate the 150th anniversary of the law firm Webber Wentzel.

The conference will be addressed by Mr Justice Goldstone, who will discuss whether law and order can be restored in South Africa.

The Chief Justice, Mr Justice Corbett, will also address the conference, to be held at the Standard Bank headquarters in Simmonds Street.

The ANC's Pemulwana Madunu will speak on the role of the legal profession in the new South Africa.

Senior partner at Webber Wentzel, Peter Reynolds, said the firm wanted to ensure the legal system met the needs of South Africa.

We want to participate, in a meaningful forum, in defining what will become of the legal system in this country... and we want to play a part in guiding this country's legal system along with what we believe to be the proper channels."

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[Diagram of a map showing locations such as St Lucia, Ellisras, Waterberg Conservancy, Hans Strydom Dam, Rustenburg, Johannesburg, among others.]
SOUTH AFRICA could soon become a member of the International Association for Philosophy of Law and Social Philosophy, one of the oldest and most influential of such bodies in the world.

A steering committee has been set up to do the preparatory work for membership application. The committee is convened by law professor Christoff Heyns of the Centre for Human Rights, University of Pretoria, who is to give a paper at this year's conference of the association, to be held in Ireland.

The association was formed in 1969 in Germany, but now has 42 national members and several thousand individuals members. It is becoming an increasingly important medium for exploring the difficult issues of law and politics within the unified European Community, and the relationships between the developed nations and the Third World.

For further information contact Heyns at (012) 420-3034.
THE LRC’s outreach has extended as far as Uganda. Charles Owor, a Ugandan lawyer, was so impressed by what he read about the LRC that he has proposed starting a centre there, using the same name.

There are similar centres in Namibia, which the LRC helped to form, and in Zimbabwe, which consulted the LRC in starting up. LRC trained lawyers in both places.

The Johannesburg office recently hosted two advocates from the Lesotho Federation of Women Lawyers, in preparation for setting up their aid clinic in Lesotho.

The Johannesburg office has also been contacted by the attorney-general’s office in Swaziland, asking for help in setting up a legal aid programme and has been approached about possible cooperation in developing a rights awareness campaign and in access to justice programming in Zimbabwe.

An attorney at the Cape Town office, Wallace Mgogi, has been appointed to the council of the University of Cape Town.
LAWS affecting poor people in South Africa have not been the subject of much legal literature. While most other branches of the law feed a booming legal publishing industry, public interest lawyers and paralegal workers have over the years had to assemble their own literature from obscure statutes and case law.

The activity of these organisations, and particularly of the Legal Resources Centre (LRC), has led to the emergence of public interest law as a major branch of the law in this country.

The LRC had for years distributed a cumbersome loose-leaf manual to its branches until Durban director Richard Lyster decided in 1990 to edit and publish a comprehensive user-friendly volume for everyone in the broadly-defined field of public interest law.

After receiving a thumbs-down from major legal publishers, the LRC decided to go it alone and with the help of a local desktop publishing agency, published the first edition in 1991.

So successful was the book that demand soon exceeded supply. A second edition was clearly necessary, and it has just become available.

"The Handbook has been the first attempt in South Africa to compile a textbook on the laws relating to those on the lower level of the social and economic ladder," comments Lyster.

"The second edition improves and consolidates the text and adds new material bringing the book up to date with the momentous changes in laws relating to land, security and the emergence of the National Peace Accord."

The book is available at R50 for students, advice offices, trade unions and other non-governmental organisations and at R90 for everyone else, from the LRC, 71 Ecumenical Centre, St Andrews Street, Durban, 4001. Phone (031) 501-7372.
FRD post for Nevhutalu

Dr Prins Nevhutalu of the Department of Medical Sciences, University of the North, has been appointed as the first director of the schools division at the Foundation for Research Development (FRD) in Pretoria.

The schools division was established to help address the problems of pre-tertiary education in science, mathematics and technical subjects.

Nevhutalu will join the FRD after spending three months doing research at the California Medical School, San Francisco, on a Rockefeller Science Fellowship. He is a senior lecturer in immunology, anatomy, clinical chemistry, medical microbiology and pathology.

He declined several job offers in the US after completing his PhD at the Northern Illinois University in 1991 because of a desire to contribute to the communities of southern Africa.

— Staff Reporter.
SA ‘could get lost in translation’

JONATHAN DAVIS

SA FACED a shortage of translators and interpreters at a time when their skills were urgently required, the SA Institute of Translators said yesterday.

In a statement it said priority would have to be given to training interpreters and translators to keep up with the massive increase in demand expected under a new political system.

At the institute’s AGM in Bellville earlier this month, it was pointed out that SA’s two official and nine African languages would somehow have to be accommodated by a new language policy, the statement said.

Institute chairman Johan Kruger said that according to conservative estimates, demand for translators would increase tenfold in the next few years.

The institute decided at its AGM to initiate a training programme for translators and interpreters and it would try to have bursaries made available.

Kruger said “community translators”, who translated at a grassroots level, were urgently required.

He said the institute hoped to establish short training courses for people fluent in more than one language who acted as translators and interpreters in their communities.

Candidates who completed a course would be awarded a certificate which he hoped would enable them to be paid more in recognition for their role in the workplace.

“Until now, translation in SA has been seen as a sort of elitist activity carried out by professionals,” Kruger said.

“This view does not include people who work in hospitals or push a broom — who translate as part of their job.”
Consultancies under pressure

DUMA GOUBULE

MANAGEMENT consultancies, already feeling the strain of the domestic recession, are having to contend with more international competitors and growing numbers of solo practitioners, says Institute of Management Consultants' new president John Parsons.

Parsons, National Productivity Institute GM, productivity strategy, says the consulting profession in SA is changing fast and so too must the institute.

Parsons says this will be a watershed year for the institute. The organisation previously had no office or permanent secretariat. Membership had been stagnant for years and alternative organisations were appearing.

It was not giving members value for money. Many were asking why they should join if nobody out there treated them any better because they were members.

The institute's new strategy will include accreditation of members, training programmes, networking forums, striving to make the institute recognised as the voice of the profession, and education of clients regarding the selection and management of consultants.

The best way to protect members is to ensure they give clients good value, says Parsons.

So what is a management consultant? "It's someone who provides a specific service to management which is designed to ensure an improvement in a company's long-term performance.

"The difference between consultants and accountants, industrial engineers and other specialists, is that we do not only focus on one discipline," says Parsons.
Black CA pass disappointing

ONLY eight of the 43 blacks who wrote this year's chartered accountants exams passed. This brings the total of black accountants in South Africa to 62. Though the South African Institute of Chartered Accountants says the overall pass rate is better than last year, blacks are finding it difficult to pass the qualifying exams.

The practical proves to be the most difficult. The SAICA attributes this to the fact that most candidates are still fresh from university with limited field experience.

Last year fifteen out of 50 blacks who sat for the auditors exam passed. The Association of Black Accountants of Southern Africa is disappointed with the pass rate.

Abasa's president, Juneas Lekgetha, says the high failure rate could be attributed to the standard of learning at institutions from which most black accountants qualify.
Candidates who passed the Public Accountants' & Auditors' Board examination this year were the first under the new system. They now have to pass the accounting and auditing papers separately to qualify as CAs. In previous years, candidates needed only an aggregate pass mark for the two papers.

The auditing paper is now geared towards practical issues. Chantyl Maider, education director of the board, says it had long been felt that the old system was not a true test of professional competence. "Our intention is that the auditing paper should favour candidates who have at least a year's auditing experience behind them," she says.

The results seem to show this aim has been achieved. While 79.7% of candidates passed the more theoretical accounting part, only 53.5% passed the auditing paper. Those with practical experience fared better in the auditing paper than candidates had in the past.

Even so, most firms are still urging their articled clerks to attempt both papers as soon after graduating as possible. Says Clifford Amois, human resources partner at Kessel Feinstein: "If a person does fail the auditing paper, then he only has to repeat that part the following year. Without the burden of rewriting both parts, as was required in previous years, the chances of passing are enhanced."

Johnny Symmonds of Deloitte & Touche, one of the big six accounting firms, agrees: "We prefer the candidate to do the exam as soon as possible. However, it means we will have to change the focus of our internal training programmes."

The new format has received a qualified thumbs up from the profession and academics. SA Institute of Chartered Accountants president Peter Wilmot says that, though "results were a little disappointing, the 54% pass rate for auditing is still within acceptable limits. The real test will come in the years ahead when everyone is more used to the system."

David Flynn, head of UCT's accounting department, says "the new emphasis should bring the universities and the profession even closer when it comes to dealing with auditing issues."

Unisa's Botha van Rensburg says the new system is fairer to Unisa graduates who tend to be older and have more work experience. "The auditing pass rate for our graduates was 56%, which was higher than the national figure."
Feeble response to AK-47 campaign

PRETORIA — The S.A.P's campaign to rid SA of AK-47s and other illegal weapons had produced disappointing results so far, a police spokesman said at the weekend.

Almost a month after the campaign was launched, only eight AK-47s and one Uzi and 176 rounds of AK ammunition had been handed in.

A police spokesman said yesterday that the campaign was launched in the western Cape, one AK-47 and one Uzi and 176 rounds of AK ammunition were handed in in Natal, and another and the rounds of ammunition at Krugersdorp and one at Nelspruit.

The launch of the campaign coincided with the implementation last month of the Arms and Ammunition Act of 1993.

According to the Act, citizens have two months to hand in illegal weapons — including AK-47s, machine pistols, hand grenades, rocket-propelled grenade launchers, and explosive devices — without fear of prosecution.

Thereafter, from August 1, those caught in possession of weapons stipulated by the Act face a minimum jail sentence of five years and a maximum of 25 years.

At the launch, police spokesman Gen Leon Mallett said R260,000 had been spent on 8-million stickers, posters and advertisements.

The use of AK-47s in bank robberies, theft, rape and political rivalry was "one of the biggest crises ever to hit SA", Mallett said.

Between June 1992 and May this year, 352 people had been killed by AK-47s and 549 had been injured.

Police were hopeful that during the coming month more weapons — with up to R60,000 reward money available for each one — would be handed in.

A police spokesman said numerous arrests for possession had taken place in recent weeks, but confirmed that only eight AK-47s had been handed in voluntarily.

No rewards were paid for those weapons as they had been handed in by their owners. The offer to pay rewards was intended for information on the firearms only.

Goldsmithing laws

THE Association of Trust Companies is intensifying its lobbying of government to end the monopoly attorneys have on charging fees for drafting up wills and testaments.

Association deputy president and Syretts GM John Dodge said at a weekend meeting of the association's members that the trend was to draft wills and testaments for attorneys charging up to R50,000 a year. However, they were prescribed by the Attorney Administration Act (1979) to stipulate that only attorneys might charge for the drafting of wills.

Dodge said association members — Absa, BoE, First National Bank, Standard Bank, Syretts and others — were attracting business for the wrong reasons: their service was free.

The trusts, employing large numbers of staff to support the attorneys, were entitled to recover their costs from the service they provided.

His concerns were echoed by Institute of Chartered Accountants spokesman Len Norval, who said there was no good reason why only attorneys should be allowed to charge for wills. Many accountants were called upon to provide the same service when arranging the financial affairs of their clients.

Dodge said the Justice Department had called for representations from trust companies and the legal profession after an approach by the association in 1990. The Association of Law Societies (ALS) had opposed the — preliminary — finding which would have allowed any person possessing the right academic legal qualifications to be admitted as a will-maker.

Members of the Association of Law Societies standing committee charged with representations to government on the issue were not available for comment.

ALS director-general Andrea van Vuuren said the debate centred on what government regulation was required to ensure that unqualified people were not taking work away from attorneys.

The issue has a long history with existing legislation stemming from the time when attorneys were the only people able to draft legal documents.

Overwhelmingly in favour of the change at its 1991 annual meeting Justices department spokesmen contacted would say only the matter was still under investigation.

Challenge to will fees law

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Review system for accountants

SA Institute of Chartered Accountants (SAICA) would soon implement an audit practice review programme to put the local profession on an international footing, a statement said yesterday.

The announcement follows a World Bank recommendation that a lack of review measures was inhibiting foreign investment in SA.

SA Public Accountants and Auditors Board executive director Lucas van Vuuren said the measure was in line with international trends. Its purpose was to maintain self-regulation in the profession, and the programme should be introduced as soon as possible, he said.

Following amendments to the Public Accountants and Auditors Act—which came into operation yesterday—the review programme would be implemented within a two-year period. Auditors would voluntarily be reviewed in the next two years. Subsequently, they would be reviewed once in every five years.

SAICA official Adrian Dadd said big companies would be required to implement procedures to ensure high standards of auditing. Audit files would be checked in small firms.

A new department staffed by qualified professionals would be formed within the institute to ensure that review procedures were followed countrywide, Dadd said.

SAICA CEO Ken Mockler said the programme would lead to improved public acceptance and confidence in the work of chartered accountants.

The profession needed a system which could identify practitioners requiring assistance, so that they could be given necessary training.

SAICA is an affiliate of the International Federation of Accountants which advised its member countries to introduce quality reviews.

Currently, there is a system whereby the public can report any complaints of "sub-standard" work by auditors to the SA Public Accountants and Auditors Board.

Van Vuuren felt this facility had failed as there had been reluctance to report incompetencies and there was fear of breaching client confidentiality. "On the whole the profession has been frustrated from achieving effective self-regulation."

Dadd stressed that the programme would run alongside the board's mechanism and did not seek to replace the board.
find job market tight

Engineering Graduates

Stuck Career? Here's why-

By Adrian Kersch

the graduates face to find a

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Shortage of engineers

EDWARD WEST

SA could face a shortage of civil engineers when funds, allocated for social upliftment programmes, were redirected into physical construction activity, said SA Institute of Civil Engineers director David Botha.

SA had to import engineers during periods of economic growth, but the recession-related decline in construction activity had resulted in the retrenchment of engineers and many opting for other careers, Botha said.

The number of students aiming to become civil engineers had declined markedly, he said.

A further factor that could lead to a drain of civil engineers was the signing of an agreement between the Institute and similar European and US-based organisations in the next year.

This would make it easier for engineers to work overseas with local qualifications.

The changed circumstances in which civil engineers worked — like community consultation before finalising project plans — had resulted in higher costs and the use of more time.

SA Association of Consulting Engineers members, who comprised 17% of the total registered engineers in SA, employed 2 425 professional engineers in 1992, 8% down from the 2 643 employed in 1990.

Central Statistical Service figures showed that of 3 240 civil engineers registered in 1991, only 21 were black.
Inquiry on
rights of
attorneys

By Shirley Woodgate

Submissions on the issue of attorneys' rights to appear in Supreme Courts will be heard from September 6 by Mr Justice A J Milne, who was appointed in June by the State President as a one-man Commission of Inquiry.

The Association of Law Societies has backed the granting of rights of audience to some 8 000 attorneys countrywide, claiming the main benefit for the public would be a drop in legal costs.

But the General Bar Council which represents 1 250 advocates who presently have exclusive rights to court appearances, will defend the status quo.

Chairman Brian Southwood said attorneys' claims that their right to appear in the higher court would cut costs and streamline procedures was yet to be proved.

Both professions were trying to reach an agreement which would be in the best interests of justice, he said.

Johannesburg Attorneys' Association chairman Johan Preller has claimed South Africa is one of only a few countries still using the monopolistic British legal system which restricted attorneys to lower courts.
Benchmarks

Guest columnist PAUL BENJAMIN looks at the law, the lawyers and the courts

Auditing the democrats

As South Africa approaches its first democratic elections, clarity as to what is meant by democracy will be vital to the process of adequate voter education.

An impressive project administered by a team at the Essex Human Rights Centre might prove extremely useful. Its object is "to produce authoritative landmark studies against which the condition of democracy and political freedoms in the United Kingdom can be measured over time, and so enable the public to judge whether this country is becoming more or less democratic and free".

The centre suggests that there are two fundamental requirements for the existence of democracy: first, popular control of decision-making within the political sphere and elsewhere in society. This requirement necessitates control over decision-makers.

Second, there is the requirement of political equality — that is, the equal capacity to self-determination, an equal right of all citizens to influence the collective decisions of society.

From this it can be concluded that democracy is not an all-or-nothing concept. The centre thus argues that there is a need to develop specific and measurable indices which, with systematic and impartial procedures, test conditions for democracy. It has constructed five major issues that come within the scope of its audit: competitive elections; accountability and public scrutiny of government institutions; levels of government; citizenship rights; and the role of civil society.

Two examples will have to suffice here as being illustrative of the audit — namely, elections and citizenship rights.

The check list for a democratic election encompasses:

○ How far is appointment to the legislature and government office determined by popular election, open competition, universal suffrage, secret ballot?

○ How independent of government and/or party control are the elections, procedures for voting and the registration process, and how free from intimidation or bribery is the election itself?

○ How effective is the range of choice and information does the electoral and party system allow voters? Is there fair and equal access for all parties and candidates to mass media and other means of communication?

○ To what extent do the voters carry equal weight, and how far is there equal opportunity to stand for public office?

○ What proportion of the electorate votes, and how close does the composition of parliament and the programme of the government reflect the choices made by the electorate?

Similar questions are asked to ascertain the democratic nature of citizenship:

○ How clearly does the law define civil and political rights and liberties of the citizen, and how effectively are they protected?

○ How secure are citizens in the exercise of their rights and liberties, and how far is their equal enjoyment of them constrained by social, economic or other factors?

○ How well developed are voluntary associations for the advancement and monitoring of citizens' rights, and how free from state harassment are they?

○ How effective are procedures for informing citizens of their rights and for educating future citizens in the exercise of them?

○ How free from arbitrary discrimination are the criteria for admission of refugees or immigrants to live in the country, and how readily can those admitted obtain equal rights and citizenship?

The adoption of these tests can assist individual South Africans to determine the democratic content of the programmes of the various parties competing for election. Nearly all the 26 parties at the negotiating forum claim to be democrats. It would be interesting to note how many pass a democratic audit.
Less work for fewer architects

The number of registered architects in SA, which usually increases every year, has fallen in the past three years.

André van Graan, of the Institute of SA Architects, says most are being lost to emigration. Some are moving into other fields.

Graduates entering the field battle to find jobs, but there may be a shortage of architects in a few years.

The Central Statistical Service (CSS) says that in the first four months of this year the value of plans passed fell when compared with the same time in 1992.

The value of plans for houses fell by 4.5% to R1.122-billion and for flats and townhouses by 28.9% to R474.4-million.

The value of plans for non-residential buildings fell to R1.2-billion from R2.86-billion. Addition and alteration plans fell by 17.2% to R1.105-billion.

My own figures show that graduates have been accepted by companies in order to find employment. There are even instances where graduates took jobs in order to obtain experience.
Shortages acute in civil engineering

GERALD REILLY

PRETORIA – An acute shortage of civil engineers would cause severe infrastructural development problems if the economy had turned round, SA Institute of Civil Engineers director David Botha warned yesterday.

Aside from the loss through emigration, only one in 10 students graduating from SA universities came from engineering faculties, Botha said.

In western countries the ratio of engineering students to others was between five and seven of every 10 graduates.

Urbanisation had created an enormous and growing backlog in the provision of basic services in squatter areas, Botha said. If funds were available for infrastructural development in a reactivated economy, engineers would have to be imported in the short- and medium-term.

Botha said the academic qualifications of SA graduates would soon be recognised by a six-nation accord whose signatories were Canada, the US, Australia, Britain, New Zealand and Ireland.

The accord had admitted SA as a seventh signatory and the engineering councils of the six were expected to ratify SA’s admission within weeks.

This meant SA engineers would now have more opportunities for emigration, but a bigger inflow of immigrant engineers into SA was more likely.

Botha stressed it was vital that standards of training at SA universities were maintained in line with the levels in the six accord countries.
Accountancy set for major shake-up in SA

JOHN VILJOEN
Education Reporter

ACCOUNTANCY in South Africa is set for a major shake-up with the introduction of a new qualification for entry to the profession.

The International Chartered Association of Certified Accountants (ACCA), in partnership with publishers Juta, intends enrolling its first South African students next year.

The course has an entry requirement of matric and allows students to study independently at their own pace.

Prospective students 21 and older can also apply.

ACCA South African representative Mr Masimud RCman said the issue of recognition for the qualification — so far debated with the profession in private — would soon become public.

"The days of one accounting body are gone," he said when the course was introduced to the press in Cape Town this week.

It was "nonsense" to suggest that the ACCA course, with 120 000 students worldwide, would lead to a lowering of standards. The ACCA had an "open learning policy" but qualifications had to be earned.

The ACCA was highly professional and had been teaching skills of the highest standard around the world. He believed the internationally-recognised qualification would contribute to an improvement in South African accounting standards.

ACCA education project advisor Mr John MacLachlan said "we want to be able to help anyone in this country to become an accountant."

There were only 62 black accountants in South Africa, 20 of whom had qualified in the past two years, Mr MacLachlan said.

"The profession faces an urgent problem — to increase the number of blacks employed substantially in the years ahead."

Juta chairman Mr Michael Watermeyer said existing structures could not possibly train the number of accountants needed.
Aiding training of blacks

THE Association for the Advancement of Black Accountants of South Africa is an organisation that facilitates and encourages institutions and firms to train black accountants. The ACCA complements the objectives of Abasa as long as the person is black. When Abasa was started, representatives went to the UK to seek opportunities for those unable to get into the profession and it was on the basis of their report that the ACCA was invited to participate in South Africa. Black South Africans were unable to train as accountants until 1976.
Recognition is very close

GREAT SKILL 
A qualification that will open many doors for young people.

The recognition of the Association of Certified Chartered Accountants by the South African accounting profession seems to be close!

While talks and negotiations are taking place to make recognition official, individual acceptance is widespread.

Lynne Frost, MD of the Tower Group, says "Because of the critical shortage of qualified management in South Africa today, it has become imperative to find innovative ways of encouraging people to obtain practical skills along with their recognised qualifications.

"Experience, especially in the area of affirmative action, has been that there is a dearth of skilled and qualified black financial management in the current market.

Tower holds open orders for qualified black management from most of its larger clients who are struggling to fill quotas.

Telge Philip of Philip Personnel in Pretoria says there is growing demand for black financial personnel throughout commerce and industry.

According to Shona Jacobs, managing partner of Execsearch International, based in Rivonia, "The ACCA is a significant qualification which will open many doors. We are particularly enthusiastic about the career opportunities it will provide, not only locally but throughout Africa, and internationally. The structured, open learning approach will be of huge benefit not only to students but employers as well."
RECOGNITION of ACCA by the SA accountancy profession seems close.

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While the ACCA is regarded by the Human Resource Council as only equivalent to the CTA or B.Compt (Honors) qualification, and not the CA (SA), certain of Tower's clients are recognising ACCAs as equivalent to the full CA (SA) in terms of their grading systems. Tower's consultants see this as a positive move towards bringing practically skilled people onto the job market.

Telgie Philip of Philip Personnel says there is growing demand for black financial personnel. "I have standing orders for black graduates of any discipline.

Says Shawn Jacobs, MD of Execusearch International: "The ACCA is a most significant qualification which will open many doors."
Black accountants vital to SA's future

Need to be flexible about qualifications
Audit of the auditors shows shortcomings

By CHERLYN IRETON

AUDITORS believe they sit at the pinnacle of the hierarchy of professionals but there are serious reservations about their independence and objectivity.

A three-year research project by the University of Pretoria's School of Accountancy calls for a rethink of the auditor's role.

It found that the expectation gap between clients and auditors was becoming the most critical issue for the profession.

The expectation gap focuses on the alleged lack of auditors' independence and objectivity, uncertainties about their role and dissatisfaction with the compulsory audit of small owner-managed companies.

Dieter Gloeck, professor of auditing who undertook the study as part of his doctoral thesis, says that because independence and objectivity are the cornerstones of professionalism, "the auditing profession has to regard any shortcomings in a very serious light."

The fact that a relatively high percentage of auditors themselves admit to the independence shortcoming is particularly disturbing.

The survey's 6,000 respondents included company directors and chairmen, bank managers, auditors, stockbrokers and accountants.

Although auditors think they are top dogs, the medical profession receives the top vote from financially knowledgeable people in the survey.

Auditors and accountants are second and engineering is near the bottom of the ladder, followed only by the legal profession.

Stockbrokers, who do not have a good understanding of the auditing profession, do not emerge favourably from the study.

A total of 98% admit they do not read the auditor's report or annual financial statements. This compares with a quarter of the wider group of respondents.

DIETER GLOECK

About 8% of stockbrokers say it makes no difference to them whether an auditor's report is qualified or unqualified. Some even suggest that a qualified report could result in their adopting a more favourable attitude to a company.

Most stockbrokers believe that the auditor is strongly influenced by management of the company being audited.

The stockbrokers show great ignorance about what the auditor's report indicates. Almost 90% think that an opinion is given on the financial statements.

Even so, almost all stockbrokers surveyed say auditors should warn investors of going concern problems in a business.

They also believe that it would be correct to see an auditor if he fails in his duties.

People who have used auditors' services have a more negative view of their professionalism than those who have not.

Areas of concern to all the respondents were the auditor's responsibility to detect and search for signs of fraud.
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Accountable accounting paramount

BY AHI JACOBSON

The accountancy profession will no longer accept "shoddy work" as the maintenance of standards: "Is now paramount," says the chairman of the Public Accountants and Auditors Board Piet van Zyl.

Speaking in an interview after a lunch last week at Price Waterhouse, where van Zyl is a managing partner, he pointed out that the profession had lost credibility worldwide and tougher standards were being formulated to improve "the negative public perception of the accountant."

He warned that if the accountant was found to be negligent in his duties, he could be fined or suspended and in addition he could expose himself "to a claim for damage from an investor."

Van Zyl said that from 1994 a new addition will be that of "practice reviews" which include visits to an accounting firm to ensure that standards are being maintained.

Van Zyl pointed out that accountants should be "twice as careful" where a risky company is involved.

He said that the financial statements were management's responsibility but that the auditor had a social responsibility in giving "a clean bill of health to a client."

Further van Zyl said that an accountant had clear guidelines if the financial report was "incorrect or contained material irregularities."

He added that company assets had to be fairly valued and above all "the accountant in his mind must be satisfied."

"There must be no reason to believe that the company is likely to go into liquidation."

Van Zyl said that a black advancement programme had been introduced and affirmative action meant that 15% of accountants entering the profession would hopefully be black.
Institute wants Act changed

THE SA Institute of Chartered Accountants (Sazca) proposes using the "power of the Press" to ensure that companies conform to reporting standards laid down by the Accounting Practices Board, says Sazca’s chief, Ken Mockler.

Sazca was pressing for a change to the Companies Act to rule that financial statements gave a fair presentation of a company’s position only if they were in line with the practices endorsed by the Accounting Practices Board, according to legal counsel, Mockler said.

The first was that issued by the Accounting Practices Board, made up of representatives from business, including Sazca and the Chamber of Commerce.

The second was any accounting practice that was used by several companies.

Although he hoped the Companies Act would be amended to enforce standard accounting practices, he doubted whether it would include legal penalties.

Sazca was considering forming a panel of representatives from top companies to investigate complaints from the public. The complaints would be discussed with the offending company and, if guilty, the company would be required to correct the omission publicly.

If offenders failed to do this, statements would be given to the Press.

"This will work only if the Press gives it a high profile," Mockler said.

Sazca administration and balance director Jurie Coetsee welcomed Sazca’s move, saying SA was opening up and would have to comply with world standards.

Republic Ratings MD Dave King said Republic had a problem with certain areas of common accounting practice.

It objected to the number of transactions which were reported below the line as extraordinary or abnormal items, the extent to which off-balance sheet financing was used and the lack of disclosure of contingent liabilities.

King said the Companies Act should be amended to make directors more personally liable for the quality of published financial reports.

Charlotte Mathews
Lawyers get in training to serve the new society

THE legal profession is preparing for a democratic South Africa by training lawyers as potential judges.

Ten lawyers have completed a course in Canada for judicial officers and the National Association of Democratic Lawyers (Nadel) is exploring the possibility of establishing a local training programme for potential judges.

Cape Town advocate Denzil Potgieter, a specialist in civil rights who attended the Canadian course, said Nadel's intention in introducing a programme would be "to reach a greater number of candidates."

"There is already a significant pool of potential appointments to the Bench, but it is imperative that the pool be enlarged so we can be ready when the new democratic South Africa dawns," he said.

"Black judges should become the rule and not the exception." (24.8)

The present judiciary faced a "legitimacy crisis". "This can be remedied only by making the composition of the judiciary reflect the community it has to serve."

Training was pivotal in preparing judicial officers for dealing with human rights issues and to paving the way for their winning the community's respect, Mr Potgieter said.

This was especially important because of the powerful position the judiciary would occupy under a democratic constitution that incorporated a Bill of Rights.

The Canadian programme was co-ordinated by Nadel in consultation with the Black Lawyers Association (BLA), the Canadian Judicial Council and the National Judicial Institute.

The participants represented a cross-section of advocates and lawyers and were chosen by a panel of progressive lawyers committed to the attainment of democracy.

In addition to Mr Potgieter, they are: Alexander Abercrombie, of Cape Town, an attorney and sports administrator; Selby Baqwa, of Durban, an advocate and general secretary of Nadel; Foobalan Govindsamy, of Maritzburg, an attorney and assistant secretary-general of Nadel; Ben Ngoepe, of Pretoria, an advocate and member of the Negotiation Forum's Technical Committee on Constitutional Affairs; Bess Nkabinde, of Mafeking, an advocate; Jack Chabane, of Mafeking, an advocate, Nonkosi Nhlamulo, of Port Elizabeth, an attorney and member of Nadel's executive committee, Chris Watters, of Johannesburg, an attorney, and Thandi Dzana of Umtata, an attorney.
Black architects form association

By Mzwandile Jacks

IMBALANCES created by apartheid led to the formation of Association of Black Architects this week.

"We need to make this industry a better place for all of us, we must try and redress the inequities created by apartheid," argues ABA's president, Peter Malefane.

Though blacks are in the majority, there are fewer than 40 black architects in South Africa. This is an indication of serious racial bias prevalent in the allocation of basic needs to South Africans.

During the launch, a heated debate broke out as to who should be a member of the newly formed ABA.

Responding to this concern, Muhammad Mayet said black people were the only ones "qualified to know where they come from and where they were going.”

The Institute of South African Architects, whose membership is closed to blacks, came under heavy attack and was described as "an apartheid organisation which has suppressed black talent." (24/8)

However, the president of the Union of International Architects, Femi Majekodunmi, urged ABA to work together with the ISAA with the changing situation in the country.

His statement sparked heated debates among the gathering as some delegates argued ISAA had no understanding of black aspirations. (24/8)
New service to help law students find posts

PRETORIA — The Association of Law Societies of SA has launched an information service to help law students secure articles of clerkship.

At least 2,000 law students would graduate with BProc or LLB degrees at the end of this year. Only about 1,500 of them, depending on the economy, would be employed by attorneys' firms to complete their articles of clerkship, the association's practical legal training director Noc Swart told a media conference yesterday.

The service provided information on prospective candidate attorneys to attorneys' firms which might be interested in employing them. (248)

Information received from students was stored in a data bank. The information was provided, on request, to law firms.

Information included the prospective candidate attorney's academic qualifications, university, area of interest in which the candidate wishes to practise, as well as the town or city in which the candidate preferred to work.

Swart said the big advantage for law practitioners was that they could obtain the information without having to incur any costs and they could choose which candidate attorney they wished to interview.

"We envisage that plateland firms and the smaller city firms, which are normally not in contact with law faculties and which are unable to attend recruitment days at the universities, would benefit from this service."
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Boost for black civil engineers

A Johannesburg engineering company yesterday pledged more than R200 000 to finance the education of aspirant black engineers as part of its programme to empower disadvantaged youths.

The scholarship programme will be run jointly by BKS Engineering and the South African National Civic Organisation. Sasco will identify needy black matric pupils with proficiency in mathematics and science to study for a degree in civil engineering at a South African university.

BKS director Ralph Cat-terall said the programme would be launched with three students next year and it would be reviewed annually, considering demand and the economy.

Sasco president Moses Mayekiso said civil engineers would play a constructive role in the rebuilding process in the new South Africa, particularly in the general improvement of the standard of living.

Lebowa civil servants on strike after 15 fired

BY JUSTICE MALALA

The embattled Lebowa homeland was yesterday paralysed by the second strike by its more than 60 000 civil servants in less than a month after South African officials fired 15 civil servants.

Civil servants decided to down tools in solidarity with the dismissed workers, who were members of the civil servants' organisations, the Interdepartmental Co-ordinating Forum (ICF). The strike has affected all services except health and the police force.

Obstacles

The Department of Regional and Land Affairs, which took over Lebowa's financial administration on September 1, said the 15 had been fired because they were obstacles to the functioning of the taskforce sent by Pretoria.

A spokesman said the 14 Works Department employees had threatened the taskforce members with violence last week and had ordered other clerks not to process payments for contractors until reductions made in salaries last month were reversed.

It was then decided to give the 15 workers indefinite paid leave.

Striking civil servants yesterday camped outside the parliamentary buildings in Lebowakgo as they demand to meet Minister of Regional and Land Affairs Andre Fourie, who was in Cape Town.

Refused

ICF chairman Moseso Sekola, said the Works Department officials had refused to pay white suppliers of services to Lebowa because thousands of labourers and general assistants on the Lebowa payroll had not been paid their August salaries.

A meeting of civil servants later decided that they would all go on strike in solidarity with the dismissed workers, he said. "We are saying that if SA is so eager to pay the white suppliers why is it not ready to pay the labourers their meagre R500 salaries?"

"The strike will continue for as long as our members are walking the streets," Sekola said last night.
Retailers expect sales to improve

KELVIN BROWN

Roux said the figures were encouraging. But there was still nothing to suggest the economy was on the verge of a strong recovery. "Even when the rains happen the man on the street will be the last to feel it in his pocket," he said.

The main reason for an improvement in consumer spending appeared to be the low level of underlying inflation in the economy, he said. Salary increases were still around the 10% level but annualised consumer inflation in the four months to July was lower at around the 6.5% level.

The recovery in the agricultural sector after the end of the drought was pushing up retail sales, he said. There could also have been some delayed spending by consumers put off purchases earlier in the year when the political situation became uncertain, Le Roux said.

Clothing federation slams tariff hike

CAPE TOWN — The National Clothing Federation (NCF) has hit out at the sharp increase in the tariff on certain fabric imported from Europe, saying that the high inflationary measure would be harmful to the industry concerned and called for its immediate withdrawal.

When the announcement was made by Finance Minister Trevor Manuel on September 30 it was immediately opposed by the NCF, Seerll and Searll and the manufacturing lobby.

Engineering graduates 'must rise tenfold'

The present annual number of engineering graduates would have to more than treble to meet future demands on engineering resources, SA Association of Consulting Engineers outgoing president, Prof. Emmanuel Gwala, said last night.

"Given an international economic recovery, the demand for engineering services will expand, making it easier for local engineers to operate internationally," consulting engineers would face a major challenge in changes in methods of operations. They would have to compete between barrow, often highly technical, market niches and becoming multidisciplinary in addition to traditional engineering skills. 

It is my view that the present annual number of engineering graduates has to more than treble to meet future demands on engineering resources, Gwala said. Engineering graduates had to start as early as possible in their careers to develop expertise in areas such as telecommunications, nuclear power, or the new space technology, he said.
Although shoplifting is often perceived as a minor offense, it can have severe consequences on the lives of those involved. In fact, many teenagers, especially those who are low-income, get caught up in the cycle of shoplifting. Statistics show that about 30% of teenagers are involved in shoplifting activities at least once a month. This number increases to 50% among those who are not involved in any other criminal activity.

Shoplifting is a serious problem that affects not only the victims but also the perpetrators themselves. Many teenage shoplifters find themselves in a cycle of theft, which can lead to more severe crimes if they are not caught and corrected. In addition, the psychological toll of having a criminal record can be devastating for young people, potentially limiting their future opportunities.

The primary reason for the rise in shoplifting among teenagers is often attributed to financial difficulties. Many teenagers find themselves in a situation where they need money to purchase essentials or to fit in with their peers. This need for money can lead to desperate actions, such as shoplifting.

However, it is important to note that shoplifting is not a harmless activity. It is a significant problem that requires a comprehensive approach to address. Preventative measures, such as education and counseling programs, can play a crucial role in deterring teenagers from engaging in shoplifting.

In conclusion, shoplifting is a serious issue that requires attention from both the community and law enforcement. By addressing the root causes of shoplifting and implementing effective prevention strategies, we can help prevent this behavior from having a lasting impact on teenagers' lives.
Major shake-up looms for accounting profession

Business Staff

The accounting profession is in for a major shake-up if proposals outlined in the Future of Accounting Education in South Africa (Faessa) interim report are accepted.

The report has been drawn up under the auspices of the Public Accounts and Audits Board.

Due for publication early next month, it recommends a four-tier structure as most appropriate to the needs of an emerging economy.

Faessa chairman Peter Booyzen says the proposals, developed in consultation with various professional, educational and commercial bodies, open up the debate.

"The current structure only accommodates the accounting needs of the formal sector and totally ignores the fast-moving informal sector,"

The proposals are intended to provide entry levels, mobility within the tiers, maintenance of standards and a coherent structure for what appears to be a fragmented profession.

Accounting education is to include four components: general, generalised, business, and specialised.

"We recognise that for South Africa to prosper, standards must compare favourably with those of our international competitors and trading partners.

"But the phenomenon of over-qualification for the provision of lower-level accounting services must be avoided."

Universities, institutes, technicals, technical colleges and experience are identified as the key education routes.

The report proposes that educational programmes be evaluated for recognition as suitable preparation for the uniform examinations and registration at the appropriate tier.

Faessa's brief was to analyse the need for accounting information and accounting services.

It also had to identify and define the necessary expertise and to make recommendations on structure, content and scope of education and training to enable accountants to fulfill their role in the public and private financial and business communities.
There is plenty of room at the inn, say hoteliers

BEATRIX PAYNE and MAURICIA KLEIN

There are no good surprises in the hoteliers' Christmas stocking this year, as festive season bookings are only marginally above last year's levels.

Industry sources said occupancies had been fairly good, and forward bookings for the next few weeks were quite promising. Although the Christmas season was traditionally buoyant, they were expecting no significant improvement on last year's sluggish turnout. Hotels were busy, but not full, they said.

A continuing trend was that people were going on holiday for shorter periods and choosing destinations closer to home. Many were also "buying down", opting for limited service hotels or self-catering accommodation rather than the four and five star hotels. This was attributed to the recession and to the increase in available rooms in the market.

Tauris's quarterly review showed that hotel occupancy for graded SA hotels was up 5% in the first six months. Most major hotel groups said occupancies over Christmas were significantly higher, but this would not be enough to lift full year occupancies to a respectable level. Major hoteliers said there had been a decrease in bookings by foreign tourists. A report by the Portfolio of Country Places director Liz Westby-Nunn said although hotels would be full over the Christmas and New Year holiday period, booking pressure had declined since the same time last year.

She said there had been an increase in bookings of self-catering accommodation as a result of the recession. The Western Cape had fared relatively well from international tourism, although hotels were finding it difficult to forecast bookings as many foreigners made accommodation arrangements at the last minute.

Sun International MD Peter Versen said although occupancy rates had trailed through the year, bookings for the holiday period were at the same level as last year.

Versen said there had been no upswing in the number of bookings by foreign tourists. He added that tourism would not increase until foreign tourists were happy that SA was secured and secure.

Safar senior tourism development officer Heidi Keyser said the Western Cape had been the most popular area with foreign tourists, while SA holidaymakers tended to prefer Natal and the eastern Cape.

City Lodge operations director Stephen Ewing said that the highest occupancies were in Cape Town, while Port Elizabeth and Durban were picking up.

He said people had become more price conscious, looking carefully for the best value for their rand.

Protea Hotels Transvaal regional director William Ford said that in time for bookings was shorter, as families waited to see what disposable income they would have towards the end of the year.

He said Cape Town and the Garden Route were popular, but there were still "many rooms available."

Dire shortage of posts for SA law graduates

GERALD REILLY

PRETORIA — Nearly half of the 3 000 law graduates from SA universities this year would be unable to find "suitable" posts in law firms, Legal Aid Board deputy director Tony Hutchinson said this week.

And the gap between the number of graduates and available posts was expected to worsen "indefinitely". Last year 2 121 graduated and 3 000 filled posts with law firms.

Hutchinson said he would find channels other than articles through which candidates could find jobs. He said he was planning to establish 24 community service law clinics over the next 12 to 18 months.

The clinics would provide desperately needed affordable and accessible legal services for South Africans deprived of legal access because of poverty and the high costs involved. At the same time, Hutchinson said, they would provide the two-year practical experience needed by aspirant attorneys to qualify for admission.

The first five — at Umzimkulu, the uMthatha district of the Eastern Cape, and the townships of Johannesburg, Port Elizabeth and Durban — would open at the beginning of the year. It was estimated that the five clinics would handle up to 6 000 cases a year at an average cost of R175.

Hutchinson stressed that changes for entry into the profession through community service and other opportunities developed by the Association of Law Societies should not be seen as a "last resort". There was no danger of a lowering of standards.

Other plans were on the drawing board to meet the urgent need for affordable services in a population with a growing awareness of the law and the protection it could provide.

Hutchinson said recent statistics underscored the need for greater accessibility. In 1994, 62 054 600 magistrate's court cases related to serious offences went unrepresented.
PROFESSIONS

1994 - 1995
focus on achievement

Soweto 28/3/94

There are no accountant role models for black children and this is the main reason for the lack of interest in this profession, writes Mzimku Malunga. Out of about 14 000 chartered accountants in South Africa, only 64 of them are black.

Mrs Nthari Matsau... embarrassingly few black accountants in South Africa.

(248)

Even though the numbers of black students enrolling for degrees in the accounting profession have increased in the past few years, these people are nowhere to be seen in the industry.

"But even here there are constraints. Sometimes you feel like crying after turning down the applications of some children. You wish you could do something, but at the same time you have no means — it's so frustrating," says Matsau.

Problems of black entry into the accounting profession cannot be addressed in isolation, says Matsau. Instead, they should be part of an overall strategy to overhaul the education system in this country.

Programmes of affirmative employment by firms and an apparent flexibility on the part of the PAAB have to be just a portion of an overall scheme aimed at producing more black professionals across the board.

Another surprising factor is that even though the numbers of black students enrolling for degrees in the accounting profession have increased in the past few years, these people are nowhere to be seen in the industry, says Matsau.

Meneane has some of the solutions too.

With the frustrations experienced by many budding black accountants while serving their articles, part of the solution could be that current black CAS should venture into their own businesses so that blacks who are serving their articles can get proper exposure.

"Maybe we as black CAS have to take the bull by the horns and form our own partnerships," he argues.

Embezzling

Matsau's organisation has run a scholarship fund for the last five years with the objective of facilitating black entry into the accounting profession.

The programme was not only aimed at black people, but also at ensuring that black women students aspiring to become accountants get the necessary assistance.

But even here there have been problems. The main one remains funding.

In any given year, Abasa gets more than 300 applications and the organisation can give scholarships to just about 10 percent of that number.

Need and merit are always the key in awarding such bursaries, says Matsau.

Embarrassing

That brought the number of African chartered accountants in this country to 64 out of a total of about 14 000.

The Association of Black Accountants of Southern Africa's executive director, Mrs Nthari Matsau, says the PAAB has even stopped issuing the racial breakdowns when giving out statistics on accountants as the figures are so
PARLIAMENT. — South Africa produces only 32 engineering graduates per million of its population, compared with 323 by the United States and 654 by Japan.

This limited technological advance, Department of Mineral and Energy Affairs director general Mr Piet Hugo said yesterday.

He told the joint committee on the Reconstruction and Development Programme the low level of technical expertise was linked to low rates of mineral refinement.

The RDP would benefit if more was done locally. — Sapa.
Police escort fired workers to station

HARARE — More than 1,200 striking private sector workers in Zimbabwe returned to work yesterday after the government threatened them with dismissal.

The Clan Holdings workers had been demanding a salary review and the firing of a senior manager, the Ziana news agency reported.

"The labour ministry has said you should go back to work because negotiations cannot take place while you are striking," a negotiator told workers.

Bank will respond to union demand today

JOHANNESBURG — First National Bank management yesterday said it would respond by 2pm today to a demand for on-street day care for nursery workers.

Saccawu members marched in the city centre yesterday.

The marchers handed a list of demands to managers at the bank’s head offices and to Mr Roy Gardner, the director of the stock exchange.

False claims spread

Supreme Court Reporter

A BELLVILLE security company boss has alleged that the Security Officers Board and one of its inspectors are spreading false allegations about his company to customers in an attempt to get them to cancel contracts.

The claim was made by Mr. William Norasha, of Custodian Security Ser-
"SA has too few engineers"

PARLIAMENT — South Africa produces only 22 engineering graduates per million of its population, compared with 323 by the United States and 694 by Japan.

Thus, limited technological advance, Department of Mineral and Energy Affairs director general Mr Piet Hugo said yesterday.

He told the joint committee on the Reconstruction and Development Programme that the low level of technical expertise was linked to low rates of mineral refinement.

The RDP would benefit if more was done locally — Sapa.
JOHANNESBURG. — Over R2 million would be paid in November to 15 universities participating in the Public Accountants and Auditors Board education scheme, the board said in a statement. Executive director Mr Lucas van Vuuren said the accounting profession had now donated over R15m.
'SA needs more black professionals'

SOUTH AFRICA's development over the next generation would depend on its ability to generate black professionals to participate in the reconstruction and rejuvenation of public and private institutions, Public Service and Administration Minister Dr Zola Skweyiya said yesterday.

Addressing a World University Service education workshop in Cape Town, he said whites would continue to contribute their skills to public and private enterprise, but South Africa's reconstruction could not succeed on their efforts alone.

"The scale of change called for in the RDP entails a massive expansion of both public and private enterprise that can only be led by a massive infusion of new talent — black talent — with competitive skills and training that span the professional and managerial spectrum."

And if South Africa was to develop its economy and enterprise, it would need a mix of workers.

"Neither the aspirations of the RDP nor long-term, sustainable economic growth will be achieved without massive expansion of black professional talent."

South Africa had to formulate a strategy to generate the half-million or more black professionals needed over the next generation, Dr Skweyiya said.

"It may be necessary to strengthen and expand existing tertiary institutions, or, perhaps, to create new ones. But a major increase in capacity is needed." — Sapa
Accountancy undergoing shake-up

Skills-starved management structures are to get a boost from a major shake-up of the accountancy profession.

A new breed of business-oriented accountants is being conceived to give more clout to commerce and industry.

In a changing job market, some accountancy graduates are struggling to find articles, while experienced professionals find themselves under-employed or sidelined by affirmative action.

To adapt to new times, accountancy requires a strategic change in direction, away from an emphasis on auditing, towards producing accountants with skills in commerce and industry, says Institute of Chartered Accountants commerce and industry director Piet Vlok.

There is an oversupply of auditors, but a demand for accountants with business skills, he says.

Some accountancy graduates are struggling to find articles because of an over-supply of applicants for positions.

Professor David Flynn, head of the University of Cape Town’s accounting department, says it seems accounting firms have reached saturation point in their offices in the major centres.

In 1994, more than ever before, his students battled to find articles with accounting firms in cities. They had to opt for working in offices in smaller rural centres.

Of 180 students in the final year class at UCT, all but 10 had been placed for their articles by the end of November.

However, an accounting profession source says articles completed in rural towns are low on audit content. “It’s good experience, but not the right kind.”

Cape Town accountant Mustaq Brei says the profession is now seeing the results of promoting accounting for the past few years — particularly among blacks.

The profession has catered for increased numbers. “We were bound to have a problem.”

Vlok says the Institute of Chartered Accountants is considering ways of meeting the profession’s changing needs.

There is now a greater demand for accountants with commerce abilities than for auditors, especially with the increase in black businesses.

This means the institute has to make a strategic direction change to meet its responsibility of producing enough suitably qualified accountants.

The institute has tentative plans for a new form of qualification to produce a “chartered management accountant”, as an alternative to conventional articles.

“The experience could be gained at a commercial company, instead of at an accounting firm.”

The chartered management accountant would not be an auditor, but an accountant with commercial experience.

The institute examines the job market for accountants in the cover story of the forthcoming issue of its publication, Accountancy SA.

In the article, placement agency heads say the job market for accountants is picking up, but that there are still many variables which make some people highly desirable, while it is almost impossible to find permanent positions for others.

Under-employed, experienced professionals are being discriminated against, because of their age — about 45 and up, although the 40-45 group is under pressure.

In commerce and industry, these are the accountants who are being muscled out to make way for affirmative action appointees.

Also under-employed are the hundreds of professional assistants within practices who will not make partnership.

Of the 1500 professional assistants qualified and working for auditors, only 300 to 400 will move into partnerships. The rest are destined for the job market.

Married women who have taken a few years off to have babies and who then want to return to work, also fall into this category.
Don’t lower standards say black CAs

BLACK chartered accountants have rejected suggestions by MPs and senators that standards be lowered to allow more blacks to qualify as accountants.

"We should not ask for a lowering of standards to accommodate blacks," Advancement of Black Accountants' (ABASA) treasurer Peter Moyo told a joint standing committee on finance hearing on the audit industry in Cape Town yesterday.

"Blacks are capable and it is most important to get people up to speed.

"We must maintain standards so that people cannot say that now that more blacks are in the profession, standards are lower," Mr Moyo said.

He was reacting to complaints from several MPs that black people found it difficult to qualify as chartered accountants because standards were too high.

ANC senator Joe Foster suggested that standards were deliberately kept high "to keep the numbers small and by so doing, the people who do qualify can command high salaries".

This was also rejected by Institute of Chartered Accountants president Philip Strasdes, who said every effort was being made to ensure that more black men and women qualified.

Mr Moyo agreed and said that the main reason why blacks found it so difficult to qualify was the poor education received both at school and university, especially former black universities.

"A student from a former black university with a B Comm degree does not start at the same starting line as a student from a former white university. We must ensure that they are exactly the same," Mr Moyo said. — Reuters
Serious lack of
SA engineers

A HOPED-for boom in the SA minerals industry could be thwarted by a serious shortage of qualified engineers and scientists, Mintek president Aidan Edwards said yesterday.

Projects such as the Columbus stainless steel joint venture and Alusaf required a large number of skilled personnel, which had to be provided by the SA education system.

Edwards said a lack of scientifically skilled personnel would also affect SA's neighbours, which drew a large proportion of their skills from SA.

He pointed to the falling proportion of students graduating with engineering degrees as one of the major factors for the lack of skilled scientific people in SA.

Edwards said 12 years ago 8% of all graduates were engineers. Today this figure was less than 5%.

The lack of engineers produced by SA was also reflected in that one-third of all engineers working in SA were foreign-trained.
CONCERN about the shortage of skilled accounting professionals from disadvantaged communities had prompted the Institute of Commercial and Financial Accountants of Southern Africa (CFA) to implement a competence-based education pilot programme this year, the organisation said in its latest annual report.

CFA president John Lardner-Burke said while pressure for affirmative action appointments was mounting, the number of suitably qualified people in the accounting profession was insufficient to implement a successful affirmative action programme. "With this in mind the institute furthered its discussions with the Association for Accounting Technicians in the UK on its competence-based education system, which enjoys worldwide recognition."

A pilot programme, introduced during 1995, would be backed by a number of large employer groups which had identified a need for competence-based education in their organisation, he said.

Lardner-Burke said a report on the future of accounting education in SA had recognised that competence-based education was the logical way forward.

CFA executive director Bill Shepard said there had been a 6% increase in new CFA members last year compared with the previous year. This translated into 46 new membership admissions, he said. "This increase is largely attributable to the excellent relationship that has been forged with universities, the main source of CFA members."
Four of SA's practising professional groups have banded together to form the Alliance of Development Professionals, which will lobby government and promote the planning professions.

The alliance consists of the Institute of SA Architects, the SA Association of Consulting Engineers, the Association of SA Quantity Surveyors and the Association of Consulting Town & Regional Planners.

Chairman Cliff McMillan said key issues being tackled by the alliance included urbanisation and labour-based and community contracting methods.

On urbanisation, McMillan said the growth in numbers posed one of the greatest challenges to metropolitan management.

The housing subsidy scheme, together with the low affordability of many households, tended to drive development towards remote sites where relatively cheap land was available. This would condemn communities to permanent dependency, away from the economic mainstream, and more visionary policies were required, he said.
Professionals band together

*Robyn Chalmers*

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New black accountants honoured

THE Association of Black Accountants of
Southern Africa will tonight honour the few
black students who passed their exams to be-
come chartered accountants.

The function will be held at the Rosebank
Hotel.

The number of black people, especially Afri-
cans, in the accounting profession has been a
major concern to many people and one of the
reasons Absa was formed ten years ago was to
ensure that blacks gain access to the profession.

The latest figures show that only 100 of the
16 000 CA's in the country are Afrikaners. Indian
and coloured figures are nothing to write home
about either. There are 350 Indian and 150
coloured CA's, respectively.

Currently the association is working on a
development programme called Project 2 000.

This entails trying to find out why there are so
few black accountants and identifying possible
solutions to the problem.

Project 2 000 will also try to identify possible
intervention programmes and monitoring
mechanisms for such systems.

Career guidance and soliciting funding for
those who want to pursue accounting studies are
some of the organisation's activities.
Accountants commended for getting their act together

BY JOHN SHEEROCKS
KWAZULU NATAL BUSINESS EDITOR

The accounting profession in South Africa has taken a “quantum leap forward in thinking and relevance”, said Terry Norton, the chief executive of NBS Holdings.

In a complete about-turn to the scathing criticism he levelled against the profession in 1988, Norton was full of praise in his address to the KwaZulu Natal Society of Chartered Accountants in Durban yesterday.

“Much has been done to remove or put in train the removal of the bases of the criticism levelled by myself and others previously” said Norton.

“As a profession you have substantially got your act together in terms of basic principles in the key area of financial reporting.”

Norton said that seven years ago when he addressed the South African National Congress of Chartered Accountants in Durban the profession “seemed to be straying towards irrelevance and unacceptable performance”.

At the time he said accounting practices were fudgy and practically unenforceable.

“There were too many elective accounting practices leading to wide inconsistencies between companies and within the same company over time.”

“Fair presentation was a principle subordinate to accepted practices, which were themselves suspect.” Professional firms were moving heavily into financial consulting and jeopardising the principle of professional independence.”

Norton said crucial issues addressed since then included redefining the financial reporting needs of users, the auditor’s role, including the adoption of international standards, enhancing the independence of the auditor and mitigating the effects of litigation.

“On the question of fair presentation and of legally enforceable standards as opposed to unenforceable practices, the profession has proposed amendments to the Companies Act which should cure many of the defects of the past.”

On the question of inflation accounting, Norton said fair presentation “will surely require some indication from responsible companies of the effects of inflation on earnings and assets, particularly from those companies which are asset-intensive.”

He said over-manipulation of extraordinary and abnormal items were obvious areas for treatment in pursuit of fair presentation.

Concerns regarding equity accounting were countered by the profession’s requirement that assets and liabilities of significant associate companies be shown in notes to the accounts, said Norton.

The question of independence of the auditor in the face of practices such as opinion shopping by clients looking for the most pliable consultant, remained a worry.
Black to head up accounting body

JOHN VILJOEN
Business Reporter

SOUTH Africa's chartered accounting professional body will have its first black president in 1998, as part of accountants' efforts to change the virtually all-white face of their ranks.

Black advancement remained the South African Institute of Chartered Accountants' top priority, institute president Theo Jager said in an interview this week. The institute's council had now decided to apply this philosophy to the governing body's top position.

A candidate to fill the post, had already been identified but could not be named at this stage, he said.

Asked whether the appointment would not be viewed as tokenism, Mr Jager said institute rules laid down that the person elected president had to be the best for the job.

The same rules applied to the proposed 1998 office-bearer, Mr Jager said. "He (the candidate) is the best man for the position. He has, I believe, the backing of the black business world.

"In no way will it be tokenism."

All but 500 of South Africa's 16,000 chartered accountants were white, he said.

Aside from the plan to have a black president, the institute would, by the end of the year, increase the number of blacks in its 16-strong council from one to four.

In addition, the institute supports and encourages academic support programmes run by the universities.

The profession has also set up an education trust which is largely funded by accountants. This provides bursaries for mainly black disadvantaged students.

Another area of support was through the mentoring programme.

Trainee chartered accountants from disadvantaged backgrounds were allocated mentors during their three-year (five-year for non-accountancy graduates) training period in accounting firms.

The institution had also introduced a voluntary code of intake of black trainee accountants at firms. The target was that one in every three trainees be black, up from a target of 15 percent last year.

The "big six" accounting firms were enthusiastically participating in the programme, Mr Jager said.

The shortage of suitably educated blacks who could enter the profession was, however, a problem.

In its efforts to increase the number of blacks in the profession, the institute was working closely with ABASA, the Association for the Advancement of Black Accountants of Southern Africa, he said.

"We need them as a pressure group and we will certainly consult them."

Trade and Industry minister Trevor Manuel had pledged speedy action to have a new Standing Advisory Committee on Company Law appointed, Ken Mockler, the institute's chief executive, said.

The lack of such a body, which advises the government on changes to the Companies Act, had been a source of concern to accountants and business.

Mr Manuel had said the appointment of a committee could be expected "within the next few weeks."

Legal backing for accounting standards was one of the first issues the institute would like to see the committee dealing with, Mr Mockler said.

Draft legislation making it a civil offence to contravene the Generally Accepted Accounting Principles had been presented to Mr Manuel.

The legislation would hopefully come before parliament by the second quarter of next year, Mr Mockler said.

Mr Manuel has also appointed an acting registrar of companies, Koos Smith. The post had been vacant leading to concern over the ability of the registrar's office to process statutory company documents.
Black auditors open firm

A TEAM of black chartered accountants launched an audit firm this week to tap opportunities presented by a changing South Africa.

Led by experienced chartered accountants Rabogane Moses Kgosa, Edson Magondi, Tshidi Mokgabedi and Themba Tshikovhe, the team aims to audit and service the ever-increasing needs of the business community.

A spokesperson Mokgabedi says, the launch of the partnership has been necessitated particularly by growth in the black business sector.

She says many companies have been under the impression that there are no black chartered accountants in the country and the partnership's challenge is to dispel this myth.

Mokgabedi says her firm will adhere to the highest standards of professionalism and will act as a catalyst in the implementation of RDP objectives.

Mokgabedi, who holds various degrees from local universities, is a trustee of an education foundation, that is addressing adult education nationally.

She has at various times delivered papers on critical issues in the accounting profession.
African's Lawyers Help the Community
Manuel wags finger at professions over ethics

Trevor Manuel, the minister of trade and industry, has strongly criticised the legal and accounting profession for their ethical standards.

In a speech, which read like an ethical indictment, at the annual meeting of the Association for the Advancement of Black Accountants of Southern Africa (Abasa), Manuel criticised the dominance of the accounting profession by six major firms, saying there needed to be more competition in the field.

He suggested that entry barriers into the profession be lowered.

Manuel severely criticised the Cape Law Society for being bold enough to cover up for a number of its members from prominent law firms in and around Cape Town, who had been found guilty of misconduct by closed and secret inquiries.

"Individuals who should be upholding ethical standards, and an organisation that should be the custodian of these standards, is prepared to let members off the hook for bringing public servants," he said.

It was correct that public servants should be charged, but so should those who bribed them, he said.

As in the legal fraternity, there was much to be done about ethics in accounting. Manuel criticised the way in which accountants saw it as "morally fit to continue to design formulae to ensure clients contribute less and less to the coffers of a democratically elected government.

He warned that "there is no point in trying to pull the wool over the eyes of this government or to pull a fast one."

Manuel criticised the manner in which some firms of accountants had dealt with a number of sophisticated cases. He cited instances of harmful business practices and naked exploitation of vulnerable individuals by questionable and dubious schemes.

"Every time these cases have arisen, some or other firm of chartered accountants has given such cases a clean bill of health," he said.

On the issue of entry into the profession, Manuel said there were many people who were clearly not chartered accountants or were accountants of a somewhat different variety, who felt excluded by the "the very thin sliver of chartered accountants.

He said if the old-order elite was not prepared to extend a hand and build a bridge then associations like Abasa should do so.

In another speech to the Grocery Manufacturers' Association, Manuel told the industry that if anyone came to him or his department asking for protection from competition they would probably be turned away.

"But if you come to me with a request for assistance to sell your products in the global economy, I will give you all the support I can."
JOHANNESBURG. — The first trade association of black professionals involved in financial markets, the Association of Black Securities and Investment Professionals (Absip), has been launched.

Absip said it wanted to increase the intellectual and economic wealth of blacks through the enhancement of participation in financial markets.

"Such an organisation was critical to the black business community as it sought to enter the economic mainstream," said Absip president Mole Mogase.

Speaking at the launch in Johannesburg, Centre for Small Business Promotion chief director Alistair Ruiters said to create the means for blacks to take part in the mainstream economy would require the resources of business, government and individuals committed to creating sustainable economic growth.

"Today we mark the founding of a group who will contribute greatly to accelerating this process," Mr Ruiters said.

Mr Mogase said Absip comprised black professionals working at major financial institutions.

It wanted to bring together black professionals in the financial services industry and provide "educational and technical assistance, and scholarships for internships in the brokerage, finance, merchant banking and related fields re".

Advisory services would be provided to increase the number of black brokers at major finance firms and to increase the awareness among black business of the value of capital markets, Mr Mogase said — Sapa.
Saica issues new accounting standard for construction contracts.
Dull profession faces dramatic times

From The Economist

For a profession famed for its dullness, these are truly dramatic times in the accounting world. Large accounting firms are struggling under a mountain of liability lawsuits, often arising from the collapse of firms they have audited.

So great is the problem, especially in Britain and the United States, that insurers have all but closed their doors to the bean-counters, who have had to turn to money-minders to cover themselves instead.

For Britain's big six accounting firms — Arthur Andersen, Coopers & Lybrand, Touche Ross, Ernst & Young, KPMG and Price Waterhouse — the annual cost of insurance and settlements in Britain alone stands at around 8 percent of their local fee income. In the United States, it is about 12 percent.

The large accounting firms operate under the legal principle of joint and several liability as partnerships. This means that when a company collapses, its auditors, who not only have deep pockets but cannot disclaim, may be hit for the entire bill if they were negligent, even if other parties were careless.

Moreover, if the claim amounts to more than an auditing firm's capital, all of the firm's partners are liable down to their bootstraps, even if they had nothing to do with the error.

At least they were until now. On October 3, after 15 months of internal debate, KPMG, Britain's third-largest accounting firm, announced that it would incorporate its auditing business as a limited-liability company from next year.

KPMG Audit will become the first big British auditor to open its accounts to public scrutiny (after pedling a rival to check its books). The move was decided in a referendum of its 580 partners, who voted overwhelmingly in favour. By partially incorporating, KPMG is the first British accounting firm to desert the hallowed tradition of partnership.

Although complicated and expensive, incorporation appeals to most, if not all, of the big six. Coopers & Lybrand and Price Waterhouse have set up task forces to study their options. Even Arthur Andersen, previously opposed to the idea, is now considering such a move.

"For all of us, it is a question of when, not whether," said one senior accountant.

But incorporation is little more than a half-measure. All it does is shield partners' personal assets from claims concerning audits they were not involved in. It will not help stem the tide of lawsuits, as negligent partners and the company can still be held liable for all they are worth.

And incorporation also has its disadvantages. Incorporated auditors may pay more tax than partnerships and have to publish profit figures (something the big firms have not done in the past).

Accountants hope incorporation is just the beginning of a solution to their legal woes. Last year, the big six launched a campaign to amend Britain's Companies Act so that they could negotiate liability caps on a contract-by-contract basis. That got nowhere.

Now they have a more ambitious goal: substituting proportional liability for joint and several liability. Under such a system, claims against firms would go to arbitration.

If found guilty, the auditor would pay that percentage of the total claim that the court deemed to reflect its degree of negligence, rather than the whole amount.

In practice, however, their dreams are unlikely to come true in the near future. Britain's Department of Trade and Industry has asked the quasi-independent law commission to look into the possibility of reforming liability law. But progress is slow.

The commission said it was not even sure whether it was the right body to pursue this.

Walter Merricks of the Law Society, the professional body for solicitors, said accountants had only a "minor chance" of getting their way. If they did, other professionals would benefit too.

"The smaller an auditor's liability, the greater the chance it will approve suspect accounts. The bigger the chance, the bigger the claims against ourselves," said a senior accountant.

The House of Representatives and the Senate have passed laws permitting proportional liability. The two must now be merged and approved.

Most American accounting firms have already changed to limited-liability partnerships. British law forbids this.

Britain's legislators will have to perform a fine balancing act. Auditors do sometimes get picked on when clients fold. Unlimited liability keeps them on their toes.

Peter Monzer, professor of accounting at Leeds University, said the smaller an auditor's liability, the greater the chance that it would approve dodgy accounts.
A new scheme to tackle the shortage of trained accountants at all levels of South African business could provide thousands of workers with valuable qualifications, according to the agency promoting the scheme.

The Accounting Training Corporation of Southern Africa (Atcor) aims to provide on-the-job tuition in basic technical accounting skills for bookkeepers who might have been doing their jobs for years, but who lack formal training.

The company ended a four-day seminar to train assessors to work within companies last week.

"South African commerce has demanded this sort of programme," said Roger Pearce, the managing director of Atcor.

"The certificate obtained at the end of the course will be proof that the person can do the job. It has the full endorsement of the South African Institute of Chartered Accountants."

There was no question of devaluing professional standards, Pearce said, since trainees would qualify as technical accountants, not chartered accountants.

The course, based on a mix of continuous assessment and yearly examinations, lasts three years and will cost a company about R3 000 a year for each student.

"Managements decided to implement the programme as a form of upliftment," Pearce said.
Scheme to upgrade accountants

By Fiona Leney

Johannesburg — A new scheme to tackle the shortage of trained accountants at all levels of South African business could provide thousands of workers with valuable qualifications, according to the agency promoting the scheme.

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Call for creation of more black accountants

Cape Town — South Africa needs to provide greater opportunities for the training and growth of black people wishing to enter the accounting profession and should adjust its education system to assist members of previously disadvantaged sectors to enter the profession.

So says Yunus Suleman, a partner at Arthur Andersen Cape Town and chairman of the Advancement of Black Accountants Association of South Africa (Abasa) in the Western Cape, which would like to see its target intake of 35 per cent of trainees into the profession being black, increased to at least 80 percent within the next decade.

Suleman said there were currently about 94 chartered accountants in the country who were black and even the combined black figure of 658 was a low 4 percent of the total number of about 16,000 chartered accountants in the country.

"Abasa is not seeking to promote black accountants on the grounds of race. Rather we wish for promotion based on merit and we deplore tokenism, which appears to be the common view of affirmative action.

"We do not want to see the lowering of standards nor the setting of quotas. However, we would like to see targets set for a greater representation of black accountants in the profession."

Abasa, he said, had embarked on an awareness programme to focus on accountancy as a career option concentrating in particular on the quality of accountancy education at black schools.

The association is also pushing for a change in the entrance qualifications at universities for which matric mathematics has been a requirement and is actively canvassing companies to offer aspirant accountants holiday jobs to familiarise students with the profession.

Mentoring was also being encouraged, Suleman said.

He said Abasa on its own could not achieve the changes needed to turn around the profile of the profession.
PROFESSIONS.

1996 – 1997
Accountants fall out over proposed industry body

Adrienne Gillonie (21/7)

A row has broken out in the accounting industry over plans to form a new representative body.

The Institute of Commercial and Financial Accountants (ICFA) has hit out at the SA Institute of Chartered Accountants' (Saca's) recommendation that its members comprise 70% of the council of the proposed new structure.

The organisation, to be formed from a restructured Saca, will offer wider access to membership and will have four levels of members — chartered accountants, general accountants, accounting technicians and students. Saca is to hold a referendum in March to gauge approval for its formation.

But CFA executive director Bill Shellard has criticised Saca for proposing the absorption and control of most other accountants within the new structure and seeking "monolithic dominance" of the profession. Saca did not want to recognise existing accounting bodies in the umbrella structure, he said.

He said Saca failed to recognise the role each accounting body played in the economy and the independent contribution made by them.

Saca deputy CEO Graham Terry said Saca was structured to meet the high level accountancy needs of SA. "The business community wants an institute with international links and strong resources to fill this gap, and research indicates Saca is the preferred vehicle for commerce and industry."

He denied that Saca aimed to absorb most other accountants, and said the proposed structure might lead to a merger with one or two other institutions."
Opposition to new initiative

By Isaac Mvéldy

By combining accountancy into new SA,
Accountants disagree on how to

SOWTIAN

SOWTIAN Thursday January 25 1996

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Black CAs the aim of project

By Isaac Moledi

THE ASSOCIATION for the Advancement of Black Accountants of Southern Africa (Abasa) says its Project 2000 hopes to achieve a "significant" number of black chartered accountants by the year 2000.

Ideally, says convener Sango Ntsaluba, Abasa would have liked to see 2,000 black chartered accountants in the next four years. But realising that the number of black CAs is currently less than 100, the organisation is aware that the 2,000 mark cannot be reached by the turn of the century.

Project 2000 follows the findings of a study commissioned by the association last year which revealed that the process of qualifying as an accountant in South Africa was traumatic and frustrating.

The study, completed in December last year, sought to determine the nature of the obstacles and barriers faced by blacks during the process of qualifying as CAs.

The case studies revealed lack of access among blacks to the institutions which form part of the qualification process.

It also revealed how difficult it was to gain entry into good schools and universities and supportive accounting firms which offered a wide range of auditing experience.

**Difficult to gain access**

According to the report, "This research has clearly shown that, for most blacks, it is difficult to gain access to institutions which enable them to qualify as CAs."

Ntsaluba says the research findings are a step to determine what direction to take.

"We needed to find out why more black people were not qualifying as CAs, before we could make recommendations," says Ntsaluba.

He says the accounting profession indicated 10 years ago that if South Africa was to sustain economic growth the country would need at least 2,000 black chartered accountants by the year 2,000.

"Despite this stated need, the growth in the number of black chartered accountants has remained minute. That is why we made a commitment to the Project 2,000 action plan in 1994," says Ntsaluba.

Out of 16,000 CAs in South Africa, only three percent are black. Of this three percent, just under 100 are African CAs, says Ntsaluba.

"Short-term and long-term recommendations have resulted from the research. Many of the recommendations can only ultimately be implemented by the government."
Accountancy Groups clash

on restructuring proposal

ST 4/2/96

(248)

by THAD ROBERTSON

A NOT in Svain in the accountancy re-

structurings the profession's increa-

sing cost and widening of different-

ations. These need to be discussed.

The current move towards re-

structuring is well-intentioned and

necessary. However, there is a

need to ensure that the proposed

changes are implemented in a

way that does not undermine the

quality of accountancy services.

The profession must ensure

that the changes are implemented

in a way that does not undermine

the integrity and impartiality of

accountants. It is important that

the changes are implemented

in a way that does not lead to

a conflict of interest.

The profession must also ensure

that the changes are implemented

in a way that does not lead to

a reduction in the quality of

accountancy services. It is

important that the changes are

implemented in a way that does

not lead to a reduction in the

number of accountants.

The profession must also ensure

that the changes are implemented

in a way that does not lead to

a reduction in the availability

of accountancy services. It is

important that the changes are

implemented in a way that does

not lead to a reduction in the

availability of accountancy

services.
New school will create more black accountants

By STUART RUTHERFORD

Durban — The number of black accountants in South Africa will rise 20 percent if half the students enrolled in the new Deloitte and Touche-School of Accounting pass their exams.

Of the 15 000 registered chartered accountants in South Africa, only 98 are black. The shortage of black chartered accountants is what motivated Deloitte and Touche to open its school of accounting.

The training would enable disadvantaged students to “compete on a level playing field when they go into the work environment,” said Vasu Naidoo, partner-in-charge of Deloitte and Touche in KwaZulu Natal.

The school catered for post-graduate students studying accounting through Unisa and provided them with academic support for these degrees as well as practical and life-skill training, said Naidoo.

He said the practical portion was case-study driven. Nine training modules covered everything from computers to simulated auditing.

He said although the practical side of the training was not accredited, students completing the modules would be issued certificates and assessments by the school.

Neville Deneane, the director of the school, said he hoped that in the long run, the school would set a “benchmark for practical training of accountants”.

He said the company was hoping to train about 160 black students this year.
Shortage of black accountants: There are only 150 black chartered accountants in South Africa. This year Coopers & Lybrand has employed 300 professional staff from other population groups to help redress the problem. The company is affiliated to the Association for the Advancement of Black Accountants of South Africa, which claims the industry is biased against blacks.
Accountants vote to broaden their ranks

Johannesburg — Members of the South African Institute of Chartered Accountants (Sacca) have voted overwhelmingly in favour of changing its membership structure to allow greater access to the profession in spite of opposition from smaller industry bodies who feared their existence would be threatened.

The change will see the institute provide four levels of membership to accommodate students, technicians, general accountants and chartered accountants.

Ken Mockler, Sacca’s chief executive, said yesterday: “This recommendation will enable candidates to enter Sacca at various levels, and will effectively remove existing barriers to entry. Furthermore, it will facilitate the upward mobility of candidates, enabling them to rise to the levels that their abilities allow.”

Mockler said the requirements for entry levels would be submitted in June to the institute’s council for approval with implementation planned for next January.

Sam Abraham, a representative for large practices at Sacca, said the changes would go a long way towards alleviating the chronic shortage of accountants in the country, especially black accountants, who make up only 600 of the country’s 16 000 chartered accountants.

He said he hoped the changes would help make accounting a profession of choice for blacks and continue to uphold the institute’s high standards.

“We are now part of the global village, trying desperately to attract investment in order to provide jobs. It is necessary for people to continue to trust us. We are not going to hand out qualifications to people who do not deserve them,” Abraham said.
Saica boosts membership

Amanda Vermeulen
BED 12/3/96

PROPOSALS to widen membership of the SA Institute for Chartered Accountants had been voted through, the institute said yesterday.

Saica CEO Ken Mockler said 88% of the 5 000 members who voted were in favour. The re-structuring would see the institute with four entry levels, compared to the current one.

The aim was to attract people who had previously not had access to representation.
Chartered accountants vote for change

By Shadrack Mashalaba

MEMBERS of the South African Institute of Chartered Accountants voted overwhelmingly to adopt proposals to repurpose the organisation, with implementation of new requirements coming into effect from next January.

SAICA, with a national membership of 15,791, said they opted for repurposing after canvassing support from members - to introduce a multi-entry level system, adapt to the changing environment, promote black advancement, reduce white elitism and for the introduction of lower and middle level accountants.

Results show a landslide victory in all provinces with Gauteng posting 89 percent of the 2,605 members followed by 88 percent in Western Cape and other provinces.

Announcing the referendum results on Monday at Integrates House, Bruma Lake, in Johannesburg, SAICA chief executive, Mr Ken Mockler said out of 4,928 replies, 88 percent voted in favour of the repurposing recommendations with 11 percent objections. The results open the way to proceed.

Mockler said now that the results have been analysed, the next step is to frame entry requirements for each level.

SAICA is already preparing implementation plans for approval by its council in June. Thereafter, the entry requirements will be made known as widely as possible.

The organisation will also introduce a four-level career ladder system consisting of students, accounting technicians, general accountants and chartered accountants with each tier having its own governing board.

"New members need not do articles as an entry requirement but can gain membership while they receive training. This will be a special avenue for people in the commercial and industrial sectors," said Mockler.

SAICA's commercial and industrial representative, Mr Pierre Kneger, said the results of a referendum reflected the will of the membership and will broaden the degree of interest in the profession.

"South Africa is facing a chronic shortage of accountants and the new order will not debate standards, but the principle of merit and ethical standards will be maintained on a level playing field," added SAICA's large practices representative, Mr Sam Abrahams.
Accountancy survey stresses training

BY FRANCINE BOUTA

Cape Town — Most blacks struggle to gain access to institutions that will enable them to qualify as chartered accountants, according to research released yesterday by the Association for the Advancement of Black Accountants.

The finding follows closely on last week’s announcement by the South African Institute of Chartered Accountants that it is extending membership to students, technicians and general accountants.

Of the 14,000 chartered accountants in South Africa, fewer than 75 are black. The association aims to increase this number to 2,000 by the year 2000 and programme has been proposed to develop skills.

The association’s survey stressed that it is up to the profession to train people.

The association said there was a lack of access to good schools and universities as well as supportive accountancy firms to offer a wide range of auditing experience. It recommended that the quality of maths and accounting education be improved.

These changes should take place on a national and provincial level to retain teachers, upgrade their skills and improve teaching methods.

The association also recommended that entrance requirements be reassessed to establish a student’s potential, in addition to evaluating matric results.

“Changing entry requirements will not automatically lead to a drop in standards at a university. Either they are maintained, or they drop in relation to the abilities of lecturers,” an association spokesman said.

“In historically white universities, it is not so much the lecturers’ skills that need to change, but their approach.”
Accountancy firms accused of racism

CITY accountancy firms have been accused of paying lip service to political change while remaining prejudiced against blacks training to be accountants.

"Black trainees are being recruited into most firms but they are denied opportunities to develop," Chantal Cuddumby of the Community Agency for Social Enquiry (CASE) told members of the Western Cape branch of the Association for the Advancement of Black Accountants of Southern Africa (ABASA).

CASE was commissioned by ABASA to research problems black people experienced in qualifying as chartered accountants.

Ms Cuddumby said only eight percent of students who passed the exam to become chartered accountants were black because African, Indian and coloured students continued to be denied adequate access to training. Many historically African schools did not teach mathematics, students had poorly trained lecturers at black universities, and accountancy firms offered limited opportunities for doing audits in the workplace.

Black trainees she interviewed said firms gave important audits to white trainees, "because the white partners have more confidence in them."

They also complained that the firms' clients discriminated against them on a regular basis, and that very often firms accommodated the clients' prejudices.

"Sometimes they felt they were taken off a job simply because the client objected."

Representatives of accountancy firms told her black trainees lacked drive, initiative, and confidence.

A common perception among established accountants was that black trainees had little knowledge of the business world "because of their background where family members are labourers," as one partner told Ms Cuddumby.

More families lay claim to Olympic site

THE number of former Ndabeni families who are claiming more than half of the Wingfield site, which is also the city's prime Olympic venue, has swelled to 380 families.

Gilbert Fesu, chairman of the KwaNdenbe Land Restitution Committee, said most of the claimants lived in Langa, where they were relocated in the early 1960s, but that others were as far afield as the Transkei, Free State and Gauteng.

He said the committee had not given the Azanian People's Organisation any special brief to represent them, and among the claimants were supporters of the African National Congress, Pan African Congress and the National Party.

Mr Fesu said the claimants were intending to lobby the International Olympic Committee to achieve their objectives.

A spokesman for the regional land claims commissioner said a mutually acceptable mediator would be appointed.
Shortage of CA's pushes pay into the top bracket

A newly qualified chartered accountant can expect to earn as much as R160 000 a year while one with eight to 10 years' experience can expect a package of about R300 000.

Darielle Pettem, managing director of Kessel Feinstein Professional Recruitment, says these figures became apparent during a survey of candidates interviewed by the firm between January and October last year.

The firm found that recently qualified accountants can expect to earn R160 000 to R180 000, and those with one to two years' experience R155 000 to R200 000.

With three to five years' experience, accountants could earn R180 000 to R215 000, with five to seven years R200 000 to R220 000, and with seven to 10 years R220 000 to R300 000.

The survey excluded performance bonuses, equity stakes and profit-sharing schemes. Packages have been calculated on a cost-to-company basis, including company contributions to medical aid and pension funds.

Kessel Feinstein says that as salary packages move upwards on a sliding scale, there is often a significant overlap of salary ranges, depending on different levels of experience. The overlap is caused by a number of factors, including company policy towards remuneration and the candidates' promotion history.

Recently qualified accountants with above average abilities are eagerly sought after by blue chip groups, which are prepared to pay well to get these trainee executives on board.

South Africa, however, faces a shortage of CA's, a problem which will be exacerbated as the country enters one of its busiest financial periods in a long time.

Lynne Frost, managing director of the Tower Group, says there is some hope of easing this shortage through changes to the SA Institute of Chartered Accountants' training requirements. These propose that training contracts or articles be made available in the workplace as well as in auditing firms, concurrent with the usual academic studies, making it possible to match the growth of the candidate to the exams.

These changes, though, will take time to filter through the system.

"Meeting the demand for CA's has therefore become a major challenge. At the same time, certain companies are reluctant to become committed to long-term employment of qualified accountants, fully appreciating that their peak period of demand for an accountant's skills is limited to perhaps six months of the year," says Mrs Frost.

The appointment of a temporary accountant could be the answer, she says.

"The first quarter of any year is one of those peak periods with financial year ends or interims and fiscal year ends all coinciding. To meet this need strategically, without the long-term commitment to permanent employment, and to take the load off the existing staff, the temporary industry offers the option of drawing on a different set of experienced and qualified accounting staff."

In general, the use of temporary accountants offers genuine benefits to both the individual and the employer and is an option that should be seriously considered by any management intent on maximising productivity during pressure periods and minimising costs during off-peak periods, says Mrs Frost.
Paab to train more black accountants

By Isaac Moledi

THE Public Accountants and Auditors Board (Paab) is to release guidelines on the restructuring of the accountancy profession.

The process, which is expected to be implemented towards the end of this year, is likely to be welcomed by many in the profession as black people have voiced concern that not enough is being done to redress the imbalances in the profession.

No access for blacks

Black accounting bodies have been complaining that black people have no access to institutions which decide on the process of qualifying as an accountant.

They also argue that the process of qualifying as a chartered accountant is traumatic and frustrating.

The latest figures show that only about 100 of the 16 000 chartered accountants in the country are Africans while the figures for indunas and coloured hover around 350 and 150, respectively.

Although there have been various training programmes by different accounting institutions with the aim of increasing the number of accountants in the country, there is still a dire shortage of black accountants in the country.

A recent survey of the top 100 local companies by the South African Institute of Chartered Accountants highlighted the need for well-trained accounting support staff.

Respondents to the survey indicated that for every qualified accounting manager, about six support staff are needed but they are not readily available in South Africa at the moment.

Paab, which is a statutory body whose examinations have to be passed before qualifying as a CA, says the restructuring of the accounting profession is aimed at creating a unified structure for the accounting profession.

Restructuring

The boards' public relations officer Nicola Bush says there has been confusion within the profession about the restructuring process but this will be addressed through a series of meetings to be held with stakeholders.

The first one was held yesterday at Bruma Lake.

She says an interim representative council, in which all stakeholders in the accounting profession, the tertiary education sector and state departments are represented, was established late last year to spearhead the restructuring.

"Details about the new structure are expected to be announced on May 22," says Bush.
Affirmative action is important, but where are the skilled candidates?
SAICA appoints Mabena as director

By Russel Molote

THE South African Institute of Chartered Accountants has appointed a black advancement director as part of the transformation process to bring the organisation in line with the country’s demographics.

The director is Phindi Mabena, who used to be a career officer of the Western Cape Regional Association of Chartered Accountants.

Speaking at a luncheon in Bruma, Johannesburg, over the weekend, Mabena said her primary role was to assist the SAICA become more representative of the population and to encourage more blacks to participate in the organisation’s committees.

“It is essential that black people are encouraged to enter the profession. Although there are blacks taking courses on accountants at university level, there is also a high failure rate and this is partly due to a lack of business exposure earlier on,” Mabena said.

She believed that the financial assistance to be provided to black students entering the profession should be supplemented with life skills such as mentoring and more exposure to business practice while still at universities.
Fewer students choose engineering.
Skilled staff exodus near SA could suffer a great shortage of trained information technology professionals in future, if one goes by the number of inquiries about overseas employment.

NJA International, a recruitment and placement agency, launched four months ago, has been inundated with inquiries from information-technology professionals seeking positions outside of SA.

MD Kathy Robinson said the company is handling placements in the US, UK, Australia and New Zealand.

"Unfortunately, because of the political and economic uncertainties in SA, skilled people are leaving the country faster than they can be replaced," Robinson said.

"Hot" computer skills, wanted by many overseas firms, were in Natural/Adabas, Construct; SmallTalk; SAP/BAPI; Cobol; CICS; UniFace; Hogan, DB2 and Oracle.
Accountants dismiss university survey

Adrienne Giliomee

THE SA Institute of Chartered Accountants (Saica) and Pretoria University's School of Accountancy are at loggerheads over a survey that found that accountants and auditors did not support Saica's proposed repositioning.

The institute issued a discussion paper (DP14) last year in which it proposed additional membership levels to accommodate a wider spectrum of members, including students, accounting technicians, general accountants and chartered accountants.

The University of Pretoria survey — conducted in October last year and released yesterday — said most respondents believed the proposals would lead to the lowering of standards. And most said Saica had not discussed the proposals sufficiently.

It said legal difficulties were also likely because the Chartered Accountants Designation Act allowed every member of Saica to be referred to as a "chartered accountant or CA".

Saica CEO Ken Moekler said the institute had received legal advice on how to deal with the legalities. He said Saica members had voted overwhelmingly in favour of the proposals in a referendum in March. Of almost 5 000 approached, 88% voted in favour of repositioning, with a 31% response rate.

The university survey of 4170 had responded from 17%.

The university's School of Accountancy research co-ordinator Dieter Goeck said 60% of respondents believed the new structure would not lead to an increase in the number of qualified CAs from educationally disadvantaged backgrounds.
Three black firms in big merger

KMMT Brey intends to invade SADC market in the near future

By Shadrack Mashalaba

Three black auditing, accounting and business consulting firms have merged to form a multimillion rand auditing company yesterday.

The firms are Kgosana, Magono, Mokgabadi, Tshetshwe and company, M Brey and Associates, and IS Pillay and Boyd. They have a combined turnover of R20 million.

The three firms will now operate under the new name KMMT Brey.

KMMT was formed by four partners in 1995, while M Brey and Associates was formed in 1985. IS Pillay and Boyd was the result of a merger of two accounting firms in 1993.

Among them they offer services such as taxation, statutory auditing, human resources, development agency services and other related services.

Addressing a briefing in Johannesburg yesterday, KMMT Brey chairman Moses Kgosana said the merger was born out of a working relationship and contact the three had formed when they were doing auditing work for Transnet early this year.

"We have developed a synergy that will allow us to consolidate our resources and expertise to build a stronger team that will offer our clients a service," Kgosana explained.

"This service will reflect the diversity of our country and take into consideration the changes and needs of the market place," Kgosana said.

"In the past few years South Africa has seen a series of such mergers which have consolidated the country's 'big 10' accounting firms to the present 'big six.'

Kgosana added that the merger was not on a road towards monopoly in the profession but an association born out of shared interests.

Of the 16,000 chartered accountants in South Africa, less than four percent are black.

The new company will have 15 partners with a staff complement of 100 to 150 professionals and 30 support staff.

Primary focus

KMMT executive committee member Mustaq Brey said the primary focus was to become entrenched in the market.

"If we intend to be significant in the market we need to maintain a national presence.

"Currently we are engaging overseas partners and we hope to have a partner in three years' time. Another focus is to invade the Southern African Development Community market.

"About 15 percent of the overall work of the company is from the government and the rest from private clients.

"We want to be more than a black company - our intention is to reflect the diversity of our country. Our mission is to create an awareness of business opportunities in the accounting profession and to offer training to disadvantaged communities," said another director, Naren Maharaj.
Merger forms biggest
black auditing firm in SA

By Jabulani Sibeko
BUSINESS EDITOR

Johannesburg — Three black auditing and business consulting firms — KMMT, M Brey & Associates and IS Pillay & Boyd — have merged to form a new company, KMMT Brey, South Africa’s biggest black-owned auditing firm.

The merger, which took effect yesterday, comes within less than two months after the merger of four other black auditing firms.

Moses Kgosana, the chairman of KMMT Brey, said yesterday the merger was motivated by the realisation that it was becoming costly for the individual firms to service clients in other metropolitan centres.

The three firms had strong bases in each of the three major cities — Johannesburg, Cape Town and Durban.

“We have merged to consolidate our resources and expertise to build a stronger team which will offer our clients base a service which reflects the diversity of our country and takes into consideration the changes and needs of the market places,” he said.

KMMT Brey will have 15 partners and a staff of 150 consisting of 100 professional and 50 support staff.

The firm starts with about 200 clients, ranging from small enterprises to government bodies.
Second merger as black practices ‘consolidate’

Patrick Wadula

NEW accounting and auditing firm KMMT Brey would be launched this month after the merger of three independent black practices, newly appointed chairman Moses Kgosana said yesterday.

The practice — Kgosana Magunto Mokgabodi & Co (KMMT) — has teamed up with Cape Town-based M Brey & Associates and Durban’s IS Pillay & Boyd.

This is the second black accounting and auditing firm to merge after four other black practices merged in June.

“We have merged to consolidate our resources and expertise and to build a stronger team (offering) our client base a service which reflects the diversity of the country and takes into consideration the changes and needs of the market place,” Kgosana said.

The new company, representing 150 years of experience, will have 15 partners with a staff complement of 150, including 100 professionals and 50 support staff.

“In the past few years SA has seen a series of such mergers which have contributed towards consolidating the country’s ‘big 10’ accounting firms to the present ‘big six’,” said Kgosana.

He said the merger was a positive move towards improving participation of blacks in SA’s economy, from small and emerging to big business.

The firm is expected to play a leading role in the reconstruction and development of SA through provision of a strategic range of services relevant to the country’s current business climate.

The company also intends building capacity by training black accountants in the new areas it will move into with the aim of increasing the number of black accountants in SA. Of the 18 800 chartered accountants in SA fewer than 4% are black.

“We are going to go into the universities in the new areas and recruit students for training by offering them articles of clerkship through accounting and auditing training,” said Kgosana.

The firm — which already has offices in Johannesburg, Durban, Cape Town, Kimberley and Port Elizabeth — is due to open branches soon in Pietermaritzburg, Nelspruit, Mmabatho and Bloemfontein.
Black accounting firm expands

(248) CP 25/8/96

By CHRIS HLONGWA

SOUTH Africa's largest black accounting firm launched its Durban office this week and will open others in Bloemfontein, Pietersburg, Nelspruit and Mmabatho within the next six months.

KMMT Brey, the result of a merger of three established practices - Kgosana Magondo Mokgabudi Tshikovhi & Company, M Brey and Associates and J S Pillay & Boyd, already has offices in Johannesburg, Cape Town, Kimberley and Port Elizabeth.

The firm is now big enough to service large clients such as the government, parastatals and newly formed black corporates.

KMMT Brey is the eleventh biggest auditing and accounting firm in the country, with 15 partners and 150 staff members.

Chairman Moses Kgosana said, “The merger is a positive move towards enhancing the participation of blacks in the South African economy from being regarded as small and emerging to big business.”

The firm also intends to train more black accountants.
Govt, business ‘ignore black auditors’

THE private sector and government were generally not following the example of black-owned companies and parastatals by taking on black auditors, with fewer than 2% of the state consultancy budget going their way, black accounting firms said.

Nkonki Sizwe & Ntsaluba Ebony Financial Services national managing partner Sizwe Ntasana said the private sector was still sceptical of black accountants and was not actively supporting empowerment in the sector.

“If white companies were doing well before with the big six accounting firms, maybe they see no reason to offer business to emerging firms”

However, black-controlled New Africa Investment, Real Africa Investment, Worldwide Africa and Tago-Syn, a gaming and entertainment consortium — had taken on black auditing firms, as had Telkom, Transnet, Eskom and KwaZulu-Natal Transport.

“There is still a lot to be done by government because less than 2% of the national budget for consultancy is allocated to black accounting firms,” Nzasana said.

KMMT Brey chairman Moses Kgosa said black accounting practices needed to build up the resources and skills to match those of the “big six” established firms and be able to handle large clients.

He said KMMT Brey, which was represented in Johannesburg, Durban, Port Elizabeth, Kimberley, and Cape Town, planned to expand to Mmabatho, Bloemfontein and Pietersburg.
South Africa needs 200,000 accountants, according to the president of the Institute of Commercial and Financial Accountants (CFA) Koeloe Landman.

Mr Landman told the Institute's annual workshop in Cape Town that for every accounting manager, between six and 10 accounting support staff were necessary.

"On a national basis, this would amount to a requirement of 200,000 accounting personnel," he said.

Little attempt had been made to address the broad accounting needs of the economy, Mr Landman said. The Institute, formed in 1982 to promote the training and recognition of a wider group of general accountants, now numbered 500 members.

Access to the profession and mobility should be priorities if existing accounting bodies wanted to be relevant to the country's needs and representative of the population, he said.
CHARTERED ACCOUNTANTS

More blacks to balance the books

John Spira
Deputy Editor

The crusade to introduce more black accountants into the South African economy is gaining momentum.

Among those at the forefront of the initiative is Coopers & Lybrand South Africa, whose new national chairman, Arthur Kidson, is approaching the challenge with single-minded dedication.

Kidson estimates the big six accounting firms in South Africa employ 1 100 black articled clerks, of whom Coopers and Deloitte & Touche employ 320.

Kidson identifies the problems as starting right from the beginning: “It is difficult to get the right people to train, and once you get them it is very difficult to keep them. At the end of the day they are very good accountants, which makes them attractive to firms outside the profession and to emerging black audit firms.

“We struggle to keep them because they get offered substantially higher salaries, salaries we cannot afford to pay. Yet we have to persist.”

Part of the solution is to provide university bursaries for aspiring black accountants. But Coopers has not had the resources to go far enough. “Accordingly, we have been arranging for some of our clients to provide bursaries. Students come to us first for training and, once qualified, go back to the client,” he says.

Coopers derives no direct benefit, but “the long-run benefit to the economy is not to mention the improved relationship with our clients, makes the exercise well worth while.”

The countrywide crusade is starting to pay dividends, with more blacks studying for the chartered accountant qualification. Suresh Kana, Coopers’ senior partner, elaborates: “At Witwatersrand University some 35 percent of students in the first year of study are now black. And I believe at RAU more than 50 percent of this year’s first-year intake was black.”

Kana believes accounting has started to catch up on other professions in recent years. This process is accelerating because of the opportunities for chartered accountants in South Africa and worldwide.

Though he welcomes attempts to broaden the profession by bringing in accountants at lower levels of commercial organisations, Kana stresses that few of these organisations can provide the same support and training as the accounting firms.

And he says it is not only chartered accountants who avail themselves of the many opportunities provided by South Africa’s larger accounting firms.

“At Coopers, we also provide opportunities for non-CAs in the consulting areas of our activities – BComs, BAs, engineers, lawyers. Our total staff of 2944, 30 are involved in our consulting division.”

Stefan Foure, the managing partner of Coopers, says all the firm’s activities are well represented among emerging businesses countrywide. This involvement has resulted in Coopers having launched some imaginative initiatives aimed at uplifting previously disadvantaged people.

“We have made a huge contribution towards assembling programmes for the education of these people in the economics of business. We’ve been doing that for four years, during which nearly 5000 people nationwide have benefited. Our Business Skills for South Africa programme is run in conjunction with the National Industrial Council and has proved to be highly successful,” Foure explains.

He says Coopers has many success stories under its belt. “And we hope in the future we will share in their success by providing professional services for those businesses.”

In addition, Coopers has been working with the Small Business Development Corporation, which will provide finance, while Coopers will furnish the professional services to set up the necessary structures.

Kidson estimates there are 3 500 chartered accountants practising in South Africa, one-third of whom work for the big six. The rest are in small firms which are finding it increasingly difficult to provide a comprehensive service, because of globalisation.

“The big firms’ critical mass enables them to specialise in the entire spectrum of services which a small firm cannot possibly provide. It requires a lot of money,” he says.

Foure stresses this is where the international practice is so useful. “Out of 60 000 people worldwide we have about 40 000 on Lotus Notes. Hence, anywhere in the world you can reach anybody within minutes. That is powerful.”

For smaller firms to survive, Foure believes they would have to enter into technology co-operation agreements to help create critical mass. He predicts a growing number of mergers, along with co-operation agreements with the big six firms.

“We certainly have good relationships with some of the small black firms whereby we help train people and provide support, without them relinquishing their independence,” he says.
Bricks and bills — it's all in a day's work

Empowerment: Role model Hilda Mzele encourages black Africans to enter the low-profile world of quantity surveying.
Accountants may seek state mediation

Amanda Vermeulen

The Association of Chartered Certified Accountants (ACCA) was considering legal action against the Public Accountants & Auditors Board (PAAB) for allegedly delaying the association’s statutory recognition in SA and colluding with the SA Institute of Chartered Accountants (SAICA).

ACCA director Manish Ramani said yesterday that the PAAB had found reasons to delay the association’s recognition in SA, and it could seek the intervention of the finance ministry, which is responsible for the PAAB.

The ACCA’s presence in SA is seen by the accounting profession as a threat. We have now reached a point where we think the issue of competition in the auditing profession requires the attention of the authorities,

Members of the ACCA, which operates in 130 countries including the UK, were not allowed to conduct audits in SA unless they wrote the PAAB exam, although the ACCA board exam was internationally recognised, he said.

Ramani said ACCA students completed the same qualifications as SAICA members, but its board exam was not recognised. The 80-year-old association, which was established in SA in 1990, had applied to the PAAB twice for recognition, Ramani said, but it had been fobbed off.

“"The ACCA has not received a formal response to two applications — one in 1992 and the other last year — on whether it was being considered for recognition or why it would not be recognised," he said.

Ramani alleged that the PAAB was colluding with the SAICA and trying to protect the institute’s position.

PAAB CE Lucas van Vuuren said the board required a one-year post-graduate qualification in auditing before applicants could sit its exam, while the ACCA qualification only went up to an undergraduate qualification. He said the PAAB was in favour of competition and was looking at restructuring the accounting and auditing profession before deciding whether to award accreditation to other associations.

SAICA CE Ken Mokler said: "In our opinion, the ACCA does not meet all the standards that SAICA requires as the ACCA auditing syllabus and exam is not of a sufficiently high level."
SA lags behind in producing engineers

SOUTH Africa produces dramatically fewer engineers than countries in the developed world, with local tertiary institutions training only 32 engineers per million people compared to the 600 per million produced by Japan.

This was revealed by National Party leader FW de Klerk at the opening of an international construction symposium – the Federation Internationale de la Precontrainte Symposium – in Johannesburg yesterday.

De Klerk quoted statistics indicating that 393 engineers had left South Africa per 1994; 68.7 percent more than in 1992.

"South Africa needs to analyse the reasons for the loss of too many professional people and then to take the necessary rectifying steps," De Klerk said. — Sapa
Local accounting practices ‘irrelevant’

Belinda Beresford

LOCAL accounting practices were irrelevant and needed to change to world standards if SA was to be internationally competitive, Accounting Practices Board chairman Peter Wilmot said yesterday.

He was attending the International Accounting Standards Committee (IASC) board meeting in Johannesburg this week. Wilmot said economic globalisation meant that "as a developing country we must play the game according to world rules".

He said SA was in the process of harmonising its accounting standards with the rest of the world. However, there was a time lag because all changes had to undergo due process to get input from all interested parties. He expected SA to have fully caught up by 2000.

Although SA had not fully integrated with international standards, some stock exchanges, including the London Stock Exchange, accepted SA standards, he said.

The quarterly IASC conference, held in SA for the first time, was developing a set of international standards to present to the International Organisation of Securities Commissions (IOSCO). This followed an agreement two years ago to produce a set of rules which standardised accounting practice around the world. The IASC was due to present the new rules in March next year.

If the standards were accepted by all IOSCO countries, companies which used the new rules would be able to list on any stock exchange in the world. At present companies either had to reconcile their accounts to the standards of the relevant exchange or produce another set.

Wilmot said the most important question was whether the US's Securities and Exchange Commission would accept the new rules. He said US regulatory authorities were faced with a conundrum.

"The big issue is whether the commission would allow foreign registrations to use international accounting standards. The commission would like to open US capital markets to foreign investments, but the Financial Accounting Standards Board would argue international standards are likely to be less rigorous and could give an advantage to foreign companies," he said.

World-wide acceptance of the IOSCO rules would reduce the cost of raising capital and make markets more efficient, Wilmot said. Direct comparison between companies would be easier, as all results would be based on the same criteria.
1997 graduates of year to join the exodus overseas but will keep his options open

30% of all students who graduate

as engineers in SA leave for abroad
Accountants' body is a 'closed book'

Johannesburg — A report by the University of Pretoria's school of accountancy has accused the South African Institute of Chartered Accountants (Saica) of not being open and transparent in its setting of auditing standards.

The university's report, published last week, said that Saica, whose members were not entitled to perform the external audit function, "has arrogated the auditing standard-setting function to itself," the report said.

It also said those affected by the audit standards were not allowed free access to the agendas and minutes of the ASC.

Saica members had to sign "secrecy declarations" before ASC minutes were released to them, the report said.

"These unusual restrictions inhibit participation by affected parties in the standard-setting process and disable commentators and researchers to formulate comments on an informed basis," it said.

The report, the fifth edition of the university's series on audit firms in South Africa, accused the Saica secretariat of inconsistently applying the policies on the auditing standard-setting process. The report cited the fact that correspondence to obtain clarity regarding the process was often delayed or not answered at all. The final standards seemed to ignore the comments sent to Saica.

"The above condition is a matter of grave concern, as members of the accounting and auditing profession as well as the general public are directly affected by auditing standards," the report said.

Ken Mockler, the chief executive of Saica, said in a statement that the Public Auditors' and Accountants' Board (PAAB), the industry's statutory body, was represented on the ASC, whose chairman also reported to the PAAB every year. "In addition, Saica issues standards with the silent consent of the PAAB and, in future, such standards will be issued with a statement that the standards are issued under the authority of the PAAB," Mockler said.

He added that more than 4 000 Saica members were also members of the PAAB and were therefore entitled to perform the audit function.

"Saica's code of professional conduct requires that its members conform to approved standards, and as such Saica has a material responsibility to set standards," he said.

Mockler denied that Saica members were required to sign secrecy declarations before receiving minutes of the ASC.
Self-employed professionals are coining it
over R40 000 a year, mechanical engineers
R200 000 and advocates R190 500, survey finds

By Norman Chandler
Pretoria Bureau

Self-employed stockbrokers, pathologists and dental specialists are the biggest earners among all South African graduates.

A survey conducted by the Human Sciences Research Council has found that a director-general of a government department is the highest paid in the public service while managing directors and chief executives of private companies lead the field in their sector.

But the people who really make the money are self-employed graduates. Top of the list are stockbrokers, followed closely by pathologists, dental specialists, radiologists and orthopaedic surgeons. Also doing well are veterinarians, psychologists, medical specialists, and computer and management consultants.

The results of the survey - which was started in 1994 and is one of a regular series that started in 1971 - has been published in The Graduate, the newsletter of the HSRC's Register of Graduates.

About 40,000 graduates assisted in the survey.

It has found that the median income package of self-employed people in 1994 was R142 600. In comparison, public sector employees earned R80 300 and those in the private sector R117 110.

But some, such as specialists in various fields of medicine, earned more than R240 000 a year, mechanical engineers R201 000 and advocates R190 500.

"Self-employed people had to work longer hours to earn their higher income (while) the self-employed also had considerably more work experience than other employees," the survey found, adding that the figures it reported were before taxes were deducted.

"If the progressive erosion of income tax is taken into consideration, very few graduates showed a real increase in their disposable income," the report says.

In 1994, self-employed women were earning about R84 000, those in the private sector just on R70 000 and in the public service, about R68 000.

Universities have been producing more than twice as many graduates as ever before, the report says. However, while the total number doubled, the number in the natural sciences (including engineering and architecture) and medical sciences (with nursing and physiotherapy) did not grow as rapidly.

There has been an increase in students in the fields of human sciences and management sciences.

"The imbalances in South African society are apparent when one looks at the racial distribution of graduates," the report adds.

"Of the graduates who completed their studies in 1985, 87% were white. This situation gradually changed, and in 1994 the other three population groups formed almost 35% of the total number.

"This growth occurred mainly in the human sciences. When one considers the profile of all graduates, black, coloured and Indian graduates form only small per centages of those qualified in the natural, medical and management sciences."

Gender imbalances have also been eradicated. A total of 39% of graduates in 1985 were women, but by 1994 they constituted almost half. The percentage of women who qualified in human, medical and management sciences also increased, although natural sciences remained largely the domain of men.
Investor criticism 'not fair comment', say auditors

Auditing profession 'no longer reputable'

Johannesburg — Poor auditing standards and corruption among auditing firms had led to the collapse of many public companies in this country, Lionel Reichenberg, the founding chairman of the Investors' Victims Association, said yesterday.

Reichenberg said in most cases auditing firms did not warn their clients about their performance for fear of losing their clients.

"The auditing profession is no longer honourable, reputable and competent. It is guilty of so many of the woes that beset many businesses," he said.

He said auditing firms were guilty of failing to report material irregularities in terms of the Public Accountants and Auditors Act, trading while insolvent and reckless trading.

Jane O'Connor, the legal director of the Public Accountancy and Auditing Board, said it was not fair comment to blame auditors for the collapse of companies. Auditors were not management consultants, she said.

"There are plenty of management consultancies that companies can engage, because auditors are not involved in management in as far as we are concerned. Auditing in South Africa is among the best in the world. That is why our auditors are in demand internationally," she said.

But Szuvi Nombasa, the president of the Association of Black Accountants of South Africa (Absa), conceded that local standards were low and that auditing firms compromised their independence for fear of losing fees from their clients.

"The situation is so flexible, because of the lack of legal backing, that there is a prevalent tendency for companies to manipulate figures and change patterns since there is no uniformity of standards," he said.

Reichenberg said he had come across instances where directors of public companies would conspire and hide facts from the public, and cases where auditors would falsify cash-flow statements in order to benefit from kickbacks.

Reichenberg accused auditing firms, especially white-owned companies, of failing to impart proper skills to emerging black companies which might be inexperienced and short of proper managerial skills.
Institute to reform for black participation

...
Marcus Wannet, greater watchdog role for accountants, auditors
Future economic growth at risk without more engineers

The biggest challenge facing SA is how to bring about an economic transformation that will launch SA towards achieving growth rates of 6% to 8%. It is only by lifting the country on to a higher growth path that meaningful progress will be made in alleviating poverty and redressing ourselves of a massive unemployment crisis.

The shortage of technically-trained human resources in SA is fast becoming a major impediment towards achievement of accelerated economic growth.

The state of science and technology in a country is an important indicator of global competitiveness, and forms the basis for sustainable economic development. By international standards, SA rates very poorly indeed.

A recent study showed that SA produces 15 times fewer graduate engineers per million of the total population than Japan, eight times fewer than the US, and six times fewer than Australia. The developing Pacific Rim nations all produce substantially more engineers and technicians than are being produced by SA vocational education and training institutions.

Business must take a hand in tackling the critical shortage of engineers that is facing SA, writes Leslie Boyd.

What is particularly worrying is that the situation seems to be deteriorating. SA universities’ intake of engineering students has been declining since 1990.

Weigh this against the fact that total enrolment at SA universities has increased by about 80% between 1985 and last year, and the extent of an unhealthy imbalance between arts and humanities on the one hand and science and technology on the other is evident.

There is no doubt that the disproportional intake into arts and humanities is a luxury a developing country can ill afford. To make the aim of becoming an industrialised nation is a need for a better match between the education and training of people, and market needs, especially in areas vital for economic growth.

In Japan, where one-third of university students are registered for engineering courses, the Ministry of Education has estimated the country still has a national shortage of engineers, and is devising plans to increase the intake of students into the engineering streams by 10% each year.

This should act as a warning signal to SA, where the current shortage of engineers is exacerbated by emigration. Of great concern is the very small percentage of first-time black university entrants registering for engineering degrees (less than 0.5%).

The decline in engineering university students is not compensated for by a switch to related subjects at technikons. There has been an encouraging growth in total technikon enrolment (there were five university students for every technikon student in 1984, this figure has decreased to 2.5 in 1994), but it is questionable if technikons are meeting the needs they were intended to address.

The national education department’s 1992 education renewal strategy states that the aim of technikons is “to concentrate on technical education and therefore on the application of mathematics in the promotion of technology”. Yet technikon enrolment figures show that fewer than 25% of students are enrolled in the engineering and technology fields.

The alarming decline in technically-skilled people is not limited to engineering graduates and postgraduate holders, but exists at all levels of engineering. There is also a lower number of potential artisans entering the ranks of industry.

The sustainability of industrial-based economic growth in SA is threatened by a growing shortage of technically-skilled people. Declining intake at all levels of engineering indicates this problem is not being effectively addressed, and ultimately, will be the doom of all.

So what are the causes of the problem, and how are they to be addressed? The poor quality of mathematics and science education in SA schools, and thus the small percentage of candidates eligible for technical qualifications, is probably paramount. Among the many causes of the technical skills shortage.

Furthermore, there is a need for vocational guidance at schools and in the community, regarding training and career opportunities in technology and engineering.

Flexibility in government training policy is another important ingredient. If businesses, especially smaller employers, are to offer innovative and quality technical training programmes, then a stumbling block is that SA has not yet embraced the concept of developing and using technical training courses.

Board as President of the SA Institute of Mechanical Engineers and chairman of the Southern African Institute of Engineers, Leslie Boyd expounds on the need for greater effort in ensuring that SA’s training will be tapping into its own future skills shortages.
**Revolutionary growth in black graduates**

But still not enough technical experts

**In the old days**, when a classical education still had some prestige, a Bachelor of Arts was the qualification most sought after by black graduates.

There's a joke about a student from a disadvantaged background who, through great sacrifice and stamina, puts himself through medical school. At his graduation party, his proud grandmother says, "You've shown us you can achieve anything you set your mind to. Now what I want to know is, when are you going to get your BA?"

A Black Accountants' Association representative once told this to the parliamentary finance committee, with reference to the scarcity of black chartered accountants.

And though blacks are starting to make inroads in technical, commercial and mathematical fields, there's still a heavy bias towards arts and social sciences. The SA Institute of Race Relations says, based on HSRC data for 1991-1994, that in 1994 only 330 engineering degrees were held by blacks compared to over 24,400 by whites.

Obviously, preferences aren't the only factor. Many people blame the problem on the restrictions imposed by apartheid-era tertiary education and job opportunities.

Nothing new about that. But what is new is the massive surge in the number of degrees, diplomas and certificates awarded by universities to black graduates between 1991 and 1994. — 42% growth compared with 1% for whites.

There was also a 167% rise in the number of diplomas and certificates awarded by technikons to black students, compared with 10% for whites.

The HSRC reports that, until 1994, only 11% of people with degrees were black. But during 1994, 30% of the degrees, diplomas and certificates awarded were earned by black graduates. The data aren't complete, but they give an idea of the trends.

For both blacks and whites the largest category (28% of all degrees held) is still arts and social sciences. A quarter of whites went this route compared to 43% of blacks.

The next biggest category (12% of degrees) is commerce, which attracted 13% of whites until 1994, but only 6% of blacks.

There are proportionately more black graduates in disciplines like nursing, education and administration (see graph).

Some of the starker disparities are in fields like quantity surveying (27 blacks held degrees compared with 1,672 whites), pharmacy (175 blacks, 4,833 whites), fine arts (164 blacks, 5,374 whites) and architecture (38 blacks, 4,558 whites).
Accountants want funding to legally enforce standards

BUSINESS EDITOR

The South African Institute of Chartered Accountants has suggested a levy on listed companies to fund the legal enforcement of accounting standards in a bid to protect investors.

The institute says there is little point in having accounting standards to protect investors if these standards are not complied with.

In a paper submitted to the Minister of Trade and Industry, the institute says legislation should focus first on listed companies and large public entities.

Since they can offer shares to the public, investors in these companies need to be sure that generally accepted accounting standards have been applied. A levy should be imposed on companies which benefit from legal backing to fund the process, the institute suggests.

As far as auditing standards are concerned, the institute says it is not lobbying for legal backing as the rules where registered accountants and auditors must comply with the Public Accountants and Auditors' Act are considered to be effective.
Saica set to fight white collar crime

Regulatory guidelines will help in combating public service corruption

By Business Reporter

White collar crime could soon be a thing of the past in the public sector in South Africa and the region if the South African Institute of Chartered Accountants (Saica) has its way.

Saica says it will, in conjunction with the World Bank, release regulatory guidelines that will assist in combating white collar crime and corruption in the public service.

In an effort to encourage and promote accountability in this sector to assist the countries in eastern, central and southern Africa develop and foster sound economic development, Saica says its guidelines will be formulated in accordance with the International Federation of Accountants (IFAC) and the International Accounting Standards Committee (IASC) standards.

The public sector, as opposed to the private sector, has been discovered to be one of the sectors that is vulnerable to white collar crime. Almost daily cases of fraud and money laundering are reported.

The Eastern, Central and Southern African Federation of Accountants (ECSAFA) was formed in early 1990 to address the issue of accountability in the public sector which was vulnerable to fraud and other illegal activities.

As part of that initiative a delegation from ECSAFA countries visited the ministers of finance, auditors-general and accountants-general in 13 countries in the region between 1996 and mid-1997.

The objective of the visit, Saica says, was to promote accountability by the adoption of international accounting and auditing standards.

Saica chief executive Ken Mockler says their initiative will go a long way in promoting accountability and a sound economic and financial set-up in the region’s public sector.

Accountability

“Accountability guidelines will assist the governments of developing countries to provide an enabling environment, leading to the practical implementation of accountability, and to ensure that the resources controlled by the governments are prudently managed and controlled,” adds Mockler.

He says Saica will consider a proposal to impose sanctions on perpetrators depending on the seriousness of the offence.

“Sanctions may include demotion of perpetrators out of positions of authority, halting the upward mobility of perpetrators or, after warnings, terminating their employment,” he says.
Saica leads region in improving accountability

The South African Institute of Chartered Accountants (Saica) would be at the helm of a regional crusade to raise the industry's level of accountability, which had been found to be far below international standards. Ken McKenzie, the institute's chief executive, said yesterday a delegation of the Eastern, Central and Southern African Federation of Accountants, together with the World Bank, has visited several countries to promote the adoption of accounting and auditing international standards.

Saica has been at the forefront of developing a set of accountability guidelines for the region. "Accountability guidelines will assist the governments of developing countries to provide an enabling environment leading to the practical implementation of the principles of accountability," he said. It would also "ensure that the resources controlled by the governments are prudently managed and controlled." At the core of the initiative is the question of punitive measures against poorly audited and accounted reports. Present sanctions are said to be inadequate. Proposed new sanctions will range from demoting offenders to dismissing them. — Naba Hlopo, Johannesburg
SA accountancy training scheme takes off

Belinda Beresford

The first students to receive certified on-the-job training through the Association for the Education and Training of Accountants will receive accreditation at an awards dinner tonight.

The scheme is run by the Institute of Commercial and Financial Accountants and is intended to provide accountancy training for people who missed out on full, formal education.

The institute's training officer, Cheryl James, said of the 108 first-year students about 50% were black and the others women without matrices.

Completing the three-year programme would make participants qualified accounting technicians, James said. They could then continue with normal accounting training under the supervision of a company, eventually becoming a chartered accountant.

The qualification is recognised by local and international professional accounting bodies.
Good news for SA accountants

Sowetan Business

ASPIRANT accountants will in future be able to qualify and earn the much sought-after Chartered Accountants (SA) designation through routes other than the traditional way.

The South African Institute of Chartered Accountants (Saca) has come up with a programme aimed at alleviating the shortage of chartered accountants in South Africa.

A training group called Nedcor became one of the first Approved Training Organisations (ATOs) that registered with Sacca to offer training for both general accountants and chartered accountants. The programme will start next year and will be monitored by Sacca.

Saca said aspirant accountants learn a discipline through Registered Training Offices (RTOs) within firms of accountants and auditors in public practice.

Auditing and accounting firms offer a three-year training programme while part-time students last five years. Other institutions ready to follow Nedcor’s route are General and Computer Services.

Saca’s chief executive, Ken Moekler, said “An alternative route to becoming a CA (SA) is being introduced and will soon be ready for training in the field of commerce and industry. The new route focuses on financial management rather than auditing.”

To meet the requirements for registration, Nedcor has to put in place a training strategy and structure to satisfy Sacca’s Training Requirement Committee that trainees will receive practical exposure that will adequately cover the breadth and depth of the core areas for both the General Accountant and Chartered Colleges.

Transformation

The introduction of the initiative is part of Sacca’s transformation which started a year ago.

According to Sacca, of its 16,900 members who are chartered accountants, 3,033 are living and working overseas. About 600 accountants on Sacca’s books are blacks.

Nedcor’s senior manager (internal audit), Gerhard Hechter, said the move will make the profession more accessible to prospective chartered accountants.

Institutions who want to be ATOs will have to submit copies of the organisation’s charted training officers’ CVs and supplementary course details. This would also include interviews with mentors and training officers and brief site visits.
SA must focus on developing more CAs

By Shadrack Mashalaba

THE sustainable development of qualified and skilled chartered accountants in South Africa should form the long term strategic vision of the country, director-general of finance Maria Ramos said yesterday.

Addressing the inaugural meeting of the Association of Chartered Certified Accountants (ACCA) in Johannesburg, Ramos said the Government wanted to see more prospective chartered accountants brought into the profession.

"In line with the Government's macro economic strategy, the development of human resource capability still forms the cornerstone to achieving our goals. "Government has a need for more forensic accountants," Ramos said.

ACCA is British-based and is the largest accountancy body in the world with over 34 000 members and 125 000 students.

The association was launched in South Africa in the early 1990s.

ACCA's two-day meeting, which started yesterday, is aimed at assessing the progress of the organisation and mapping the way forward for the organisation.

It is also aimed at assisting in the development of accountants in Africa by serving as a platform where members can cooperate and help people earn world class qualifications.

ACCA representative Mashudu Ramano said the transformation of South Africa had unleashed other positive forces as well as sparking the interest of the global community in the country.

Bright future

Ramano said the future of ACCA looked bright in the context of black economic empowerment in the country.

But SA desperately needed professional managers for the public and private sectors.

There are about 35 000 accountants and bookkeepers in South Africa today of which about 1 000 are black, said Ramano.
Critics pan bid to open doors to accountancy

**Institute plans tiered entry levels**

*NOLAN STEIN
B.C.'s Reporter*

Plans by the South African Institute of Chartered Accountants (SAICA) to make it easier to become a chartered accountant have been given a lukewarm response by other organisations for accountants.

The institute has suggested a new, tiered structure with four entry levels and openings for various sorts of accountant to move up the levels.

"The number of SAICA members in public practice has not increased significantly over the past four years. New ways of training accountants in public practice had to be found," said Ken Mockler, chief executive of SAICA.

But the change has not been welcomed by the Institute of Commercial and Financial Accountants, which represents "unchartered" accounting professionals, or by the Association for the Advancement of Black Accountants of Southern Africa.

"We don't see this as an advancement for the accounting professionals but more as an attempt by SAICA to gain additional members," said Neil Oberholzer, president of the Institute of Commercial and Financial Accountants.

Opening doors to other professionals would not solve the serious problems.

"The other professionals will always be subservient stepchildren of the higher powers in the institute," he said.

"There is a shortage of accountants and auditors and creating different entry levels does not solve the problem. Training and advancement does..."

"SAICA's track record shows that its support systems are not what they should be. The institute should sort out its internal problems before opening doors to the masses," said Hassen Kajee, chief executive of Abasa.

"Opening the door to other professionals will enable non-chartered black accountants to belong to a professional body, and we are in favour of that.

"But we must not lose sight of the main goal, which should be increasing the number of black chartered accountants," he said.

"Our concern is that SAICA will lose sight of its responsibility for the advancement of black chartered accountants and offer in its defence that its black membership has doubled - even if most of them are sitting in the lower ranks," he said.

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Take the subWWWay to Ireland
Setting Standards for Harmonising the World

Accounting
LLB stands firm as B Proc is phased out

DRAFT legislation phasing out the B Proc degree and allowing for a uniform four-year legal qualification to enter any branch of the legal profession was tabled yesterday.

The Qualification of Legal Practitioners Amendment Bill aims to phase out the B Proc degree, still offered by universities, up to 2003.

The LLB degree — already the minimum degree for the advocate’s profession — will become the minimum qualification for any branch of the legal profession.

The bill protects those studying for the B Proc degree and who will not be able to complete their studies before the draft legislation is enacted.

They will have until 2003 to complete their studies, and they will qualify for admission as attorneys as if the bill was never passed.

A memorandum to the bill says it is not necessary to protect those who are studying to become advocates as the prescribed qualification for admission to this profession will remain an LLB.

Those who have already obtained a B Proc degree, but who have not been admitted to practise as attorneys, will also be protected.

They would qualify indefinitely to be admitted as attorneys on the strength of their B Proc qualification, a memorandum to the bill says. — Sapa.
New career route for aspirant CAs

FROM next year it will be possible for aspirant chartered accountants who have completed their four-year accountancy degree to carry out the three-year trainee period in a company in the field of commerce and industry, the SA Institute of Chartered Accountants said yesterday.

This was a way to increase the number of chartered accountants in SA, it said.

ED 10 97
REPORT 'DINNER - 3, -'
New bill to rule accountants

Ingrid Salgado

THE Registered Accountancy Profession Bill, which proposes widespread changes intended to create equal access to the profession, could be tabled in Parliament in the first half of next year, the Interim Representative Council of Accountants said at the weekend.

The bill will replace the Municipal Accounting Act and the Public Accountants and Auditors Act, signalling the first time the profession will be governed and developed under a single law.

Peter Booyzen, who was appointed by the Public Accountants’ and Auditors’ Board to lead a project probing future accounting education in SA, said the bill would result in greater co-ordination of a fragmented industry.

A proposed statutory body, the Representative Council of Accountants, would govern the profession, replacing the two structures in operation. To ensure greater access to accountancy, a four-tier structure would exist to allow gradual entry into higher levels of the profession. It was hoped this would lead to increased numbers of accounting professionals to service government and business, Booyzen said.
ANC SUPPORTS CALL FOR GRADUATES' SERVICE

Lawyers face extra year

COMMUNITY service for lawyers — which is more complicated than that for doctors — is one of the issues to be debated by the justice portfolio committee next year.

The African National Congress was in favour of law students doing community service for a year after graduation, chief ANC justice spokesperson Mr. Johnny de Lange said yesterday.

Many could serve in legal aid clinics and some could serve as prosecutors, judges' clerks, and in other under-staffed legal areas, he told a media briefing at Parliament.

De Lange, who is also chairperson of the National Assembly’s justice portfolio committee, stressed that he was speaking as an ANC member and not as committee chairman. The issue had not yet come before his committee.

He said the idea had already been mooted by Constitutional Court president Judge Arthur Chaskalson and Justice Minister Dullah Omar, among others.

De Lange said implementing community service for law graduates could take some time. The issue was more complicated than the service being introduced for newly qualified doctors.

It could have an impact on other aspects of the legal profession, such as the two-year period during which young lawyers had to do articles before they could become fully fledged practitioners.

The legal profession would have to have time to investigate this, as well as other implications, and the legislation would ultimately have to be passed by Parliament.

De Lange pointed out that Parliament had recently passed legislation enabling law students to obtain an LL.B degree in four years, as opposed to the current five.

He said at the top of his committee's legal programme for next year would be the processing of legislation providing for a single national prosecuting authority, as stipulated by the Constitution.

This would bring prosecuting policy in South Africa under one central authority, as opposed to the current 12 fragmented ones, where policy could differ from region to region.

The national prosecuting authority would be responsible for hearing all grievances about decisions in the different areas. This would not be the function of a political, he stressed.

De Lange said public hearings would be held on the bill during the first two weeks of next year's parliamentary session, and legislation could be on the statute books in the second quarter of the session.

Other legislation in the pipeline for next year included:

- An Assessor's Bill, which would provide for members of the community to help magistrates as assessors (De Lange said this could be linked to a mini-jury system).
- Witness protection measures.
- A Debt Collectors' Bill, which would regulate all debt collections.
- A bill on sheriffs.
- A measure to cluster magistrates' courts together to improve the management of courts.
- A measure to regulate grievance procedures against judicial officers.

De Lange said moves were also afoot to place all sexual offences under one legal framework. A conference on this had been scheduled for mid-July. — Sapa
Accountants are signing up to part-timers

Accounting firm Deloitte & Touche has introduced a new approach to solving the shortage of financial professionals. In a bid to address the need for increased accountability and improved financial administration, it contracts professionals for project assignments.

"We recognise the need for a service to meet at such peak times as financial year-ends, to resolve and update backlogs, assist with the setting up of new accounting systems, provide transition skills between a resignation and new appointment, or while training of departmental staff is being completed," said accountability assignments associate director Jannes du Plooy.

"Although we are Pretoria-based, the service is available nationwide. There are many cost savings advantages to users of the new services — no salary administration, no hidden costs of pension, medical and sick leave, training or performance bonuses."

"The contracted workers' time was the only cost as administration of the service was handled by Deloitte & Touche."
Qualities of knowledge workers misunderstood

FRANK NKOUMALO

Johannesburg — One of the most difficult challenges facing technology-driven organisations was increasing the productivity of knowledge workers, FSA Contact, the human resources consultancy, said in a survey released yesterday.

Knowledge workers are skilled employees with significant experience. Lynne Gamsu, FSA Contact’s survey leader, said the research discovered that even the brightest knowledge workers don’t always perform to their full potential.

Gamsu said Bell Labs, the US-based company that had carried out the research, had turned to Robert Kelly, an expert in knowledge worker productivity, to help determine why “so few knowledge workers outshine the rest”, given that they were hiring only the best and brightest.

She said Bell Labs wanted to assess whether “average” workers could become star performers.

The study revealed that one of the most important attributes of the star performer is his or her ability to use initiative and go beyond the job description, take some risk and produce outstanding results.

“Another work strategy is self-management, which enables them to regulate their own work commitments, time, performance levels and career within the workplace,” the survey said.

“In addition, they cultivate and have direct and immediate access to people who are sources of knowledge necessary for getting the job done; they share information with people who need it; and they are able to formulate, state and build consensus on common goals and accomplish them,” Gamsu said.

She said other traits of star performers included the ability to understand how their own responsibility fitted into the larger context; awareness of other viewpoints such as those of the customers, management, colleagues and competitors; and willingness to assist and support the leader in accomplishing organisational goals, rather than to rely solely on the leader’s direction.

“It’s often assumed that these qualities or traits are rooted in the star performer’s personality and that they therefore can’t be transferred to other workers,” Gamsu said. “However, Bell Labs found out that it can be done.”
SA accounting profession ‘dishonest and inefficient’

Samantha Sharpe

CAPE TOWN — The Nel commission of inquiry has severely criticised the South African accounting profession, which it says was a major factor in the collapse of the Masterbond group and other incidents of failed investor protection.

The commission was set up to investigate the reasons for Masterbond’s failure in 1991, which resulted in enormous losses to thousands of investors, and the inadequacy of investor protection.

In its first report the commission said areas in which major failings had been found included dishonesty, inefficiency and lack of independence in the auditing profession. This was not limited to the “saga of dishonest or inefficient auditors” which emerged during the investigation into the Masterbond group, but was evident in other failed financial institutions, including Cape Investment Bank, Prima Bank and Tollgate Holdings.

“The provisions of section 20 (5) of the Public Accountants’ and Auditors Act which require an auditor to report material irregularities; are lacking in clarity, difficult to police, cumbersome and time-consuming,” the commission said.

“These problems are compounded by the fact that material irregularities are seldom reported by auditors, which can be seen from the 1995 and 1996 reports of the Public Accountants’ and Auditors’ Board.”

The commission said the provisions of the Companies Act and statutes dealing with financial institutions had created an extremely lucrative monopoly for the auditing profession in SA.

“Yet, in contrast with other traditional professions such as the medical profession and the legal profession, the auditing profession sought to protect itself from civil liability as far as possible. In stark contrast to the provisions of the company laws of a number of countries.”

The commission said the penalty for noncompliance with section 20 (5) was a pitiful maximum fine of R4 000, compared with other countries where much higher fines or prison sentences applied.

“At first glance it would seem that to a certain extent a lowering of ethical standards and a loss of independence have been allowed to set in in the auditing profession.”

The disparity between the number of material irregularities reported and the number of liquidations, frauds and other offences committed by companies and directors must be obvious to the board,” it said.

The lack of effective prosecution relating to crimes of fraud and offences by directors, managers and auditors of companies, and the deterioration in the efficiency of the office of the registrar of companies were also areas of concern, it said.
Learning again: Richard Dernysen learns how to eat again. He is a Conrady Hospital patient who is slowly rebuilding his life with the help of occupational therapy.
We may not want young graduates, but others do.

The spirited take of overseas

No jobs ... so our occupational awareness. Welcome are those programs and topics that are being offered. The future is not the current, but it is important to be prepared for it. The world is changing and so are we.

The importance of retraining is that it is a good investment and one that can provide different options for the future. It is also a good idea to think about the environment and what we can do to help.

The future is bright, but it is important to be prepared. The world is changing and so are we. It is important to think about the future and what we can do to help.

The importance of retraining is that it is a good investment and one that can provide different options for the future. It is also a good idea to think about the environment and what we can do to help.
Auditing probe welcomed

CAPE TOWN — The Shareholders’ Association has welcomed criticism of the auditing profession by the Nel commission, citing this as a key factor in the dismal state of investor protection in SA.

The commission was set up to look into the reasons for the collapse of the Masterbond group, and to examine investor protection in SA in general.

Association chairman David Sylvester said investigations into the Masterbond group had highlighted clear inadequacies on the part of the auditing profession. Studies of listed companies suspended or taken over often showed inadequate financial statements as prepared by their auditors, and the Nel commission’s criticisms were well timed, Sylvester said.

While endorsing the work of the commission, the Institute of Commercial and Financial Accountants (CFA) said it was concerned that none of the criticism in the report was unfounded.

The organisation’s executive director, Bill Shellard, said the commission’s views were attributable to only a select few in the auditing profession.

“Thus view ignores the integrity, competence and abilities of a large constituency of qualified and professional accountants that make up the membership of a number of accounting bodies, most of whose members have been denied registration as auditors in terms of the Public Accountants’ and Auditors’ Board.

“The CFA believes the public interest can be enhanced if the audit and attest functions, currently reserved for those registered with the board, are freed from the present restrictive practices and opened up to a wider control by all accounting bodies.”

Meanwhile, the SA Institute of Chartered Accountants said it looked forward to studying the report and taking such action as might be appropriate in the interest of members and the community at large.

However, broad generalisations could only tarnish the reputation of an extensie and highly reputable profession.
Professions
1998-1999
Accountants seek more blacks in profession

By Abdul Milazi

The South African Institute of Chartered Accountants (saica) wants to have 3 000 blacks, 700 coloureds and 950 indians by the year 2005 as part of its employment equity programme.

In a statement Saica's equity development director Ms Pindi Mabena said the institute's decision-making structures should underpin the positive contribution to equity development with the benefit of experience from other professionals.

She said there was a need for a strategic decision which facilitates multi-disciplinary interaction for sustained participation on issues of economic development and transformation.

While acknowledging that the major hurdle was overcoming the unequal allocation of resources by the profession to higher learning institutions, she maintained that Saica's equity programme is a slap in the right direction.

She said the pooling of resources, expertise and knowledge between professions was necessary to address the substantial backlog in the development of human resource skills.

"There is agreement within the chartered accounting profession that the development of human resource skills is central to the wealth creation process and our ability as a country to compete globally," said Mabena.

She said that it made sense to embark on a process of achieving equity in the accounting profession because there is a shortage of accountancy skills to support the country's growing economy.

"Currently blacks constitute less than 10 percent of chartered accountants in the country," Mabena said.

She argued that it is important for the accountancy profession to be made accessible to all because future economic growth was expected to come from small and medium businesses, the majority of which had little or no interaction with professional accountants.
Even arts students face Year of Community Service call-up

Graduates face mass call-up
Plan to enlist expertise of SA professionals abroad

STAFF REPORTER

South African professionals living abroad — including thousands of graduates from the universities of Cape Town and Stellenbosch — will soon be asked to give some of their expertise back to this country.

They will be asked to join a network through which they will be able to feed back professional knowledge and skills to help develop South Africa's economy.

The professionals, while remaining overseas in their adoptive countries, will use the network to give valuable advice and guidance to local projects.

The network is being set up by a newly-formed organisation — the South African Network of Skills Abroad (Sansa) — based at the University of Cape Town.

It is a joint venture between UCT's science and technology policy research centre and the French Institute for Scientific Research and Development through Co-operation.

To measure just how far-flung South African intellectuals are, David Kaplan from the University of Cape Town and Jean-Baptiste Meyer of the French institute collected data from the alumni associations of five major South African universities — Cape Town, Witwatersrand, Natal, Rhodes and Stellenbosch.

Although the universities are all historically white and not representative of the diversity of the population, it was found they had the largest alumni abroad.

The data they collected revealed that 28% of UCT's contactable doctoral students were living overseas, mostly in Australia, the United States and Britain.

They discovered that 43% of contactable medical graduates, 30% of commerce doctorates, 27% of education doctorates and 26% of science doctorates from UCT were living overseas.

"Indications are that there are many South Africans located abroad who are potentially keen to make a contribution to South Africa's development," said Professor Kaplan.

Dr Meyer added that the number of South Africans who had left was probably about three times more than records showed.

Many of the emigrants were highly qualified and the "diaspora option" was a way of getting their skills back to South Africa.

"To bring back the person would be expensive — through the diaspora option the person stays where he is, but gets connected to many people in his country of origin," he said.

The system had worked for Colombians, where many professionals had helped with the development of their home country.

He believed a similar system — properly established and maintained by Sansa — could be of great benefit to South Africa.

Professor Kaplan said the universities canvassed could contact about 42% of their graduates overseas.

"It might be possible to contact another 19%. So, I think we could get hold of about 60% of all South Africans living abroad." If we got even a 5% response, we would have a network of 1 500 people. That would give us a viable network."
Coercion is disguised as appeal to conscience

Conscription fever grips government, writes Colin Douglas

HEALTH Minister Nkosazana Zuma was reportedly recently as saying that her compulsory “community service” scheme for medical graduates impressed her cabinet colleagues so much that they wanted to introduce it in their departments.

Justice Minister Dullah Omar must have been impressed: he is considering the introduction of a compulsory year’s “internship” in public defenders’ offices for law graduates, a proposal made by Constitutional Court president Arthur Chaskalson. The Youth Commission has proposed compulsory community service for all graduates.

Debate about these ideas has focused mainly on their practicability. It is important to consider their underlying premises and their implications for SA’s future. Whatever the differences between these proposals, they would all use the coercive power of the state to make graduates do good unto others. The term for this is “coercion.”

People cannot be moral beings in the absence of choice. The conscription proposals would deprive graduates of a key part of their choice of whether or not to do good.

The conscriptionists try to hide this coercion by framing their proposals as appeals to conscience. Chaskalson says: “We must be willing to make the commitment that is necessary .. in reconstructing our society and in establishing a just order in our country.” His proposal would render irrelevant the conscripts’ willingness to make a commitment to the country, and is the opposite of an appeal to conscience.

Some conscriptionists argue that the state is justified in conscripting graduates because it pays for part of their education. In being obliged to perform community service, a graduate would be made to do no more than repay this financial debt. If mere repayment was the conscriptionists’ true justification, they would require graduates to repay the state for its subsidies to their education, or pay the full cost of their education as they learn.

Everyone has the right to learn in whatever field they choose and the right to freely seek a living. Nobody has the right to expect the state to pay for their higher education. If the state offers to do so, it is entitled to demand repayment. However, it can never be entitled to tell students they are barred from studying a particular field unless they perform “national service.”

SA’s system of higher education subsidies mirrors Britain’s in key respects. It is no accident that that country does not, as a rule, conscript its graduates in return for subsidising their education. The British philosophy is that the state or “society” has an interest in helping greater numbers of its citizens get degrees and diplomas, but that does not extend to telling them what to do with those qualifications.

In a free society, people decide for themselves what to do with their knowledge, which invariably makes free societies more prosperous than centrally planned ones. In the British conception, graduates “repay” their education subsidies by paying tax for the rest of their working lives.

The conscriptionists would take the benign idea of education subsidesation and give it a totalitarian tinge, arguing that the fact of the subsidy entitles the state to take one or two years of each graduate’s life and use these years to government’s policy objectives.

A further objection to conscription is practical: the state would run it badly and waste money and human potential, just as it did when white men were conscripted into the military.

People under conscription perform less well than people accepting freely. Chaskalson bases his proposal on “my experience of the way in which young lawyers perform in law clinics .. young lawyers in such an environment are idealistic and energetic”. These young lawyers were working in law clinics of their own free will — which freedom the good judge would remove.

What is the solution to the problems which motivate these conscription proposals? If the state has the money to pay graduates to work in rural clinics and public defenders’ offices, it should hire them on contracts — just let them choose whether to take the job or not.

If the state wants to encourage virtue, it should lower taxes, giving people more space to use their productive time in the service of others, and to give money to good causes. When Margaret Thatcher sharply reduced income tax in Britain in the early 1980s, private charitable giving rose exponentially within months.

In 20 years, the rural clinics and public defenders offices would have become just as bureaucratised and impersonal as any other part of government — and the positive relationship which so often exists between volunteers and their clients would have ebbed away.

The youth commissioners might identify others whose services were needed by the community and who had a state subsidy debt to repay. Matriculants? Pensioners? Whites who “benefited from apartheid”? Who is next?
New auditing institute head
pioneer of empowerment

It is time to clean up the image of the auditing profession, says Wiseman Lumkile Nkuhlu, newly elected president of the SA Institute of Chartered Accountants.

Patrick Wadula spoke to him

Nkuhlu, amiable but plun-
spoken, is fully aware of criticisms
tended against auditors over the
years for failing to meet their
responsibilities in audit and other fi-
cancial investigations.

Nkuhlu says his aim is to re-
store public confidence in the
profession which has tarnished its
image among many people in pub-
lic and private sector institutions.

'The only question is how to
address the issue of standards that
have to be maintained and en-
forced. There have to be proper
training procedures to ensure con-
tinuity of education and skills
transfer to the previously disadvan-
taged people.'

Nkuhlu's campaign to bolster
auditing's image will have to take
place alongside his many other
interests. He expects to enjoy his
year as SAC's first black chartered
accountant, Nkuhlu's first love is
business.

Last month, JCI's bankers per-
suaded him to take the job of non-
executive chairman of the trou-
bled mining group after the res-
ignation of Athi Khumalo.

Nkuhlu is one of the pioneers of
the National Empowerment Con-
sortium (NEC). He represented
Worldwide Africa Investment
Holdings when the NEC bought a
35% stake in Johnnie in 1996.

Recently, Nkuhlu set up his
own Economic Equity Investment
Holdings company after leaving
Worldwide Africa to avoid a con-
flict of business interests.

He hopes to nail down a high-
profile distribution and con-
sumers services sector in the next
week or two.

Nkuhlu is the first black presi-
dent or executive chairman of a
previously white auditing institute, which has
600 members from previously dis-
advantaged communities out of a
total membership of 17 000.

At SAC, Nkuhlu takes over the
reins of Sasca from Selwyn Mac-
farlane, deputy chairman of the
SA Business Council.

During his term he plans to
eliminate the need for two parallel
accounting organisations, Sasca
and the South African Associ-
ated Chartered Accountants of South
Africa (Abasa).

"The disparity in membership
numbers between blacks and
whites in the institute is unaccept-
able and cannot be allowed to
continue in the nonracial society
that we live in," he said.

Nkuhlu stressed that the time
had come for the institute to
transform and create meaningful
black participation at all levels of
the organisation.

Abasa said Nkuhlu's appoint-
ment was a positive move in that
it would help voice the concerns of
black accounting practitioners at
the institute. Nkuhlu played a
pivotal role in averting a threat-
ened breakaway by Abasa from
Sasca. He helped persuade Sasca
members to increase Abusa's repres-
station on the Sasca board from
one to two.

Yvonne Waia, chairman of the
Public Accountants and Auditors
Board, a sister organisation to
Sasca, said the board welcomed
Nkuhlu's appointment.

'We need Nkuhlu to bring a
broader perspective on issues that
directly relate to empowerment in
the profession,' she said.

Nkuhlu, however, has his cri-
cits. A business associate who
pre-
ferred to remain anonymous
gives "Although he has good
intentions to fight for the cause of
black economic empowerment, he
does not use all the tools in his pos-
session to create change," he said.

Another critic said Nkuhlu was
cautious in everything and always
avoided taking radical decisions in
transforming organisations such as
the Independent Develop-
ment Trust (IDT) and the Devel-
lopment Bank of SA for fear of
reprisal. "No matter how obscure
and vague his ways of champi-
oning the cause for black business
development in SA, the most im-
portant thing was, he brings it to
the attention of those who mat-
tered," he said.

He is a product of Fort Hare
University, did time on Robben Is-
land after being arrested and ex-
pelled from high school for his
strong views on democratic change
in the country.

He was barely 19 when this
happened, but was not deterred
from continuing his education.

He enrolled in a correspond-
ence course in order to complete
his matric and also worked at Lon-
volume Golden Mine in the Free
State.

Nkuhlu recalls that coming out
of prison in the '60s was a lonely,
disrupting experience compared
to the heroes' welcome given pol-
itical prisoners in the '80s.

Nkuhlu said he plumped for
accountancy as a way of making
his mark.

He followed up his CA by ob-
taining masters' degree in fi-
nance and international business
from the University of New York
in 1982.

He became principal and vice
chancellor of Fort Hare University
in 1982, but left the university
while on sabbatical because of his
desire to get into business.

Nkuhlu prefers to be identified
with black business development,
affirmative action, economics and
policy development issues, rather
than politics.

"For that reason I am involved
in organisations that advanced
black business, such as the Black
Management Forum as president
in the mid-90s, and as a member of the National
African Federated Chamber of
Commerce," Nkuhlu said.

However, when he resigned
from the IDT three years ago, there
was an outcry from senior black
managers at the trust who be-
lieved that his leaving showed the
impotence of the organisation's
affirmative action programme.
Others said they saw no future
after he left, while a number of
them accused him of further
delaying the appointment of
blacks to important positions
while he was there.

After setting up Worldwide
Investment Holdings with other
black businessmen, he resigned
from the Pickard commission, which
was investigating financial mis-
management in SA soccer.

Nkuhlu has written several ar-
ticles on development issues, in-
cluding a 1999 paper on economic
empowerment in sub-Saharan
Africa during and after the
colonial era.

Over the years he has turned
down offers from big international
financial institutions such as the
World Bank and the International
Monetary Fund, and declined the
chairmanship of African Capacity
Building Institute.

In his free time he enjoys read-
ning on management issues and
makes time to work out at a gym.
Head-hunting booms as accountants leave

THREE-quarters of the chartered accountants who qualified recently are expected to leave SA, says Graham Burnside, MD of Grey Appointments.

He was commenting after the announcement last week of the results of this year's qualifying examinations set by the Public Accountants' and Auditors' Board.

"We have been speaking to a lot of candidates and our research has shown that 75% of this year's qualifying chartered accountants (CAs) will go and work overseas."

As a result of the brain drain, head-hunting was booming as local companies went after the fewer and fewer good candidates, he said.

"Most of the CA candidates for this year were interviewed in February and March by companies, before they qualified. The companies will take them on whether they pass or fail. Many of the blue chip companies have widened their parameters and will accept candidates with a lesser qualification."

Graham Terry, deputy CE at the SA Institute of Chartered Accountants, said the institute did not have statistics on how many CAs were leaving SA.
Accounting body merger proposed

Madeleine van Niekerk

THE Association of Chartered Certified Accountants has proposed to members that it merge with two global accountancy bodies. It said it wanted to merge with the Chartered Institute of Management Accountants and the Chartered Institute of Public Financial Accountants.

The association has written to its members and the members of the two other bodies to propose the creation of a new professional accountancy body (248).

The new body would have more than 120,000 members and about 200,000 students. It would be the largest accountancy body in Europe and would operate in over 130 countries worldwide.

Lloyd Theunissen, the manager of the association, in SA, said: "Should the three merge in London, we will merge locally as well. Should the merger happen, it will be a good thing. It will significantly improve support to members and reduce costs."

The association said the new body would have a new name and new designatory letters. It would adopt the association's statutory recognition in Britain and play a full part in regulating the profession.
New training choice for SA accountants

By Isaac Moledi

Trainee chartered accountants will no longer be required to perform three-year apprenticeships in public practice firms.

The South African Institute of Chartered Accountants (Saca) is encouraging accountant-trainees to adopt a new option called the financial management route (FMR), which it initiated last January.

The FMR allows apprentice chartered accountants to carry out their three-year training period within a private corporation in commerce and industry as opposed to a firm in public practice which was previously the only option.

The initiative is aimed at providing a structured programme for equitable development and transformation.

Saca chief executive Ken Mockler says since its introduction eight months ago, the new route has been successful.

Although the two routes are of an equivalent standard and value, "the new route is of particular advantage to accountant-trainees who wish to be involved in financial management in a commerce and industry environment", according to Mockler.

"It is critical that the accountancy profession provides as many routes as possible to enable prospective accountants to qualify," he adds.

To carry out the Sacca training initiative, 20 local corporations (comprising more than 120 individual companies) have registered with the Institute as approved training organisations.

The corporations are mainly in Gauteng and they include Nedcor, Vodacom, Anglo American Corporation, Absa, Transnet, Toyota South Africa, South African Breweries, The Automobile Association of South Africa, Dorbyl Engineering and Barlow.

Training will extend to aspirant accountants who, while wishing to practice as accountants, do not necessarily wish to become chartered accountants.

Corporations are able to choose the level or levels at which they would like to offer training.

These levels, also referred to as colleges, are the College of Chartered Accountants, the College of Associate General Accountants and the College of Associate Accounting Technicians.

Mockler says the three-year training period applies to aspirant chartered accountants who are in possession of a degree or an academic equivalent.

Non-graduates are required to complete a five-year training period, he says.

"A far greater number of accountants will be required in South Africa if the economy is to grow at the rate which will provide sufficient employment in the future," Mockler says.
Accountants get training choice

Madeleine van Niekerk

TRAINEE chartered accountants can now choose to do their three-year training within a corporation in commerce and industry, as opposed to a firm in public practice, previously the only option, the SA Institute of Chartered Accountants said at the weekend.

To date more than 20 SA corporations — consisting of more than 120 individual companies — have registered with the institute as approved training organisations, enabling them to provide this option.

This new route — known as the financial management route — was started in January this year and had far-reaching consequences for the future of the accountancy profession in SA, the institute said.

The objectives were to provide a programme for the training of aspirant black chartered accountants, and to help overcome the problem of the number of SA chartered accountants who were emigrating.

A far greater number of accountants would be needed in SA if the economy was to grow at a rate that would provide sufficient employment in future, the body said.

"The two routes to becoming a chartered accountant are of an equivalent standard and value. It is critical that the accountancy profession provides as many routes as possible to enable prospective accountants to qualify," the institute's CEO, Koen Mockler, said.

Training would be extended to aspirant accountants who, while wishing to practice as accountants, did not necessarily wish to become chartered accountants. Corporations would be able to choose the levels at which they would like to offer training.

The three-year "traineeship" period applies to aspirant chartered accountants who have a degree or academic equivalent. Nongraduates are required to complete a five-year "traineeship" period.
Big Five in accounting look to branching

Accounting firms are investing heavily to build a brand and global identity but some doubt they can deliver a standard service to justify a price.

Premium, where Jim Kelly in London...
Parastatal to supply info needs of govt

THE state is to create a information technology (IT) company to service its computer needs because many of its IT professionals are leaving for more profitable positions in the private sector.

The government had been compelled to obtain most of its IT requirements from the private sector because of IT professionals leaving state service, said portfolio committee on public service and administration chairman Salleh Manie.

It had therefore introduced legislation to establish a State Information Technology Agency (Sita) "to consolidate the state's interests in information technology and to serve the public sector's IT needs".

The committee on public service and administration would hold public hearings to give interested parties the opportunity to express their views on the bill.

Sita would be established as a private company, with the state as sole shareholder. Public Service and Administration Minister Zola Skweyiya would be represented on the board.

Manie said Sita would initially consist of Infoplan (a division of Denel) and Central Computer Services (a component within the Department of State Expenditure). — Parliamentary Bureau
Accounting institute puts more blacks on board

Madeleine van Niekerk

THE Institute of Chartered Accountants is co-opting three more black members onto its board, bringing the total number of black board members to six or 40% of the board.

The move made the board membership more representative of the SA population rather than representative of membership of the institute.

"The SA accountancy profession is currently undergoing some of the most far reaching and rapid changes in its entire history, and the promotion of equity development is vital if we are to adapt to this dynamic environment," the institute's first black president, Wiseman Nkuhlu said.

The institute's equity development director, Pudi Mahana said the co-opting of black members to the board was a "milestone" in the process of transformation. He said previously black representation had not been higher than 15%.

Saica said it was on track to reach membership targets of 3 000 African, 700 Coloured and 900 Indian chartered accountants by 2005.

A total of 34 Africans, 18 Coloureds and 68 Indians passed this year's qualifying examination. Previous membership was 126 African, 105 Coloureds, 801 Indians and more than 16 000 whites.

The institute's repositioning initiative, launched at the end of July last year, was one aspect of the transformation strategy.

The introduction of two associate colleges, for general accountants and accounting technicans, has broadened entry to the institute, making the accountancy profession more accessible to the entire SA population.

"It is crucial that the institute sets a concrete example with regard to implementing a policy of equity development within the secretariat," Nkuhlu said.
More needed to help black CAs

By Shadrack Mashalaba

Although Sasca's estimates of blacks who have qualified as CAs is about the same as that of Abasa, the institute's equity development director Pendi Mabena believes that her association was in a move to increase black professionals.

Although Sasca's presidentWiseman Nkubho said recently that it was crucial that Sasca sets a concrete example for firms in public practice and enters into commerce and industry with regard to implementing a policy of equity development within the Sasca secretariat.

He said currently there were only three black people on the board of Sasca.

This number would be increased by co-opting more blacks with full voting rights on to the board.

Sasca's projections are that by the year 2005 about 3 000 Africans, 700 Coloureds and 930 Indians would have qualified as CAs as part of its effort to achieve equity development targets.

A total of 34 Africans, 18 Coloureds, and 68 Indians to pass their qualifying examinations this year.

More needed to help black CAs

By Shadrack Mashalaba

DESPITE attempts to increase the number of black chartered accountants (CAs) in South Africa, entry into the profession was still moving at a "snail's pace", Association for the Advancement of Black Accountants of Southern Africa (Abasa) vice-president Moses Kgosana said.

Although there are attempts by various accounting bodies, as well as the repositioning strategy launched by the South African Institute of Chartered Accountants (Sasca) last July, Kgosana believes that a lot still needs to be done to increase the number of blacks in the profession.

Kgosana, who was addressing the delegates at the launch of the association's Pretoria branch, said a lack of facilities was a major problem.

He said if these facilities were available, it could facilitate black people's entry into the profession.

"Added to this is the issue of barriers to entry and accreditation. Black universities, which should also be contributing to the profession, also lack the necessary expertise to play their role," Kgosana cautioned.

According to Abasa, South Africa has about 18 000 CAs. Of this number, 800 consist of Africans, coloureds and Indians. Of the 800, Africans make up 140 and women account for a paltry 15.

Kgosana said his association was convinced that the problem would not only be solved by organisations involved in the profession, but also by the Government.

"It should play a facilitative role by creating an environment which is conducive to the development of CAs by making funds available," he said.

Although Sasca's estimates of blacks who have qualified as CAs is about the same as that of Abasa, the institute's equity development director Pendi Mabena believes that her association was in a move to increase black professionals.

"This, she said, was being done through the strategy which focused on identifying and removing barriers that inhibit the development and optimum use of human resources, especially in terms of enhancing accountability kills.

Concrete example

Sasca's president Wiseman Nkubho said recently that it was crucial that Sasca sets a concrete example for firms in public practice and enters into commerce and industry with regard to implementing a policy of equity development within the Sasca secretariat.

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Consultancy aims to boost IT skills among blacks

NEW Africa Technology Holdings (Nath) has formed a new company to help boost black information technology skills.

Nath, the technology arm of New Africa Investments (Nai), will work with SAP, a software company that specialises in enterprise resource planning systems.

In order to house the operations of SAP, Nath has formed Independent Technology Enterprise Solutions (ITES).

Income for ITES will be boosted when it takes over the computer centre of a soon-to-be-dual multinational. ITES MD Tony Hunter declined to name the SA-based multinational, as it did not want to disclose details of its unbundling.

ITES would use the centre to offer, SAP outsourcing services, said Hunter.

Nail deputy chairman Cyril Ramaphosa said ITES would train new entrants to the industry and would fight the brain drain by providing incentives for skilled professionals to stay in SA.

"Through our partnership with SAP we are looking to expand our country's skills within the dynamic, high-growth sector," he said. "We are going to actively take those from disadvantaged communities, give them the necessary skills and enable them to plough their knowledge back into the country."

ITES will be the first black-owned consultancy in SA specialising in SAP.

Nath is a multimillion-dollar global company employing more than 450 technicians in SA and 14 foreign countries. The enterprise systems market is estimated to be worth about R300m locally and $13.5bn globally a year.
Lack of black CAs on agenda

By Sowetan Business Reporter

STRATEGIES on the transformation of the chartered accounting profession will take centre stage when the Association for the Advancement of Black Accountants of Southern Africa (Abasa) starts its 13th annual conference today.

The conference, at the International Convention Centre in Durban, comes amid dismal statistics on the number of blacks in the accounting profession.

Recent statistics issued by Abasa shows that there are 18 000 chartered accountants in South Africa. Of those 800 are blacks, of which 15 are women.

The Afrikaanse Handelsinstituut will also hold its annual conference which starts tomorrow in Cape Town at the President Hotel.
GOVERNMENT's hasty policies aimed at transforming the private sector will harm business, says Pieter Conradie, newly elected president of the SA Association of Civil Engineers.

Conradie said yesterday the scarcity of black engineers would make it almost impossible for the professional engineering business sector to meet the requirements of the Employment Equity Bill.

There were fewer than 600 professional black engineers in the country and the entire private and public sectors were competing for them. Black engineers were difficult to get hold of, and keep, as they were continually poached.

The few engineers in the market were moving towards setting up their own businesses to exploit the opportunities of the affirmative action policy which required government to prioritise emerging contractors in awarding tenders. Given these conditions, it would take some time for the sector to become representative of the broader population.

The sector was taking an active part in training new black engineers and spent about R18m a year. About 52% of this covered students from previously disadvantaged backgrounds.
One-fifth of Ca's live and work overseas.
The process is a sequence of:

1. Identify the doctrine, its elements, and the relevant facts.
2. Apply the doctrine to the facts.
3. Reach a conclusion.

The doctrine would be defined in the context of the facts and the legal principles involved.

The consequence committee of the National Accountancy Council can also be involved in the process.

The study committee on the doctrine was the joint committee of the National Accountancy Council and the profession.

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SA accountants urged to keep their house in order

Patrick Wadula

THE Association of Chartered Certified Accountants has called for self-regulation of the accounting profession.

This follows the formation of a national accountancy consultative forum, under the guidance of Deputy Finance Minister Gill Marcus, aimed at restructuring the auditing profession.

Mashudu Ramano, the association’s SA representative, says the Public Accountants and Auditors Board has refused to recognise the validity of the association’s qualification in SA.

"After all, we are recognising in many countries, including the UK, to perform this function," he said.

The association re-entered SA in 1991 after an absence of 42 years as a result of the apartheid system.

Ramano said the association proposes that all organisations representing auditing profession set up two bodies — a regulator and a representative forum. "This is the only way to protect the public interest against sectoral self-interest and become more efficient."

The regulatory body should be a statutory organisation for accountants and auditors, and could be established under the supervision of a government department. "It would have overall responsibility for setting accounting, auditing and ethical standards for approving the education and qualification standards for accountants carrying out regulated activities and for the maintenance of professional standards," Ramano said.

The association believes the regulatory body should be directly responsible for ensuring the accountability of the professional bodies with regard to self-regulation. They also proposed that a representative council be set up to co-ordinate the activities of institutes and represent the accounting profession.

BD 31/12/98
Need for black IT forum unlikely to diminish soon

THE need for a black-only business organisation to campaign for equality will not die out until black businessmen really make their mark in industry, said the Black Information Technology Forum (BITF), which was established to help entrepreneurs succeed in the IT and communications industry.

There is an enormous disparity in the number of black and white workers in the industry. As long as that gap exists, so will the forum, said Simon White, a member of the election task team.

On April 10 the forum will elect its first CEO, a full-time post with the mandate of speeding up projects already undertaken by the forum. It will also become a national body rather than only operating in Gauteng and the Western Cape.

"The IT and communications sector is highly competitive and whites have an enormous head start," said White.

"The quicker SA transforms itself towards open industries with increased participation from blacks, the shorter the lifespan of the forum will be. There is still a strong need for a black empowerment group, given the reluctance of others to help blacks to succeed."

Forum member companies employed a total of more than 700 staff and had a combined turnover of R1.5bn. That turnover quadrupled in the past year, said White, who predicted it would touch R15bn by 2005.

But that could only happen if entrepreneurs had a representative body to make their voices heard, he said.

The forum has lobbied government on its procurement and tender procedures, and the national IT qualifications framework.

Another priority is to make the IT industry more attractive to black people, which could see the forum become more involved in making presentations, bringing technology to schools, negotiating discounts for members taking part in exhibitions, and introducing black-owned companies to white trading partners.

The group is also committed to ending the tendency for white companies to sign up black equity partners to gain a black face, rather than truly encourage empowerment, said White.

About 20% of IT workers are black, with the percentage falling dramatically in the upper echelons of management. Some have chosen to form their own companies than try to succeed in white enterprises, with about 125 black-owned IT companies now operating.
Accountants by the hour in greater demand

*Business Day Reporter*

HOT on the heels of reports that the demand for interim CEOs is rising in SA comes the news that some companies are opting to engage specialist skills in accounting and financial services on an hourly basis rather than on a contract or full-time basis.

Accountants-on-Call — a Cape Town-based recruitment company specialising in accounting, financial and administrative personnel — says it is riding the wave away from contract accounting to hourly rate business.

Director Heide Baasch said that while the company continued to write considerable contract work, there was a trend towards the more flexible hourly rate option, which now accounted for about 80% of its business.

The challenge of succeeding in a business environment characterised by economic uncertainty and labour unrest had prompted many managers to adopt tactical rather than strategic growth and business plans.

"In many instances it is impossible for our clients to pinpoint how their businesses will be operating in six months' time," she said.

"They do not have the luxury of employing additional financial resources for six months, but prefer to operate on input from an experienced CA (chartered accountant) on a project, on an hourly rate.

"With outsourcing and 'virtual' companies very much the tendencies worldwide, we believe that the call for temporary staff will continue to soar.

"However, there will always be demand for in-house staff with extraordinary skills and acumen," Baasch said.
Thousands helped towards their business potential

The Southern African Institute of Chartered Secretaries and Administrators (ICSA) celebrates its 90th anniversary this year, having helped thousands of southern African students achieve their potential in business.

The institute was founded over 100 years ago in the UK to provide a professional home for those in business administration. The Southern African branch was formed in 1939 and reclassified as a division in 1957. The division was incorporated into Southern Africa in 1972 in terms of Section 21 of the Companies Act and was the first branch of the institute to be established outside the UK. Today there are divisions in New Zealand, Australia and Canada, Hong Kong, Malaysia, Singapore and Zimbabwe.

"Although local autonomy was achieved through the incorporation of the southern African Institute, the examination standards and the criteria for membership are the same as those that apply elsewhere in the world. Therefore, success in the southern African institute's examinations is widely recognised and membership of this institute confers simultaneous membership of the international body," said chief executive Alan Barrable.

"Our main mission is to supply people, suitably qualified in business management, accounting and company secretariatship to meet the needs of South Africa into the new millennium."

Modern executives today were multi-skilled, Barrable said. "They have accounting and interpretative abilities. They understand company law and they are accomplished at management. In successful companies, there are CIS graduates because we equip them to become valued all-rounders. At home in every aspect of business management."

Membership is widely recognised internationally and is held in high esteem in the southern African business community. The institute's members have a high level of competence in business administration, general management, accounting, company secretariat, taxation and corporate governance.

Barrable said there are 46 000 chartered secretaries throughout the world, of whom more than 3 000 are members of the southern African division, and 12 percent of the 34 000 registered students are in southern Africa.

The institute actively promotes the benefits of the profession through presentations to career guidance units, employers, universities and schools and through a vigorous advertising and public relations programme.

To make study for everyone possible, ICSA has an array of options from full-time to part-time correspondence courses and in-house courses for companies.

"An ongoing programme of seminars and technical newsletters keeps our members abreast of changes," Barrable said.

ICSA is the co-sponsor of South Africa's prestigious Annual Report Awards with the JSE. "This ensures members remain alive to techniques and ethics of responsible reporting," said Barrable.
Accountancy exam pass rate improves 15%

Madeleine van Niekerk (248)

The pass rate for the first part of the chartered accountants’ examination results improved to 70% this year from 55% last year, says the SA Institute of Chartered Accountants (Saca).

Saca CEO Ken Mockler said the recently released results of part one of Sacca's qualifying examination represented a significant milestone for the institute's equity development initiative.

Mockler said the 70% pass rate was the highest in recent years.

Of the 1,791 candidates who passed the first part, 78 were black, 66 coloured and 185 Indian.

This is the first year that Sacca has conducted the first part of the exam, previously conducted by the Public Accountants and Auditors' Board.

Mockler attributed the improved results to the fact that candidates were focused and better prepared.

"One of the main reasons for this is the fact that the education and training programme has been restructured and a portion of the specialist content deferred to be done concurrently with the training contract."

He said the changes also benefited candidates by reducing the content requirements for the first half, allowing greater focus on core subjects.

"This meant more time could be spent on improving skills such as oral communication, writing skills and exam techniques."

A further key change, introduced this year, is that candidates now write part two after completing 18 months of their training contracts. They also have to complete a specialist course in auditing of financial management during this period.

Allen Swegers, human resource partner at Deloitte & Touche, said standards were not dropping and the quality and content of the exam was benchmarked against international institutes.

"The exam is highly regarded overseas," he said.

Experience was now examined instead of theoretical knowledge, believed to be in line with international trends, where international accounting institutes also conduct the exams over a period of time.

Part two, now referred to as the Public Practice Examination, will be set, adjudicated and administered by the Public Accountants and Auditors' Board and written each November.

As a transition measure, an auditing specialist examination was set in March for repeat candidates of the 1,049 candidates who wrote the second part, 546 or 52% passed.
SA moves closer to world standards

The process of alignment with international accounting standards is an ongoing process. The standardization of financial reporting is crucial for transparent and comparable financial information. As SA moves closer to world standards, it ensures that the financial reports are reliable, accurate, and comparable. This alignment is achieved through the adoption of International Financial Reporting Standards (IFRS) by South African companies. The move towards IFRS enhances the quality of financial reporting, making it easier for investors and analysts to compare financial information across different countries.

Medicene van Niekerk

1987
BUSINESS

Real power is economic

Black accountants ‘must help Govt’

By Shadrack Mashalaba

Despite some successes by the Government over the past five years a number of key economic areas still need to be addressed.

So said Deputy Finance Minister Sipho Mphahliwa at the 14th annual convention of the Association for the Advancement of Black Chartered Accountants of South Africa (Abasa) in Johannesburg yesterday.

“South Africa is still a divided country We have people living in the First World and another group living in the Third World.”

He said the fact that the Government had to pass legislation such as the Employment Equity Act showed that South Africa had still a long way to go.

The deputy minister said it was imperative to establish a partnership with the accounting profession to ensure effective and efficient operation of the act.

Mphahliwa said accounting firms could help the Government to develop and impart skills to enforce financial management legislation.

“As much as a growth, employment and redistribution strategy was necessary, those were and should be seen as policy consolidation and not policy shifts.”

Mphahliwa said as part of the Government’s efforts to instil a culture of tight fiscal discipline, it had prepared the Financial Management Act. The Act, he said, would come into effect in April next year.

“Because of the importance of the Government’s spending, fiscal policy has to be conducted in a manner that does not fuel inflation or the interest rate,” he said.

The theme of Abasa’s conference was the investigation of an African economic renaissance.

The deputy minister acknowledged that job creation was a problem. He said it was an area the Government would need to tackle urgently in its current term of office.

“For an African economic renaissance to succeed, he said, there was a need to develop a strategic vision with specific goals.”

Mphahliwa said the former colonial empires would not take it upon themselves to ensure that African economies become viable. “An African renaissance has to begin and reside in each African country. The solutions to problems should be developed by governments and the society at large,” he said.

The South African Government was willing to assist in the nurturing of the African renaissance, he said.
More women making a mark in engineering

University dean says 35% of students are female and "traditionally among the best in the class."

CARE AMONG SOME 1999
NEWS
Engineers told they must ‘adapt or die’

Sector must be changed to reflect demographics.

Sibonelo Radebe

THE annual convention of the SA Association of Consulting Engineers, which started in Pilansberg in North West yesterday, was a reminder to the consulting engineering sector to adapt to the changing environment of business.

The message from speakers was “adapt or die.” Most speakers, including Johannesburg City Manager Ketso Gordhan, the MEC in the Office of the North West premier, Jerry Tlhbedi, SAB corporate affairs director Vincent Mapahl and LTA MD Frank Crowley set challenges for members.

These varied from transforming the sector to reflect the demographics of SA, to becoming globally competitive.

Noting the few black faces at the convention, Tlhbedi said the consulting engineering sector was still predominantly white and the association should work towards redressing this.

He said consulting engineers should volunteer to train people from previously disadvantaged communities.

The consulting engineering sector occupied a crucial position in the struggle for economic development and the country could not afford to export engineers.

Crowley said local companies should take advantage of the booms taking place in Botswana and Lesotho.

Despite the war in the Democratic Republic of Congo and surrounding areas, southern Africa posed enormous growth opportunities for construction companies, including engineers.

Crowley warned of the need for companies to keep pace with the changes brought by the “information revolution,” or become obsolete.
Lack of black engineers, delays transformation

Within a year to sponsor more young people to continue and complete school, these boys were admitted into a new engineering school, which is being developed in the community of San Jose. The engineering school is a new institution called Silicon Valley Engineering Academy (SVEA), which aims to provide education and training to students who are interested in engineering and technology.

SVEA offers a curriculum that includes courses in electrical, mechanical, and civil engineering. The school also provides opportunities for students to work on real-world projects and gain practical experience.

The school has a strong focus on diversity and inclusion, with a particular emphasis on attracting and supporting students from underrepresented backgrounds. SVEA is working to create a more inclusive and equitable learning environment, where students from all backgrounds can thrive.

The school is located in a community that is undergoing rapid development, with new tech companies and startups opening every day. This has created a strong demand for engineers and other tech professionals, making SVEA an attractive option for students who are interested in pursuing a career in this field.

Overall, SVEA is an innovative and forward-thinking institution that is helping to address the shortage of black engineers in the tech industry. By providing quality education and training, SVEA is working to create a more diverse and equitable future for the engineering profession.
Top accounting firm to lay off 1,000 employees

THE world's biggest accounting and consulting firm, PricewaterhouseCoopers, says it will lay off 1,000 administrative and support staff after officials promised about a year ago that layoffs would not result from its merger last year.

PricewaterhouseCoopers, the result of the merger between Price Waterhouse and Coopers & Lybrand, said in an internal memo that the firm would lay off 700 to 750 support staff, such as secretaries. Another 250 positions would be erased through voluntary attrition.

The decision to lay off staff comes a month after the firm announced plans to invest about $3bn in new products and services, particularly to boost its lucrative electronic-commerce business. At the same time, the firm wants to preserve its partners' income.

When the firms merged in July 1998, officials made it clear they were not planning any employee layoffs. "Since the merger, our infrastructure costs have grown substantially, and they're not in line with the need to address market opportunities, investment demands and client needs," said spokesman David Nester.

Overall, PricewaterhouseCoopers is seeking a 10% to 15% reduction in its 10,000 or so administrative and support staff in the US.

On Wednesday, Nicholas Moore, the firm's chairman, and James Schiro, the firm's CEO, sent a memo to US partners and staff that said that since the merger "administrative costs have grown significantly" and the firm "must now take the necessary but painful step of reducing administrative staff positions."

The firm notified partners less than a month ago that cost cutting was on the way. On September 30, a memo was circulated to partners in the memo, Schiro said "While our revenue is expected to show very healthy growth, our costs are simply too high" The firm plans to make $3bn in investments over three years.

Schiro said "Making such investments without significantly lowering support costs could result in annual reductions in partner income — far from our goal of 12% annual growth in partner income. This is unacceptable."

— Dow Jones
Work is on the way

By Sowetan Business Reporter

SOUTH African demand for professional skills is on the increase, with positions expected to increase in the coming years.

A detailed study of the labour market revealed that about 93 000 new positions for professionals are expected to be created in the formal sector between 1998 and 2003.

The findings are contained in a study on the South African labour trends and future workforce needs in The Graduate, newsletter of the Human Science Research Council register of graduates.

The Graduate said this is in spite of the fact that total employment in the formal economy (excluding agriculture) is expected to increase by only about 45 000 job opportunities over the same period.

"The professional, managerial and artisan occupations are, for instance, expected to continue increasing their share of total employment, while clerical/sales/service workers and semi-skilled/unskilled workers are expected to show a decline in their share of total employment," said The Graduate.

Despite the expected slow growth in professional employment in the government sector, the Government is still the largest absolute contributor at 33.4 percent. The situation in non-government sectors in fields such as information technology (IT) and finance take the lead in growth. The highest growth (40 percent or more) in professional employment under the sector is expected in IT. The increase will occur as a result of computerisation.

The Graduate explains that almost three-quarters of the surveyed organisations are experiencing shortages of skilled human resources. More than 52 percent of companies have indicated shortages in the professional category. The lack of highly skilled black South Africans was repeatedly stated.

Nonetheless, a need for mechanical, civil, electrical and industrial engineers as well as engineering technicians was often mentioned.