

27/7/87

PUBLIC SECTOR GOVT. GENERAL

1989

JANUARY — ~~JUNE~~ DECEMBER

Broad policy decisions during the remainder of the first five year cycle are likely to be dominated by four inter-related considerations: the replacement of the academic mainframe, networking, office automation, and the future direction of administrative computing. Office automation is based on the existence of a campus-wide network, and the network strategy is not independent of the mainframe decision. In addition, while the choice of an academic mainframe will not be influenced by the prior decision to run the large administrative systems on an IBM or IBM-compatible machine, the decision does have implications for the question of where the administrative mainframe processing will be carried out in the longer term. The transfer of the remaining aspects of financial computing, asset registration, student administration and SAPSE statistics during the remainder of the cycle will complete the conversion of administrative computing from the Sperry (Unisys) computer to the IBM computer. Efforts of ISD will also concentrate on supporting end-users in the use of packages at the microcomputer level during this period, specifically to reduce administrative computing cost by transferring data from the mainframe to the microcomputer for further analysis and to encourage computer literacy amongst administrative staff.

PROJECTIONS FOR THE REMAINDER OF THE CYCLE

It should be emphasised that the Forecasting Committee's projections for the funding of academic computing did not include the requirements of major library systems (as it did not include funding for administrative systems): once the course that the library computer developments should follow has become clear, the question of funding will need to be discussed in detail in the University.

intended to lead to detailed specifications for an overall computerisation plan. This study is nearing completion.

Sorting out public and service sectors

Business Day Reporter 250

A SPOKESMAN for Privatisation Minister Dawie de Villiers said at the weekend that a distinction should be drawn between the terms "public service" and "public sector".

Referring to a report in Thursday's Business Day on massive growth in public service staffing, he pointed out the growth had taken place in the public sector.

This included the public service (government department staff) and parastatals such as Eskom and Iscor.

He said De Villiers, who is conducting a probe into public service rationalisation, had no comment on the latest Central Statistical Service figures which showed there were 32 077 more public sector employees between the third quarter of 1987 and September last year.

This brought the total number of public sector employees to 1,7 million.

15 000 posts 'unaccounted for' — govt

CAT 7m 15 10/1/89 (250) 8

JOHANNESBURG. — Figures released by Central Statistical Services show an unaccounted-for increase of 15 000 posts in the provincial administrations in one year, despite denials by the provinces that significant numbers of new posts have been created.

According to the latest CSS report last week on the growth of the public sector, there was a massive overall growth of 32 077 employees between the third quarter of 1987 and September last year, bringing the total number of public sector employees to 1,7 million.

CSS has now accounted for the growth by releasing figures which show that the biggest growth was in the provincial administrations (up by 33 000, from 196 000 in 1987 to 229 000 last year) and the civil services of the homelands (up by 23 000, from 162 000

to 185 000).

However, the CSS figures show that the 33 000 new posts in the provincial administrations have been matched by a reduction of only 18 000 central government posts, leaving 15 000 posts unaccounted for.

The total number of posts in the provincial administrations rose from 196 000 to 229 000 over the same period. Of these, 76 690 were white, 31 197 coloured, 6 623 Asian and 114 626 black. The increase of 33 000 posts included 10 000 additional posts for whites, 21 000 for blacks and the remaining 2 000 split between coloured people and Asians.

The Cape Provincial Administration reportedly employed some 18 000 new staff members during 1988. According to a representative, the rearrangement of posts from central government to the provincial administrations accounted for the increase in posts. She declined to comment further, however.

'Politics makes it difficult to hire scientists'

B/Deur
17/1/87

250

GERALD REILLY

PRETORIA — The perception abroad of the SA political situation eliminated the possibility of recruiting suitable foreign scientists on a permanent basis, Agricultural Deputy Minister Kraai van Niekerk said yesterday.

Speaking at the SA Society of Plant Pathology annual congress at Cape Town University, he said it was also unrealistic to expect to recruit leading scientists in the light of restricted funds and the shortage of research leaders.

On an "overabundance" of agricultural faculties at SA universities, Van Niekerk said it was claimed this led to duplication and dilution of forces.

"The question can be asked whether full departments of plant pathology at each of four faculties of agriculture can be justified or afforded," he said.

Fewer and better-equipped departments with adequate personnel and funds were needed.

The departments would also have to ask to what extent they were responsible for the shortage of research leaders.

In contrast to the 50s and early-60s, promising researchers were not being sent abroad for post-graduate study.

He said it remained to be seen whether sources of finance would be available in future to relieve the constraints on the researcher.

Public sector numbers likely to increase to meet need?

by Day 13 11 89
GERALD REILLY
250

PRETORIA — A decline in the 381 000 public servants appointed in terms of the Public Service Act was possible if no demands for new and sophisticated services were made by the private sector, Commission for Administration Secretary Ian Robson said.

Robson was reacting to the latest Central Statistical Service (CSS) figures which showed between September 1987 and September last year the numbers employed in the public sector — it included Sats and the Post Office — increased by more than 32 000 to a total exceeding 1.7-million.

He said strict measures were being applied to contain personnel growth in

need for staff such as teachers, nurses and other personnel involved in development work.

BRONWYN ADAMS reports that government officials were confused over the increase of 32 000 employees in the public sector.

A CSS spokesman said of the net increase of 32 000, 15 000 were accounted for by the provincial administrations, 3 400 occurred in the own affairs administrations and another 12 000 in the general affairs departments.

But, the CSS, the provincial administrations and the commission would not supply details of what functions the new posts covered.

The CSS spokesman said the growth in the central government could have been in the defence or police forces.

A commission spokesman was not prepared to comment in depth on the CSS figures, saying the commission preferred to rely on its own statistics which would be released later in the year in its annual report.

He said some of the additional posts could be accounted for by employment creation and charity programmes. It was impossible to say what proportion of the extra posts was accounted for by such programmes as the CSS had not released any detailed statistical breakdowns.

PUBLIC SERVANTS WANT ANOTHER PAY INCREASE

PRETORIA — Public servants wanted provision made in the Budget for increases later this year, the Public Servants Association (PSA) said.

It said they also wanted a bigger allocation for market-related earnings in specific occupations in the service.

Public sector workers got 15% pay hikes from January — hikes which will cost an additional R4bn in the new financial year.

Last year, an amount of R400m was allocated for occupational differentiation which, PSA GM Hans Olivier

GERALD REILLY

said, "was insufficient to meet the need for adjustments in certain key areas in the service.

"We are still not keeping pace with earnings levels in the private sector and, until adjustments are made, we will continue to lose skilled staff."

Olivier said representations were made at the end of last year on the need for a bigger allocation for occupational differentiation as well as for more adjustments to general salary

levels during the new financial year.

The 15% granted at the start of the year still left government workers well behind equivalent workers in the private sector.

Olivier agreed with Commission for Administration retiring chairman Johan de Beer that, in real terms, government workers were worse off than five years ago. Increases had failed to keep pace with inflation.

Olivier also agreed with De Beer that government workers could be lagging by as much as 20%-25% behind the private sector.

Parents outraged at principal's appointment

By VUSI KAMA
Staff Reporter

PARENTS at Mbekweni, near Paarl, are opposed to the appointment of a white principal at the township's Simon Hebe High School

In a heated meeting organised last night by the Department of Education and Training (DET) for the election of members of the school's management council, parents demanded to be told why Mr G Visser had been appointed principal

They said they could not understand why the former principal, Mr T Nzuzo, had been made a deputy

DET representative Mr H Jimba, who chaired the meeting, said Mr Nzuzo had been offered the post of principal at another school in the Peninsula which he had declined

Parents were concerned about the absence — except for Mr Visser — of members of the teaching staff at the meeting

"There has never been a meeting like this before at this school," said one speaker

"When we discuss school matters, teachers need to be here"

"CRACK THE SYSTEM"

To Mr Jimba's response that the meeting was for parents only, rather than for a parent-teachers' body, another speaker remarked "Then Mr Visser should also be kicked out of this meeting because to us he is just another teacher, not a principal"

Another speaker said teachers were regarded as parents when it came to school matters, for their advice was always crucial.

Mr Jimba persuaded the parents to take part in the management council and "crack the system from inside"

Most parents, however, said they felt the structure would be as ineffective as the school committee was before it

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Government bows to demand for golden handshakes probe

By PETER FABRICIUS, Political Staff

THE government has bowed to public and political pressure for an inquiry into pension and golden handshake payouts to MPs and political officials who leave office under a cloud

It announced yesterday that the Cabinet had asked Parliament to appoint an ad-hoc joint committee to recommend in what circumstances pension benefits to MPs and political officials should be withdrawn

The move follows a wave of scandals and has been widely welcomed by opposition groups, who this week put several motions to Parliament calling for an investigation. Mr Harry Schwarz, PFP spokesman on finance, said: "I think the announcement that some action is to be taken is welcome

"What has to be done is ensure that whatever recommendations are applied, there must be no political implications. Misconduct must be independently established by a court of law or an independent commission

"We must be careful it does not become a political weapon. If decisions are made by a group of politicians sitting in judgment on colleagues, that would be wrong"

Mr Schwarz said apart from the proposed loss of pension benefits, a code of conduct and the compulsory disclosure of financial interests should be investigated

Solidarity chief whip Mr Yunus Moolla, who was to move a motion in the House of Delegates calling for a revision of the pension rules, also welcomed the step, saying that it was important that it had been taken.

"WHY SO LATE?"

Mr Fanie Jacobs (CP Losberg) who moved a similar motion in the House of Assembly, said the step was to be welcomed.

"But one wonders why the government has come up so late with this proposal.

"Surely they should have acted immediately when the matters of Mr Peet de Pontes and Mr Pietie du Plessis came to light?"

Pretoria are keeping mum until a press conference scheduled for February 16, four days before the newspaper and television campaign, is set to begin

It is understood the campaign will eschew animated cartoon characters and instead show scenes of black taxis, hawkers, and the low-regulation Kew Enterprise Centre outside Alexandra to demonstrate how a free economy makes everybody better off

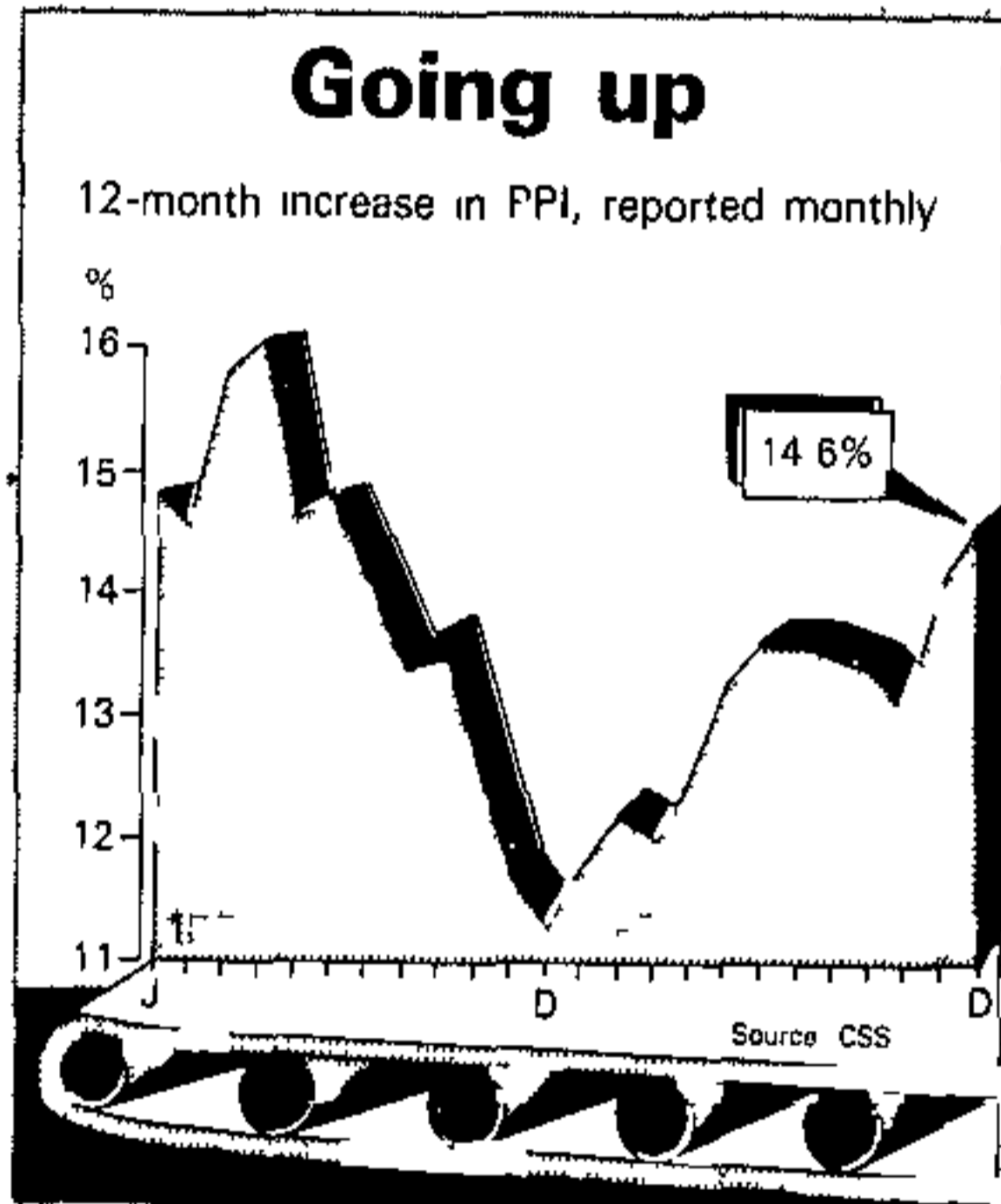
Of course, it's essential that such a campaign be convincing, especially to blacks whose participation in the capitalist economy has been circumscribed by many years of apartheid and over-regulation

And it's difficult for a government that's given us the Group Areas Act, the Land Act, high and rising taxes, two dozen agricultural boards, unequal education, exchange control, import surcharges, bannings and censorship to hold itself out as a champion of free enterprise

The important thing, therefore, is that the campaign looks to the future — that it ac-

PPI MOVES UP

Average PPI increase for 1988 was 13,2%, says Central Statistical Service following 13,9% in 1987, 19,5% in 1986 and 16,8% in 1985. Most impetus last year came from locally produced commodities, dearer on average by 13,8%



imported commodities rose 11%

In the year to December the index rose 14,6%, against 14,1% in November. The monthly increase was 0,9% (0,5%).

Steepest lift for the month was in fresh meat, up 5%, followed by textiles and made-up goods, at 4,1%

INFO CAMPAIGN

Kiss of death?

Undaunted by criticisms of the "Info Song" and its voting squirrels campaign, the Bureau for Information is expected this month to launch a R5m campaign to promote deregulation, privatisation and free enterprise. The bureau and ad agency Bates Wells of

30 (25)

knowledges that apartheid and free enterprise are not compatible partners and that capitalism is part of the reform process

Some economists fear there is a danger the campaign will backfire among blacks unless this approach is made very clear

"They'll say we were right in the first place apartheid goes hand in hand with free enterprise, just as radicals have told us

"A lot of good work has been done to persuade blacks that genuine free enterprise is the sensible alternative to apartheid." He is anxious that this campaign does not jeopardise it

So the campaign, we hope, will say free enterprise is something SA is heading towards, not something it enjoys today — that is, SA's problems have been caused historically by government meddling and the absence of free enterprise

250 ~~251~~ FM ML
10/2/89.

Don't Gloat Yet

SOUTH AFRICAN euphoria not to say glee, over the humiliation of Swago and its leader, Sam Nujoma, is un- timely, unseemly, and typically self-deluding. Whatever damage the foolish breach of Resolution 435 has done to Nujoma's international standing, it has neither enhanced South Africa's image abroad — except as a formidable killing machine — nor has it necessarily done any serious harm to Swago's election prospects. The gloating, to say the least, is premature.

Besides, it misses the point about Namibian independence whose very purpose is to cut the colonial tie with South Africa. At worst, Namibia will be hostile and suspicious like Zimbabwe, and at best it will be neutral and disdainful like Botswana. And, most likely, it will be governed (or ruled, or misgoverned, as you wish) by Swago under the leadership of Sam Nujoma.

To South Africa it hardly matters who rules the place after the end of the year. Whatever regime is installed, its leaders will be forced to compromise with the multinational- ists, or watch the territory's few industrial and mining ventures go the way of the Zambian Copperbelt. Of its white population, the majority will either leave quite soon, or lay long-term plans to leave, or at least send their children to be educated in Kakamas or Frankfurt. A little trade will pass through Walvis Bay, and a little will use the railway line, but the quantity will not be great because a desert territory of about 1.25-million people cannot generate much trade. Botswana is the prototype.

What does matter for South Africa — and this they had better consider seriously — is the degree of international co-operation and pressure which becomes possible wherever the two superpowers agree to work together. Nujoma was brought to heel by a combination of South African military force, UN mediation under the sponsorship of the US and the USSR, and direct pressure from Angola and Cuba. Nujoma literally had nowhere to turn.

Similar alliances under the sponsorship of the superpowers have been fashioned to deal with Afghanistan and Kampuchea, South Africa's time, and Israel's, will surely come. If a combination of superpowers, carefully marshalling smaller powers to behave as they are directed, can rescue the Namibian accords from the follies of Nujoma, similar combinations can surely exert irresistible pressure on South Africa itself.

Control of racing

HOW wide the proposed Highveld Racing Authority's powers will be is not yet clear, but indications are that control of the industry will stay with racing people. Only one of its 10 members will be appointed by the Administrator, and the extent to which the Jockey Club will lose authority will depend on further investigations.

The Administrator has deferred appointing a statutory Highveld Racing Commission to take control of horse-racing in the province, as recommended by his advisors in a policy document, but the implication is that there will be significant intervention unless the industry "gets its house in order."

While racing needs to be closely

policed because of the many avenues open to abuse, this does not mean government must do the policing. Nor for that matter should bookmakers be abolished simply because a few are rumoured to be involved in "skulduggery." People who break the common law should be prosecuted in the normal way. The enforcement of other regulations should be in the hands of competent people in the industry whose integrity is beyond question.

The new appeal measures for jockeys have been welcomed, and to improve its procedures. There may be a case for further diminishing its powers, but these should be kept out of the hands of government.

The African Commission of Enquiry into the 1988/89 financial year has reported that the State President's Office budgeted for 1988/89 was R17 517 000, which is 15% more than the 1987/88 budget of R15 038 000.

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PRESENTATION ACCORDING TO STANDARD ITEMS		1989/90	1988/89
Hems			
A Personnel expenditure	R 000	11 676	9 501
B Administrative expenditure	R 000	3 605	3 398
C Stores and livestock	R 000	788	676
D Equipment	R 000	494	602
E Land and buildings	R 000	780	709
F Professional and special services	R 000	—	—
G Transfer payments	R 000	—	—
H Miscellaneous expenditure	R 000	—	—
Amount to be voted	R 000	17 343	14 886
Amount forming a direct charge on the State Revenue Fund	R 000	174	152
Salary of State President	R 000	—	—
Total estimated expenditure	R 000	17 517	15 038

Some of your indisputable facts are to say the least, simply not true in the first place, it is incorrect to say that "last year the State President's Office budgeted to employ 196 officials." In the second place it is wrong to state that the State President's Office has budgeted in the coming year to employ only 169 officials.

Although there were 196 posts on the approved establishment of the State President's Office during the

1988/89 financial year all these posts were not filled. As in any organisation there is a turnover of staff, and on average there were approximately 149 employees in the office during the course of the said financial year.

Although the number of 196 approved in the estimates of expenditure for the State President's Office

No misappropriation of budget for State President's Office

B/Docy 12/4/87

J P ROUX, secretary general, State President's Office

MANPOWER ESTIMATE IN MAN-YEARS — 1988/89		1988/89	1987/88
Programme 1	3	16	25
Programme 2	3	8	13
Programme 3	3	9	3
Programme 4	3	3	11
Total man years	9	36	52
Total man years	9	36	83
Total man years	9	36	166

MANPOWER ESTIMATE IN MAN-YEARS — 1989/90		1989/90	1988/89
Programme 1	4	24	23
Programme 2	2	7	11
Programme 3	3	9	11
Programme 4	3	3	11
Total man years	9	43	46
Total man years	9	43	57
Total man years	9	43	14
Total man years	9	43	169

1988/89 financial year all these posts were not filled. As in any organisation there is a turnover of staff, and on average there were approximately 149 employees in the office during the course of the said financial year.

Although the number of 196 approved in the estimates of expenditure for the State President's Office

for 1988/89 it is stated quite clearly in a prominent footnote that the number refers to the authorised establishment excluding members of the President's Council, but including the President's Council Secretary-General and Office of the Administrator-General.

For the 1989/90 financial year the

authorised establishment of the State President's Office is 169. However, in not one of the two years did this office budget for the full authorised establishment. As a matter of fact, it is accepted practice not to budget for vacancies with the exception of a small percentage of posts expected to be filled during the

This office budgeted for an average of 160 employees in the 1988/89 financial year and not 196 as indicated by you. However, the final figure turned out to be only approximately 149, which is less than originally estimated for and thus obviously resulted in a reduction of personnel expenditure, and hence the savings referred to above.

These savings were partly absorbed in financing the 15% general salary increase for civil servants effective from January 1 1989, plus new dispensations for certain professional categories and increased housing subsidies.

The balance of savings in the total estimates for this office will be returned to the Exchequer after fiscal audit, as indicated above. In the final instance, I would like to reiterate that the salary increases that accrued to officials in the State President's Office were no different from those of officials employed in all other government departments. As a matter of fact, the remuneration and benefits applicable to all civil servants are determined by the Commission for Administration.

Expenditure by departments, including the State President's Office, is subject to strict audit by the Auditor-General and it is virtually impossible for funds voted for personnel expenditure to be misappropriated if the rules laid down by the Treasury are adhered to. I trust that the issue of expenditure by the State President's Office has now been put in a proper perspective.

Dear Sir

I REFER TO the report in Business Day of March 23 headlined "Checkers expects full power in 1991".

The claim that Checkers ranks number two among the big three is surprising. By what standards does deputy MD Sergio Martinengo or your reporter justify this statement? Let us examine some of the facts.

Turnover for Pick n Pay in their recently published results for the year ended February 1989 totalled some R3 869m, and while, OK's March 1989 results are yet to be announced, turnover for the 12 months ended March last was R3 121m, easily

surpassing Mr Martinengo's forecast of R2 600m to the end June 1989.

My calculator informs me that the annual growth in Checkers's forecast of turnover totals a measly 11.5%, well below the food inflation estimate supermarket research specialist IBIS at 21% for the same period.

Checkers now asserts that "return on shareholders' equity" is more than double that of OK. Unfortu-

nately, there is no way of verifying this claim, as Checkers is an unlisted company which fails to publish the extent of its shareholders' funds. However, given the cumulative losses incurred by the group to date,

it seems likely that Checkers's equity is considerably lower than that of either the OK or Pick n Pay.

In addition, these losses would ensure Checkers is not in a tax-paying position, and would have the effect of artificially inflating their returns even further.

Finally, Checkers's net margin at 0.54% for the six months ended December 1988 (and which includes the traditionally profitable Christmas period) compares unfavourably with

Being placed third is not OK

LETTERS

PO BOX 1130
10 Office 2000

A A FARMING
Director, OK Bazaar

PSA calls for 43% senior pay gap to be narrowed

Own Correspondent
PRETORIA — The Public Servants' Association wants the big salary pay gap between directors-general and their deputies and other senior civil servants to be narrowed

In its official organ — the Public Servant — the PSA says that before occupational differentiation in 1983, the salary difference between deputy director and a director was a mere 7%.

In 1984 the gap widened to 21%, and after the latest revision of management echelon salaries it increased to between 27% and 43%.

And it claims its investigation has shown that deputy directors are between 20% and 60% behind competitive market-related sectors in remuneration.

This "serious disparity" was bound to lead to increased resignations.

The salary adjustments for senior personnel would have to be given the highest priority possible during the new financial year.

The gap was even more impressive when deputy directors' exclusion from the motor car finance scheme and having a salary scale instead of a fixed annual salary were taken into account.

SAP overspent on luxury cars

CA: Tim
14/2/87

By BARRY STREEK
Political Staff

250



The government has spent R193 848 extra since 1980 by providing senior police officers with more luxurious cars than they were entitled to.

This was disclosed yesterday by the Auditor-General, Dr Joep de Loor, in his report on general affairs activities, which was tabled in Parliament yesterday.

He said R193 848 had been incurred in unauthorized expenditure by the police.

CING 7146142/87
State debt
increases by
R10,1bn 250

Political Staff

TOTAL state debt in South Africa rose by 22%, or R10,1 billion, to R56,2bn in the year to March 31, 1988, the auditor-general, Dr Joop de Loor, said in his annual report yesterday

Dr De Loor said that of this, R50,7bn was long-term debt and R5,5bn temporary debt.

The ratio of temporary debt to total debt on March 31 last year was 9,82%

In the year under review, long-term debt rose by R8,8bn and temporary debt by R1,3bn

External debt comprised 2,02% of the total state debt, compared to 3,43% the previous year.

COPY Times 14/2/89

Treasury to repay billions by year's end?

Own Correspondent

JOHANNESBURG — Treasury is likely to repay part of the billions of rands it owes the Reserve Bank on forward cover losses — incurred by the Bank for Treasury's account — at the end of this fiscal year

Senior officials said Finance Minister Bar-end du Plessis was "seriously considering" the repayment of part of the debt, estimated at R6bn. Du Plessis declined to comment, saying it was an issue which would be addressed in the Budget.

However, monetary officials said government was expected to end the fiscal year with a "small surplus" in the bank, which could be used towards the forward cover debt. The exchequer's balance with the Bank was R6bn at the end of January — a record high.

Economists said the effect of a repayment on the economy would be restrictive because it reduced potential government spending.

The Bank incurred heavy losses on forward cover provided to the banking sector last year because of the declining rand. Importers were taking cover while exporters were holding off.

Reserve Bank Governor Gerhard de Kock last year described the forward losses as an "involuntary increase in central bank credit creation," which had boosted money supply growth.

Auditor-General lists losses of 1987/88

R70-m went down Government drain

By Peter Fabricius,
Political Correspondent

CAPE TOWN — Theft, bungling, unauthorised expenditure, accidents and other losses cost more than R70 million in the general affairs state departments last year, the Auditor-General, Dr Joop de Loor, noted in his audit report, tabled yesterday, for the 1987/1988 financial year

The losses ranged from the R176 738 for a vessel stolen from the navy to the R18 783 367 which motor vehicle accidents cost the Defence Force, police and Department of Transport

"Fruitless expenditure" totalled about R1,5 million

Replanned

This included R964 999 wasted by the SA Tourism Board on offices that had to be replanned because they did not come up to specifications

"Unauthorised expenditure" totalled R1 933 082, including R193 848 overpaid to senior police officers for more luxurious cars than they were entitled to

Dr de Loor listed nine examples of misappropriation or theft totalling R3 417 365, including R225 193 fraudulently obtained from the Unemployment Insurance Fund by public and staff, R315 401 stolen from

the police and R361 177 stolen from the SADF

Dr de Loor found that R3 746 393 had been lost to the state because of cancellations or variations of contracts

Under "losses", he totalled more than R50 million, including R36 217 058 lost by the SADF. This included R36 029 damage to an aircraft after a collision with a vehicle and R395 053 damage to an aircraft as a result of a "serious and avoidable" accident

Dr de Loor listed more than R56 million in losses in various departments and statutory bodies, although some of these figures were duplicated in his listings under thefts and misappropriations

A major loss not included was the R18 783 367 expenditure caused by motor vehicle accidents in the Defence, Police and Transport Departments

The greatest loss was in police vehicle accidents which cost R8 721 301 in direct damage, payouts for injuries and legal costs. Defence vehicle accidents cost R3 024 222 and Transport Department accidents R7 037 844

Dr de Loor's report covered only the audits of the general affairs department and statutory bodies. Separate reports are to be produced on other departments and bodies

FAMILY ANNOUNCEMENTS

Deaths

CMG 71-10 14/2/89
State debt increases by R10,1bn

Political Staff

TOTAL state debt in South Africa rose by 22%, or R10,1 billion, to R56,2bn in the year to March 31, 1988, the auditor-general, Dr Joop de Loor, said in his annual report yesterday

Dr De Loor said that of this, R50,7bn was long-term debt and R5,5bn temporary debt.

The ratio of temporary debt to total debt on March 31 last year was 9,82%

In the year under review, long-term debt rose by R8,8bn and temporary debt by R1,3bn

External debt comprised 2,02% of the total state debt, compared to 3,43% the previous

CMG 71-10 14/2/89
SA forces donated millions

Political Staff

SOMEBODY seems to have benefited from South Africa's involvement in Angola, according to a list of gifts by the state mentioned in the Auditor-General's report for the 1987/88 financial year.

The Defence Force and the Police appear to be the main donors and unnamed "friendly" countries the main benefactors

The SADF donated more than R4 million in arms and ammunition. The report also records that the SADF lost R361 177 through theft.

The police presented R34 000 worth of security gifts to neighbours including police dogs

Among other gifts presented by different departments were R37 000 worth of blankets to the Natal Emergency Fund by Prisons

SAP overspent on luxury cars

CMG 71-10 14/2/89
By BARRY STREEK
Political Staff

The government has spent R193 848 extra since 1980 by providing senior police officers with more luxurious cars than they were entitled to

This was disclosed yesterday by the Auditor-General, Dr Joep de Loor, in his report on general affairs activities, which was tabled in Parliament yesterday

He said R193 848 had been incurred in unauthorized expenditure by the police

LATEST Central Statistical Service figures show a massive growth in the public service, with 32 077 more employees between the third quarter of 1987 and September last year, accompanied by a R668m increase in the wage bill.

Big jump in state sector

The figures, reported by Sapa yesterday, show that by September there were 1,7-million public sector employees and the wage bill had reached R6,75bn.

The R668m increase comes in spite of last year's public sector wage freeze. All government workers will receive a 15% across-the-board increase effective from January 1.

Late last year, Finance Minister Bar-end du Plessis announced a petrol price rise of 10c a litre from January 16 to contain the deficit. Ninety percent of the increase will go towards financing additional state spending — mainly on salaries and wages.

A racial breakdown showed that average salaries of whites had increased from R2 013 to R2 207, blacks from R679 to R759, Asians from R1 541 to R1 616 and coloureds from R886 to R984.

Privatisation Minister Dawie de Villiers, who is charged with investigating rationalisation of the civil service, could not be contacted yesterday.

In an earlier interview, he said the

civil service had not grown out of proportion as the average annual increase in the period between 1977 and 1987 was 3%.

MARC HASENFUSS reports that the PFP's finance spokesman Harry Schwarz said the increase in employees in the public sector was "unwarranted and unjustified unless the increase takes place in sectors like black teaching where it is most needed".

PFP Southern Transvaal region chairman Brian Goodall said the increase showed how "hollow" government promises were to cut back on state bureaucracy.

"The government should be increasing the role of the private sector and decreasing the public sector's role, but instead it does the opposite," Goodall said.

CP spokesman Clive Derby-Lewis said the increase was "another example of NP doublespeak."

"What they say and what they do are two different things. They have lost control of the situation."



State blows R70m on theft and bungling

17/6/89
14/2/89

250

By PETER FABRICIUS
Political Staff

THEFT, bungling, unauthorised expenditure, accidents and other losses cost more than R70-million in the "general affairs" State departments last year

Auditor General Dr Joop de Loor noted these losses in his audit report tabled in Parliament yesterday for the 1987/1988 financial year

The losses ranged from the R176 738 for a ship stolen from the Navy to the total of R18 783 367 which motor vehicle accidents cost the Defence Force, police and the Department of Transport

"Fruitless expenditure" totalled about R1,5 million including R964 999 wasted by the SA Tourism Board on offices which had to be replanned due to failed specifications

"Unauthorised expenditure" totalled R1 933 082 including an amount of R193 848 overpaid to senior police officers under the subsidised motor transport scheme because they were given more luxurious cars than they were entitled to

Dr de Loor listed nine examples of misappropriation or theft, totalling R3 417 365 and including

- R225 193 fraudulently obtained from the Unemployment Insurance Fund,
- R315 401 stolen from the police, and
- R361 177 stolen from the Defence Force

Peanut butter

Dr de Loor found that R3 746 393 had been lost to the State because of cancellations or variations of contracts

These ranged from the R150 000 lost in a contract to supply peanut butter, to an estimated R1,7-million lost in transport contracts for the supply of fuel and stores. Under "losses", Dr de Loor totalled over R50-million, including a whopping R36 217 058 lost by the Defence Force.

This included

- The R36 029 damage to an aircraft after a collision with a vehicle,
- R395 053 damage to an aircraft as a result of a "serious and avoidable" accident

Dr de Loor listed over R56-million in losses in various departments and statutory bodies, although some of these figures were duplicated in his listings under thefts and misappropriations

One of the major losses not included in this list was the R18 783 367 expenditure caused by motor vehicle accidents in the defence, police and transport departments

The greatest loss was in police vehicle accidents which cost R8 721 301 in direct damage, payouts for injuries and legal costs

Dr de Loor's report covered only the audits of the "general affairs" department and statutory bodies

It excluded the three "own affairs" administrations, SA Transport Services, Posts and Telecommunications, the four provincial administrations, 21 agricultural control boards, 16 regional service councils and the governments of the self-governing territories

- Parliamentary reports, page 6

Minister asks for R18,3bn

Mr Plessis 14/2/89 250

Political Staff

FINANCE MINISTER Mr Barend du Plessis yesterday called on Parliament to give its approval for an advance of R18,3bn to fund state and provincial spending over the first few months of the new financial year until the main Budget is passed.

This total amount, contained in the Part Appropriation Bill, tabled yesterday, is considerably higher than 1988's part appropriation. The R15,2bn requested for central government and the administrations for own affairs is 16,9%, or R2,2bn, more than the R13bn requested this time last year, while the R3,1bn for the provinces is about 3,3% up on the

amount provided for in the Act

As is usual, Mr Du Plessis gave no details yesterday of how he intends spending the appropriation. He said more clarity with regard to expenditure would be given next week when the Additional Appropriation Bill is tabled, while revenue and financing would have to await the main Budget in four weeks' time.

Mr Du Plessis stressed that it was still too early to provide any meaningful data on government's finances for the 1988/9 financial year. Nevertheless, leading indicators suggested SA achieved an overall growth rate of some 3% during 1988.

Mr Du Plessis said it was encouraging to note that SA ended 1988 with an estimated R2,5bn surplus on the

current account of the balance of payments, overriding the fears expressed earlier in the year that it would move in to substantial deficit — heading the country into another international currency crisis.

He said the major contribution to this gratifying performance came from merchandise exports, excluding gold.

A disappointing element of the economy last year was the capital account, where the net outflow rose to about R6,5bn, increasing SA's net capital outflow over the past four years to about R25bn.

Mr Du Plessis said details of this large outflow of capital were not yet available, but it is known that the major part represented outflows on

account of items not subject to the debt standstill arrangement.

He noted that despite the commendable performance of the current account, the country's foreign exchange and gold reserves remained under pressure, with the weighted value of the rand against all foreign currencies depreciating by about 13% during the year.

Another disappointing development which gave rise for concern was the unduly large increase in the money supply. Owing to an exceptionally large increase in domestic credit extension by the banks, the targeted upper limit of 16% set by the Reserve Bank was far overshoot —, despite several increases in the bank rate, Mr Du Plessis concluded

R2m spending unauthorised

B1 Day 14/12.189 250

CAPE TOWN — Unauthorised Government expenditure totalling R1 933 082,89 for the 1987/88 financial year was reported by the Auditor-General in his annual report tabled in Parliament today.

Unauthorised police expenditure totalled R193 848,62 for operating expenses overpaid since 1980 to senior officers' subsidised motor transport scheme

This was because "contrary to the relevant instructions, they were provided with more luxurious cars that should have been provided for non-general government use only"

Unauthorised Defence expenditure amounted to R1 069 234,27, of which R994 934,20 was a warrant voucher issued in March 1986 "for the purchase of mobile dwellings, ablutions

and offices which were only received between April and August 1986".

Incorrectly computer-calculated housing subsidies, implemented without the necessary approval and reported as unauthorised, accounted for an extra R74 300,07 during the 1984/85 and 1985/86 financial years.

The Department of Agricultural Economics and Marketing accounted for R650 000 of the unauthorised expenditure, with the payment in the year of R370 000 and R280 000 in connection with the phasing out of two prison outposts. This had not been done in terms of the requirements of the Exchequer and Audit Act.

The Department of Environment Affairs accounted for unauthorised expenditure of R20 000 for grants-in-aid to the National Veld Trust and the Habitat Board without the necessary authority. — Sapa.

CM 7/1/88 14/2/88

SA forces donated millions

Political Staff 20

SOMEBODY seems to have benefited from South Africa's involvement in Angola, according to a list of gifts by the state mentioned in the Auditor-General's report for the 1987/88 financial year.

The Defence Force and the Police appear to be the main donors, and unnamed "friendly" countries the main benefactors.

The SADF donated more than R4 million in arms and ammunition. The report also records that the SADF lost R361 177 through theft.

The police presented R34 000 worth of security gifts to neighbours including police dogs.

Among other gifts presented by different departments were R37 000 worth of blankets to the Natal Emergency Fund by Prisons.

Private sector jobs probe to shift?

Political Staff

ADMINISTRATION and Privatisation Minister Dawie de Villiers seems set to move responsibility for privatising public sector jobs away from the Commission for Administration

At the moment De Villiers' privatisation unit is responsible for co-ordinating the impending privatisation of parastatals while the Commission has been investi-

gating which public sector jobs can be handed over to the private sector

However there is a growing feeling that more progress can be achieved if the section of the Commission which is investigating privatisation of public sector jobs is moved to the special unit. The belief among leading officials is that the Commission cannot be responsible for both

administration and privatisation. The functions should be separated

The Commission has come under fire from some ministers for dragging its heels on privatisation.

De Villiers said in an interview that the unit would play an ever increasing role in co-ordinating and implementing the privatisation programme.

CAP T.M.P

15/2/89

250

De Villiers ponders privatisation shift

3/Day 15/2/89

250

CAPE TOWN — Administration and Privatisation Minister Dawie de Villiers seems set to move responsibility for privatising public-sector jobs from the Commission for Administration.

His privatisation unit is responsible for co-ordinating the impending privatisation of parastatals while the commission has been investigating which public-sector jobs can be handed over to the private sector.

There is a growing feeling more progress could be achieved if the section of the commission investigating privatisation of public-sector jobs were moved to the special unit. The belief among leading officials is that the commission cannot be responsible for both administration and privatisation.

MIKE ROBERTSON

The commission has come under fire from some Ministers for dragging its feet on privatisation.

De Villiers, in an interview, was careful not to be seen as criticising the commission because he believes that for the programme to succeed it is essential to take people with him.

He said, however, the unit would play a bigger role in co-ordinating and implementing the privatisation programme. It had developed an expertise and it would be silly for every other department to try to "discover the wheel".

There was no intention to build a new bureaucracy at the unit. Instead the services of the private sector would be utilised.

The unit was responsible for

identifying any area where jobs could be taken over by the private sector. If there were difficulties it would be his task to take up the matter with the Minister or department concerned.

"You have in many cases some scepticism and resistance from people who do not believe certain functions should be privatised and need some convincing."

He has, however, had good co-operation from ministerial colleagues. In most cases, once the unit had identified an area to be privatised, it was not necessary to put pressure on departments or directors-general.

"A top manager is not afraid of his job. Even if his responsibilities are passed on, if he has done his job well he will have no difficulty in going on to do something else."

Detainee numbers remain a secret

Political Staff

LAW and Order Minister Adriaan Vlok yesterday refused to disclose the number of people who were detained in terms of the emergency regulations.

He said neither government nor the SAP were in favour of detaining people "at random".

Replying to a question by Helen Suzman (PFP Houghton), Vlok said the number of people detained varied from "day-to-day".

Vlok to reply on Asvat killing

3/Day 15/2/89

Political Staff

CAPE TOWN — Law and Order Minister Adriaan Vlok may give an indication tomorrow of the progress of police investigations into the murder of Dr Abu-Baker Asvat in Soweto last month.

Vlok will speak in the House of Delegates tomorrow in a 15-minute "interpolation" in response to a question tabled by Mahmoud Rajab (PFP, Springfield).

Although Vlok will have limited speaking time, he may reply to the question for three minutes and then reply for three minutes at the end of the interpolation.

Rajab will be able to respond for three minutes and then other MPs, or Vlok, will be able to speak for up to two minutes a time — but Vlok is restricted to two speaking opportunities other than his first statement and his final reply.

The interpolation procedure, which was used for the first time yesterday, is aimed at providing an extended opportunity for questions and replies to specific issues and may be used only on limited occasions after prior notice.

Worrall ch

Big spenders spoil Barend's books

MIKE ROBERTSON

250

CAPE TOWN — The Cabinet decision to raise civil servants' pay has severely undermined Finance Minister Barend du Plessis's attempts to restrict government spending.

Estimates of additional government expenditure, tabled in Parliament on Friday, show the state has overshot its budget for improving civil service salaries by a massive R535,9m — 151,8%.

This additional expenditure is more than 30% of government's total extra spending of R1,76bn (4,5% higher than R38,9bn estimated in the Budget) in the current financial year.

● See Page 4

Foreign Minister Pik Botha is also asking for an extra R123m to fund pay hikes for civil servants in TBVC states.

Du Plessis is asking for R13m to fund improvements in condition of service for Inland Revenue staff.

The provinces want an additional R137,7m to fund the 15% pay hike they gave their staff.

All of this amounts to an extra R813m which government will want taxpayers and other revenue sources to fund.

The good news is Du Plessis has managed to impose fiscal discipline on some Cabinet colleagues.

● To Page 2



Govt big spenders spoil Barend's books

President P W Botha and Ministers in charge of National Education, Education and Training, Manpower, the Commission for Administration, Home Affairs, Transport, National Health, Environment Affairs and Water Affairs all managed to restrict department spending to budgeted estimates

All departments, with five exceptions, restricted spending to less than 2% above budget

Defence Minister Magnus Malan is the biggest spender among the exceptions. He wants R460m, 26%, of additional spending

Of this R350m is needed to pay for the extra troops and equipment used to defend SA bases in Namibia after withdrawal of troops from Angola

In percentage terms the biggest over-

spender, after civil servants, is the Information Bureau's Stoffel van der Merwe. The bureau was 74%, or R23,4m, over budget

Agriculture Minister Greyling Wentzel's department was 9,5%, or R30m, over budget to "stabilise the agricultural sector and the prices of agricultural products"

The Foreign Affairs Department was 6,6%, or R167,6m, over budget. Of this R126m was to pay for salary increases for TBVC civil servants

The Trade and Industry Department was 3,7%, or R43,6m, over budget. This was due to an additional R76m payment to the Small Business Development Corporation. Some of the extra expenditure was offset by savings

● From Page 1



Pay hikes push govt spending over limit

Political Staff

THE cabinet decision to hand out "election sweetener" pay hikes to civil servants has severely undermined attempts by the Minister of Finance, Mr Barend du Plessis, to restrict government spending.

Estimates of additional government expenditure tabled in Parliament on Friday show the state has overshot the amount it budgeted for improving civil service salaries by a huge R535,9m or 151,8%, despite Mr Du Plessis doing more than any minister of finance in past decades to try to impose fiscal discipline on his more spendthrift cabinet colleagues.

This additional expenditure on civil servants amounts to more than 30% of the government's total extra spending of R1,76 billion (4,5% higher than the R38,9 billion estimated in the main budget) in the current financial year.

But the fattening up of an already flabby bureaucracy does not end there. The Foreign Minister, Mr Pik Botha, is asking for an extra R123m to fund pay hikes for civil servants in the independent homelands (TVBC) states. Mr Du Plessis himself is asking for R13m to fund improvements in condition of service for Inland Revenue staff. And the provinces want an additional R137,7m to fund the 15% pay-hike they gave their staff.

All this amounts to an extra R813m which the government will be looking to taxpayers and other revenue sources to fund.

Restrict spending

The good news from the estimates is that Mr Du Plessis has managed to impose fiscal discipline on some of his cabinet colleagues. President P W Botha and the ministers in charge of national education, education and training, manpower, the commission for administration, home affairs, transport, national health, environment affairs and water affairs all managed to restrict departmental spending to the budgeted estimate.

With five exceptions the rest of the departments managed to restrict their spending to less than 2% above the budgeted estimates.

Of the exceptions, the Defence Minister, General Magnus Malan, is the biggest spender, asking for R460m or 26% of additional government spending.

Of this, R350m is needed to pay for the extra troops and equipment used to defend South African bases in Namibia after the withdrawal of troops from Angola.

A further R17m will be used to pay for the withdrawal of South African troops from Namibia. In all the withdrawal from Namibia is expected to cost the SADF R200m, but the rest will be funded out of the budget for the next financial year. The reason for the high cost is that removal companies are charging the SADF about R100 000 to move four families from northern Namibia to South Africa.

In percentage terms the biggest overspender, after civil servants, is Dr Stoffel van der Merwe's Bureau for Information.

The bureau, which hopes to sell private enterprise to the populace by way of an advertising campaign — which at least some senior ministers believe to be unnecessary — was a massive 74% or R23,4m over budget.

Of this extra spending R3,2m is to pay for the "squirrel" campaign during the municipal election, R2m for the free enterprise campaign and R13m for the film industry which it took over from the Department of Trade and Industry.

Agricultural subsidies

The department of the Minister of Agriculture, Mr Greyling Wentzel, was 9,5% or R30m over budget. All of this was due to the government's inability to come to grips with another of its privileged interest groups, farmers, and was paid out in subsidies to "stabilise the agricultural sector and the prices of agricultural products".

The Foreign Affairs department was 6,6% or R167,6m over budget. Of this R126m was to pay for salary increases for TVBC civil servants. A further R36,6m was to pay for unexpected costs arising out of the Namibian/Angolan peace talks, a fall in the value of the rand and the expansion of South African representation abroad.

The Department of Trade and Industry was 3,7% or R43,6m over budget. This was entirely due to an additional R76m payment to the Small Business Development Corporation. The extra expenditure was to some extent offset by savings in other areas of the department.

250

R1bn civil service pay hikes 'averted crisis'

by DM 21/2/89

CAPE TOWN — Finance Minister Barend du Plessis yesterday defended the R1bn pay hikes government handed to civil servants, saying it had acted to avert a threatening manpower crisis.

He also told Parliament the deficit before borrowing as a percentage of the GDP was expected to be lower than the 4,9% predicted in last year's Budget. There were sufficient additional income and loan receipts to fund the spending of the extra R2,6bn he was asking for in the Additional Appropriation Bill.

MIKE ROBERTSON

The total cost of the pay hikes, announced before the municipal elections, amounted to more than R1bn. Of this a sum of R553m was included in the main Budget, leaving Du Plessis to ask Parliament for an extra R536m to fund them.

Du Plessis said government had acted to increase civil servant salaries because the demand for manpower by the private sector was drawing skilled and experienced labour away.

Speaking during the committee stage

of the debate on the Bill, Administration and Privatisation Minister Dawie de Villiers said government had satisfied itself before agreeing to the pay hikes that they could be funded out of additional revenues and there would be no need to raise taxes.

He said with six weeks to go to the end of the financial year, revised total expenditure was expected to be R56,556bn. Over-expenditures were expected to be R2,591m

● See Page 5

SCHWARZ HITS AT CLAIM OVER PAY INCREASE

250

MIKE ROBERTSON

CAPE TOWN — PFP finance spokesman Harry Schwarz yesterday ridiculed Finance Minister Barend du Plessis's claim that the R1bn pay increase handed to civil servants was necessary to avert a manpower crisis.

If government was forced to hand out large increases to stop staff leaving during a mild upswing in the economy, what would it have to do if SA ever had a boom, Schwarz asked.

Government was paying for its failure to educate and train enough people in the past, Schwarz questioned how much higher salaries for senior civil servants could go. A director-general now earned just under R250 000.

Du Plessis's explanation was not satisfactory. There needed to be more debate as to why the salary increases were brought forward.

CP finance spokesman Casper Uys suggested the timing of the increases was linked to the municipal elections.

Replying to the debate, Du Plessis said that in his department alone 10 economists had resigned prior to the pay rises. The SADF and the departments of Justice and Education had suffered similar losses.

It was only as a result of the pay rise that the state had retained the services of valuable officials.

Turning to the sale of part of the state's share in Iscor to the IDC, which Schwarz had earlier criticised as being an unsatisfactory way of raising money, Du Plessis said the IDC had been overcapitalised. The Development Bank, SBDC and housing institutions had been undercapitalised, and "what we did was effect the better distribution of available capital".

In future, the top priority for the application of funds raised by privatisation would be to reduce public debt.

Defence, education, civil service

Du Plessis needs further R2,59-bn

STW 21/2/89 (250)

The Minister of Finance, Mr Barend du Plessis, yesterday asked Parliament to appropriate an additional R2 591 million for the current financial year.

He told Parliament the additional expenditure over the estimated R93 965 million budgeted was due to R2 741 million over-spending and expected savings of R150 million. The additional amount was 4,8 percent of the expected total expenditure in the main Budget.

The additional appropriation was read a first time with the support of the Houses of Representatives and Delegates, but it was approved only after a division (81 in favour and 32 against) in the House of Assembly where it was opposed by the Progressive Federal Party and the Conservative Party.

Salaries, pensions

The major part of the over-expenditure was derived from two or three items which included the improvement in service (salary) conditions for civil servants, higher pensions, changes in the security situation and the higher cost of public debt.

Explaining the reversal of the State President's announcement early last year that there would be no general salary increases for public servants, Mr du Plessis said that there had been a "marked increase" in the private sector's demand for qualified and skilled labour and that this demand was sat-

isfied by drawing the required labour from the public sector.

"Acting responsibly and in order to avert a threatening manpower crisis, the Government had no alternative but to advance by three months the general salary adjustment that was to take place on April 1 1989."

He said another notable and unforeseen expenditure was brought about by the changed security situation in Namibia and Angola which brought additional expenditure for the SA Defence Force amounting to R460 million.

Mr du Plessis said South Africa's biggest spending Government departments were among the most important.

Hitting back at Conservative Party claims that State spending was still "unacceptably high" and that the Government had failed to meet its spending targets, Mr du Plessis said the "big spenders" in the economy included the Department of National Education and the Department of Defence.

A meaningful cut in expenditure would have to be a vast sum, but would the Conservative Party be prepared to make cuts on this scale, he asked.

"The Conservative Party must look at the biggest spenders in the economy. National education is the biggest. Are they prepared to cut that or not?"



Mr Kent Durr . only
eight cases of dishonesty

SA can be proud of ^{SA 24/2/89} public servants — Durr 250

There were only eight cases of dishonesty, involving a total of R34 000, in the House of Assembly Administration during the past year, the Minister of the Budget Mr Kent Durr said yesterday

Replying to debate on the administration's part appropriation, he said South Africa could be proud that it had public servants of such a high quality.

The amount involved in the eight cases represented only 0,0004 percent of the administration's R6 billion budget and was a small proportion of the R1,92 million worth of Treasury cheques handled

Three of the amounts in the eight cases had been recovered and two officials had been fired

The real test of corruption was not whether one found crooks in government but how society reacted to people like that and whether the system found such behaviour repulsive

The fact was that the Government did, and would root out any dishonesty

Mr Durr said the CP spokesman on economic affairs, Mr Clive Derby-Lewis, would tear the heart out of South Africa if his recent proposal that South Africa stop exports of strategic minerals to the United States were adopted — Sapa.

250
Matus 24/2/89

Assocom call to Du Plessis

Staff Reporter

ASSOCOM has challenged the Minister of Finance, Mr Barend du Plessis, to reduce government spending to 26 percent of the gross national product.

Addressing a meeting of the newly formed Tygerberg Chamber of Commerce and Industry in Parow yesterday evening, Assocom president Mr Sidney Matus said that at one of a series of meetings with several Cabinet Ministers, the association had challenged Mr du Plessis to reduce government expenditure by one percent.

Such a decrease would help eliminate the current downswing in the economy, reduce inflation and make available money to implement reform, Mr Matus said

The reduction in government spending was essential because "while most other countries are containing their inflation, it would appear that we (South

Africa) will reach something like 15,5 percent in 1989".

According to Mr Matus, "the rationalisation of taxation envisaged by the Margo Commission has not materialised" and only measures to collect more tax to accommodate more government spending have been implemented.

The result was that South Africa faced "the threat of increased interest rates and a deteriorating balance of payments".

Mr Matus pointed out that consumer spending was increasing at a faster rate than the economy was growing. The lack of capital formation internally, the inability to borrow overseas and high government expenditure had mitigated against any reduction in taxation

"We will have to dedicate ourselves to economic reform but this is not possible without political reform," he said

"We need to get more people, other than whites, into the tax-paying net and in order to do that we have to develop our economy over a broad spectrum of all population groups."

"TIGHT" BUDGET

Mr Matus said that to maintain the balance of payments, the government would have to "cool" the economy by higher interest rates, addressing bank credit and by producing a "tight" budget.

"We (Assocom) do not believe that Mr du Plessis's Budget will include tax relief," he said.

He hoped the Budget would not be influenced by a possible election, which Assocom believed it would not be beneficial to South Africa to delay.

Meanwhile, Mr du Plessis said in an interview with The Argus Political Staff that South Africa was paying the penalty for too rapid growth in demand and too much credit last year.

"Too many individuals lived beyond their means last year," he said.

Not only had people lived on too much credit, but far too much had been imported, placing a squeeze on the balance of payments.

The growth in demand had also been responsible for some inflationary pressure.

BOOM AND BUST

Mr du Plessis emphasised, however, that the government had no intention of allowing a boom-and-bust situation.

He declined to speculate on whether the interest rates would continue to climb, saying any comment from him could cause the market to react. Much now depended on whether the economy cooled down.

He said economic growth had to be restructured to make the country less dependent on imports.

3/3/89

50
MML

Deficit to fall by R2,5bn

Incompetent management of public finances has strained the monetary system in an unprecedented way. In line with past trends, most of the paper needed to finance the public-sector borrowing requirement (PSBR), budgeted at R10bn for the 1988-1989 fiscal year, was issued in the second quarter of the fiscal year.

Traditionally, Treasury experiences negative cash balances in this period, and into the third quarter. Problem is that this fiscal year is turning out to be anything but traditional, mainly because revenues for the first 10 months are up almost 28% on a year ago, way above original estimates.

As recently as December, Finance Minister Barend du Plessis was warning that PSBR could be higher than budgeted. Now it seems that, for the year, it could be R2,5bn less than budgeted, at R7,5bn. Such a reduction is unheard of for more than a decade: government overspending has always exceeded any incremental revenue receipts.

So PSBR has always swelled. This year it could fall, with important consequences for the money and capital markets, taxpayers, and fiscal and monetary policy.

For one thing, an additional R3bn is due to be injected into the economy from Exchequer during March.

The heart of the problem is not difficult to pinpoint. Treasury is suffering the embarrassment of relying on information technology. Each year, using highly complicated software, it runs simulated estimates of tax revenue in the year ahead.

These encapsulate dozens of factors, such as existing imposts like GST and personal income tax. They also include new taxes, in the past year, the minimum tax on companies (MTC) was an example. Economic factors are also included, such as estimates of the gold price, interest rates, and economic growth — the real joker in the pack.

The estimates for 1988-1989 got it all horribly wrong. After 10 months of the fiscal year, to end-January, revenue of R38,9bn is 27,9% more than the corresponding period last year — R8,5bn in money terms — or R4,3bn more than was estimated.

Crudely annualised, that means revenues are exceeding estimates by R5bn.

Given traditional public finance methods — that gives back what it did not think it would take — that R5bn could be used for a myriad things. Assuming spending was exactly on target (which it never is), it would cover a full 50% of the PSBR.

Alternatively, the GST rate could have been cut from 12% to 5% for the entire fiscal year. Or, no less than 12 troublesome imposts — from stamp duties to mining leases — could have been abolished, still leaving R1,2bn cash in the bank. In reality, of course, taxpayers should not expect a cent of their cash back. Indeed, if anything, there are (groundless) rumours that the GST rate is in line for an increase. Even cursory inspection of Exchequer accounts suggests completely the opposite.

In the event, the Exchequer closed January with a cash balance of R4,2bn — the highest ever. This amount, which closely mirrors the margin between revenue estimates and

actual outcome, is in itself significant. It is more than enough to cover the additional R2,7bn spending asked for in the recent Additional Appropriation Bill, and then cut PSBR to R7,5bn.

Why did Treasury's computers get revenue estimates so wrong? Apart from macroeconomic reasons, such as higher than expected growth and heavy consumer expenditure, there were a number of straight tax reasons. Prominent among these is the phasing out of the debtors' allowance for GST.

This, ostensibly introduced to prepare vendors for VAT, remained in force as the chances of VAT arriving in 1989-1990 dwindled to zero. Revenue spokesmen say the phasing out has garnered hundreds of millions of extra rands.

In the sense that it is a one-off, it does not bode well for possible tax reductions in the fiscal year ahead. Revenue spokesmen say that MTC revenues have not wildly exceeded estimates, despite speculation to the contrary from the private sector when the retroactive impost was announced in the March Budget.

Another significantly underestimated area is fringe benefits tax, where several major phasing-in concessions are running out. Housing, far the biggest perk, will only be fully phased in in another two years.

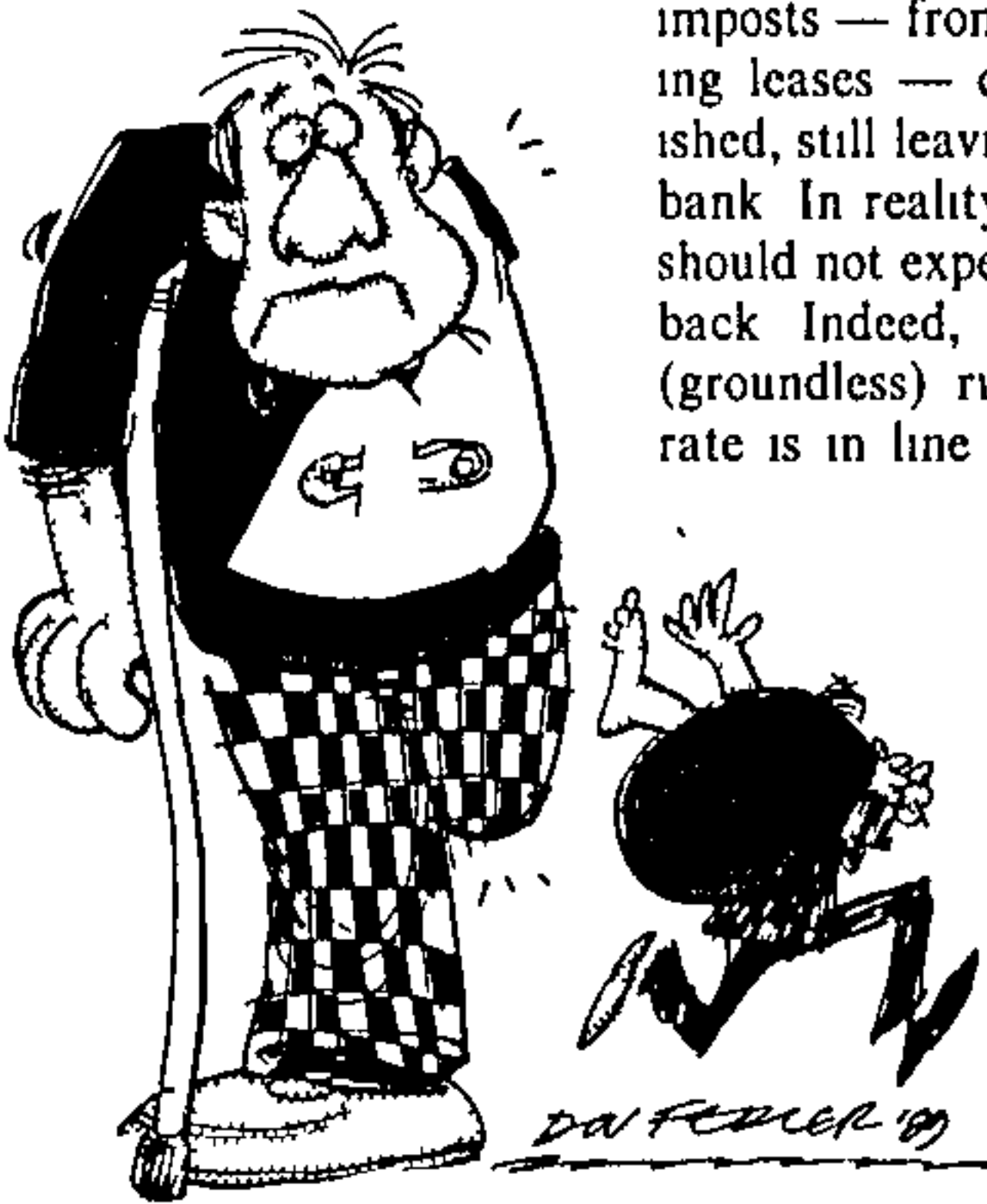
But the real gains are from increases in imposts announced during the year — for other reasons. Import surcharges were increased by up to 60% to "protect the balance of payments". On the evidence, they have done anything but protect the BoP, they have certainly fuelled inflationary pressures.

The fuel levy (there is no GST on fuel) was increased by about 10% in January, ostensibly to help balance the books, but really to get a handle on the fortunes of the burgeoning black taxi industry.

Says Nedbank's Ted Osborn: "There are structural weaknesses in the forecasting model. But there has never been anything like this year's miscalculations."

Osborn argues that the over-issue of government stock "in excess of what was required for PSBR meant a tremendous drain on the whole economic system."

So while the average taxpaying unit will see out the fiscal year having paid 25%-plus more tax than a year ago, monetary policy will be anything but smooth in the months ahead. And though the Exchequer account may go into 1989-1990 with R2bn cash, this is no signal for tax cuts. Official policy may be that if consumer spending can be this strong with such a tax burden, an even greater tax burden can be handled.



INTEREST RATES

Quick-step

For once Reserve Bank Governor Gerhard de Kock moved fast in response to bad news.

Money supply figures for January (*Economy* February 23) showed strong growth in M3 persists, and trade figures indicate demand for imports remains high. So last week saw a formal 1,5 percentage point increase in Bank rate — or an effective one percentage point increase in the key rediscount rate to banks — to 16% (see "New Wave").

Many would argue the latest move, like the earlier ones, is too little too late.

But, though inadequate increases in interest rates in the past 16 months may have built up inflationary pressures, there is an important difference in the timing of the announcement. Unlike last year's moves, which each came only after weeks of lobbying from the banking sector, this came spontaneously from the Central Bank. Perhaps the absence of State President P W Botha speeded up the decision-making process, allowing the Bank to move when a move was due.

By raising the rediscount rates, De Kock has made accommodation, and consequently



THE NATIONAL MOOD

The rewards of movement

With the country's leadership in a vacuum, reform has again become a subject for respectable debate. It has become an *option* again — not a policy as frayed as those promises to trim public-sector spending and the size of the civil service; and not an issue demanding electoral fudging because of fears of the Right

Not that fears of the Right have abated — but the empty shops of Boksburg and Carletonville have had a powerful effect on the minds of all but the most devoted advocates of Conservative policy in all its full blighted flower.

In SA, a change of administration has seen men ascend to power tempered by the effects of what it means to carry out apartheid in the real world. They are accordingly labelled reformers — they know well enough that we cannot cut ourselves off from the world. Interest rate differentials with our trading partners, the foreign debt situation — these alone weave us into the world economic web. So what should F W de Klerk do?

Apartheid comes down to more than the Separate Amenities Act — it rests on race classification and the Land Act. The first provides the basis of the "new" constitution and the Group Areas Act; the second the geographic parameters of the homelands policy with its concomitant penalty of denationalisation of SA citizens.

The longer these inequitable laws are used to divide and rule, the longer the system remains unstable — with periodic upheavals to be dampened by security actions which have in turn led to infringements of human rights. The world's punishment — sanctions, disinvestment, the diplomatic and trade chill — makes matters worse, because everyone becomes poorer in a contracting economic climate.

Apartheid and the responses to it cannot be overturned overnight. Even were we to scrap race classification and the Land Act and have a one-man, one-vote constitution (that is, witness the abdication of Afrikaner hegemony in favour of blacks), it would be a long time before the essential ingredi-

ent of *stability* and economic rectitude persuaded the multinationals to return, or the capital boycott was ended.

Nonetheless, if reform means anything, it means movement — towards a freer society, politically and economically. The one is contingent on the other. Movement, at the very least, would foster at least some capital inflow, and perhaps slow the capital outflow.

The world's lenders are short of good borrowers — notwithstanding the strength of the OECD. While movement in reform will inevitably fall short of notional black majority rule — perhaps for decades — it could well be enough, if it is sincere, to encourage Swiss and German bankers, for example, to reconsider their policies on SA.

It is not enough to instruct the police not to prosecute those who break the Separate Amenities Act — as has already been done — while the law remains on the books. That law should go — it should not be a local option to exclude children from public parks on the basis of their skin colour. Perhaps Boksburg and Carletonville might even secretly welcome such a reprieve for their pockets.

Much the same applies to the Group Areas Act. Price — the market — could most efficiently determine who lives where, from Houghton to Crossroads.

But then we come down to race classification, perhaps the final hurdle — and the one which will take longest to resolve. So long as people's destiny is warped from birth, everything else can go and the basic structural inequality would remain. Yet if, one by one, the apartheid laws can topple — and they can, and do, generally after social trends have outpaced them beyond policing — then race classification can go too.

At the least, the major political task of the F W de Klerk administration will be to indicate movement towards repeal of the fundamental race laws; and the bolder it is about the direction it intends to take, the greater will be the reward in terms of regaining access to the world in many senses, not least the financial one. ■

HOUSE OF DELEGATES

INTERPELLATIONS

The sign * indicates a translation. The sign † used subsequently in the same speech, indicates the original language.

Own Affairs

M L Sultan Technikon- Vice-Rector dismissed

1 Mr M RAJAB asked the Minister of Education and Culture

Whether the Vice-Rector of the M L Sultan Technikon, whose name has been furnished to the Minister's Department for the purpose of his reply, was dismissed in 1988 as a result of a report submitted to the council of the said technikon, if so, (a) who drew up the report and (b) what recommendations did it contain?

The MINISTER OF EDUCATION AND CULTURE Mr Chairman, the reply is No. The Vice-Rector was not dismissed. His probationary appointment was not confirmed as a result of a decision of the council based on an assessment and report on the Vice-Rector by the Rector. Therefore (a) and (b) fall away.

Mr M RAJAB Mr Chairman, I hope that the hon the Minister is aware that we are dealing with the dismissal of a man who was actually employed in the Department of Education and Training as a senior deputy education specialist. I hope he realises that we are dealing here with a man who was at one time rector of a teacher training college in the Cape as well.

Such a man, after careful selection by a selection committee was in fact appointed. In terms of the rule he had to serve a probationary period. Is the hon the Minister aware, however, that the recommendation made to the council was made by a gentleman who in fact was also under probation? Is the hon the Minister aware of that?

Is he aware that in such a situation one could have feelings of insecurity which could in fact have been engendered in the incumbent at that time? What also concerns me is whether the hon the Minister is aware of the consequences of such an action. Is he aware that the services of that particular gentleman were terminated as a result of a threat of litigation? Is he aware of that fact?

action I want to reiterate that I am aware of all the facts that led to this termination.

Debate concluded

Public servants encouraged to improve qualifications

2 Mr J V IYMAN asked the Minister of Local Government and Agriculture

- (1) Whether public servants employed in his Department are encouraged to improve their qualifications, if so, what incentives are given,
- (2) whether such public servants who go on study leave receive their normal remuneration?

The MINISTER OF LOCAL GOVERNMENT AND AGRICULTURE Mr Chairman, the reply to the first part of the question is as follows. Yes, in the case of studies at technikons, registration, tuition and examination fees are paid from State funds. In the case of university studies, Public Service bursaries are offered by the Commission for Administration.

Study leave is granted on a 50-50 basis, for example public servants are entitled to one day's special leave for every day vacation leave approved. In addition, officers studying on a part-time basis are granted a day's special leave for each day on which they write an examination plus a day's special leave to prepare for each such examination.

On successful completion of his course of study the officer will qualify for a cash reward of either one or more salary notches which is equivalent to his next salary increment and which is payable in accordance with the personnel administration standard for the relevant occupational class.

Secondly, the payment of full or part-time remuneration is dependent on the number of days of vacation leave the officer has to his credit, for which purpose study leave is granted on the basis referred to above. If he has no vacation leave to his credit he can obviously not benefit from the 50-50 basis.

Mr J V IYMAN Mr Chairman I would like to find out something from the hon the Minister. It is common knowledge that the Department of Agriculture is tremendously short of trained personnel in the field of agriculture. At present his department does not even have a Director. They

are making extensive efforts to recruit a suitably qualified person within the South African context.

What I would like to know from the hon the Minister is whether the field technicians who are presently employed in his department are being given the opportunity to attend universities at his department's expense. Are they entitled to paid leave? Most of the men are married. They are granted leave and some of them are granted bursaries but while they are away at university they are not being paid. I understand that they are studying without pay and at their own expense. It is obvious that any student or other human being—or even any farm animal for that matter—has to eat in order to live. Why is it so that when these employees go on study leave they are not paid their full normal salary? After all, they are an asset to the department and the nation as a whole. It is an asset to have fully trained experts in the field of agriculture. The hon the Minister is eager and anxious to improve the methods of production of the Indian farmers. They need training. [Time expired.]

Mr M RAJAB Mr Chairman, I welcome the statement made by the hon the Minister in this regard. I was a little surprised by my hon colleague on the other side because as I understood his question he wanted to know whether incentives were provided by the department. The hon the Minister has in fact indicated that that is the case.

As I understood the comments made just now by my hon friend, he wanted to know whether the normal remuneration also applied. As I understand it, this is the position that applies in every department.

Mr J V IYMAN You understand wrongly!

Mr M RAJAB Well, if the hon gentleman tells me that I am wrong, I will accept it.

Mr J V IYMAN You are wrong!

Mr M RAJAB He did not come here this afternoon with any concrete facts. I am surprised at that hon gentleman because he should know better. He should come to this Chamber with concrete facts and tell us where the hon the Minister is wrong. I do not want to hold a brief for the hon the Minister but that hon member has not proved his case. [Time expired.]

Mr J V IYMAN Mr Chairman I would like to

obtain more specific information from the hon the Minister this time. A technician who has just gone on leave was categorically told by the department—I have the correspondence to prove it—that it is unpaid study leave. He is entitled to study leave but he will not be paid. I hope this information also satisfies the hon member for Springfield.

A full-time employee of the department has gone on unpaid study leave.

That is my concern. When someone from the Public Service goes on study leave he is not paid, and if the hon the Minister did say that they are paid, then the hon the Minister is wrong. I call that misleading the House. I have facts and figures here. [Time expired.]

Mr M Y BAIG: Mr Chairman, on a point of order. The hon member has said the hon the Minister is misleading the House. That is unparliamentary language.

The CHAIRMAN OF THE HOUSE: Order! What were the hon member's exact words?

Mr J V IYMAN: Mr Chairman, I was merely reacting to what the hon member for Springfield said. I said if the hon the Minister made a statement in this House that public servants employed in his department are given study leave while being paid in full, then that is a misleading statement.

The CHAIRMAN OF THE HOUSE: Order! The word 'misleading' in that context is not unparliamentary.

Mr M RAJAB: Mr Chairman, I do believe that in the interest of justice, it is incumbent upon the hon member to let this House have the particular information that he has. I believe that he should disclose it in this House. That hon member has had two bites of the cherry and he has not yet given us the information on which he relies. Apart from not disclosing his information, he has told us that if that was the reply of the hon the Minister then the Minister is misinformed. If the hon the Minister is misinformed, I would like to

ask the hon member where he is misinformed. He must please tell us.

The MINISTER OF THE BUDGET: Mr Chairman, the hon member for Camperdown needs to be informed that any member of the staff of the administration who is on leave or on special study leave, is paid his full salary. He also receives funds for his registration and studies. Where the hon member got his information from, I do not know. I am at a loss to understand that he should have been informed about it in this manner.

Mr M RAJAB: Is the hon member for Camperdown misinformed?

The MINISTER: Mr Chairman, it is a known fact that the State as an employer encourages its employees to better qualify themselves and to advance in their particular fields. We in the administration have always assisted those students who are eager to improve their qualifications or who want to specialise in their particular fields. In addition to that we grant them special leave on a 50-50 basis and, if the classes are in the daytime, we also grant these employees special leave. In addition to the encouragement the Administration House of Delegates give, the Commission for Administration also helps to entertain such applications. We naturally place a high premium on training.

Mr J V IYMAN: Mr Chairman, will the hon member take a question?

The CHAIRMAN OF THE HOUSE: Order! The hon the Minister is replying and he will not take questions now. The hon member must please resume his seat.

The MINISTER: Mr Chairman, I think the hon member for Camperdown is particularly interested in the Department of Agriculture, where we have two technicians, Messrs V Chetty and K Govender. [Time expired.]

The CHAIRMAN OF THE HOUSE: Order! That brings us to the end of interpellations. At this point I want to appeal earnestly to the Whips to please see to it that the presiding officers have a complete list of speakers in front of them in advance.

HOUSE OF ASSEMBLY

QUESTIONS

†Indicates translated version

For written reply

General Affairs

Internal Security Act, restricted persons

35 Mrs H SUZMAN asked the Minister of Justice

(a) How many persons in the Republic were restricted under each specified section of the Internal Security Act, No 74 of 1982, as at 31 December 1988 and (b) how many restricted persons left the Republic in 1988? B91E

The MINISTER OF JUSTICE

(a) None

(b) None

Group Areas Act: persons prosecuted for contraventions

39 Mr S S VAN DER MERWE asked the Minister of Justice

(a) How many persons were prosecuted for contraventions in terms of the Group Areas Act in 1988 and (b)(i) what was the outcome, and (ii) which magisterial districts were involved, in each case? B95E

The MINISTER OF JUSTICE

I caused enquiries to be made at the various Attorneys-General and according to them the information is as follows:

(a) (b) (i) (b) (ii)
(Per- (Outcome) (Magisterial
sons) District)

1 R80,00 admission of guilt
paid Bloemfontein
1 Guilty. Sentenced to R90 00
or 3 months' imprisonment
plus a further 3 months im-
prisonment suspended for 3
years Ficksburg

2 Guilty. Cautioned and discharged
1 Guilty. Fined R200,00 or 60 days' imprisonment suspended for 3 years on conditions

Ficksburg

1 Case was withdrawn
6 Cases were withdrawn
2 Cases were postponed
4 Cases were withdrawn
2 Guilty. Cautioned and discharged

Randburg
Boksburg
Roodepoort
Kempton Park
Johannesburg

3 Guilty. Cautioned and discharged
41 Cases were postponed
4 Cases were postponed
1 Case was postponed
1 Case was withdrawn
26 Cases were postponed

Johannesburg
Johannesburg
Johannesburg
Boksburg
Benoni
Vereeniging
Various districts
in the area of
jurisdiction of
the Attorney-
General of the
Transvaal

Crimes of violence: persons hanged

60 Mr D J DALLING asked the Minister of Justice

(1) How many (a) Blacks, (b) Coloureds and (c) Indians were hanged in 1988 for crimes of violence against Whites,

(2) how many Whites were hanged in 1988 for crimes of violence against (a) Blacks, (b) Coloureds and (c) Indians? B159E

The MINISTER OF JUSTICE

(1) (a) 34 (b) 12 (c) 0

(2) (a) 2 (b) 0 (c) 0

The following information is also furnished for the Honourable Member's information:

(a) One White person was executed during 1988 for murder committed against another White

(b) Number of Blacks executed for crimes of violence against the following race groups:
Coloureds 1
Indians 3
Blacks 38

(c) 21 Coloureds were executed for crimes of

QwaQwa	11 138
Lebowa	103 138
Gazankulu	47 303
KwaZulu	247 362
KaNgwane	33 468
KwaNdebele	15 706
TOTAL	458 115

(b) 789 270

Information as on 01 03 1988

The 1989 enrolment is not yet available

Greater Cape Town, White/Coloured/Indian residents

62 Mr C W EGLIN asked the Minister of Home Affairs

What estimated number of (a) Whites, (b) Coloureds and (c) Indians resided in the Greater Cape Town area as at 31 December 1988?

B162E

The MINISTER OF HOME AFFAIRS

Information for 1988 on the basis as required by the hon member is not available in my Department. Population numbers are obtained by means of population censuses. The latest available information therefore, is that in respect of the 1985-Population Census. In this regard I refer the hon member to my reply to Question No 548 of 11 March 1988 which appeared under his name on the Question Paper.

Self-governing territories/independent states' land excised

126 Mr J J WALSH asked the Minister of Education and Development Aid

Whether any land made available for occupation by Blacks since 1936 has subsequently been excised or is to be excised from self-governing territories or independent Black states if so (a) what area of land (b) which such territory or state was involved and (c) when in each case?

B279E

The MINISTER OF EDUCATION AND DEVELOPMENT AID

Yes. The required information however is

not readily available. No special record in the form of a register is kept in this connection and the required information cannot be ascertained without performing a considerable volume of work, which is deemed unjustified.

Self-governing territories/independent Black states: land incorporated

127 Mr J J WALSH asked the Minister of Education and Development Aid

Whether any land made available for occupation by Blacks since 1936 has subsequently been incorporated or is to be incorporated into self-governing territories or independent Black states, if so, (a) what area of land, (b) which such territory or state was involved, and (c) when, in each case?

B280E

The MINISTER OF EDUCATION AND DEVELOPMENT AID

All the required information is not readily available as no special record in the form of a register is kept in this connection. The present total extent of the independent states and self-governing territories given hereunder, includes land which was set aside for occupation by Black people in terms of the Black Land Act, 1913 (Act 27 of 1913), as well as land released in terms of the Development Trust and Land Act, 1936 (Act 18 of 1936), which belongs to individual Black people. Tribes, the South African Development Trust and the various Black Governments

Transkei	—	4 287 000 Ha
Bophuthatswana	—	4 214 737 Ha
Venda	—	708 897 Ha
Ciskei	—	794 827 Ha
KwaNdebele	—	239 958 Ha
Gazankulu	—	796 789 Ha
QwaQwa	—	90 276 Ha
KaNgwane	—	505 615 Ha
Lebowa	—	2 527 697 Ha
KwaZulu	—	3 239 522 Ha

Irrespective of the abovementioned areas of land already included into the areas of jurisdiction of the various states as indicated the Government is also engaged in the systematic addition to the different states of a further ± 300 000 hectares consisting of properties of the South African Development Trust. Tribally owned land and land belonging to individual Black people

INTERPELLATIONS UNDER NAME OF MEMBER

Abrahams, Mr T— <i>General Affairs</i> Constitutional Development and Planning, 45	Langley, Mr T— <i>General Affairs</i> Defence, 227
Barnard, Dr M S— <i>General Affairs</i> National Health and Population Development, 7	Rajab, Mr M— <i>General Affairs</i> Law and Order, 51, 117
Burrows, Mr R M— <i>Own Affairs</i> Education and Culture, 94, 259	<i>Own Affairs</i> Education and Culture, 41, 187, 279
Coetzee, Mr H J— <i>Own Affairs</i> Chairman of the Minister's Council, 13	Chairman of Minister's Council, 10: Health Services and Welfare, 189
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Gerber, Mr A— <i>Own Affairs</i> Chairman of Minister's Council, 163	Snyman, Dr W J— <i>General Affairs</i> Foreign Affairs, 137
Iyman, Mr J V— <i>General Affairs</i> Economic Affairs and Technology, 303	Suzman, Mrs H— <i>General Affairs</i> Law and Order, 62
Johnson, Mr J D— <i>Own Affairs</i> Budget, 181	Van Gend, Mr J B de R— <i>General Affairs</i> Justice, 142

Budget: Large slice for bigger bureaucracy

cut 14% 13/3/89

250



Mr Barend du Plessis

JOHANNESBURG. — The biggest slice by far of what is expected to be a R65-billion budget this week will again go to pay the country's expanding bureaucracy

Based on a total pay-out to government personnel in the 12 months to the end of September last year of R15,8bn, the Minister of Finance, Mr Barend du Plessis, will have to make provision for a pay bill of around R20bn which is near to 30% of the national income.

And if the government reverts to the old system of pay hikes to 12 months, he will have to provide for new increases in the last three months of the financial year

The Public Servants' Association and other exchequer personnel including teachers will press for a new round of pay increases from January next year.

The 15% pay hike granted from January this year will add R4bn

to the total pay-out in a 12-month period. Exchequer personnel include state department and provincial administration workers, personnel of the self-governing territories, parastatals, such as the CSIR, SABS, Mintek and the HSRC

It also includes the personnel of the universities and technicians

And according to the latest central statistical services figures, there were 510 882 working for the central government and 229 136 for the Provincial Administration at the end of September last year

The total of 740 018 was 15 391 more than at the end of September 1987.

Working in own affairs departments were 176 254 and in general affairs departments 327 409.

The civil services of the self-governing states employed 185 313 compared with 161 944 the year before.

AND HOUSING Mr Chairman, I forgot to answer the second part of the question

The Development and Housing Board, following the recommendation by the Committee, comprising of the department's representative from the Johannesburg region, the Chairman of the Coloured Management Committee, a nominee of the City Council of Johannesburg, a town and regional planner of the department's head office and the Vice Chairman of the Executive Committee of the Development Board, approved of business site 4061 being sold to a certain Mr J C Pretorius to accommodate such activity as the City Council in consultation with the town planners may determine

The hon members asked several other questions which were not part of the original question I cannot reply to them We will take up from Hansard the questions they asked and, in the debate on my Vote next week, answers will be given

I just want to repeat what was said Factually neither the Ministry nor the department concerned at any stage issued authority to a person to sell residential sites belonging to the Development Board If the people went to a person and they gave him money, they must take that person to court That person was involved in the transaction The regional office, according to information I have received, issued no authority to sell any plots in that particular area to any person These are private transactions and the people concerned must take the persons to court who sold those plots fictitiously to them It has nothing to do with this department

*The CHAIRMAN OF THE HOUSE Order' A moment ago I mistakenly referred to the hon member for Matroosfontein as the hon member for Elsies River I am sorry it is the hon member for Matroosfontein who made the mistake

*Mr V SASS It is the Chair that made the mistake

*The CHAIRMAN OF THE HOUSE Order' I did not make a mistake I looked at the hon member for Matroosfontein and made a slip of the tongue since the hon member makes so much noise [Interjections] Order' I did not therefore call the hon member for Elsies River to

order, but the hon member for Matroosfontein That concludes the questions

QUESTIONS

†Indicates translated version

For oral reply

Own Affairs

State Revenue Account: expenditure on universities

*1 Mr C J KIPPEN asked the Minister of Education and Culture

What was the total capital expenditure from the State Revenue Account on universities under the control of his Department in the 1987-88 financial year?

C16E

The MINISTER OF EDUCATION AND CULTURE

R54 553 000,00

Teachers' applications refused

*2 Mr C J KIPPEN asked the Minister of Education and Culture

Whether any applications from suitably qualified (a) primary and (b) secondary school teachers for posts at schools under his control were refused by his Department in 1988, if so, (i) why, (ii) how many in each case and (iii) in which regions?

C24E

The MINISTER OF EDUCATION AND CULTURE

(a) No

(b) No

If posts are not readily available the names of unsuccessful applicants are placed on waiting lists at regional offices

Saint Martin's Trust Area

*3 Mr T R GEORGE asked the Minister of Local Government Housing and Agriculture

(1) Whether it is the intention that the Saint Martin's Trust Area be utilized for housing development if not why not if so (a)

(1) when and (ii) by whom will this area be developed, (b) what total number of plots is involved and (c) what, in hectares, is the extent of this area,

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

C27E

The MINISTER OF LOCAL GOVERNMENT, HOUSING AND AGRICULTURE

(1) Yes

(a) (i) After proclamation and acquisition of land

(ii) No finality has been reached Development thereof will as far as possible be privatised

(b) 2 500-3 000 erven

(c) ±300 hectare

(2) No

Riverlea Extension 1 area: housing development

*4 Mr T R GEORGE asked the Minister of Local Government, Housing and Agriculture

(1) Whether his Department has received any recommendations concerning housing development in respect of the Riverlea Extension 1 area, if so, (a) when, (b) from

whom and (c) what was the purport of these recommendations,

(2) whether any decisions have been taken in this regard, if not, (a) why not and (b) when is it anticipated that decisions will be taken, if so, (i) when, (ii) what decisions and (iii) what were the reasons for these decisions?

C28E

The MINISTER OF LOCAL GOVERNMENT, HOUSING AND AGRICULTURE

(1) Yes

(a) January 1989

(b) Johannesburg City Council

(c) Approval of construction of assisted housing

(2) Yes

(a) falls away

(b) falls away

(i) 12 January 1989

(ii) and (iii) Resolved that the application for the project be withdrawn for further investigation with the view to privatisation

Public servants 'disappointed' ²⁵⁰

By DEBORAH SMITH, Pretoria Bureau

It was disappointing that the Minister of Finance, Mr Barend du Plessis, had failed to address the issue of market-oriented salary adjustments in crisis sections of the public service, the President of the Public Servants Association, Dr Colin Cameron said.

Reacting to the Budget Speech, he said 107 career groups had been identified as "crisis careers" in which market-oriented salary adjustments would have to be made in the coming year.

Dr Cameron said the Association had calculated that public servants would be 20 percent behind the private sector on April 1, using 1984 as a base year.

"In light of these circumstances the Association will have to approach the Government asking them to improve the market position of salaries in the civil service," he said.

He referred to the impossible tax burden on employees which would be taken a step further with the March 1 phase-in of taxation of fringe benefits. In addition increases in the cost of living were helped on by rising petrol prices, tariffs for public services and interest rates.

These increases had to be seen in the light of increased salary demands which would put pressure on the civil service.

The increase in GST would be welcomed if it resulted in a decrease in direct personal taxation, said Dr Cameron, adding that another benefit was that it broadened the tax base.

Our own government does far more damage to the economy than sanctioners ever will. Indeed, South Africa's enemies must often ask themselves: who needs international sanctions when we've got Pretoria?

Shrink or sink: Public service threatens the ship

250

W/L ARKAS 18/3/89

A FACT of South African life somewhat obscured by this week's budget details is the huge amount taxpayers fork out to pay for the country's expanding bureaucracy.

In pay cheques, perks and benefits alone, the public service consumes something like a third of the budget, or R20-billion plus.

It has been estimated there is one public servant for every 27 people in the country. This, say analysts, is where the problem of excessive government spending should be tackled.

Shrink the bureaucracy and government spending will fall dramatically, is the call from economics and finance writer Don Caldwell in a new book, *South Africa: The New Revolution*, which has just been published by the Free Market Foundation of Southern Africa.

In an interview this week, he said his arguments were underlined by the fact that trends against which he warned had been continued once more in this week's budget.

"There is not a single commitment to cut back on the cost of the bureaucracy, the ballooning debt continues, and there is more hidden taxation. But at least the rise in GST, which I don't support, is honest."

HIS book contains an incisive criticism of government financial and economic policy. He presents a case for the government to stop getting the country further into debt, to abandon its own apartheid-based economic sanctions, and to take drastic steps to cut down expenditure on Pretoria's overgrown bureaucracy.

He says there are three costs involved in having a huge army of bureaucrats.

- The cost to taxpayers of paying their salaries;
- The cost to businesses and individuals of complying with their regulations; and
- The investment and economic growth that never come about because of the rules they enforce.

He suggests the latter two costs, though impossible to quantify, must be

The cost to businesses and individuals of complying with government bureaucracy regulations, the cost in investment and economic growth that can never come about because of these rules — these costs are probably a far greater burden on the ordinary South African than even the enormous public service tax bill. So argues economist Don Caldwell in his new book **South Africa: The New Revolution**. If you want to cut government spending, shrink the bureaucracy, he says — urgently

even higher than the public service salary bill

"This means it would be economically wiser to pay civil servants not to work. The goal, then should be to shrink the public sector, even if it's costly in the long run."

IN addition to privatising, therefore, the answer should be to pay government employees to quit.

"Institute a hiring freeze and give all who work for the government 24 months' salary if they'll leave the civil service and not return. That gives a civil servant two years to find a private-sector job, study, retrain, or go into business for himself

"If he finds a private-sector job immediately, he gets two years of high living."

Caldwell envisages that the first two years of such a programme will make government spending begin to fall dramatically. Lower taxes, he says, would spark investment and growth, while civil servants would find a booming, unshackled economy in which to find work.

"Clearly, the budget can be balanced, government spending reined in, and the full cost of government made evident — if Pretoria can be persuaded that it doesn't have to throw money at every problem it has created."

Caldwell also lashes out at the government's thirst for hidden taxation — "most taxpayers would be appalled to find out the sneaky ways the government robs them, besides the obvious personal income tax and retail GST."

He notes the Margo Commission recommended in August 1987 that personal income tax be lowered and a broad tax on business (the Comprehensive Business Tax) be imposed.

"The government, though rejecting some of Margo's specifics, has agreed to move towards more indirect — that is, hidden — taxation and away from direct taxes paid by individuals. Only

those trying to hide the cost of government can consider this a victory for tax reform"

THE author argues that people pay all taxes Pretoria can say it is collecting tax from corporations — as opposed to the man-in-the-street — but the tax is paid, in the end, by consumers, workers, investors and owners.

"You cannot magically 'soak' business to raise taxes painlessly. A business is nothing more than a collection of people. Those people will themselves pay the tax through lower wages or will try to pass it on in the form of higher prices (to customers) or reduced dividends (to investors)."

Indirect taxes, according to Caldwell, are a boon to government, because people can't measure the true cost of government spending. They deceive themselves that they are getting something for nothing.

He suggests South Africa should abolish all hidden, indirect taxes — corporate income tax, mining taxes, stamp duties, excise and customs duties, the value-added tax that's replacing GST — and institute instead a simple, visible tax on personal income or a low general sales tax.

Visible taxes would put "an easy-to-read price tag on the cost of government".

The government would then be more likely to curb spending than to raise the tax rate — "everybody would immediately feel the burden of the government's profligate ways".

THE author points out that under the present system, politically favoured projects — not those consumers want — are undertaken. Politically favoured businessmen — not the most competitive — get government contracts. Select groups benefit at taxpayers' expense.

In this process the country grows poorer.

Pretoria gets away with it mainly be-

cause the cost of government is hidden. The people see the buildings, jobs, and services the government provides, but never know the full cost — "it feels as if we're getting a bargain".

Hidden tax, however, is only one way the government hides the cost of its undertakings. Other ways are by printing money to pay the government's bills, and by running up debt, and so passing on the cost to future generations.

Caldwell says the first step South Africans should take towards the path of prosperity is to stop blaming the crumbling economy on foreigners and sanctions.

"Our own government does far more damage to the economy than sanctioners ever will. Indeed, South Africa's enemies must often ask themselves: who needs international sanctions, when we've got Pretoria?"

PRETORIA, the author asserts, has "self-imposed sanctions" that extend far beyond restrictions on foreign trade. The Group Areas Act, licensing laws, zoning, agricultural boards, are all sanctions that South Africa imposes on itself.

Like international sanctions, Pretoria's own sanctions amount to an intervention in the country's economy by way of restricting trade and investment.

"A disinvesting American company can hurt. But the damage is insignificant compared to that caused by preventing blacks from investing in land and agriculture, preventing entrepreneurs from doing business in their homes and backyards, and so on.

"High taxes, high inflation, nationalised industry: these also restrict growth far more than international sanctions"

The author suggests South Africans should attack the home-grown problems — caused by Pretoria's economic regulations — rather than waste time arguing with pro-sanctions foreign politicians.

On the issue of excessive government spending, the author says that without a balanced-budget rule there is no constraint on politicians and bureaucrats. They don't have to put a price-tag on their promises.

Meanwhile voters think they are getting something for nothing because spending rises faster than taxes.

"The result: we end up with more government than individuals are actually willing to pay for."

President's men get hefty pay rises

250

Political Staff
THE President's men and women have been given hefty pay rises.

The top nine public servants at Tuynhuys, listed last year as earning R59 200 and more, are listed in this year's Budget as receiving R80 000.

A presidential spokesman said today personnel expenditure had increased 22,8 percent

from R9,5-million to R11,6-million.

"This increase can be ascribed to normal annual salary increases, general salary adjustments for the Public Service and new remuneration dispensations for certain professional categories," the official said.

He noted that salaries for the top two brackets of Tuyn-

huys employees were "strictly in accordance" with Public Service rules.

The President's department had 196 posts last year, not all filled. The Budget shows that they have been whittled down to 169.

Of those 43 will be earning between R40 300 and R79 999, 46 between R19 800 and R40 299, 57 between R8 900 and R19 799 and 14 below R8 899.

Civil servants ask for more

Own Correspondent

PRETORIA — The Public Servants' Association wants the government urgently to review and raise the R50 million set aside in the budget for occupational specific salary increases.

A spokesman said here dissatisfaction has spread throughout the sector.

At a meeting here on Wednesday night the PSA's board of directors stressed the R50 million spread across the more than 700 000 exchequer personnel corps was obviously far, too little.

The need to raise the earnings of certain key groups in the service to halt private sector staff raids was urgent, the spokesman said.

The commission for administration with the PSA, the meeting was told, identified 107 of the 500 occupation groups in need of market-related salary hikes.

During the 1988/89 financial year R450 million was allocated to specific adjustments — "and even this was inadequate measured against the need", PSA general manager Mr Hans Olivier said.

And the Teachers' Federal Council emphasised the growing backlog in teachers' earnings in a statement on Wednesday.

The teachers council has commissioned a study by consultants to investigate teachers' pay relative to earnings in other areas of the public sector.

President's men 'to get 20,4% pay hikes'

250

OFFICIALS in the office of the President would receive an average 20,4% salary increase in terms of the Budget, secretary-general J P Roux said yesterday.

He was responding to a Business Day report which estimated that 169 members of the office would get 43% more in terms of the Budget.

Business Day calculated the personnel costs of the President's office would increase by R2,1m from R9,5m while the number of posts was being cut from 196

Business Day 29/3/89

Business Day Reporter

to 169 — an average pay hike of R20 000 an employee, from R48 474 to R69 088. The report said the figures included remuneration and salary increases for members of the President's Council and the Namibian administrator-general's office.

Roux said R4,79m of the R11,67m budgeted for personnel costs during the 1989/90 financial year was allocated for members of the council and the adminis-

trator-general's office.

Average estimated salary, including housing benefits, bonuses and allowances, was expected to increase from R35 738 to R43 031 this financial year.

He ascribed the increase to normal annual salary increases, general salary adjustments for the public service and new dispensations for certain professional categories. The officials would have received the same increases if they had worked in any other government department.

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Programme 2: the inside story

AS WAS promised, Business Day has pursued the question why personnel costs under Programme 2 of the Department of Development Aid's budget for the coming year are reflected in the estimates of expenditure at 60% more than last year. The answers received from Director-General G van de Wall are complex but illuminating, and we set them out as a contribution towards a proper public understanding of the rising costs of government.

Firstly, Van de Wall says, some staff costs have been reallocated from one programme to another. Costs for Programme 2 have soared from R21.4m to R34.4m, while staff costs for Programme 1 have dropped by about R5m. The figures have been further distorted by accounting ad-

justments made in the additional appropriation, and meaningful comparisons will not be possible until the next additional appropriation has been presented to Parliament. However, the reallocation of costs is part of the answer.

This raises the next question the department as a whole has budgeted to increase spending by only 15.6% on last year's figure, but its personnel costs are budgeted to rise by about R45m, or 30%. This is better than the 60% rise shown for Programme 2, but it is nevertheless substantial.

The explanation, to paraphrase, is that about two-thirds of this increase, or R30m, is accounted for by four sets of "normal" salary increases the 15% across-the-board increase given to public servants last year in a fit of executive generosity, the additional 7% given to teaching staff, the so-called "occupational-specific" increases (a curious practice whereby the job descriptions of certain public servants are changed in order to pay them higher salaries, although their jobs remain the same) and the annual "notch" increases. Together, these categories represent

an increase of about 20%. The rest — R15m, or 10% — is due to accounting adjustments of one kind or another. About R5m is earmarked for additional staff required to run hospitals and health services that came "on stream" during the year, and which was not therefore reflected in last year's Budget (it cropped up in the additional appropriations). Another R4m is earmarked for such additional staff to run hospitals and health facilities that come on stream during the coming year. The alternative, of course, would be to leave new facilities

standing empty. That leaves R6m unaccounted for. This, says Van de Wall, is essentially a bookkeeping correction. Salary increases for staff seconded from other departments — notably the Department of Health — were erroneously allocated last year to the wrong departments, and this entry straightens out the error.

The same explanation is put forward for the apparent increase in the number of officials occupying the top salary bracket (now above R60 000) from nine last year to 46 this year: last year's figure was simply a mistake.

That's the story, folks, straight from the horse's mouth.

BUSINESS DAY REPORTER

REVIEWS

Pension buy-back concession for 6 500 civil servants

Own Correspondent

MORE THAN 6 500 civil servants have been given the green light by the cabinet to buy back pensionable service in terms of the old, much-criticised provisions — which have been held responsible for most of the R20bn or more in total deficits the state pension funds are now saddled with

The cabinet decision was disclosed in an announcement released in Cape Town yesterday by Dr Willie van Niekerk, Minister of National Health

250
Cape Times 7/4/89
and Population Development, who said the concession applied to all those civil servants who had applied to buy back service before September 21, 1987

Changes to the buy-back formulas announced in February last year were back-dated to that date.

A spokesman for Dr Van Niekerk's office estimated last night that about 6 500 civil servants could benefit from the concession if they took up their rights

The estimates do not match the official figures published in the department's own annual report for 1987, tabled in Parliament last year. The report shows that a total of 33 484 civil servants had applied to buy back service in that year.

Dr Van Niekerk's announcement yesterday was described as the height of cynicism, in the light of the fact that its timing coincides with the announcement of a general election later in the year.

But PFP finance spokesman

Mr Harry Schwarz — a vociferous critic of the state's various buy-back schemes — also said that those who had applied for the buy-backs before the changes were introduced were entitled to them in that they were a part of their original terms of employment.

He nevertheless called on Dr Van Niekerk to explain how this concession was going to be paid for, and whether he had ideas of tapping the special R1bn contingency fund established in this year's Budget.

A NEW law is to be introduced this year to make provision for some trade union rights in the civil service, the Commission for Administration has disclosed

The measure, in the form of an amendment to the Public Service Act to provide for collective bargaining, could dramatically change labour relations in the civil service

The commission said the draft system was approved by the cabinet last year and the proposed legislation would be tabled in Parliament this year

It added that the need for collective bargaining, in one form or another, for the public service was first emphasised by the Wiehahn Commission, which recommended that the principle of collective bargaining rights for personnel in the public sector be accepted.

The cabinet then instructed the commission to investigate the matter further

"Solutions had to be found to meet the public sector's circumstances.

Trade union rights for civil service

CAB
Tempt
10/4/89
250

"This system of bargaining would have to do justice to the needs and interests of both the state as employer."

The commission said a design for a possible bargaining system was developed and made available to "the recognised staff associations" for consideration and comment. The staff associations commented extensively and made proposals

Contributions were also obtained from other experts and in this way a system was developed which was acceptable to both the commission and the staff associations

This was then submitted to, and accepted by, the cabinet

37% work for 'own affairs'

CAPL. TANKS 10/4/89 250

By BARRY STREEK
Political Staff

OVER 37% of the 957 607 civil servants in South Africa last year were working for "own affairs" departments or racially defined administrations

This is disclosed in the 1988 report of the Commission for Administration, which has been tabled in Parliament.

The commission said 191 041 civil servants were working in the three own departments, including those employed in terms of the provincial ordinances, while a further 167 092 were in the administrations of the six non-independent homelands

This means that 358 133 civil servants were in racially defined segments of government service.

These figures exclude those employed in the administrations of the four independent homelands

The commission also disclosed that nearly half of the people employed in the public sector — 458 411 — were black, of whom 167 092 were working in the non-independent homelands.

Last year, there were 345 824 whites in the public sector, 121 109 coloured people and 32 263 Indians

The commission said that in terms of the widest possible definition of the public sector, including the SA Transport Services, the post office, parastatal institutions and public corporations, 1 668 million of the economically active population of 10 667 million were working in the public sector.

Among the 730 828, in the central government and provincial administration, 23% were labourers, 24% educators, 10% nursing personnel and 19% were personnel of services departments, while 24%, in about 520 occupational classes, were in the remaining categories.

In the 12 months between September 30, 1987, and September 30, 1988, the number of people employed by central government and the provincial administrations increased by 12 324.

"This represents a growth of 1,7% for the period concerned, and is appreciably lower than the growth of 10,5% which took place during the period September 30, 1986 to September 30, 1987," the commission said

Call for constraints

Cyclical changes, internal structural problems and pressures from abroad require economic measures that "might be unpopular," according to parliament's influential Joint Committee on Finance. In its report on the Budget, tabled in parliament last week, the all-party committee (effectively controlled by the National Party) says it is "concerned" about the state of the economy.

The committee hears evidence in camera for a week after the Budget is presented. It doesn't make recommendations on party-political issues or issues on which members don't agree, but usually "mentions" a number of matters concerning the economy.

This year it urges parliament to note that the Commission for Administration gave evidence recommending that parliament refuse to ratify over-expenditure or unauthorised expenditure by State departments except in "very exceptional circumstances."

"The committee takes note of the opinion given in evidence that procedures for (State) departments to obtain further funds under the additional budget should be stricter."

It also "requests" the monetary authorities to try to ensure that the increase in money supply keeps in the 14%-18% target.

The committee believes that, where appropriate, the role of the State should be reduced. State expenditure should be cut in real terms "having due regard, however, to priorities and the needs of the underprivileged." There should also be stricter control of aid to independent homelands to ensure funds are used for the intended purpose.

On the other hand, the committee expressed concern at:

- Under-manning of financial accounting sections in some State departments;
- Lack of funds that has resulted in 2 500 posts in the police force being left vacant;
- The "unsatisfactory staff position" in the Air Force, particularly regarding air crews and technical staff, and suggested "urgent steps" to deal with the matter; and
- The plight of the consumer considering, inter alia, SA's "financial concentration." ■

to institute prosecution against the persons responsible

VAT information on application

*8 Mr D J N MALCOMESS asked the Minister of Finance

- (1) Whether he will furnish information on the application of the value added tax system (VAT), if not, why not, if so, whether it is his intention to exempt charitable institutions from this tax, if not, why not, if so, (a) when and (b) what criteria are to be applied in the granting of such exemption?

B620E

The DEPUTY MINISTER OF FINANCE

- (1) No. In my recent budget speech I made reference to the fact that the draft VAT Bill has already been prepared but is subject to extensive refinement. I also mentioned that a comprehensive document on VAT will shortly be submitted to Cabinet for consideration. It is for this reason that I am presently unable to furnish any further details in this regard.
- (2) Falls away.

Mr D J N MALCOMESS: Mr Speaker, arising out of the hon the Deputy Minister's reply, may I ask if the hon the Minister or his department would be prepared to recommend to the Cabinet that charitable institutions be exempt from the payment of VAT, particularly in the light of the fact that donations to charity by companies are not tax-deductible whereas donations to sport are deductible at a special rate? In other words one gets the impression that rugby is more important than charity within the NP Government.

The DEPUTY MINISTER OF FINANCE: Mr Speaker, this extensive document will be published after the Cabinet decides on the main issues. We will then expect organisations like charitable institutions to submit their cases to the Government.

Children's Hospital in Durban - re-opened

*9 Mr M J ELLIS asked the Minister of National Health and Population Development

- (1) Whether there are any plans to re-open the Children's Hospital in Durban, if not,

HOUSE OF ASSEMBLY

(a) why not and (b) what are the future plans for the building, if so, when is it anticipated that it will re-open,

- (2) whether there are any plans to move the children's out-patients sections from its present site in the Children's Hospital building, if so, where to?

B621E

†The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

- (1) No,
- (a) — the current limited financial circumstances and the need to effect savings wherever possible mitigate against reopening the Children's Hospital,
- in the opinion of the Natal Provincial Administration the siting of both the Children's Hospital and Addington Hospital is not ideal. Re-commissioning the Children's Hospital would compound this problem,
- the overall need for paediatric services is adequately catered for in the accommodation presently provided in Addington and other hospitals in the Durban functional region,
- the old Children's Hospital currently serves an important role in providing essential accommodation for certain auxiliary services for Addington Hospital such as a staff crèche and stores,
- (b) there are no specific plans at present,

(2) no

Mr R M BURROWS: Mr Speaker, arising from the reply of the hon the Minister, is he aware of the fact that the old Children's Hospital building was originally erected as a specific children's hospital and is fully fitted out including the utilisation of facilities downstairs for such children's hospital? Is he aware that the children are currently on the thirteenth floor of the building and for exercise have to use the corridors of the building?

The MINISTER: Mr Speaker, I am aware of these facts [Interjections]

Stein Report on Children's Hospital in Durban

*10 Mr M J ELLIS asked the Minister of National Health and Population Development

Whether the Stein Report on the Children's Hospital in Durban is available or is to be made available to (a) members of the public and (b) members of Parliament, if not, why not, if so, when?

B622E

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

- (a) No,
- (b) no,

The Executive Council of the Natal Provincial Administration decided on 9 December 1985 that the Report should not be made public. The Executive Council was of the opinion that the Report was incomplete.

SWA: cost of withdrawal of troops

*11 Mr R A F SWART asked the Minister of Defence:

Whether the Chief of the South African Defence Force stated at a press conference in Pretoria on or about 27 January 1989 that the withdrawal of South African troops from South West Africa would cost approximately R143 million, if so, how is this amount made up?

B623E

†The DEPUTY MINISTER OF DEFENCE.

The Chief of the SA Defence Force actually said that the estimated cost will amount to RM146,4. The amount is made up as follows:

(a) Transfer of Permanent Force members and their families	RM 47,9
(b) Transport of other troops by road, rail and air	RM 24,1
(c) Transport of stores by road and rail	RM 47,4
(d) Withdrawal and relocation of computer and telecommunication services	RM 8,8
(e) Packaging material and handling equipment	RM 17,0
(f) Operating of an equipment collecting point in the RSA	RM 1,2
Total	RM146,4

Monitoring of media. amount allocated

*12 Mr S S VAN DER MERWE asked the Minister of Home Affairs

- (a) What amount of the total amount allocated to his Department for the 1989-90 financial year is to be set aside for the monitoring of the media and (b) how is this amount to be made up?

B624E

The MINISTER OF HOME AFFAIRS

The amount allocated to the Sub-program Media Relations for the 1989/90 financial year amounts to R1 238 500 which includes an amount of R438 500 which is earmarked for liaison and information services. The objective with this program is the promotion of public relations and the application of media control in terms of the Media Emergency Regulations. A variety of functions to promote this objective is being executed in head office and in regional and district offices and the monitoring of the media *per se* forms a small part of this comprehensive task. It is further interwoven in such a way with other functions in the programs that it is not possible to vest the expenditure relating thereto in precise monetary terms.

Expropriation of land on N3 cost involved

*13 Mr R W HARDINGHAM asked the Minister of Transport Affairs

What was the cost involved in the expropriation of land to accommodate the new section of road on the N3 national road from Frere to the Tugela Plaza?

B630E

†The MINISTER OF TRANSPORT AFFAIRS

R684 380

Frere/Tugela Plaza: commissioning body

*14 Mr R W HARDINGHAM asked the Minister of Transport Affairs

- (1) What body commissioned the construction of the recently opened section of the N3 national road from Frere to the Tugela Plaza,
- (2) (a) when was the construction of this section (i) commenced and (ii) completed and (b) (i) at what cost was it constructed

HOUSE OF ASSEMBLY

State may overspend by R2-billion, says Standard

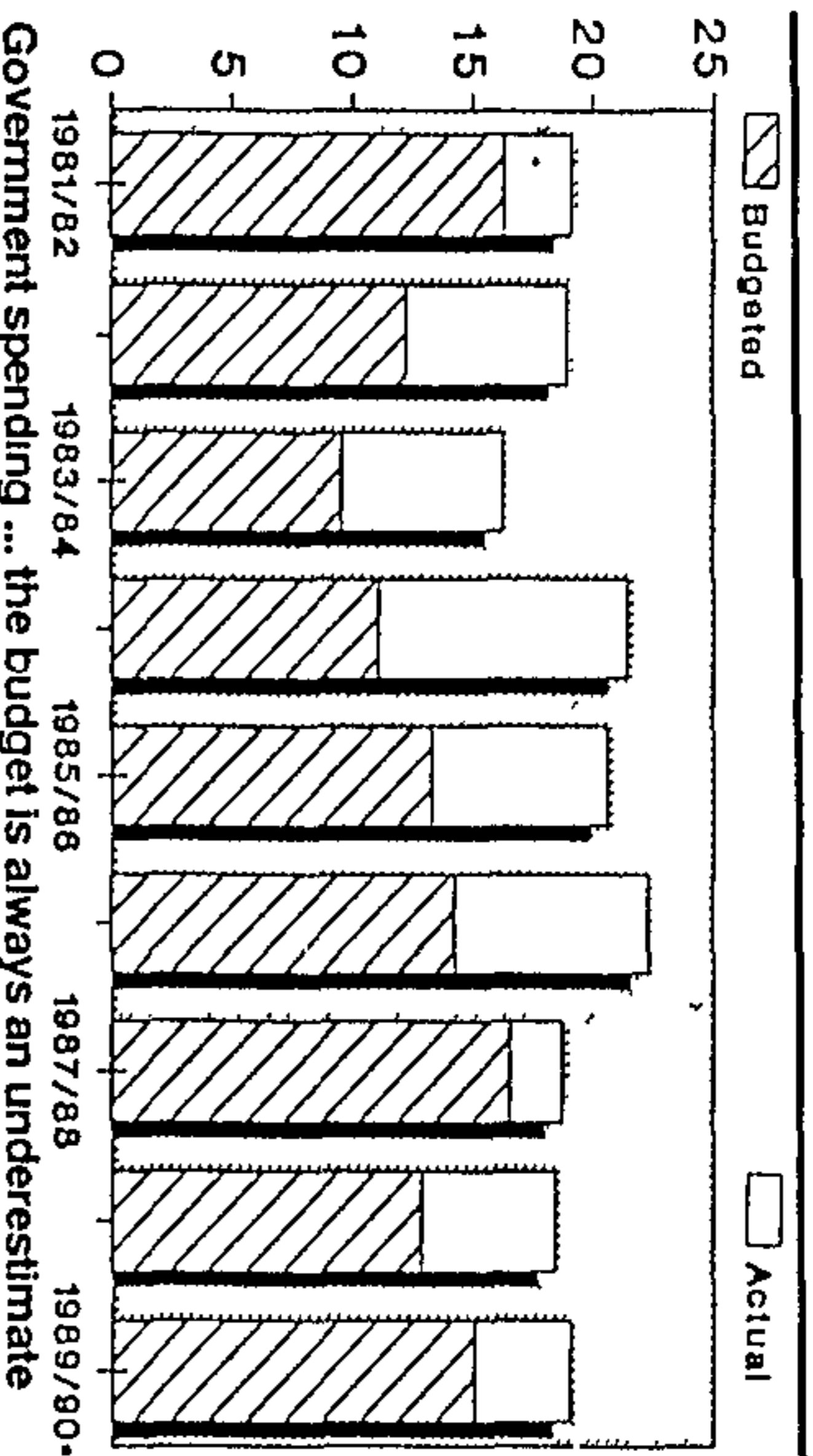
Weekly Mail Reporter

GOVERNMENT spending is likely to exceed budget estimates by around R2-billion, or 3.5 percent, in addition to the R1-billion already budgeted for "unforeseen expenditure", says the latest Standard Bank Review, released this week.

Viewed superficially, the March budget was restrictive — but whether it turns out to be so in reality will depend on the government's ability to adhere to its expenditure estimates. Standard Bank economist Nico Czyponka considers this unlikely, given the government's past record.

The 1989/90 civil servants' salary bill will show a significant increase of between 18 and 20 percent, due to the increases which took effect in January, and "it is questionable whether further adjustments in civil service pay can be avoided — a mere R50-million was allowed for that purpose — particularly since a general election is planned," he writes. He adds that there may have been insufficient budgetary provision for provincial subsidies.

The budget's stated intention is to reinforce the restrictive monetary policy being pursued by the Reserve Bank. The policy is necessary to slow down domestic expenditure, and create the conditions for a fall in import volumes — essential to re-



Graph: STANDARD BANK

verse the weakening in South Africa's gold and foreign exchange reserves over the past year.

But, says the review, "a widely held view is that the overall policy stance will turn out to be lopsided, with a disproportionate burden falling on monetary and interest rate measures to achieve a meaningful slowing of domestic demand".

There could be sharp interest rate rises "if anything goes wrong, domestically or on the foreign trade front". If the government is reluctant to allow interest rate rises, there could be a further increase of one or two percent in GST or the imposition

of a substantial loan or savings levy, the review predicts.

Taxes are already considered burdensome and, according to Czyponka, raising taxes tends simply to replace private sector spending with government spending, rather than to reduce the level of domestic demand.

In addition to the GST increase in the March budget, there had already been a prior tax increase, in the form of a major rise in fuel levies. Additional revenue to be collected from this is equivalent to an increase of just under one percent in GST.

Czyponka points to two problem areas in the budget spending esti-

mates

• "The budget did nothing to address a major structural problem in the economy, namely, that the absolute level of government expenditure is too high. Government is consuming a far larger than desirable share of economic resources and this share is rising."

Consumption spending by general government rose from an average of 14.4 percent of gross domestic product in 1976-80 to 18.4 percent in 1988.

• "The quality of government spending may be inappropriate to the economy's needs." Czyponka points out that to the extent that the government recognised the need to cut spending, it cut capital rather than current spending — capital spending will fall by 11 percent in real terms, on the budget estimates.

"Reductions in capital spending can only be a short-term palliative. In practice, they amount to a running down of the public sector capital stock and an eventual deterioration in the infrastructure," he says.

The budgeted deficit before borrowing is R4.5-billion greater than total capital expenditure, so the government is borrowing to cover current spending — effectively "dissaving", and according to the review "placing an additional burden on the private sector to save, in order to produce a current account surplus of sufficient magnitude to repay foreign debt."

With the estimated interest on the government debt for the year — R10.2-billion — greater than the budgeted deficit of R9.9-billion, "government is now effectively borrowing to pay the interest on debt incurred to finance past excessive expenditure", the review says.

58/4/89
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The Research and Development Department of SACHED Trust requires a **Co-ordinating**

Prism RESEARCHER/EDITOR

The S. A. Barometer, a fortnightly journal of

Hussonda

Pinetown, he will know by a reply to an enquiry last year in respect of another school where the same thing happened. The Director of Education spoke to the particular school principal and the principal offered an apology. It is against the rules and regulations — every school principal has a copy of these — to use official postal material in that manner. There are regulations I have the regulations with me, and if the hon member is interested in them, he may collect them from my office. If it appears that that school principal acted in conflict with the regulations, we shall take action against him in a reasonable manner.

For written reply

General Affairs

KTC squatter camp: private companies involved in upgrading

150 Mr J J WALSH asked the Minister of Constitutional Development and Planning

- (1) (a) What private companies were involved in the upgrading of the KTC squatter camp in Cape Town and (b) for what construction work in each case,
- (2) whether tenders were invited for such construction work, if not, why not, if so, (a) what companies submitted tenders and (b) (i) which tenders were accepted and (ii) why,
- (3) which authority is responsible for the (a) hiring of companies and (b) payment of such companies;
- (4) whether his Department approves companies to be hired for upgrading before they may be hired, if so, why?

B349E

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

This matter vests in the Administrator of the Cape Province and he has furnished the following information

- (1) (a) None
- (b) Falls away.
- (2) No — still busy with planning
- (a) and (b) Fall away

- (3) (a) and (b) Ikapa Town Council
- (4) No. The Black local authority consider the tenders and decides on the allocation of contracts in terms of the applicable financial regulations

Louis Botha Airport: renovations

187 Mr R M BURROWS asked the Minister of Transport Affairs

- (1) Whether, with reference to his reply to Question No 14 on 17 May 1988, the renovations to the international terminal at Louis Botha Airport are still in progress, if so, (a) when is this work due to be completed and (b) what is the total cost involved,
- (2) whether any delay has been experienced in regard to the completion of this work, if so (a) what was the original date for completion and (b) (i) what is the cause of this delay and (ii) what effect does it have on passengers using these facilities,
- (3) whether his Department is taking steps to have the contractors complete this work as soon as possible; if so, what steps?

B434E

The MINISTER OF TRANSPORT AFFAIRS

- (1) Yes
 - (a) May 1989
 - (b) R4,5 million
- (2) Yes
 - (a) May 1988
 - (b) (1) The delay was caused due to additions and changes to the original design
 - (ii) Passengers are inconvenienced for a longer period of time
- (3) Yes, constant pressure is being exercised by the architect on the contractor to expedite the building work

George: new Black residential areas

201 Mr S P VAN VUUREN asked the Minister of Constitutional Development and Planning

- (1) Whether any new Black residential areas have been established in the George district in the past five years, if so, what residential areas,



- (2) whether (a) Ministers of the governments of the four independent Black states and (b) Black persons who do not live or work in the Republic may obtain accommodation in these residential areas, if so, (i) why and (ii) in which residential areas, if not, why not?

B482E

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

This matter vests in the Administrator of the Cape Province and he has furnished the following information

- (1) Yes — a Black township, then named Tyolorha, was proclaimed during 1986 with a total area of 227 hectares. During 1988 the name of the township was changed to Thembaletu while 246 hectares of land was added to the existing development area on 15 July 1988, the total area of the township now being 473 hectares. Now after development, areas have been declared in the George district during the past 5 years
- (2) (a) and (b) Yes
 - (i) In terms of Sections 1 and 41 of the Black Communities Development Act, 1984 (Act 4 of 1984)
 - (ii) In all Black townships

Bus operators: subsidies

212 Mr M J ELLIS asked the Minister of Transport Affairs

- (1) (a) Who is responsible for determining the subsidies to be paid to bus operators and (b) what criteria are applied in determining these subsidies,
- (2) whether all towns currently receive subsidized bus transport for Black workers, if not, (a) why not and (b) in which towns is there no subsidized bus transport?

B496E

The MINISTER OF TRANSPORT AFFAIRS

- (1) (a) The National Transport Commission (NTC) The function of the NTC in the relevant regard is to consider applications submitted by the Department of Transport and on the strength thereof to make recommen-

dations to the Minister of Transport Affairs

- (b) The following criteria are taken into account when the subsidisation of commuters is considered — whether the need exists for workers to be transported from their place of residence to their place of employment, the unemployment situation prevailing in the area where employment opportunities exist, whether the place where workers are to be transported from is a resettlement area, township or squatter camp,

whether rail facilities exist for commuting purposes and, if not what the possibilities are for the provision of such facilities in the near future, the financial position of the bus company which intends providing the service, and whether the bus company is capable of providing and maintaining a reliable and efficient servicing and repair facilities and infrastructure

After determining what portion of the economic fare the commuter can afford to pay from his wages, the subsidy, being the difference between the economic fare and the portion thereof which is affordable by the commuter, is calculated

- (2) No
 - (a) Please refer to my reply at (1) (b) above
 - (b) All towns in respect of which subsidies are paid are listed in the Annual Reports of the Department of Transport and of the National Transport Commission which was tabled in Parliament. No subsidies are paid in respect of those towns which do not appear on the list

Bus subsidies amounts paid

213 Mr M J ELLIS asked the Minister of Transport Affairs

- (1) What total amount was paid by the State in bus subsidies in 1988,
- (2) whether all bus companies receive equal subsidies per kilometre travelled, if not, (a) why not and (b) what are the differences in respect of the subsidies given,
- (3) whether all bus companies are eligible for State subsidies, if not, why not? B497E

THE MINISTER OF TRANSPORT AFFAIRS

- (1) R415 557 164,63 R391 149 800,00 was paid from moneys voted by Parliament and R24 407 364,63 from transport levies paid by employers

- (2) No
- (a) and (b) The bus fares of passengers are subsidised and not bus companies. The subsidies on bus fares of the passengers vary from area to area on account of circumstances with regard to road conditions, topography, weather, etc. Since

- transport costs differ from bus company to bus company, subsidies paid to passengers also differ. Furthermore the average wages paid to workers in different areas differ. This aspect is also taken into consideration when determining subsidies.
- (3) Please refer to my reply to question 212 at (1) (b)

Bus companies: State subsidies

214 Mr M J ELLIS asked the Minister of Transport Affairs

- (a) What is the (i) name and (ii) address of each bus company in the Republic currently receiving a State subsidy and (b) what amount was paid to each (i) per kilometre and (ii) in total in 1988? B498E

The MINISTER OF TRANSPORT AFFAIRS

- (a) (i) and (ii) and (b) (ii)

Name	Address	Amount
Boland Passenger Transport Ltd	PO Box 2392, Cape Town	R 1 514 160,31
City Tramways Ltd	PO Box 2393, Cape Town	R 35 697 523,30
PE Tramways Ltd	PO Box 225, Port Elizabeth	R 11 994 578,78
Lenasia Bus Service	PO Box 71, Randfontein	R 374 906,65
Southern Cape Passenger Transport	PO Box 225, Port Elizabeth	R 237 580,80
Northern Cape Bus Service	PO Box 593, Kimberley	R 976 386,59
Putco Ltd	Private Bag 3, Sandton	R130 704 783,40
Town Council Benoni	Private Bag 914, Benoni	R 147 401,40
Owa Owa Bus Service Bethlehem	PO Box 141, Witsieshoek	R 2 896 103,72
Jakaranda Bus Service (Pty) Ltd	PO Box 1343, Bloemfontein	R 11 716 495,82
Town Council Boksburg	PO Box 215, Boksburg	R 22 199,30
Town Council Brakpan	PO Box 15, Brakpan	R 563 906,50
Than Transport, Brits	PO Box 16719, Pretoria North	R 11 484 147,53
Greyhound Bus Service, Dendron	PO Box 1839, Pietersburg	R 6 064 949,88
Laeveld Bus Service (Pty) Ltd	PO Box 413, Ellisras	R 731 683,29
Braatvedt Bros	PO Box 18, Eshove	R 242 726,71
Empangeni Transport (Pty) Ltd	PO Box 7050, Empangeni	R 17 061 290,20
Highveld United Transport (Pty) Ltd	PO Box 79, Witbank	R 4 085 693,97
Mapulaneng Transport	PO Box 1839, Pietersburg	R 678 592,21
Lebowa Transport	PO Box 1839, Pietersburg	R 38 141,04
Borwa Operating Centre	PO Box 1839, Pietersburg	R 993 837,45
Mpumalanga Transport	PO Box 427, Pietermaritzburg	R 3 447 456,57
Atamelang Transport Delareyville	PO Box 16719, Pretoria North	R 1 949 728,92
Makodi's Transport Hartswater/Jan Kempdorp	PO Box 16719, Pretoria North	R 615 733,64
Impendhle Services (Pty) Ltd	PO Box 26, Howick	R 603 332,02

Name	Address	Amount
Gazankulu Transport	Private Bag 4048, Tzaneen	R 628 415,58
Matsbulas's Bus Service	PO Box 1319, Nelspruit	R 16 411 865,59
Bisho Transport, King William's Town	PO Box 213, Pretoria	R 2 849 600,68
Knysna Bus Service (Pty) Ltd	PO Box 438, Knysna	R 29 629,14
Western Greyhound Bus Service (Pty) Ltd	PO Box 632, Carletonville	R 3 072 239,76
Kudumane Bus Service, Kuruman	PO Box 16719, Pretoria North	R 626 978,72
Ezakheni Bus Service, Ladysmith	PO Box 427, Pietermaritzburg	R 4 400 108,78
Bophirna Tswana Transport, Lichtenburg	PO Box 16719, Pretoria North	R 3 292 003,97
G Phadzi Bus Service	PO Box 301, Louis Trichardt	R 1 051 537,80
Mabirimisa Bus Service	PO Box 301, Louis Trichardt	R 444 274,60
Oszwem Transport	PO Box 427, Pietermaritzburg	R 9 272 683,02
Town Council, Nigel	PO Box 23, Nigel	R 487 723,85
Gompo Transport, East London	PO Box 213, Pretoria	R 11 575 288,63
Midland United Transport (Pty) Ltd	PO Box 1666, Vryheid	R 754 187,18
Namakgale Bus Service, Phalaborwa	PO Box 1839, Pietersburg	R 641 549,14
Sizanam Mazulu Transport	PO Box 427, Pietermaritzburg	R 7 195 794,18
City Council, Pietermaritzburg	PO Box 261, Pietermaritzburg	R 5 108 363,81
Bahwaduba Bus Service	PO Box 1505, Pietersburg	R 2 012 379,30
Durban Transport Management Board	PO Box 1746, Durban	R 25 239 235,07
Ilanga Transport	PO Box 427, Pietermaritzburg	R 3 936 433,16
Interstate Bus Lines (Pty) Ltd	PO Box 1678, Pinetown	R 2 704 516,71
South Coast Bus Service (Pty) Ltd	PO Box 23052, Isipingo	R 155 327,70
Trans Umzimkulu Transport	PO Box 427, Pietermaritzburg	R 4 182 433,85
Mokopane Bus Service, Potgietersrus	PO Box 1839, Pietersburg	R 442 136,79
Batswana Gare Transport, Pretoria	PO Box 16719, Pretoria North	R 15 704 789,42
Ipeleng Transport, Pretoria	PO Box 16719, Pretoria North	R 13 325 248,80
Bothlaba Tswana Transport, Pretoria	PO Box 16719, Pretoria North	R 10 397 764,91
Priso Transport, Pretoria	PO Box 222, Rustenburg	R 11 719 467,31
Rustenburg Bus Service (Pty) Ltd	PO Box 105, Stanger	R 5 808 501,38
Maphumulo Mal Bus Service	PO Box 1839, Pietersburg	R 400 402,30
Lengywe Bus Service, Tzaneen	PO Box 96, Letsitele	R 1 234 630,98
Risaba Bus Service, Tzaneen	PO Box 76, Vereeniging	R 498 451,90
Vaal Transport Corporation (Pty) Ltd	PO Box 427, Pietermaritzburg	R 1 826 644,05
Ndlela Transport, Vryheid	PO Box 427, Pietermaritzburg	R 2 081 060,77
Lehurutshhe Bus Service, Zeerust	PO Box 16719, Pretoria North	R 725 461,01

- (b) (i) The economic fare is determined according to the operating needs of a company and expressed in cents per passenger per kilometre whilst subsidies are negotiated within those parameters having regard for the criteria mentioned in the reply to 212 (1) (b)

Receiver of Revenue' tenders received for accommodation

- 220 Mr R J LORIMER asked the Minister of Public Works and Land Affairs

- (2) whether tenders for the supply of office accommodation were called for, if not, why not, if so,

mandate was extended to include section 46 proceedings—the moneys as prescribed in scale C of the tariff in the Magistrates' Courts Rules, minus 20%, to a maximum of R250. The Director of the Legal Aid Board, however, retained the authority to grant legal aid to meritorious cases, to instruct advocates and senior advocates and to increase or remove restrictions

(b) In order not to spend more money than was available

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

(1) (a) 1 029

(ii) — Former service 947 cases on basis of refunding benefit received together with compound interest at 5,5 per cent *per annum*

— Other periods 82 cases in terms of formula $n \times S \times F(x)$ in which —

(2) what total number of persons called up for military service in 1988 requested exemption on (a) religious and (b) other specified grounds?

B549E

The MINISTER OF DEFENCE

(1) (a) 24,63%

(b) (i) 14,55%

(ii) 0,38%

(2) (a) 165

(b) Educational

Essential Services 682
Service in other Forces 11
Occupational Circumstances 74
Medical 27
Other 17
820

Public servants pensionable service

249 Mr H H SCHWARZ asked the Minister of National Health and Population Development

(1) (a) (i) How many public servants have bought back pensionable service since 31 March 1988 and (ii) on what basis and (b) in respect of what date is this information furnished,

(2) how is the amount payable by public servants calculated,

(3) (a) what total amount had been paid to the Government Service Pension Fund by (i) public servants and (ii) the State, and (b) how much was owed to the Fund by (i) public servants, (ii) former public servants who are currently on pension and (iii) the State, as at the latest specified date for which information is available?

B554E

South African Development Trust Account money spent

The MINISTER OF EDUCATION AND DEVELOPMENT AID

251 Mr P G SOAL asked the Minister of Education and Development Aid

(a) What total amount was spent on projects in each independent Black state from the South African Development Trust Account in the 1988-89 financial year and (b) on what projects was this money spent?

B556E

	(a) Total amount spent	(b) Projects on which this money was spent
1	Bophuthatswana	3 359 111
2	Ciskei	17 863 418
3	Transkei	2 449 657
4	Venda	None

A BOPHUTHATSWANA

1 Villages/Towns

1 1 Alamalang

a Housing

b Office Accommodation

c Schools

d Admin costs

1 2 Itsoeng

a Water

b Sanitation

c Electricity

d Machinery

e Housing

f Public Buildings

g Office accommodation

h Maintenance

i Schools

j Admin costs

1 3 Pamperstad

a Roads

b Public Buildings

2 Physical infrastructure

a Road 114 Roodewal & Teeputfontein

b Hebron/Jericho road over Nietgedacht

c Hartbeesfontein main water supply

3 Independence projects

a Itsoeng community hall

b Pamperstad community hall

11			
484			
11			
10			
		R2 153 633	
114 423			
167 894			
22 231			
95 434			
1 040 802			
150 794			
13 080			
29 708			
470 418			
48 849			
		R122 722	
38 409			
84 313			
		R271 240	
		31 943	
		132 671	
		106 626	
		R811 000	
		451 000	
		360 000	
		R 3 359 111	
		R8 981 010	

B CISCHEI

1 Villages/Towns

1 1 Mdantsane

a Roads

b Water

c Sanitation

d Electricity

e Machinery & Plant

f Housing

g Public Buildings

h Sport facilities

i Schools

3 837 465			
1 273 556			
260 276			
656 101			
136 409			
457 709			
680 764			
554 664			
186 521			

1 2 Sada/Whitlessa			
a Roads	365 951	R937 545	
b Sanitation	6 143		
c Electricity	224 498		
d Maintenance	12 385		
e Schools	299 898		
f Admin costs	28 670		
2 Physical infrastructure			R5 467 369
2 1 Fees and Disbursements for			
a Design Ntabetemba dam & irrigation scheme	2 159		
b Oxton irrigation scheme	310		
c Northern Ciskei irrigation	107 183		
d Ntabetemba settlements Phase I water supply	6 428		
e Ntabetemba Zweelindanga project management	63 552		
f Hewu district roads & stormwater drainage	101 572		
g Ntabetemba water supply	94 913		
h Hewu roads & stormwater drainage	299 364		
i Ntabetemba settlement Phase II design of water supply	8 200		
j Glenmore development of residential & agricultural plots	17 317		
k Balfour infrastructure	29 755		
l Drilling and grouting at Bushmankrantz dam	19 727		
m Needs Camp temporary water supply	189		
n Needs Camp/Good Hope water supply	19 503		
o Ntabetemba water supply	780 423		
p Border Black areas	20 929		
q Proposed Binfield Park dam mass water supply	14 137		
2 2 Construction of			
a Hewu district 174 km gravel roads	2 299 173		
b Hewu services water supply	1 427 667		
c Glenmore electrical equipment section 2	18 992		
d Binfield Parkdam 4,5 ml water treatment 6 ml reservoir	43 113		
e Binfield Park/Alice pipeline	92 763		
3 Independence projects			3 415 039
a Civic square offices	291 396		
b Health & Agriculture building	2 476 375		
c Works & Transport building	235 704		
d Middeldrift prison	144 887		
e Radio Ciskei	803		
f Garage/Service station	155 874		
g Directors-General furniture	110 000		
			<u>R17 863 418</u>
C TRANSKEI			
1 Villages/Towns			2 449 657
1 1 Ezibeleni			
a Roads	129 826		
b Water	31 265		
c Sanitation	31 763		
d Electricity	874 738		

e Housing	1 278 543	
f Maintenance	13 916	
g Schools	89 606	
		<u>R2 449 657</u>
D VENDA		
None		
Department of Education and Training investigations into irregularities		
265 Mr D S PIENNAAR asked the Minister of Education and Development Aid +		
(1) (a) What investigations have been made into alleged irregularities in the Department of Education and Training since 1 July 1987, (b) by whom was each of these investigations made and (c) what, during the period 1 July 1987 up to the latest specified date for which information is available, was the cost to the State of each such investigation,		
(2) whether any outside consultants have been appointed to make further investigations into and to make evaluations regarding certain alleged irregularities that have come to light as a result of the above-mentioned investigations, if so, what are the relevant details?		B577E
The MINISTER OF EDUCATION AND DEVELOPMENT AID		
(1) (a) (i) Investigation by the Advocate-General into the purchasing of an Ivis interactive video system by the Department of Education and Training		
(ii) Inquiry into the regularity or otherwise of the acquisition, by the Department of Education and Training, of an Ivis interactive video system and of any other spending of state funds, by that Department, which comes to the attention of the Commission of Inquiry and which should		
(a) National Servicemen	(i)	
(aa) 294		
(bb) Overdose		
Sashed wrists		
Shot		
		11
		207
		65
		14
	(ii)	
		11
		Shot
		Hanged
		Overdose
		2
(2) No		
(i) R44 217,58 (as on 7 April 1989)		
(ii) R3 197 (as on 7 April 1989)		
(iii) R3 197 (as on 7 April 1989)		
SADF: suicide attempts		254
279 Mr R R HULLEY asked the Minister of Defence		
Whether any (a) national servicemen, (b) members of the Permanent Force and (c) members of the Citizen Force/Commandos (i) attempted to commit and (ii) committed suicide in 1988, if so, (aa) how many in each case and (bb) what means did each such person employ?		
The MINISTER OF DEFENCE		B599E

Star 19/4/89

250

257

State urged to link the Public Service's budgets with productivity tests

By Michael Chester

The Economic Affairs Committee of the President's Council has been urged to start a crackdown on State over-spending by insisting that all government departments must run the gauntlet of new acid tests on their budgets

The National Productivity Institute (NPI) yesterday listed the excessive cost of the Public Service as a main cause behind the rebellion against high taxation and its impact as a disincentive on initiative

Executive director Dr Jan Visser told a business seminar in Johannesburg that the NPI believed that radical new moves to curb taxation by boosts in productivity needed to be tackled at State President level

First move

A first move should be to instruct the Treasury to insist that all future Budget allocations to government departments should depend on proof of better performance

The exercise should be made one of the spearheads of new strategies to counter South Africa's flagging economic performance and reverse trends of higher and higher taxation which were snuffing out individual enterprise. The Treasury should call in outside experts if necessary to set fixed new targets that the director-general of each government department must reach to jus-

tify allocations from the national Budget.

In the process, each government department needed to provide proof of better productivity from its team of civil servants

The aim of the exercise, said Dr Visser, should be to scale down the expenditure of the public sector — and in turn scale down the level of direct taxation that was needed to foot the bill.

Once the programme inside the civil service was under way, new strategies should be launched to improve productivity at all levels of the economy. The urgency was shown in new evidence that living standards inside South Africa had been slipping an average of 1,7 percent a year since the start of the 1980s while standards overseas had surged ahead.

In contrast, living standards had climbed by an average annual rate as high as 3,2 percent in Japan and an even higher 5,7 percent in Taiwan — in patterns closely linked to productivity.

While average wages in South Africa's manufacturing sector had bounded ahead by no less than 1 500 percent since 1960, static or even slackening productivity had resulted in all the gains being wiped out by inflation. Dr Visser argued that wage increases must more and more be linked to productivity — but with stress on assurances that workers draw benefits as well as shareholders and corporate profits.

Global studies now proved beyond doubt that productivity was the key not only to living standards but also to the pace of new job creation.

BUDGET VOTE: HOME AFFAIRS

250
 B/Day 20/10/89

PRESENTATION ACCORDING TO STANDARD ITEMS

Items	1989/90	1988/89
	R'000	R'000
Personnel expenditure	131 131	111 733
Administrative expenditure	14 788	13 208
Stores and livestock	8 201	8 444
Equipment	5 802	4 518
Land and buildings	3	3
Professional and special services	11 401	6 749
Transfer payments	382	2 805
Miscellaneous expenditure	1 419	1 086
Amount to be voted	173 127	148 546

Departmental and miscellaneous receipts R4 642 (111)
 1989/90 Officials earning R80 000 and more — 21
 1988/89 Officials earning R59 200 and more — 19
 Source Estimates of Expenditure

Insufficient new job opportunities created

Star 25/4/89

250

By Sven Lunsche

Over the past eight years the public authorities have been responsible for close to 82 percent of new job opportunities, writes Sanlam in its April *Economic Survey*

The rise in public sector employment was achieved despite the fact that both the South African Transport Services and the Department of Posts and Telecommunications cut down their staff by no less than 66 000 over the period

The private sector has also curtailed job opportunities drastically over the period 1980 to 1988, and only the construction industry emerged as a net creator of jobs last year

The overall increase in official employment figures was mainly recorded in 1987 and 1988, when it rose by one and 1,5 percent respectively, after it had hardly shown any improvement over the preceding five years

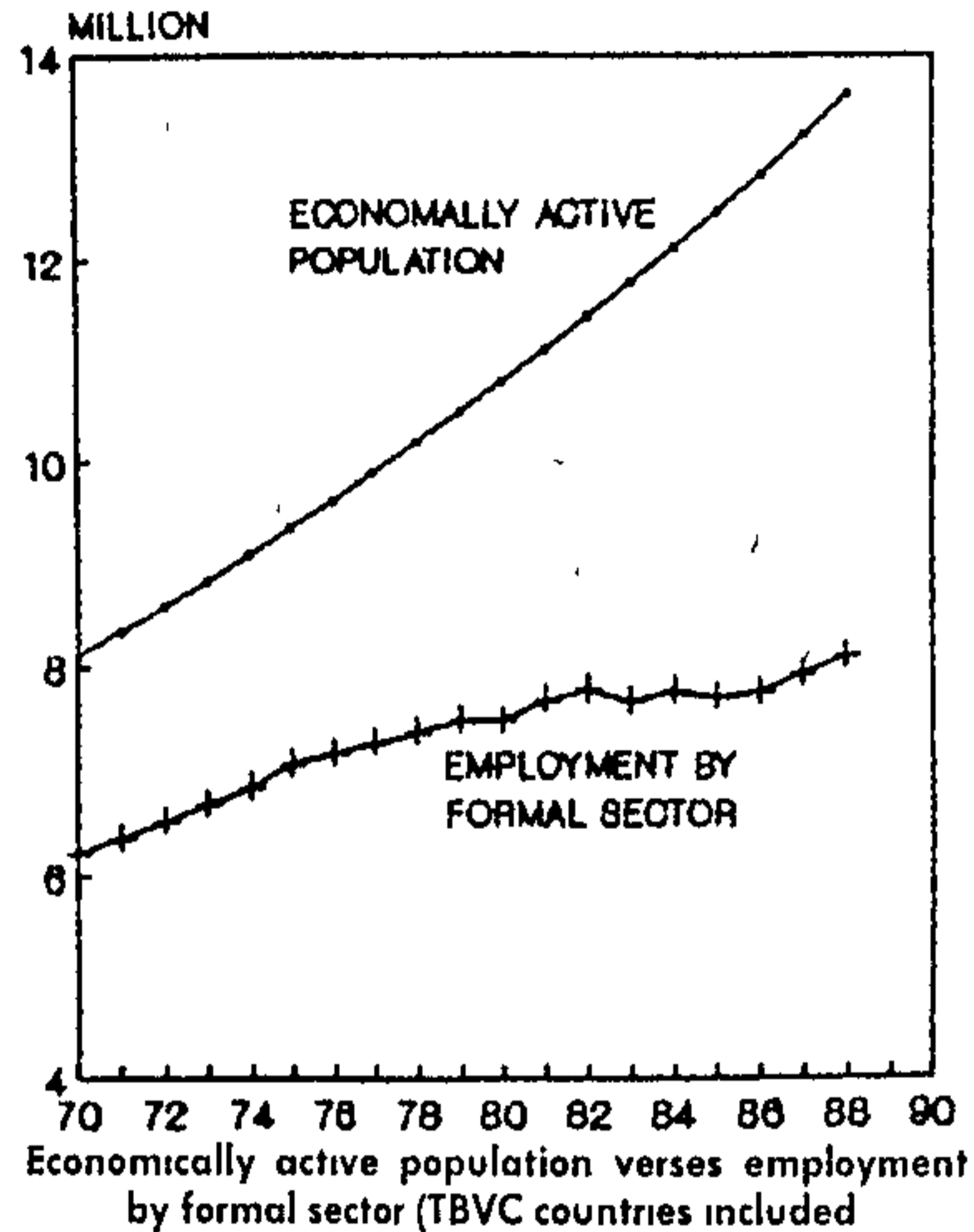
Official unemployment figures, although not an accurate reflection of the real situation, point to the improvement in the economy since 1986

Since June 1986 the number of registered unemployed whites, coloureds and Asians has declined from some 81 400 to 49 200 in October 1988, Sanlam reports, adding that over the same period black unemployment (excluding TBVC countries) decreased from about 1,2 million to around 805 000

According to figures supplied by the Central Statistical Department this represents a decline from 19,4 percent of the economically active population to 12,1 percent

However, Sanlam says that official statistics on employment and unemployment have proven to be totally inadequate

"That insufficient job opportunities are being created becomes apparent when one looks at the broader South African labour situation, that is, taking into account the independent national states," Sanlam



comments

Since 1970 the economically active population grew by just under three percent, considerably faster than the approximate one percent annual growth rate in employment by the formal sector (see graph)

"This means that the economically active population increased by around 2,8 million during this period, whilst only about 600 000 job opportunities were created in the entire formal sector

"If this situation continues, the gap between the economically active population and employment by the formal sector will widen every year"

s worth R2 million Stuart Pegg, Mr Gutz Guntzen
the remainder are honer and Mr Hendrik Welman

Civil servant army 12 000 up in 1988

By Deborah Smith,
Pretoria Bureau

The number of people employed by the central government and provincial administration totalled 730 828 in September last year — an increase of over 12 000 compared to the previous year, according to the annual report published by the Commission for Administration

These figures represented a 1,7 percent growth rate for the year, which was substantially lower than the 10,5 percent increase between September 1986 and 1987, said the report

PROMISES

Dr Andreas Wassenaar, former chairman of Sanlam, said it was obvious the Government was not cutting back on appointments despite promises to rationalise and trim the civil service

He said the only way to cut current expenditure was to cut the numbers employed, as salaries could not be reduced. And the only way to do this was to cut back on appointments, because people could not be fired

A comparison with the 1987 figure revealed that

personnel in the general affairs departments decreased by over 15 000 to 319 461, while provincial administration personnel increased by over 29 000 to 220 326

Personnel movement was mainly due to transfer of health services personnel to the provincial administrations

The number of educationists employed by central government decreased by 0,9 percent while nursing personnel remained reasonably constant

About 24 percent of those employed were educators, 23 percent were labourers, 10 percent were nursing personnel and services departments made up 19 percent

The remaining 24 percent consisted of about 520 occupational classes

● Sapa reports that because of an alleged civil service "freeze" no new posts had been added to the Department of Manpower's training programme for unemployed people since 1985

M-Net fees for subscriptions up

Monthly M-Net subscription fees would increase

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5/10/44 2714/57
Top bureaucrats

earn R138 000

GERALD REILLY 250

PRETORIA — The country's five top public servants earned more than R120 000 in salary, without perks — last year, according to the Commission for Administration.

If the 15% pay hike from January is added, they will earn a basic R138 000.

Perks could add up to one-third of basic pay

Ticking off the good years earns a watch

250
Friday 25/4/81

PRETORIA — Public servants are to get another perk. They will be awarded high-quality wrist watches for long and unblemished service.

About 12 000 who have never had a serious ticking off qualify for timepieces.

The Commission for Administration magazine *Publico* says a total of 68 000 will benefit under a new reward system.

To get a watch each will have to have 30 years' service. After 20 years government workers will get certificates and the cash value of 10 days' leave.

□ Our Political Staff reports from Cape

GERALD REILLY

Town the multimillion-rand scheme for long-serving public servants was yesterday described by opposition spokesmen as absolutely crazy.

DP finance spokesman Harry Schwarz said: "It must be an April's fool joke. It can't be true."

Schwarz said the DP would like to know on what basis the government hand-out was being made and who was paying for it.

He added: "I assume the taxpayer. This is not in the Budget. Everyone is getting

something before the election except the consumer."

The DP spokesman on public servants' pay, Jan van Gend, said: "This is obviously one of the first salvos in the line of election lollies."

He added: "The lower echelons of the public service are rather badly treated compared to those higher up the ladder. One would have thought expensive watches were not what people needed in the way of long-service awards."

"I would rather have seen contributions built into proper service benefits," he said.

**Cost of bureaucracy
still on the increase**

15 Jan 26/1/89
250 GERALD REILLY 251

PRETORIA — SA's public service continued to expand last year — and so did the bureaucratic costs, Commission for Administration figures released yesterday indicate.

They show an increase in exchequer personnel of 13 746 to 957 607 and in total salaries by R807m to R12,653bn — and no general increases were granted in 1988.

Spending on salaries and related expenditure rose from R14,8bn to R15,8bn — an increase of R1,06bn.

Of the exchequer personnel, 730 828 were in administration departments, up by 12 325 compared with 1987; 167 890 in self-governing territories, up by 2 202; and parastatals down by 789 to 59 887.

Total personnel spending increased by R4,3bn to about R20bn between 1986 and 1987, with no figure given for 1988.

VETERAN civil servants — all 80 000 of them — stand to receive an estimated R95 million in Swiss watches and leave-for-cash exchanges in terms of a cabinet-approved bid to reward their service with "something more tangible".

The new scheme, devised by the Commission for Administration last year and rubber-stamped by cabinet by the first week in December, means that 12 000 government servants with 30 years of service will each get a R750 Tissot watch this year.

They will also be allowed to cash-in 15 days of leave.

It replaces long-service recognition which came in the form of certificates signed by President P W Botha when he was the prime minister. These came with lapel badges.

The Johannesburg-based firm of Goodman Brothers (Pty) Ltd, the country's largest watch wholesalers, landed the estimated R6-million watch contract in January this year, it was established yesterday.

Ms Jean Sarsby, strongroom manager for Goodman Bros, said the contract consignment of Tissot watches had not yet arrived from Switzerland. She referred all queries to Mr Phillip Meinkies, a director of personnel development systems in the Commission for Administration in Pretoria.

Footing bill

While Mr Meinkies could not be contacted, a public relations officer in the Ministry of Administration and Privatisation, Mr Frikkie Odendaal, confirmed the deal.

Mr Odendaal said the Commission for Administration was footing the initial bill but that in future "every relevant department" would have to budget for the new scheme.

"Obviously the figure is very high at first and will come down next year," he said.

Civil servants with 20 years' service (68 000 at present) will qualify for a certificate (this time signed by their relevant minister) and 10 days' cash-for-leave.

Civil service sources yesterday helped establish that a lower-middle management employee is paid about R131 a day, meaning that if all took advantage of the offer the figure would exceed R89 million.

Mr Odendaal denied claims by opposition party spokesmen that the unprecedented scheme was an "election sweetener". He was unable to give the date of cabinet approval.

"But it was decided long before any election became currency," he said.

Mr Harry Schwarz, Democratic Party spokesman on finance, said the scheme "must be an April Fool's joke, it's absolutely crazy — it can't be true".

He said it was not included in the budget and demanded to know on what basis the handout was being made.

The DP's spokesman on public servants' salaries, Mr Jan van Gend, said "This is obviously one of the first salyoos in the line of election lollies."

He added "I would rather have seen contributions built into proper service benefits."

Dr Colin Cameron, national head of the Public Servants' Association, could not be reached for comment last night.

Mr Odendaal said the leave selling scheme was taxable and was meant to save money on cash paid out in accumulated leave when people retired.

REWARD, SWISS WATCH

BY CHRIS BATEMAN and ANTHONY JOHNSON

CHRIS TRAVIS 250

New reward plan for long service

Keeping a watch on public servants

Pretoria Correspondent

About 12 000 public servants will be rewarded for service of 30 years or more — with new wrist-watches.

They are among more than 68 000 public servants expected to benefit immediately from a new long-service reward system which has been introduced.

For the first time, 20-year service will be acknowledged, and those Government employees (including teachers) with 30 years behind them will be eligible for a gift — a wrist-watch.

An article in the public service magazine, *Publico*, explains how the new system works.

After 20 years, a public servant will receive a certificate and the option to have in cash the value of up to 10 days of available holiday leave.

About 68 000 people are expected to benefit immediately

Ten years on, with 30 years' service, the reward is another certificate and the choice of the cash value of up to 15 days' leave, and a wrist-watch.

The awards will be made for long and unbroken service only.

All employed in terms of the Public Service Act, including former provincial personnel now transferred to or incorporated in the public service are eligible.

Lapel badges

In the past, public servants received long service certificates only after 30 and 40 years.

They received silver or gold lapel badges.

Personnel associations put pressure on the Commission for Administration to replace the old system with one which carried "more prestige", as well as a higher monetary value.

Long service reward systems

used in private and semi-State organisations were examined, and senior staff consulted.

Among the suggestions considered were holiday trips, pens, cuff-links, tea services, jewellery and paintings.

But it was decided that watches — because of traditional associations with long-service, suitability for men and women, easy administration, and the possibility of bulk discounts — would be most suitable for those with long service.

The watches will be bought from a well-known Swiss manufacturer and are described as being high quality.

The certificates are described as choice — "a proud decoration for the recipient's office".

The commission was "forced to count cents very carefully", and describes the new system as the most which can be justified in the present economic situation.

REPUBLIC
OF
SOUTH AFRICA



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VAN
SUID AFRIKA

Government Gazette Staatskoerant

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Vol. 286

PRETORIA, 28 APRIL 1989

No. 11843

PROCLAMATIONS

by the

State President of the Republic of South Africa

No. R. 53, 1989

AMENDMENT OF SCHEDULE 1 TO THE PUBLIC SERVICE ACT, 1984 (ACT No. 111 OF 1984)

Under the powers vested in me by section 6 (3) of the Public Service Act, 1984 (Act No 111 of 1984), I hereby amend, in accordance with the recommendation of the Commission for Administration, Schedule 1 to the said Act with effect from 1 February 1989, by the substitution in Column II for the words "Secretary: Commission for Administration" of the words "Director-General: Office of the Commission for Administration" and the substitution for the words "Provincial Secretary", in the sequence in which they appear in that column, of the words "Director-General. Provincial Administration of the Cape of Good Hope", "Director-General. Provincial Administration of Natal", "Director-General: Provincial Administration of the Orange Free State" and "Director-General: Provincial Administration of the Transvaal" respectively.

Given under my Hand and the Seal of the Republic of South Africa at Cape Town this Tenth day of April, One thousand Nine hundred and Eighty-nine.

P. W. BOTHA,
State President.

By Order of the State President-in-Cabinet:

D. J. DE VILLIERS
Minister of the Cabinet.

PROKLAMASIES

van die

Staatspresident van die Republiek van Suid-Afrika

No. R. 53, 1989

WYSIGING VAN BYLAE 1 BY DIE STAATSDIENSWET, 1984 (WET No. 111 VAN 1984)

Kragtens die bevoegdheid my verleen by artikel 6 (3) van die Staatsdienswet, 1984 (Wet No 111 van 1984), wysig ek hierby, ooreenkomstig die aanbeveling van die Kommissie vir Administrasie, Bylae 1 by genoemde Wet met ingang van 1 Februarie 1989, deur in Kolom II die woorde "Sekretaris Kommissie vir Administrasie" te vervang deur die woorde "Direkteur-generaal Kantoor van die Kommissie vir Administrasie" en die woorde "Provinsiale Sekretaris" in die volgorde waarin dit in daardie kolom voorkom, onderskeidelik te vervang deur die woorde "Direkteur-generaal Provinsiale Administrasie van die Kaap die Goeie Hoop", "Direkteur-generaal Provinsiale Administrasie van Natal", "Direkteur-generaal: Provinsiale Administrasie van die Oranje-Vrystaat" en "Direkteur-generaal. Provinsiale Administrasie van Transvaal".

Gegee onder my Hand en die Seel van die Republiek van Suid-Afrika te Kaapstad, op hede die Tiende dag van April Eenduisend Negehonderd Nege-en-tagtig.

P. W. BOTHA,
Staatspresident.

Op las van die Staatspresident-in-Kabinet.

D. J. DE VILLIERS
Minister van die Kabinet.

C.M. 11/15 3/5/89

Civil service:

Collective ²⁵⁰

bargaining

Political Correspondent

CIVIL servants are to be given "collective bargaining rights" in terms of a Bill introduced in Parliament yesterday.

The legislation will not apply to educators — a bill with a similar objective for educators is currently being prepared.

But the cabinet will still be able to refuse the implementation of any agreement although it will be obliged to give full reasons for doing so to the Public Service Central Bargaining Council (CBC).

The Minister of Administration and Privatisation, Dr Dawie de Villiers announced yesterday that the Public Service Amendment Bill would provide collective bargaining rights for remuneration and certain conditions of service

ster. 3/15/59

Bill to give civil servants a 'real say'

By Shirley Woodgate

Public servants have been warned that the Public Service Amendment Bill does not mean they will be able to claim reasonable increases in fu-

"There will never be enough money to suit everyone's demands," said Mr Hans Olivier, general manager of the Public Servants' Association.

The Bill, introduced in Parliament yesterday, gives public servants collective bargaining rights on salaries and certain conditions of service. These rights will be exercised in a new council, the Public Service Central Bargaining Council.

'REAL SAY'

Mr Olivier said it meant that public servants now had greater responsibility to come forward with relevant matters to the CBC, on which they would serve.

He welcomed the legislation, saying it was the association's brainchild.

"Two years ago our annual general meeting decided to make urgent appeals to the Government and we were promised we would be given an outline of plans before June last year. We now have a real say where it matters," he said.

Public servants set to seek more

PRETORIA — Pressure on government for a new round of public sector wage and salary increases at the year's end will increase as the election nears, say senior government workers.

Government has already spread pre-election largesse across a wide front with big concessions for farmers and public servants.

Of the 1,663-million public-sector workers, about 700 000 are voters.

NP defectors among them could have a decisive influence in some constituencies, DP Transvaal chair-

GERALD REILLY (250)

man Douglas Gibson points out.

The softening up process, which had obviously started, would continue until election day — either September 6 or 13, he said.

Government had never hesitated to play fast and loose with taxpayers' money to advance its election prospects.

Promises of pay adjustments to slow down possible defections in the public sector were, therefore, well within the limits of NP strategy.

Public servants win right to collective bargaining

B1049 31/5/87

250

CAPE TOWN — Public servants are to be given "collective bargaining rights" in terms of a Bill introduced in Parliament yesterday

Minister of Administration and Privatisation Dawie de Villiers announced yesterday that the Public Service Amendment Bill would provide collective bargaining rights for remuneration and certain other conditions of service



● DE VILLIERS

The legislation will not apply to educators, but a Bill with a similar objective for them is being prepared. Cabinet will still be able to refuse the

Political Staff

implementation of any agreement, although it will be obliged to give full reasons for doing so to the Public Service Central Bargaining Council (CBC)

Bargaining rights will be exercised in the CBC

De Villiers said in a statement that public servants were excluded from the main provisions of the Labour Relations Act, and the recognised staff associations could only advise the Commission for Administration on salary and other conditions of service issues

He said the staff associations had several times requested the right of collective bargaining

The Commission for Administration and staff associations had developed a system

for collective bargaining which had been submitted to Cabinet and now formed the basis for the Bill

De Villiers said the CBC would have equal numbers of representatives from employer and staff associations, and decisions would be taken by consensus

Disputes

It was envisaged that decisions of the CBC would be contained in agreements binding on both employer and staff, and that only the Cabinet would be able to refuse the implementation of such an agreement

Provision was also made for external settlement of disputes by an impartial outsider under certain circumstances, De Villiers said

Badenhorst agrees

Good reports now being...

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Sapa

Cap Times 4/5/89 (250 p)

Increase in state employees

PRETORIA — The number of public sector employees continued to grow last year — but there was a decrease in the number of white employees, according to the Central Statistical Service in Pretoria.

The total number of people employed in the public sector had grown to 1 698 592 by the end of the fourth quarter last year, compared to 1 670 437 the year before.

The number of whites decreased from 627 959 to 626 567 during this period — but there were increases in the number of Asian, coloured and black employees.

Average salaries and wages per month had increased to R1 406 from R1 303, and those of whites to R2 338 from R2 181.

Asians' salaries averaged R1 728 (R1 600 in 1987) by the end of last year, those of blacks R 790 (R 706) and coloureds earned an average of R1 040 (R950).

— Sapa

Public servants warn of crisis for 100 career groups

ARGUS
4/15/89
250

The Argus Correspondent

PRETORIA. — More than 100 career groups in the public service are in deep water, and the R50-million allocated for salary differentiation will not be enough to get them out.

This is the warning from the Public Servants' Association (PSA), which has presented the Commission for Administration with a priority list of groups which need a slice of the R50-million budgeted for salary differentiation to survive.

Mr Hans Olivier, general manager of the PSA, said the association would discuss with the Commission for Administration remuneration of public servants, including differentiation according to need and a possible general salary increase.

Although such discussions are not likely to take place until much later in the year, Mr Olivier denied they would in any way be linked to a general election.

Opposition political parties have suggested that the National Party government may try to "buy" public servants' votes with promises of more money, but the PSA feels an election could — because of possible government concern at opposition criticism — thwart its efforts for a better financial deal for public servants.

But public servants were very optimistic about the new Central Bargaining Council (CBC) introduced in legislation before Parliament this week.

At present public servants, through staff associations such

as the PSA, only advise on salaries and service conditions but the CBC could open the way to better labour relations, greater job security, and a market-related remuneration policy for the public service.

An editorial in the latest issue of Public Servant, official magazine of the PSA, questions whether the government had been serious in its support of the policy of market-related remuneration, or whether moves made to date were mere "window dressing".

Adjustments to the salaries of air traffic controllers came only after extensive media coverage of a "crisis" situation, and the PSA has expressed concern that similar situations will be allowed to develop in other career groups.

Public sector numbers keep on growing 250

13/04/88
GERALD REILLY

IN spite of last year's pay freeze in the public sector, total earnings in the sector continued to escalate — as did the number of workers, Central Statistical Services (CSS) figures showed.

It said the number of workers increased by 28 155 last year to a record total of 1,698-million.

In the quarter ended December, they earned R7,09bn — up by R630m on the total payout of R6,46bn in the same quarter a year before.

Decreased

This was an increase of about 6% over the third quarter last year and an increase of 9,7% compared with the last quarter in 1987. Average salaries and wages increased by 7,9% in the 12 months to December.

During the year, central government workers decreased by 15 836 to 511 021 but their pay rose by R111,67m to R2,21bn in the last quarter of last year compared with October-December 1987.

However, the number of workers in the provincial administration increased by 30 871 to 227 748 and in that quarter, their earnings increased by R121,10m to R695,07m.

The CSS said the increased numbers in provincial administration was due mainly to the devolution of health functions to provinces

PSA welcomes salary council

PRETORIA — The Public Servants' Association (PSA) has welcomed the new salary negotiating machinery to be set up by government, but some senior state workers have reservations.

Administration and Privatisation Minister Dawie de Villiers this week introduced a Bill in the House of Assembly providing for a public service Central Bargaining Council (CBC).

What is troubling some state workers is that the Cabinet can, in the last resort, nullify a recommendation of agreement reached by the CBC, which consists of equal numbers of staff and employers.

However, PSA MD Hans Oliver said the

new system was a great advance on the previous arrangement where the PSA was just that — an adviser to the Commission for Administration.

"Now the issue of salaries and service conditions can be negotiated on a new plain with a more effective input by staff associations."

The deal is similar to that handed to Sats workers, in which the labour council, consisting of equal numbers of union and management representatives, negotiates on salaries and service conditions. Here, too, the Transport Minister has a veto.

GERALD REILLY

60 000 public sector jobs on the line

Govt plans to slash salary bill by R563m

6/10/81 8/15/81

250

CAPE TOWN — Government plans to slash R563m off its annual salary bill by scrapping 60 000 public sector jobs in the next three years.

First details of plans to hand over the running of gardening, catering, cleaning and nursery services to the private sector were released by Administration and Privatisation Minister Dawie de Villiers during his budget vote on Friday.

De Villiers said the privatisation of these services would take place over three years and would affect 38 000 jobs.

A spokesman for his department said that a total of R360m had been budgeted for these services this year.

Scrapped

De Villiers said the Commission for Administration had also identified 1 617 posts in 22 government departments that would be scrapped.

A further 19 905 posts had been identified for possible abolition in the near future. The total expenditure attached to these posts amounted to R203m. Besides the saving from the scrapping of posts an additional income of R26,3m would also be realised, De Villiers said.

The actual saving achieved by government by doing away with these posts will amount to less than R563m a year, but with the services being contracted out to the more efficient private sector, it is expected to be substantial.

Among the departments where jobs are to be abolished are Trade and Industries, Agriculture, Agricultural Economics and Marketing, Public Works, Home Affairs, Foreign Affairs, the own affairs administrations and the provinces.

An Administration and Privatisation

MIKE ROBERTSON

spokesman said public servants whose jobs were done away with would either fill vacant posts in other departments or be retrained for new jobs. Government would also assist them in finding jobs in the private sector. Only as a last resort would the public servants be fired.

With regard to the privatisation of cleansing and other services, the spokesman said that based on experience in SWA it was anticipated that natural erosion would result in 25% of employees leaving in the next three years.

Negotiations had already been held with private sector companies and it was anticipated that they would take on up to 60% of the employees on receiving contracts to provide the services for government.

Government had also held discussions with the SBDC, which would play a role in motivating some state employees to start their own enterprises to provide services to the state.

The remainder would be retrained for new jobs in the civil service or be transferred to fill vacancies in departments like defence, which would continue to provide their own catering and other services.

The spokesman said some departments were already set to privatise various functions. The Cape Province would soon privatise nurseries, the House of Representatives was ready to privatise gardening services, while the Transvaal Provincial Administration would soon start a pilot scheme for private companies to provide meals to between six and eight hospitals.

De Villiers said progress was also being achieved in improving productivity in the public service. A total of 130 quality circles were in operation and had already realised savings of R140 000.

Plan to slash salary bill by R563m

Govt to scrap 60 000 jobs

on trials 8/5/89
250

Political Staff

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10 percent increase for Sats workers

Pretoria Correspondent

About 180 000 South African Transport Services workers are to get a 10 percent general increase from July 1

The increase — interpreted as an election sweetener — is expected to incite other public-sector groups to push for their demands to be met

Sats workers got a 12 percent increase eight months ago, while public servants received 15 percent from January 1

BETTER DEAL

But in spite of this increase, the backlog in public-service salaries, compared with those in the private sector, was at least 20 percent, a Public Servants Association spokesman said.

This, coupled with the Sats increase, meant the Government could not expect other public servants not to urge for a better deal for themselves as well.

He said all employers, including the Government, would have to look at market trends and the high inflation rate and, if realistic, see that salary increases were needed.

Civil service row over women's pay

The Argus Correspondent

PRETORIA. — The Public Servants' Association (PSA) has called for an urgent inquiry — and possible legislation — to end salary discrimination against women in the service.

This follows a detailed investigation by The Public Servant, official journal of the PSA, which showed that the government could be "saving" R35 000 a year on the salary package of an average married woman working for a government department.

With 43 percent of all temporary and 46 percent of all permanent posts in the public service filled by women, the total "saving" could run into billions each year.

Housing

The biggest direct saving was an estimated R6 378 a year on housing benefits. A married woman was excluded from the 100 percent housing loan and subsidy worth an average R531,50 a month.

She could also not register her partner or minor children in the medical aid scheme, and this could save the government up to R87,80 each year in contributions.

Savings on the pension benefits of each woman employee could accumulate to R67 454 over a 20 year career, the Public Servant said.

The wife of a man who died after less than 10 years of service would be entitled to a gratification equivalent to his final annual salary, while the benefits the widower of the married woman member would receive (via her estate) would be equivalent only to those she would receive on resignation.

Good morals

In a public service career spanning 20 years, the extent of financial exploitation of a woman could amount to R700 000 or more, the Public Servant said.

The article also pointed to other areas of exploitation because of a policy of "good morals".

While married women were usually refused paid maternity leave and had either to resign their posts or take accumulated holiday and unpaid leave to have a baby, men were given special leave on full pay for study, sport and other activities.

And while unmarried women were excluded from maternity benefits, the wife of a married man in the public service could qualify — even if she had been pregnant before their marriage, the article said.

Regardless of a woman employee's skills and capabilities, she would not achieve the same level as a man... borne out by the fact that not one woman had reached the position of director-general of a government department.



REPUBLIC OF SOUTH AFRICA
REPUBLIEK VAN SUID-AFRIKA

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Vol. 287

PRETORIA, 12 MAY 1989
MEI

No. 11870

GENERAL NOTICE

NOTICE 459 OF 1989

OFFICE OF THE COMMISSION FOR ADMINISTRATION

It is hereby made known for general information that the Public Service Amendment Bill [B 92-89 (GA)] was referred to the Joint Committee on Home Affairs on 2 May 1989.

The Joint Committee desires all persons or institutions who wish to submit written evidence on the subject of the Bill to submit such evidence not later than 21 May 1989 to the Secretary of Parliament, P O. Box 15, Cape Town, 8000. Should any person wish to give oral evidence before the Committee, he should indicate his intention before that date as well.

(12 May 1989)

ALGEMENE KENNISGEWING

KENNISGEWING 459 VAN 1989

KANTOOR VAN DIE KOMMISSIE VIR ADMINISTRASIE

Hierby word vir algemene inligting bekendgemaak dat die Staatsdienswysigingswetsontwerp [W 92-89 (AS)] op 2 Mei 1989 na die Gesamentlike Komitee oor Binnelandse Sake verwys is.

Die Gesamentlike Komitee verlang dat alle persone en instansies wat graag skriftelike getuenis oor die onderwerp van die Wetsontwerp wil voorlê, sodanige getuenis nie later nie as 21 Mei 1989 aan die Sekretaris van die Parlement, Posbus 15, Kaapstad, 8000, moet voorlê. Indien iemand verlang om mondelinge getuenis voor die Komitee af te lê, moet hy ook voor daardie datum so aandui.

(12 Mei 1989)

Hummerd

1083 FRIDAY, 12 MAY 1989

(2) how many strokes were inflicted in respect of each category of persons? B865E

The MINISTER OF JUSTICE

The information is not readily available in the Department. In an effort to be of assistance to the Honourable Member, the following information for the period 1 July 1987 to 30 June 1988 was obtained from the Central Statistical Services

Race	(a) not suspended	(b) partly suspended	Corporal punishment not coupled with other sentences
Whites	10	212	964
Coloureds	58	1 940	11 461
Indians	1	37	267
Blacks	158	3 113	22 712

1084

Hummerd

1085 FRIDAY, 12 MAY 1989

HOUSE OF REPRESENTATIVES

QUESTIONS

† Indicates translated version
For written reply

Own Affairs

Unexpended funds returned to State Revenue Account

34 Mr C J KIPPEN asked the Minister of the Budget

(1) Whether any unexpended funds were returned to the State Revenue Account by the Administration House of Representatives, if so, what amount in respect of each own affairs department in the (a) 1984-85, (b) 1985-86, (c) 1986-87, (d) 1987-88 and (e) 1988-89 financial years,

(2) whether, in these financial years, any funds were transferred to or from the Department of Education and Culture

AS

from or to any other department in the Administration House of Representatives after the confirmation of the own affairs ministerial votes concerned, if so, (a) what are the relevant details in respect of each such year and (b) who authorized the transactions in each case? C82E

The MINISTER OF THE BUDGET

(1) No

(2) No funds were transferred from the Department of Education and Culture to any other Department in the Administration House of Representatives in the financial years 1984-85 to 1988-89. On two occasions however, funds were transferred from the Department of Local Government, Housing and Agriculture to the Department of Education and Culture. Particulars are as follows

(a) 1987-88	R30 000 000
1988-89	R58 033 000

(b) The House of Representatives

1086

Man-day loss leaders

ALTHOUGH the man-days lost to the public sector fell from about 2-million in 1987 to 300 000 in 1988, it was still No 2 in the 1988 loss stakes.

So says Frank Horwitz, professor of business administration at the University of Cape Town Graduate School of Business, in the IPM Journal.

The large loss of man-days in the public sector can be seen when compared with the overall number in 1988. Last year, total man-days lost fell from 8,2-million in 1987 to under 1,3-million.

The public sector therefore accounts for about 23% of all the man-days lost last year.

Professor Horwitz believes there are several possible reasons for the

high level of industrial action in the public sector, which took place before the Government passed legislation to provide for collective bargaining for public servants.

"Traditionally, collective wage bargaining has not taken place in the public sector in the same manner as in the private sector."

Most parts of the public sector are excluded from the Labour Relations

Amendment Act (LRAA)

"Pressure from unions who operate in both public and private sectors, such as the South African Railway and Harbour Workers Union (Sarwhu), to have a common industrial relations system operating in both sectors are becoming more pronounced."

Professor Horwitz says the question of whether to extend the LRAA to cover all sectors or only agricul-

ture, is a political hot potato.

These sectors control a large percentage of the white voting power and the Government seems loath to alienate such a large section of its support base.

"Whatever the outcome of increased pressure by the unions, the intentions of the director-general and the findings of the Commission for Administration, it can be expected that levels of industrial activity in these sectors will increase rather than abate, with the main challenge being the convergence of private and public sector IR systems."

ATTACHMENTS

SUNDAY TIMES, Business Times, May 14, 1989

MANPOWER

PEOPLE ARE ON THE MOVE — SEE PAGE 15 FOR ALL THE DETAILS

PAGES AND PAGES OF THE BEST JOBS IN SOUTH AFRICA

MANPOWER MIRROR by ROBYN CHALMERS



Mystery of the 60 000 jobless in jobs

THE Government's announcement that 60 000 jobs will be scrapped over three years has raised many eyebrows.

The most surprising, and possibly illuminating reaction to the announcement is that of the Public Servants' Association (PSA). President Colin Cameron says no problem, it's all under control.

Administration and Privatisation Minister Dawie de Villiers told Parliament last Friday that the Government intended to reduce the size and shape of the public service.

The first step to reduce growth of the public sector was to implement standards still measures, whereby all posts which had been vacant for more than six months were abolished.



A total of 6 283 posts had been identified by January 31, 1989, a total of 25% to 26 270. Dr. De Villiers said, "These results are very encouraging, and are even more significant if one considers that the annual growth of approximately 3.5% has not only been arrested, but that there has been a production of 3% (a net effect of 6%)."

The total effect of this reduction in the public sector has been offset by a necessary increase of 24 078 employees (4.8%) in those departments outside the public sector.

The second step was the function evaluation programme. Under it, all functions in the public service were analysed to see whether they could be terminated, privatised, scaled down or other arrangements made.

Dr. De Villiers said: "So far, 1 617 posts in 27 departments have been identified for abolition and a further 19 905 have been earmarked for possible abolition in the near future. The total expenditure attached to these posts amounts to R203.1-million."

The other 38 000 jobs would be affected in a widespread privatisation process, for which 80 activities had been identified. These included services, such as cleaning, catering, gardening and nursery, which would be handed to the private sector.

With such a drastic cut-back in the public sector, one begins to feel a little uneasy when Dr Cameron calmly sits back and says no sweat. Why is the PSA not jumping up and down and tearing its hair out?

The PSA's line of thought is that the jobs singled out for privatisation are supportive services, and that they are not the primary objective of the State departments.

More important, however, is a document which has been issued by the Department of Administration and Privatisation. Although Dr Cameron cannot disclose the details of the document, he says it outlines how people affected by privatisation should be dealt with.

"The measures contained in the document safeguard the interests of current public servants. It is very unlikely that they will be fired under these measures."

"If they are not offered employment by the organisation to which these services are contracted out, they will be absorbed by other departments."

That the Government can abolish almost 22 000 jobs and privatise a further 38 000 in the public service without firing a single person boggles the mind.

It is obvious that the huge growth in the public sector in the past 10 years of President Botha's reign has been the result of the creation of numerous superfluous jobs.

In spite of repeated assurances that the Government was cutting back on the size of the public sector, the opposite happened.

The public sector, in its broadest sense, increased from 1.3-million servants in 1978 to 1.7-million last year — 16% of SA's economically active population.

The killer, however, is what it has cost the nation. In 1983, public sector salaries and service benefits cost R3.5-billion quickly rising to R13.4-billion in 1988. In five years, the cost of this sector rose 151%.

From 1980 to 1988, supposedly the time of greatest rationalisation, the percentage public sector share of the national wage bill rose from 20.8% to 33.5%.

This represented an increase in percentage of gross national product from 6.5% to 7.6% according to figures released by Finance Minister Barrow in 1988.

The Government is to be commended for trying to reduce the size of the public sector. How it is going to do this without retrenching or firing anyone remains to be seen.

Howard

1089

MONDAY, 15 MAY 1989

1090

HOUSE OF ASSEMBLY

QUESTIONS

†Indicates translated version

For written reply

General Affairs

Drought conditions: loss of foreign exchange

310 Mr R J LORIMER asked the Minister of Agriculture

What is the estimated loss of foreign exchange suffered by the Republic in 1988 in respect of (a) additional imports and (b) loss of exports attributable to drought conditions in the Republic?

B653E

The MINISTER OF AGRICULTURE

During 1988 agricultural production was adversely affected in certain areas, but in the country as a whole, weather conditions were generally favourable. Certain branches of the agricultural industry recorded higher production whereas others showed lower than normal production. This tendency can be ascribed mainly to structural changes in agriculture.

It therefore follows that under these circumstances it is not possible to determine the impact of drought on the imports and exports of agricultural products, specifically for 1988.

Lesotho Highlands Water Project: total cost

401 Mr J R DE VILLE asked the Minister of Water Affairs

(1) (a) What is the estimated total cost of the Lesotho Highlands Water Project, (b) (i) by whom and (ii) when was this estimate made and (c) when is it anticipated that this project will be completed,

(2) what amount will South Africa be contributing to this project;

(3) whether the Government intends recovering this amount from the South African consumer; if so, what method is envisaged?

B720E

The MINISTER OF WATER AFFAIRS

(1) (a) R3,3 billion in August 1988 values for Phase 1A, excluding the hydro-electric component which is to be financed by Lesotho

(b) (i) The Lesotho Highlands Development Authority and the Trans Caledon Tunnel Authority

(ii) March 1989

(c) First half of 1996.

(2) No financial contribution will be made by South Africa as the Project will be financed by loans

(3) Yes In the form of a tariff on water sold to the consumer from the Project and a levy on the existing water sales in the area to be supplied by water from the Project

Lesotho Highlands Water Project: hotel complex

402 Mr J R DE VILLE asked the Minister of Water Affairs

(1) Whether a hotel-complex is to be developed as part of the Lesotho Highlands Water Project, if so,

(2) whether any concessions have been granted in this regard: if so, (a) when, (b) by whom, (c) to whom or what hotel group and (d) on what basis were these concessions granted?

B721E

The MINISTER OF WATER AFFAIRS

(1) No, not in the Republic of South Africa

(2) No, not in the Republic of South Africa (a), (b), (c) and (d) Fall away

PW to get R14 500 a month

ATLWJ 7/6/87
By BRUCE CAMERON
Political Staff

250
PRESIDENT Botha's retirement benefits, apart from the R300 000 he received five years ago when he changed from being Prime Minister to President, will be a monthly pension of R14 500.

A spokesman for his office said today that Mr Botha was

not entitled to a further gratuity for his term as President, as reported at the weekend.

In terms of the constitution he was entitled only to a pension equal to his salary.

All other members of the government and MPs, however, have every year of service taken into account, receiving both pensions and gratuities.

Government expenditure soars by 28%

Finance Staff

The increase in the civil servants salary bill by an average 15 percent this year caused government spending to surge by 28 percent in the first month of its 1989/90 fiscal year

The latest Government Gazette shows that spending in April was 28 percent at R6,41 billion compared with the same month last year. And over the first quarter of the 1989 calendar year, when the rise in public servants wages first took effect, government spending was about 30 percent higher than in the same period the previous year

This contributed largely to the continued high rise in gross domestic expenditure (GDE) — Reserve Bank figures released recently showed that GDE was six percent up in the first quarter — and according to the monetary and fiscal authorities justified the recent economic austerity package.

The pay package also caused money supply figures to be inflated over the period

Chamber calls for independent probe into State spending

Business Staff

CAPE TOWN Chamber of Commerce president Mr Anthony Coombe has called for an independent investigation into government expenditure to test and verify the effectiveness, essentiality and efficiency of State spending.

Speaking at the 128th annual meeting of the chamber last night, Mr Coombe said business people were "losing faith in the government's ability to contain its expenditure within reasonable bounds".

He said the exposure of wasteful and inappropriate spending by the Auditor-General, and criticism of the cost inefficiency of Own Affairs administration by the Administrator of the Cape, were pointers to areas of profligacy in State spending which the country could not afford.

The increasing use of retroactive legislation, which started with retrospective tax legislation, had spread to import surcharges.

The Deputy Minister of Economic Affairs was now threatening importers with retrospective dumping duties.

Import surcharge

An example was that of the import surcharge in the medical and dental field which a month ago was withdrawn retrospectively to August 1988, and then reintroduced last week at the slightly lower rate of 15 percent.

He said Cape Town was recognised as having taken the lead in



Mr Anthony Coombe

dismantling apartheid in South Africa, and the more positive and relaxed climate had unquestionably given the region a more competitive advantage over other parts of the country.

Dealing with the future of Robben Island, Mr Coombe said that once the Victoria and Alfred waterfront project was underway, "I say quite categorically that Cape Town wants its island back".

Mr Coombe said neither the Department of Defence nor Prisons wanted Robben Island yet Prisons had clung doggedly to it.

● The Western Cape's peculiar strengths made it a "winning region" within South Africa, and the local economy was expected to show strong growth in the next decade, said the 1989 report of the chamber

Wesgro, which promotes economic growth in the Western Cape, had analysed the region's strengths and weaknesses and had concluded that three fundamental economic shifts which occurred during the last half of the decade had severely affected economic prospects in the Western Cape.

First, the fall in the rand's value favoured producers of manufactured commodities for export, many of which were located in the Cape.

Second, the international technological revolution was swinging the development focus to high-tech industries which were less dependent on raw materials and industrial plant and more dependent on skilled people.

In this context, the Western Cape had already established itself as the centre of research excellence, and was fast establishing itself as the creative centre of South Africa.

Third, the report said, the Cape's rapid population growth had created opportunities for infrastructural development and boosted the size of the local market.

● The chamber said the absence of an acceptable general sales tax exemption system for tourists was causing concern. It supported the idea of a system that would provide for the exemption of sales from GST or VAT of all goods valued at more than R100, and which would involve a tax refund at the point of exit.

Slowdown hinges on govt spending

capit funds
22/5/89
250

Own Correspondents

JOHANNESBURG. — Restrictive measures taken earlier this month to curb domestic spending and imports could succeed in cooling the economy, only if government spending is held in check

Institutions have welcomed the moves of May 5 in slowing the pace of money supply growth and credit creation, but warn a slowdown hinges on government spending

Standard Bank in its latest review says the package has the influence to dampen the "probably unduly optimistic mood" which previously prevailed

This could be the package's most important benefit, because a slowdown in nominal growth has far less painful consequences for the real economy if it is widely anticipated, the review says

However, the ultimate deciding factors over whether a recession later this year and in 1990 can be avoided, will be whether government spending can be checked, if the gold price recovers and whether foreign capital inflows occur

"If none of these happens, there would be little choice but to go for austerity and very low domestic expenditure next year"

First National Bank (FNB) says in its April edition of SA Perspective that the general election promises continuing high government spending

"The government's wish to maintain economic growth momentum for political reasons cannot be underestimated"

These realities are likely to support

a continuing buoyancy in most sectors of the economy, through to at least the third quarter, FNB says

"While the interest-rate sensitive sectors continue to give the impression of easing, especially the property market and furniture, it is as yet not rout."

Sanlam in its latest economic survey notes a marked drop in car sales in comparison with a year ago and a noticeable deceleration in the growth rate of real retail sales are signs that the economy is "cooling down"

Other indicators of a slowing down were the drop in the volume of merchandise imports and a more sluggish rate of increase in manufacturing production

However, the level of general economic activity remained high and owing to substantial wage and salary adjustments, the continued high inflation expectations and the sustained favourable state of consumer and business confidence, there was a real possibility that expenditure would continue to grow at a rate that would place excessive demands on the balance of payments

However Sanlam said they believed the latest action could bring about the necessary cooling down of the economy — provided it was supported by strict discipline as regards government spending

Given the low levels of foreign reserves, it is clear that, on the whole, the balance of payments will continue to be a real problem area

Sanlam estimated that the current account would achieve a surplus of roughly R4000 million this year, but most of these funds would have to be used for the repayment of foreign loans

Govt spending up again

Own Correspondent

JOHANNESBURG — High government expenditure fuelled overspending in the economy this year and inflated the money supply. The latest Government Gazette statement of spending and revenue showed spending in April was R6,41 billion — 28% higher than the same month last year.

The director-general of finance, Mr Gerhard Croeser, said: "The civil servants' salary increase is the main reason for April's spending growth."

But he warned against interpreting the 28% rise in spending in April as a signal that the new fiscal year was set for an over-run on the budgeted increase of 15%, as the first month

of the fiscal year was subject to distortions. In the first four months of this year, government spending placed additional liquidity into the hands of the private sector — increasing domestic demand at a time when the economy should be slowing down.

The Minister of Finance, Mr Barend du Plessis, noted "relatively high seasonal government expenditure" as one of the reasons why another economic package had been necessary this month.

The Government Gazette statement shows defence spending was 60% up on the same period last year, at R930m.

● Slowdown hinges on govt — Page 10

Civil servants' pay hike to blame ^{BID ay} ^{22/5/89}

Govt pushes up spending another 28%

GRETA STEYN

HIGH government spending fuelled overspending in the economy this year and inflated the money supply

The latest Government Gazette statement of spending and revenue showed spending in April was R6,41bn — 28% higher than the same month last year

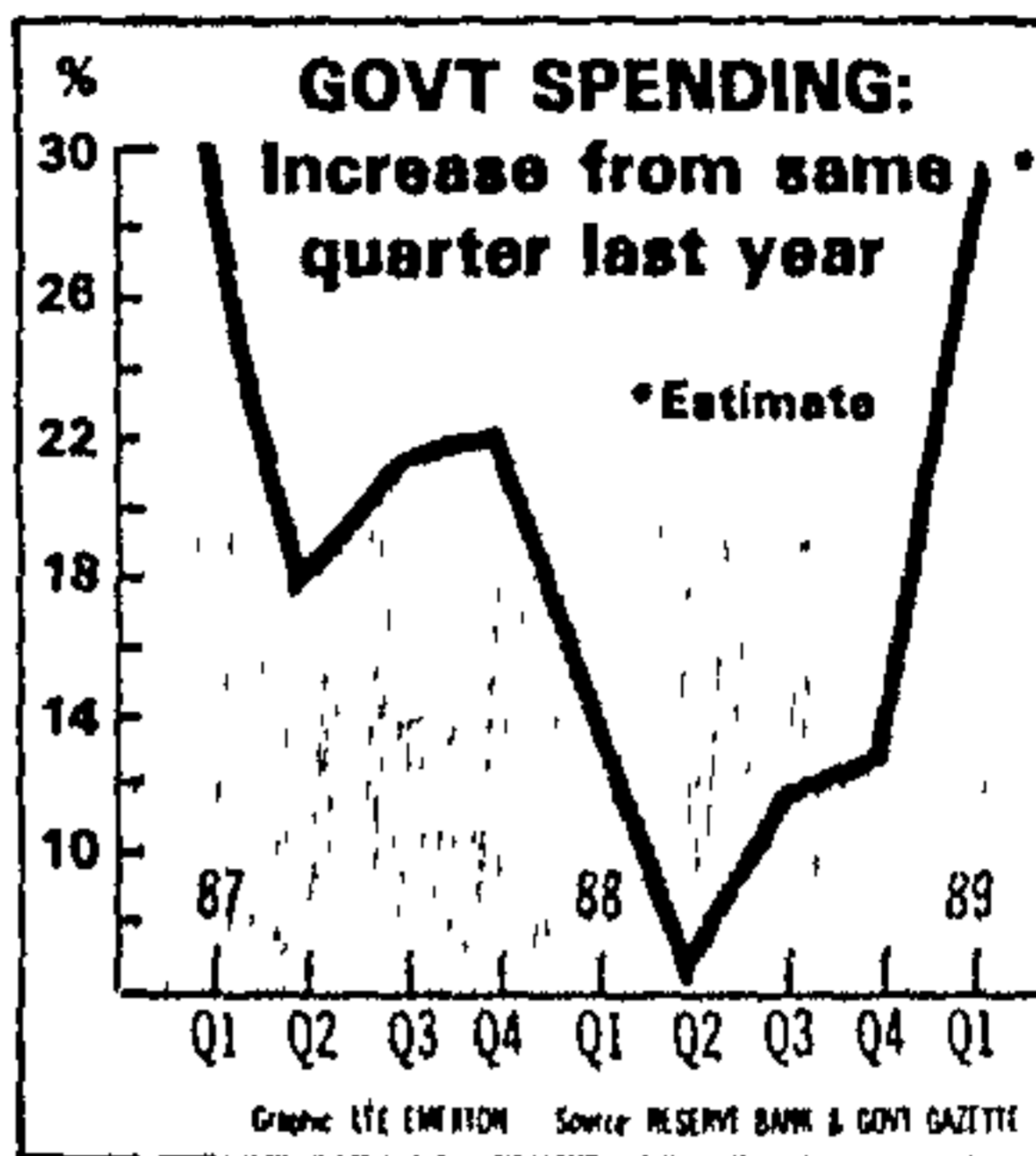
Finance director-general Gerhard Croeser said "The civil servants' salary increase is the main reason for April's spending growth from last year"

But, he warned against interpreting the 28% rise in spending in April as a signal that the new fiscal year was set for an overrun on the budgeted increase of 15%, as the first month of the fiscal year was subject to distortions.

Economists said government spending had placed additional liquidity into the hands of the private sector in the first four months of 1989 — driving domestic demand at a time when the economy should be slowing down

In the first quarter of the calendar year, spending was about 30% higher than in 1988, mainly because of the civil servants' pay rise. This liquidity inflow fuelled real gross domestic expenditure, which surged at an annual rate of 6% in the first quarter.

Finance Minister Barend du Plessis noted "relatively high seasonal government expenditure" as one of the reasons why another economic package had been necessary this month. Economists said it was unfortunate this seasonal surge in spending had come at the wrong point in the business cycle.



Government's injection of liquidity into the economy was expected to be reflected again in the money supply growth figures, due to be released this week

Trust Bank economist Nick Barnardt said the extent of the liquidity inflow into the economy was clear from watching government's bank account at the Reserve Bank. The Bank's statement showed government deposits dropped from R5,9bn in January to R3,96bn in April.

He said "Government's bank balance shrank as liquidity flowed into the money market, increasing the money supply. We can expect high money supply growth again in April."

Salaries and wages had driven the increase in spending in April, when notch increases were added to the total salary

□ To Page 2

Govt spending ^{BID ay} ^{22/5/89} □ From Page 1

bill Barnardt also suspected that defence spending had been pushed up by the withdrawal from Namibia.

The Gazette statement showed defence spending was 60% up on last year, at R930m. Other high increases last year included education and training (30%), development aid (26,8%) and Administration: House of Assembly (17,5%).

□ GERALD REILLY reports from

Pretoria that DP finance spokesman Harry Schwarz said at a time when Du Plessis was appealing to the country to tighten its belt, state spending was spiralling to new heights.

He said "Government must tell us why it is spending more money and faster than before."

● See Page 3

211 top officials 'non-whites'

A TOTAL of 211 of the 5 931 posts in the eight most senior levels in the civil service were occupied "by people of colour" as at December 31 last year.

This emerged from a reply given yesterday in the House of Assembly by the Minister of Administration and Privatisation, Dr Dawie de Villiers, to a question from Mr Roger Burrows (DP Pinetown)

But Dr De Villiers said no people of colour were employed in the eight most senior levels in the departments of Home Affairs, Trade and Industries, Justice, Agricultural Economics and Marketing, Manpower, Mineral and Energy Affairs, Environment Affairs, Public Works and Land Affairs, Development Planning, Development Aid, Transport, and Water Affairs, or the Commission for Administration, the Auditor General, the Office of the State President and the Orange Free State Provincial Administration — Sapa

Erring MPs may lose hefty handshakes

250
AR 26/5/89

By BRUCE CAMERON
Political Staff

GOLDEN handshakes should be forfeited or reduced if members of parliament are found guilty of a criminal offence, dishonesty or abuse of position, a parliamentary committee has recommended.

However, the committee said members should not lose other pension rights.

But the committee has found that a further general investigation should be held into the pensions and gratuities of MPs, saying it had not had the time to do so.

A further inquiry should also be held into recommendations of the Advocate-General, Mr Justice P J van der Walt, that a code of conduct for MPs should be drawn up. It should also study the question of whether MPs should disclose their financial interests.

The parliamentary investigation was appointed after public anger when The Argus exposed the generous benefits being paid to MPs and ministers who had left parliament under a cloud.

Allegations

For example, Manpower Minister Mr Pietie du Plessis, who resigned to defend allegations against himself and his family of improper dealings, was given a golden handshake of at least R250 000 and a monthly pension of at least R10 000.

Mr Amichand Rajbansi, fired in the wake of the James Commission report and who is under investigation by the Attorney-General of Natal, received an immediate R70 000 gratuity and a monthly pension of R2 500 on top of his parliamentary salary.

If he does not return to parliament he will receive a further golden handshake of at least a further R150 000 and a monthly pension of at least R10 000 a month.

Mr Peet du Pontes, who resigned as MP for East London City and is being investigated by the Attorney-General fol-

lowing his links with an international drug dealer, received a gratuity of at least R60 000 and a monthly pension of at least R2 500 a month.

The gratuities are tax free.

In a report tabled in parliament today, the joint committee on pension benefits for members of parliament and political office-bearers said evidence was collected both locally and internationally.

In the United States politicians lost benefits only if found guilty of a serious crime involving national security while in the United Kingdom, Switzerland, West Germany, Canada, New Zealand and Japan they lost no benefits.

In South Africa the position in the private sector and the public service was fundamentally different with benefits in the private sector being based on age and not length of service.

If parliament approves the report today it will have to be considered by another parliamentary committee for final action.

Masire charity walk

Argus Africa News Service
GABORONE. — The 63-year-old President of Botswana, Dr Quett Masire, will walk 20 kilometres tomorrow to raise money for disabled people.

26/5/89

Adding up those golden handshakes

EVER since the Nationalists came to power after World War 2, our country has gone from crisis to crisis, whilst the country's cost of living and inflation rate has gone through the ceiling, our reputation has gone through the floor!

While the man in the street is constantly being called upon to dig deeper into his pocket, to tighten his belt, make sacrifices for the country, the "fat Nats" have been voting themselves salary increases, incredible pension benefits and golden handshakes, in addition to their other perks such as cheap mansions, luxury cars, free rail and air travel, free post and telephones, etc, while the opposition, realising that they

too are to benefit, merely raise faint squeaks. While these gents haggle over reform, a pipe dream while the Nationalists are in power, let us not be fooled by the sweet double talk of the National Party leader, the economy of the country once respected in world markets, now faces a lack of foreign confidence never before experienced in its history! The rand has sunk to a level where ordinary South Africans are confined to the laager, while Cabinet Ministers, politicians and senior civil servants are enjoying overseas trips and luxurious accommodation.

While ordinary South Africans of all colours are faced with the constant price in-

creases in essential everyday living commodities, millions are being wasted to the glorification of Nationalist ideology!

While the promise of a leaner and cleaner government was assured the citizens of this country, each day more and more corruption in high places is being disclosed. It is senseless to make excuses and tell us it is also happening in other countries, we are not interested in other countries, we are interested in what is happening in our country!

As for a leaner government, the Public Service has swelled into a grotesque ever-growing and hungry monster which the taxpayer is forced to maintain.

While prices are increased in the event of surpluses, be it red meat, dairy products, etc, the control boards are busy disposing of such surpluses at bargain prices in foreign markets, thereby forcing the hard pressed man in the street to pay for their inefficiency and antiquated marketing methods.

It has been indicated that President Botha is due to receive a further R116 000 golden handshake on top of the R300 000 he received five years ago when he changed from Prime Minister to President, and a pension of R14 500 per month during his lifetime! Excluding his salary, perks etc, and taking his life expectancy of 10 years, this little deal is going to cost the

taxpayer R2 808 000! The gravytrain is just as generous with

- Mr Chris Heunis
- Golden handshake = R450 000
- Pension R13 000 pm x 12 = R156 000 pa
- Life expectancy 10 years = R1 560 000
- Stoffel Botha
- Golden handshake = R260 000
- Pension R10 700 pm x 12 = R128 400 pa
- Life expectancy 10 years = R1 284 000
- Greyling Wentzel
- Golden handshake = R300 000
- Pension R10 000 pm x 12 = R120 400 pa
- Life expectancy 10 years = R1 284 000
- Piet du Plessis
- Golden handshake = R250 000
- Pension R12 000 pm x 12 = R144 400 pa
- Life expectancy 10 years = R1 440 000
- Damie Steyn
- Golden handshake = R230 000
- Pension R10 000 pm x 12 = R120 000 pa
- Life expectancy 10 years = R1 200 000

Added to these are Piet Pontes, Amichand Rajbansji and a number who would undoubtedly either retire before, or lose their gravy tuck-et in the forthcoming election

RIPPED-OFF TAXPAYER
Tokai

from the Ministers concerned that times are hard and the usual propaganda

However, if times are so hard the government can quite easily blow R650-million on two new Boeing jets for SAA and can squander another R80-million on gold watches for civil servants loyalty and can write off a R470-million maize debt — probably for farmers' loyalty — yet on our very doorstep old people are eating dog food in order to survive! This whole situation is a disgrace

Therefore the only solution is to vote out these squanders on September 6

D HADDON

IT is so saddening to read the article on the plight of our pensioners who contributed to the development of this our great land!

We also read about appallingly paid teachers and nurses and get a long saga

26/5/89.
250 Email

Revenues leap 35% in April

Tax revenues surged in April, the first month of the 1989-1990 fiscal year, rising 35,25% above last April to R3,7bn. This echoes the R750m underestimate of final revenues for 1988-1989 made on March 15, only two weeks before the end of the fiscal year.

Before the outcome for April was known, Nedbank's Edward Osborn said "This revenue out-turn (for 1988-1989), being much higher than expected could be an early indication of a significant understatement of revenue expectations for the 1989-1990 fiscal year

"There would appear to be serious flaws in the estimates for 1989-1990, particularly in respect of revenue from customs surcharges and customs duties"

While March's increase on a year ago was only 21%, April's 35% is extremely worrying, given that the estimate for the year is 16%. Exchequer officials point to several factors, mainly still-high domestic expenditure

But the fact is that this period saw several increased imposts — 1% on GST, 10% loan levy (still to come into the accounts), fuel levy and further import surcharges (yet to come into the accounts)

On the other side, Exchequer spending rose by 28,8% in April on a year ago — grossly in excess of the 15% budgeted for the year. The figures give a crude public-sector borrowing requirement of R2,7bn

But the Exchequer balance, which opened at R1,7bn on April 1, increased to R1,9bn on

April 30 by extensive issue of TBs and other stock. Says Trust Bank's Nick Barnardt "The authorities should use the Exchequer balance actively in managing the money market in the coming months. They don't want the market to become liquid too soon. Pressure will be eased only after there are clear signs that the economy has cooled off and the BoP is looking better"

As George Huysamer's Louis Geldenhuys argues, one month's figures are just that, and no sure indicator of what will happen in the full year. While it is common cause that a major distorting factor in April was defence spending increasing 60% to R930m, there is also the question of civil servants' pay

April 1988 was the first month of the so-called public-sector pay freeze. This April reflected a general pay increase, bonuses, notch increases and all the other idiosyncracies that attach to civil servants' pay. ■

ECONOMIC OUTLOOK

Turning tide

For more than a year, the authorities have been trying to coax the economy into a soft landing. Loth to risk a re-run of the previous recession, they applied pressure through a series of cautious Bank rate increases — from 9,5% in March 1988 to 17% last month — and a variety of restrictions, including import surcharges of up to 60%. But spending roared on into first-quarter 1989, when it grew an estimated annualised 6%

Now, just as gold's slide (from US\$390/oz in mid-April to under \$360 on Monday) and the rand's collapse (from about US39c to under US36c in the period) are set to knock the stuffing out of the economy, the measures seem to have taken effect

For the first time in a year, money supply has shown a monthly fall. Targeted money supply — seasonally adjusted M3 — fell from R125,79bn in March to a preliminary R125,05bn in April. The April figure is just R360m over the 14%-18% target for growth between fourth-quarter 1988-1989

The fall brings annual growth down to 25,9% from March's 26,5% (itself revised down from 26,7%)

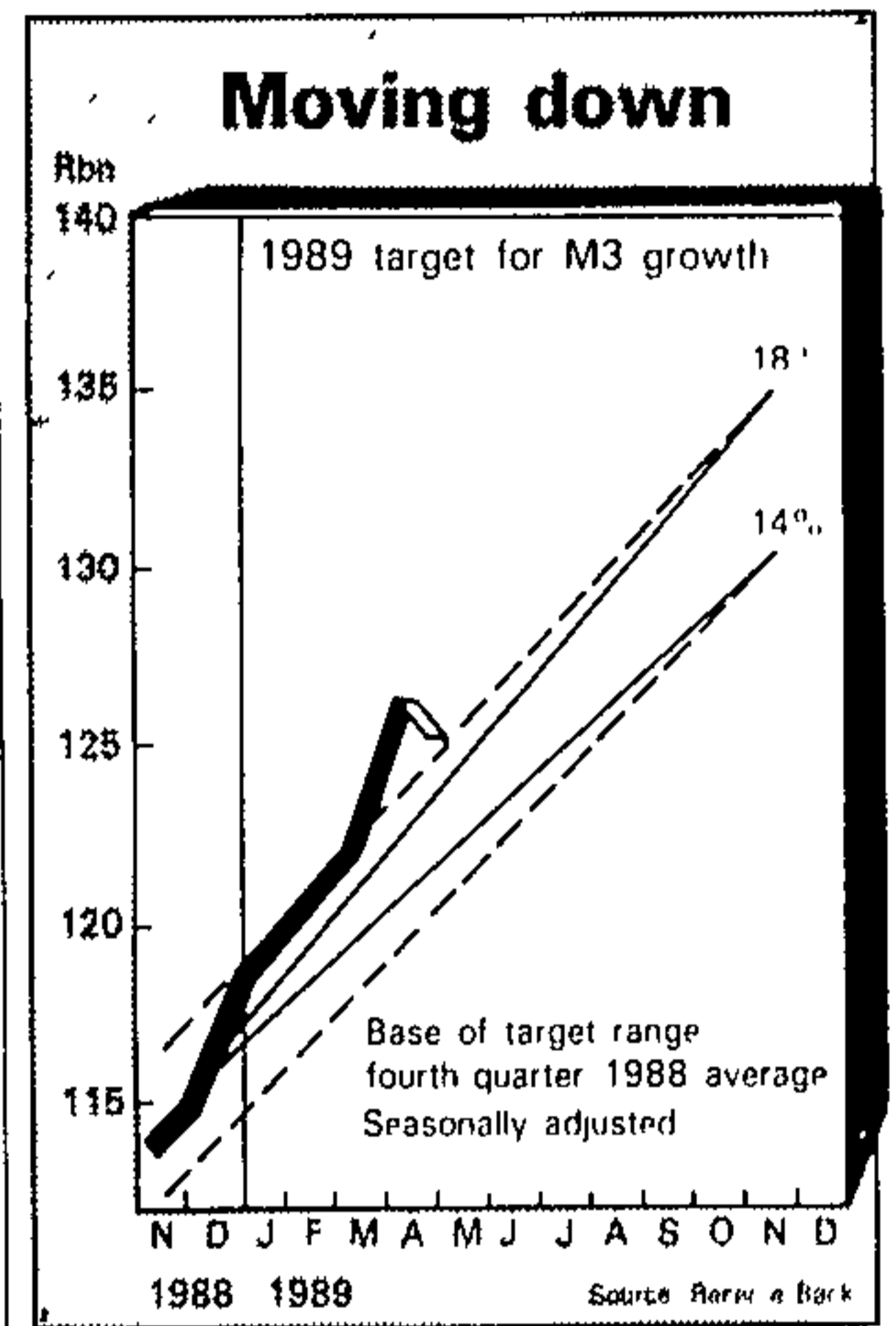
Rand Merchant Bank economist Rudolf Gouws predicts money supply growth is likely to move into target in May and stay there for the rest of the year. May's Bank rate increase and HP restrictions are not reflected in April money supply, so should help Gouws's prediction come true

This money supply downturn follows last

week's first-quarter GDP figure — seasonally adjusted annual growth of just 1,6%

So the landing, long delayed by official reluctance to bring the electorate face-to-face with reality, seems to be taking place — just when we're most vulnerable. Gold is the principal source of forex earnings and its fall usually hits confidence as well, which effects countless business decisions

There is little comfort in Customs & Ex-



change trade figures, which are just muddling along. Exports and the surplus dropped sharply in April from May, though both are still up from January-February. Imports have responded little to restrictions and are still climbing, though below November's R3,83bn high

So fears for reserves remain

It will be a while before the beneficial effects of slowing growth work through. Meanwhile, the ill fortunes of gold compound our problems

The coincidence is reminiscent of August 1984, when a three percentage point increase in Bank rate to 21,75% coincided with the outbreak of unrest that triggered a crisis of confidence

It is, of course, impossible to anticipate factors that lie outside the ambit of policy. And it's easy enough to look back on events and pinpoint the time when the authorities should have acted firmly to constrain spending growth. But it wasn't difficult to see at the time. Plenty (the FM included) urged government to let rates rise to cut demand for credit when growth showed its first signs

ETHICS CONFERENCE

The Institute of Directors (IOD) has arranged a heavyweight line-up for its Ethics & Morality conference in Johannesburg on June 13. Keynote speaker is UK historian Paul Johnson, well known to FM Investment Conference delegates

Several crucial current topics are to be covered. Judge Cecil Margo will speak on the proposed Securities Regulation Panel. Attorney Michael Katz and Herc Hefer, chairman UBS Holdings, will cover the controversial topic of the fiduciary duties of directors

JSE executive president Tony Norton is down for "Insider Trading & Leveraged Buyouts". Other areas include "The Auditor General as Public Sector Watchdog" and "The Auditor and His Role as Watchdog in the Private Sector". Among the speakers are Judge Louis Harms and Roger Gidlow, economic adviser to the Reserve Bank

CoL could force demands — PSA

PRETORIA — Spiralling living costs could force the Public Servants' Association (PSA) to demand new pay hikes before the end of the year, PSA GM Hans Olivier said yesterday.

The PSA board of directors meets here next month. At the top of its agenda is government workers' "worsening plight".

Olivier said public sector pay had been linked to the private sector, and on that basis and after professional monitoring of the situation, "we had a backlog of 20% at the end of the first quarter this year". This took into account 15% increases granted from January.

Other sources said the clamour for pay

GERALD REILLY

250

increases in the public sector would become louder as the September 6 election approached. *Day 29/5/87*

One NP source said government was not in the vote-buying business, but political realities combined with justification could see government softening on the public servants pay issue.

Last week it was disclosed that top public service earner — the Auditor-General — pockets a R182 226 salary. This did not include an annual bonus, housing subsidies or other valuable perks.



Mr Piet Badenhorst

ARCUS 27/5/81

Badenhorst in line for R¹/₄-m handshake ²⁵⁰

JOHANNESBURG. — The Minister of Health Services and Welfare in the House of Assembly and MP for Oudtshoorn, Mr Piet Badenhorst, has decided to retire as minister and MP.

Mr Badenhorst, 58, who has represented the constituency in the House of Assembly for 17 years, will receive a golden handshake of about R253 000.

Calculations show he will also receive a pension of about R9 300 a month.

In a statement Mr Badenhorst said he would not withdraw from public life.

He would not specify what he would do after the general election but said: "There are indications I will serve in another capacity."

INCISIVE TALKS

Mr Badenhorst is the sixth minister who will not be eligible for re-election on September 6. The other five, all members of the Cabinet, are Mr Chris Heunis, Mr Greyling Wentzel, Mr Dame Steyn, Mr Stoffel Botha and Mr Pietie du Plessis.

Mr Badenhorst said in a statement: "After serious consideration and incisive talks with office-bearers from the National Party in Oudtshoorn, I decided not stand for re-election."

"It was a privilege to represent the constituency, since April 19, 1972, for seventeen years in Parliament. For half of this period, from October 7, 1980, I was attached as minister and deputy-minister to different ministries and thus did not live in Oudtshoorn."

(250)
**Privatisation 'will
not cost civil jobs'**

DURBAN — Public servants would not lose their jobs during the process of privatising public services, Administration and Privatisation Minister Dawie de Villiers said yesterday.

At the opening of the sixth Public Servants' Union AGM here, he said, however, that privatisation of any activity would have to be compatible with government's constitutional and socio-economic aims. *B. Dan 30/7/81*

On job opportunities for Indians, De Villiers said deliberate steps would have to be taken to use Indians in the House of Delegates' more senior administrative posts — Sapa

Cap 7/1/85 30/5/89 (250) 2020

PW's salary and pension are tax-free

Own Correspondent

JOHANNESBURG — President P W Botha does not pay tax on his salary — unlike leaders in the United States or Britain.

As most citizens struggle to file tax forms before the June 6 deadline, Mr Botha and his wife Elize enjoy exemption under Section 10(1)(c) of the Income Tax Act

Further, once retired, the president's pension, and that subsequently paid to his widow, remain tax-free

However, any income from their investments or property will attract tax, Ernst & Whinney partner Mr Ken Walton says.

Bureau for Information figures reveal

Mr Botha earned R173 811, including R35 379 in allowances, which were also tax-free, last year. Whereas a top executive may earn almost double this, after tax his net earnings will be in line with the president's

Mr Walton says it is difficult to assess the wealth of the president as his income never comes under public scrutiny.

However, in the US, where the president is probably the most highly-paid of all world leaders — earning \$200 000 (about R536 000) a year — his income tax returns can be published

Mr Walton explains that under the Freedom of Information Act in the US, Americans are entitled to demand a wide variety

of information from government about their country — including publication of their president's income tax return.

The Reagans' published tax returns for the year ended December 1987 shows their largest asset to be a ranch in California. The remainder of Mr Reagan's income was derived from trust funds set up in 1981 when he had to realise his share investments prior to inauguration as president

In the UK, the only person excluded from tax is the queen. The prime minister, Mrs Margaret Thatcher, who is entitled to a salary of £63 000, (about R277 200), has in the past few years declined pay rises and draws the same salary as her cabinet ministers of £51 000 (about R224 200) a year

State of emergency censorship restrictions apply to a wide range of reporting, comment and pictures

Industry group to probe country's public finances

The South African Federated Chamber of Industries (FCI) is to undertake a detailed study of the country's public finances.

The FCI says emphasis will be placed on government expenditure, which is accepted as being one of the root causes of inflation.

The study will also focus on proper management processes in government.

The FCI said. "The purpose of the study will not be merely to point out deficiencies in regard to the public finances but rather to use the factual evidence obtained to arrive at logical sug-

gestions for a sound normative framework for public finances in South Africa".

The FCI said the main reasons for the investigation were

- Government's excess expenditure over budget estimates during the current decade averaged at 7 percent, which, said the FCI, indicated a serious lack of budgetary control.

- Preliminary research had shown that South Africa had become a high tax country compared to its main trading partners and this needed to be quantified accurately — Sapa

250

STATE BUILDINGS

250 final
2/6/89

Just money pits

Spending on three multi-million rand State building projects in Cape Town has increased by 75% from an original estimate of R42m to just over R74m.

The cost escalations are listed in a Public Works Department (PWD) memorandum tabled in parliament by Public Works Acting Minister Dawie de Villiers. They are.

- Additions to the parliamentary complex which provided a joint debating chamber and more offices. The cost has escalated from R24m to R36m;
- The second and third phases of the restoration of the Castle. The cost has increased from an initial R6m to R17m. The cost of the fourth phase is estimated at R12m. The estimated cost of the first phase of the restoration was R3m, putting the total cost so far at R32m, and
- Additions to the SA Natural History Museum. The cost has risen from R13m to R21m.

PWD Director General Piet van Blommestein says the escalation in the cost of the additions to parliament is due to tenders being called for on provisional quantities because of the "urgency" of the project. In the case of the Castle, initial estimates were based on "the vaguest of details" and in the case of the museum there was general escalation due to the duration of the project and inclusion of additional work not planned for initially.

The memorandum also reveals increases in the estimated cost of other State building projects including an escalation from R3m to R22m in the cost of additions and alterations to Louis Botha Airport in Durban. This is due, however, to a major reassessment of "accommodation requirements" at the airport because of increased traffic, says Van Blommestein.

At the P W Botha Airport in George the cost of extensions to the terminal building and fire station has increased from just over R1m to nearly R7m. Van Blommestein says the original estimate, made in 1983, was based on "the facts known at the time."

The memorandum also lists other multi-million rand projects being undertaken by the PWD, including

- Housing and recreational facilities for SA diplomats in Ma-

puto at a cost of R14m. Van Blommestein says the project comprises 19 houses, a recreation club building, an ablution block, a squash court and security and infrastructural services;

□ A new head office for the National Intelligence Service at Rietvlei near Pretoria at a cost of R58m,

□ Offices for the Geological Survey Division of the Department of Mineral and Energy Affairs, including a forensic laboratory for the SA Police at Silverton at a cost of R40m (original estimate R30m); and

□ Offices at Verwoerdburg for the Commission for Administration at a cost of R73m (original estimate R65m); in Bloemfontein at a cost of R16m, and at Platteklouf near Cape Town at a cost of R21m.

Provision is also made in the memorandum for R158m for "unforeseen services" which arose in the 1988-1989 financial year. The amount is 75% more than the figure for the previous year and includes R51m for Defence, R12m for the purchase of buildings or construction of new buildings for the SA Police and for periodical courts, R54m for the Department of Prisons, R29m for various "building complexes, office blocks and miscellaneous services," and R29m for the "protection of buildings."

Commenting on this, Van Blommestein says PWD provides for the accommodation requirements of most "General Affairs" departments. The departments, however, decide on the priority of a particular service. The PWD is prescriptive only in so far as the number of services are concerned that can be provided within the financial limits laid down by the Treasury. The R158m for "unforeseen services" is the anticipated final cost of such services.

Spending on "unforeseen services" is mainly due to the promotion of services previously a lower priority on the building programme, urgently needed buildings, or the purchase of suitable buildings instead of constructing them from scratch.

"Expenditure on unforeseen services does not impose an additional financial burden on the Exchequer as evidenced by the reduction in real terms in the department's budget for buildings and structures," he says. ■



Restoring the Castle... R32m so far

Town clerk's package 'worth R200 000'

R1m house just one perk

JOHANNESBURG's town clerk receives an annual package worth — at market value — R200 000. Taxable value is approximately R150 000.

The main elements of the package are a R99 495 salary, council-provided accommodation in a house worth an estimated R1m, a R1 440 annual entertainment allowance, a car loan at 13,5% of up to R88 000 and pension and medical aid benefits.

In addition, the holder of the position qualifies for reimbursive travel and telephone allowances

Executive

According to tax consultants the taxable value of the package is approximately R160 000. The town clerk would pay approximately

B/Dcy 12/6/89
ROBERT GREIG

R40 000 tax in 1989/90 — but the package's market value was its attraction, said one consultant

Rent-free accommodation in the council-owned Houghton house represented a monthly saving of between R6 000 and R10 000, and the car loan was 6,5% below prime, representing a monthly saving of R476

A senior council spokesman said the town clerk's remuneration should be compared with that of a private sector executive running a company with a R1,5bn annual turnover

Management consultants specialising in senior executive placement said the package would be a reasonable one for the CEO of a medium-sized company with R25m to R30m annual turnover

The source believed that the salary-to-package proportion in the town clerk's package was low, in the private sector, perks usually represented 30% of the total package

Inland Revenue in Johannesburg said they did not comment on individual's tax positions.

The town clerk's remuneration is set by the Board on Remuneration and Service Benefits of town clerks, which is currently reviewing the basis of remuneration.

Remuneration in the highest grade, into which Cape Town and Johannesburg town clerks fall, is equivalent to remuneration of deputy directors in the public service.

Local authorities are prohibited from paying any employee more than their town clerks

□ President P W Botha earned R173 811, tax free, last year.

280

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BID 4/14/6/89

Businessmen are needed in govt — Gant

MIKE ROBERTSON

EXCESSIVE state spending on ideologically skewed projects had brought SA to its economic knees and the only solution was to get businessmen into government, David Gant, the DP candidate in the Helderberg constituency, said last night.

Speaking in Somerset West, Gant, a prominent Western Cape businessman, said industry had been warning government for years of the consequences to be expected from its gross economic mismanagement.

The Helderberg seat is being vacated by Constitutional Development Minister Chris Heunis, who won it by 39 votes from DP co-leader Denis Worrall at the last election.

"Sanctions and disinvestment aside, crippling taxation and the outflow of capital are bringing us close to a state of economic stagflation," Gant said. Unemployment flowing from this represented an SA time bomb which was the greatest possible threat to the security of the state.

With increasing unemployment and a rising birthrate it was difficult to persuade South Africans that capitalism provided the best economic system for all, he said.

By professing to be proponents of free enterprise, but instead practising socialism and self-interest, the NP was doing inestimable damage to the process of convincing blacks of the merits of capitalism.

Unique Franchise Investment

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Wasteful public spending slated ²⁵⁹

MANDY JEAN WOODS

WASTEFUL and ineffective spending in the public sector and a disregard for rules and regulations had caused deep concern, former Auditor-General Gerald Barrie said yesterday.

Speaking at an Institute of Directors in Southern Africa conference on business ethics and morality, Barrie said fraud, theft and embezzlement were not as prevalent in the public sector as might be expected. The abundance of rules and regulations made it difficult for public officials to stray from the narrow path.

"However, over the years, wasteful and ineffective spending of funds, a disregard for rules and regulations and at times neglected internal control measures have caused deep concern," he said.

The way in which officials conducted the affairs of the now defunct Department of

Information from 1973 to 1977 was the most outstanding example of this.

Secrecy was the reason this situation had been allowed to continue for so long.

Performance auditing of the use of public monies was recently introduced to the Auditor-General's office. But serious staffing problems were inhibiting its application.

Barrie said: "Unfortunately at present the Auditor-General has a major problem in that about 40% of the 600 state auditor posts are vacant. As recently as 1988 a nation-wide recruitment campaign failed to produce any results."

He said internal controls in the public sector were "to put it mildly, inadequate".

8/Dec 19/16/89

Political appointments in public service denied

star 16/6/89
Pretoria Correspondent

Political loyalties of public servants do not play a role in their chances of appointment or promotion to top posts, says the Commission for Administration.

Reacting to criticism of increasing politicisation of the public service, the commission denied the appointment of directors-general could be seen as "political".

And Public Servants' Association president, Dr Colin Cameron vouched that appointments and promotions were made on the basis of merit, and not politics.

In an inaugural lecture this week Professor Donovan Marais of the Unisa department of political science said the Government had increasingly tightened its grip on the public service.

Professor Marais said top officials' appointments had to be approved by the relevant Minister, which opened the door for political appointments.

They were required to swear an oath of secrecy, and information released by departments often reflected an obsession with Government policy. Increasing public exposure, and television appearances, showed support for Government policy, he said.

Dr Cameron said Professor Marais's comments were his perceptions and interpretations of the situation in the public service.

Professor Marais declined to comment on the reaction to his lecture



Professor Donovan Marais... Party politics in the public service is here to stay.

(250)

~~250~~

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Professor Donovan Marais ... Party politics in the public service is here to stay.



'No bias' in choice of top civil servants

AKKUS 19/6/89 250

The Argus Correspondent

PRETORIA. — Political loyalties of public servants do not play a role in their chances of appointment or promotion to top posts.

Reacting to criticism of increasing politicisation of the public service, the Commission for Administration denied the appointment of directors-general could be seen as "political".

In his reaction, Public Servants Association president Dr Colin Cameron said top public servants had to have an understanding of the government because they were obliged to carry out its decisions. But he vouched that appointments and promotions were made on the basis of merit, and not politics.

Party-politics

In an inaugural lecture this week, Professor Donovan Marais of the Unisa department of political science said the government had increasingly tightened its grip on the public service, especially in the P W Botha era, and party-politics was a reality "here to stay" in the public service.

Professor Marais said top officials were appointed on a five-year contract basis, and their appointments had to be approved by the relevant

minister. This opened the door for political appointments

They were also required to swear an oath of secrecy, and information released by departments often reflected an obsession with government policy. Increasing public exposure, including television appearances, showed support for government policy, he said

The commission said term appointments were not political but provided a "mechanism for renewal" at a level "where extremely high requirements are set" Terms could be shorter than five years, but could also be extended, with the approval of the individual and the minister concerned.

All senior officials, as well as other public servants who dealt with confidential matters, had to swear an oath of secrecy, "or make an appropriate affirmation"

The purpose of this was to ensure that officials realised they were not at liberty to disclose information to which they may have had access during the course of their duties.

Dr Cameron said Professor Marais's comments were his perceptions and interpretations of the situation in the public service.

R1-bn of government pensions go private (250)

Finance Staff

About R1 billion of public service pension fund money will be freed for new investment once the Finance Bill, which was passed in the last parliamentary session, becomes promulgated

The total cash in the government service pension fund is estimated at R5,2 billion this fiscal year, of which R1 billion will be moved away from the Public Investment Commission to private fund managers

According to newspaper reports this morning four institutions — Corbank, Old Mutual, Southern Life and Standard Merchant Bank — have been selected out of 24 applicants to manage R250 million each once the bill is promulgated

But, while investment in futures and options will be allowed, no money can be diverted into equities and fund managers will only be able to invest 75 percent of their money into government stocks and 25 percent into semi-gilts

This will change dramatically when hundreds of million rands, invested in the Sats pension fund, are also thrown open to private institutions for fund management

According to the Finance Bill, this money can now be invested in equities and other investments and the Johannesburg Stock Exchange could see a significant share of this money

The government service and the Sats pension funds are plagued by massive deficits and the greater flexibility allowed in managing the funds through the privatisation process should result in better returns and a subsequent reduction in the shortfall

ISO
 Email
 23/6/89

STATE FINANCES

The last straw

Even the most diehard government supporter must surely be coming to realise that SA simply can't afford Nat economic mismanagement any longer. The latest State revenue and expenditure figures (see *Economy*) must surely be the final evidence of this, to anyone who still needs it

Perpetual railing against wicked international bankers and the total onslaught are all very well, but the sorry fact is that, even apart from them, government is unable to keep its own house in order

We are continually told that we mustn't read too much into a single month's figures. Eventually that excuse wore thin with the repeated inability to meet self-imposed monetary targets; it did with inflation (remember that single-digit target?), soon it will with the State finances, too.

At a time when we need less government and when privatisation and deregulation are accepted policy, we are still transferring resources from the private to the public sector. Chris Stals admits elsewhere in this issue (see *Leaders*) that the recent corporate loan levy was designed to do just that. And Dawie de Villiers is still going around reassuring civil servants that privatisation will not mean job losses.

What cloud-cuckooland do our top policymakers live in? Bluntly, we can no longer tolerate fiscal policy and demand management that put the burden on the private sector in both good times and bad, while the public sector goes on

expanding in numbers and improving its employment conditions relative to the private sector. Nor can we tolerate the fiction that privatisation will not mean job losses, nor the slow pace of deregulation and erosion of inefficient, expensive protected vested interests in so many sectors.

(In parenthesis, of course the *FM* accepts that we need more teachers and nurses, but there must be offsetting cutbacks elsewhere. Don't tell us it can't be done; Sats has disproved that. There's no reason to think other public-sector "utilities" are any more efficient than the old Sats, to say nothing of the redundant government departments whose sole function seems to be to interfere with the workings of the market, or individual freedoms. And after September 6, we can save quite a few highly paid posts in the State President's office, too.)

The fact is that, even had international conditions been more favourable, the policies of the National Party would still have brought progressive, if slower, impoverishment

Conservative Party policies, on the other hand, would bring progressive, but somewhat faster, impoverishment.

We believe businessmen are becoming increasingly restive at this government's apparent inability to address either the political or economic problems that face us.

We hope they will express this through the ballot box on September 6. It wouldn't be scaremongering to call it the last chance. ■

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BALANCE OF PAYMENTS

Trading down

23/6/89

If economists needed any encouragement to cut projections for the current account they got it last week, from the May trade figures. Imports soared to a record R3,9bn, up R200m from April, despite tough curbs in the past few months to slow the economy and deter imports. And exports, supposed to be boosted by the sinking rand, dropped from R4,51bn in April to R4,36bn.

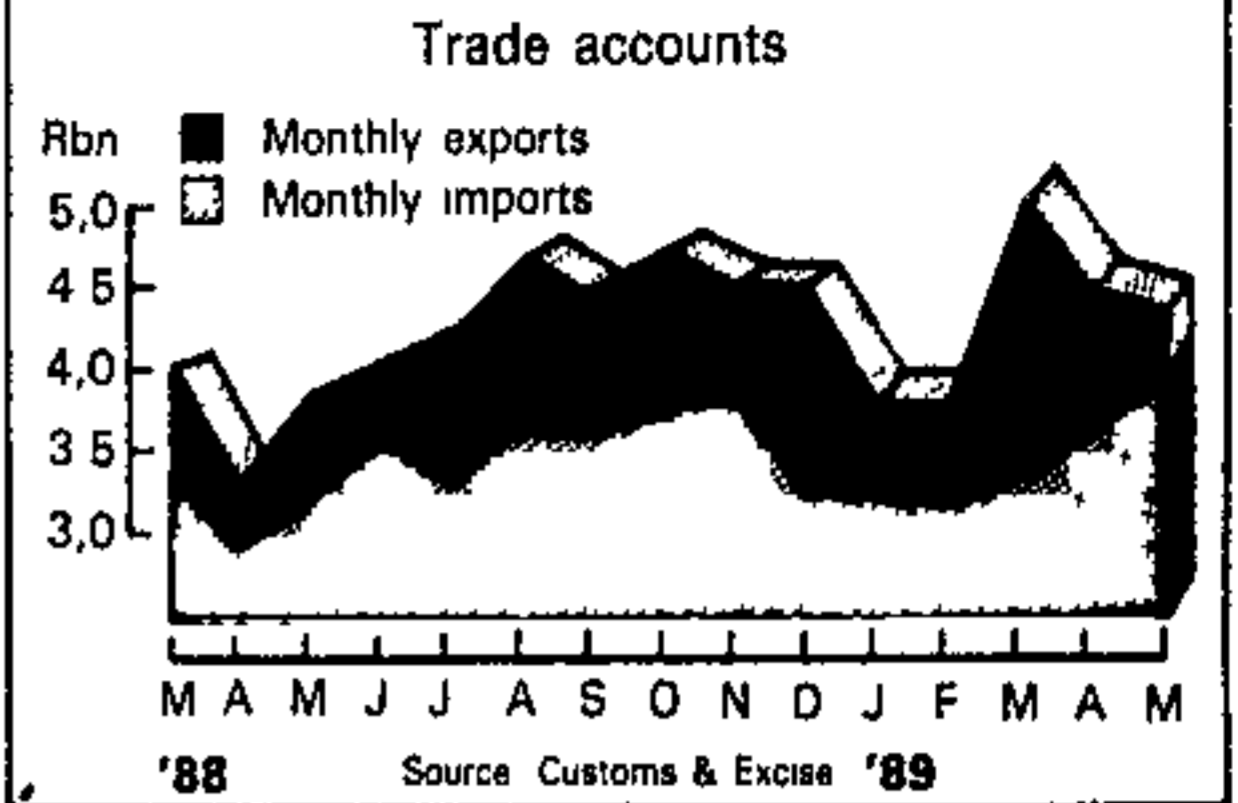
A narrowing trade surplus, R456m compared with R817m in April, raises concern that the current account surplus will shrink so much it won't meet debt payments this year. That could mean another tightening of the economy by Pretoria to reduce consumer spending further and limit imports.

At the beginning of the year, Bank of Lisbon economist Fred Costa e Silva projected the current account surplus would top R3bn. Now he's projecting R2,5bn. "Devaluation of the rand is not helping exports as much as I thought it should. I expect agricultural and metal exports to be up but it's just not enough. If gold drops below US\$350, the surplus could drop below R2bn."

Sanlam's Johan Louw predicted a surplus of R4,4bn and has trimmed that only slightly. "We might still make R4bn, given a substantial cooling off in the economy later in the year," he says. "The only worrying factor is the gold price, but the rand is also weakening so that is making up for it. We still hope gold will rebound later in the year."

Econometrix was conservative in its projection — R2bn — and is sticking to it. "The rand is performing much as we expected," says economist Tony Twine. "But the abso-

Surplus narrows



lute strength of the dollar against everything took us by surprise."

Twine says dollar strength helps the current account because exports are priced in dollars and most imports in D-mark, sterling or yen, which have lost nearly as much ground against the dollar as the rand. "Each dollar of export earnings is worth more in the D-mark we need to repay. So though the balance of payments remains under pressure, there are some favourable circumstances."

Southern Life economist Mike Daly predicted a surplus of R4bn-R4,5bn. Now he says "We'll probably be lucky to make R4bn but we'll be from R3bn-R4bn, certainly not below R3bn."

He expects a "a big turnaround in the fourth quarter," with real growth in exports for the year reaching 3% and imports down by the same percentage. "It'll just cover known debt repayments, but capital leakages can't be forecast. It's a small margin."

Pessimism may be premature. The surplus for the first quarter was a healthy R1bn. The second quarter's may disappoint but patience is required: a weak currency does not make an overnight impact on exports, and consumers don't do a sudden about-face in buying habits when credit gets tighter. ■

BOARD NOTICE 56 OF 1989

TOWN CLERKS' COUNCIL

DETERMINATION OF QUALIFICATIONS AND EXPERIENCE

In terms of the provisions of section 8 (a) (iii) read with section 18 (3) of the Profession of Town Clerks Act, 1988 (Act No 75 of 1988), hereinafter referred to as "the Act", the Town Clerks' Council, after consultation with the Education Advisory Committee defined in Section 1 of the Act and after consideration of the objections and comments submitted in terms of section 29 (1) of the Act, determines:

1. That for registration as 'n professional town clerk and prospective town clerk the minimum educational qualifications and practical experience shall be as follows.

(a) A relevant Bachelor's degree or up to and including 31 December 1992, any other relevant educational qualification approved by the Council in each case, plus

(b) membership of the Institute of Town Clerks or, up to and including 31 December 1992, any other relevant professional institute or society as approved by the Council in each case; plus

(c) 10 years relevant practical experience.

For the purposes of this provision and provision 4 hereunder—

(i) membership of the Institute of Town Clerks, or any other relevant professional institute or society referred to in paragraph (b) above, is deemed to be an educational qualification, and

(ii) relevant with regard to a Bachelors degree, educational qualification, professional institute or society and practical experience, means the Bachelor's degree, the educational qualification, the professional institute or society and the practical experience relevant to the theory and practice of local government and the functions of a Town Clerk, as contained in section 28 of the Act.

2 A person may not be appointed as Town Clerk of a local authority which has been classified in Grades 1 to 15, as contemplated in section 18 (3) of the Act, unless he has been registered as a professional or a prospective town clerk.

3 Any person appointed on or before 5 July 1989 as a Town Clerk of any local authority graded 1 to 15, as contemplated in section 18 (3) of the Act, and who does not comply with the provisions of 1 above shall in terms of section 21 (2) (b) be registered as a registered Town Clerk

4 That in terms of section 20 (3) (b) of the Act general exemption is granted to each local authority—

(a) in grades 1 to 9 as contemplated in section 18 (3) of the Act, to appoint a person as town clerk, notwithstanding the fact that he is not registered as a professional, registered or prospective town clerk, provided that such person shall meet the undermentioned educational qualifications and practical experience in respect of the undermentioned grades in which local authorities have been divided in terms of section 18 (3) of the Act

RAADSKENNISGEWING 56 VAN 1989

RAAD VIR STADSKLERKE

BEPALING VAN KWALIFIKASIES EN ONDERVINDING

Ingevolge die bepalinge van artikel 8 (a) (iii) saamgelees met artikel 18 (3) van die Wet op die Beroep van Stadsklerke, 1988 (Wet No 75 van 1988), hierna "die Wet" genoem, bepaal die Raad vir Stadsklerke na oorlegging met die Onderwysadvieskomitee soos omskryf in artikel 1 van die Wet, en na oorweging van die besware en kommentare wat ingevolge artikel 29 (1) van die Wet ingedien is.

1 Dat 'n persoon oor die volgende minimum opvoedkundige kwalifikasies en praktiese ondervinding vir registrasie as 'n professionele stadsklerk of 'n voornemende stadsklerk moet beskik

(a) 'n Toepaslike Baccalaureus-graad of, tot en met 31 Desember 1992, 'n ander toepaslike opvoedkundige kwalifikasie wat in elke geval deur die Raad goedgekeur is, plus

(b) lidmaatskap van die Instituut vir Stadsklerke of, tot en met 31 Desember 1992, enige ander toepaslike professionele instituut of vereniging soos goedgekeur deur die Raad in elke geval, plus

(c) 10 jaar toepaslike praktiese ondervinding

Vir die doeleindes van hierdie bepaling en bepaling 4—

(i) word lidmaatskap van die Instituut vir Stadsklerke of enige ander toepaslike professionele instituut of vereniging bedoel in paragraaf (b) geag 'n opvoedkundige kwalifikasie te wees, en

(ii) beteken toepaslik met betrekking tot 'n Baccalaureus-graad, opvoedkundige kwalifikasie, professionele instituut of vereniging en praktiese ondervinding die Baccalaureus-graad, die opvoedkundige kwalifikasies, die professionele instituut of vereniging en die praktiese ondervinding wat betrekking het op die teorie en praktyk van plaaslike regering en die funksies van 'n stadsklerk, soos vervat in artikel 28 van die Wet

2 Dat 'n persoon nie as stadsklerk van 'n plaaslike owerheid wat in Grade 1 tot 15 soos bedoel in artikel 18 (3) van die Wet ingedeel is, aangestel mag word nie, tensy hy as 'n professionele stadsklerk of voornemende stadsklerk geregistreer is

3 Dat 'n persoon wat voor of op 5 Julie 1989 as 'n stadsklerk aangestel is van 'n plaaslike owerheid wat in grade 1 tot 15 soos bedoel in artikel 18 (3) van die Wet ingedeel is en wat nie aan bepaling 1 voldoen nie, ingevolge artikel 21 (2) (b) van die Wet as 'n geregistreerde stadsklerk geregistreer moet word,

4 Dat algemene vrystelling ingevolge artikel 20 (3) (b) van die Wet verleen word aan elke plaaslike owerheid—

(a) wat in Grade 1 tot 9 soos bedoel in artikel 18 (3) van die Wet ingedeel is, om 'n persoon as stadsklerk aan te stel ongeag of hy as 'n professionele stadsklerk, voornemende stadsklerk of geregistreerde stadsklerk geregistreer is, mits hy ten opsigte van die onderstaande grade waarin plaaslike owerhede ingevolge artikel 18 (3) van die Wet ingedeel is, oor die onderstaande opvoedkundige kwalifikasies en praktiese ondervinding beskik:

INVESTMENT

PSL facing tough report

THE widespread network that keeps me supplied with information I'm probably not supposed to have has come up with another winner — a management report on the Public Servants League (PSL)

The report's findings draw a picture of what is almost a classic model of the bureaucratic style of union

The league has been around for more than 20 years and claims about 40 000 members falling under the Commission for Administration, mostly in the lower grades of the service

Like other staff organisations in the state arena it has often been criticised for not playing a more assertive role in representing member interests

and in recent years has been subjected to internal strains and rumblings, especially since more forceful unions have started recruiting members among state employees

At Groote Schuur, one of the larger branches, the league is also being "white-anted" by the National Education, Health and Allied Workers' Union, a Cosatu affiliate whose members played a major role in the industrial action at the hospital last year

The consultants' report set out to identify the major problems facing the PSL, analyse their cause and recommend possible solutions

Although it warns that the material should be viewed in conjunction with comments made at discussions, without which incorrect conclusions could be drawn, it all seems fairly basic

For a start, the league has about 28 000 paid up members, or about 23 percent of potential membership which the report concludes is due to ineffective recruitment

The consultants' findings on the PSL's mission and goals are that it has unrealistic constitutional objectives, diverse views about ideal goals and no formal development of functional goals in support of its mission, and concludes that achievement of its objectives is impossible

Findings on strategy are that there has been little formal long-term strategic planning, its constitutional goals have not been translated to short-term operating goals, poor marketing of benefits to members with the majority of membership being based on insurance benefits, and slow adaptation to changes in the labour legislation environment.

They found the PSL's structure was top heavy and inappropriate with poor management control systems. The management information system was undeveloped, financial administration system incomplete and control of expenditure authorisation inadequate

When it comes to bargaining power, the report found that the PSL had "sub-optimal" power, a result of its low percentage representation, low public profile, direct involvement of its decision-maker in negotiations and restrictive legislation

Steps have, however, been set in motion to eliminate some of the maladies and start a five-year plan which includes "significant progress towards a public service collective bargaining system similar to that provided by the Labour Relations Act"



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can 7/1/85 30/6/89

Public service to ask for 15% rise

JOHANNESBURG — The board of directors of the Public Servants' Association of South Africa (PSA) has resolved to submit urgent representations to the government for a general salary adjustment of 15% as well as for the voting of additional funds for "occupational differentiation"

This was resolved at a meeting, a press statement from PSA said yesterday.

Representations will, simultaneously, be submitted for the adjustment of civil pensions. The average annuity of a pensioned member of the government service pension fund is presently R15 079 per annum, and that of widows, R6 306 per annum

According to the statement the real value of the annuity of civil pensioners on June 1 1989 was as follows:

- Retirements from 1965 to 1973. 61,9% to 89,2%
- Retirements from July 1973 to end of 1975. 51% to 57,5% and
- Retirements from 1976 to 1985. 58,7% to 70,4%

"In addition to a 12% adjustment which was granted on November 1, 1988, SATS staff will receive a further salary adjustment of 10% effective from July 1, 1989," said PSA general manager Mr Hans Olivier.

— Sapa

Public servants are to demand new salary rise

SLAV 30/6/89 250

Pretoria Correspondent

Public servants are calling for a 15 percent salary increase and an adjustment of pensions.

The Public Servants' Association (PSA) is to ask the Government for a second pay adjustment this year.

This follows a meeting of the PSA board of directors in Pretoria at which details of a salary survey were discussed.

In a statement yesterday, the PSA said the Government had failed in its policy of occupational differentiation and public servants earned 17 percent to 46 percent less than counterparts in the private sector.

The survey indicated that South African Transport Services (Sats) workers would get an additional 10 percent from July 1, and employers in the pri-

vate sector would grant increases of 14 to 18 percent during the year.

The only remedial action would be another general salary adjustment, said the PSA.

PSA general manager Mr Hans Olivier attributed the failure of the occupational differentiation policy to insufficient funds allocated for public service salaries.

A total of R50 million was allocated during the current year.

This, he said, would be enough to adjust only the salaries of 27 occupational classes.

There were 179 occupational classes, he added, which had received no real improvements in the past three years.

Referring to the plight of public service pensioners, he said the average annual annuity was R15 000 a year.

Govt to pay R60 pension bonus

Political Staff

GOVERNMENT has decided to pay a R60 bonus to all social pensioners irrespective of race

The bonus will be paid in October and is to be funded out of the R1 billion Contingency Fund created in the Budget.

In all, R128m will be paid out of the fund which, when it was established, critics said would be used for "election sweeteners".

Representations

Finance Minister Mr Barend du Plessis said in a statement that since the Budget the government had received urgent representations, in particular from the three Ministers' Councils, to consider either increasing social pensions or paying a bonus.

Mr Du Plessis said 2 143 000 pensioners would receive the bonus.

DP Finance spokesman Mr Harry Schwarz said it was now obvious that pensioners should welcome regular elections because it meant they at least got something from the government.

He welcomed the fact that the bonus was to be paid to all pensioners irrespective of race, but said that R60 in today's inflationary climate, while welcome, was an extremely meagre amount.

Privatisation: scrapping of posts outlined

B/Dam 6/7/87

GERALD REILLY

PRETORIA — Significant progress had been made in government's aim to strip the public service of all activities which could be served by the private sector, Commission for Administration chairman Piet van der Merwe said yesterday.

The structure of the entire public service could change, he said.

Recently announced was the privatisation over the next three years of catering, cleaning and horticultural services. Currently 38 000 public servants were employed by these services.

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Projects



The contracting out of road-building and maintenance would reach 75% by 1994/95. At present an annual budget of R2,2bn and 32 000 workers were involved in these activities.

In addition to functions already approved for privatisation, more than 80 possible projects were in the pipeline. Duplication and overlapping of functions in the public service was a cause for concern, but

since rationalisation during 1979/80 much had been done to eliminate this.

He pointed out a personnel standstill was imposed in the service in 1978 in an effort to curtail staff expenditure. Since then a large number of posts had been abolished.

During last year the net result of all establishment changes was a reduction of 5 286 posts. The commission also recommended nearly 500 officers for early retirement.

In the drive towards greater productivity, work programming and financial incentive schemes had been implemented.

Van der Merwe said in determining public service salaries, the point of departure was the levels of pay and other service conditions in the general labour market. Job security enjoyed by the professional group in the service was taken into account.

He stressed that public service salaries did not lead the market, but followed it.

Opposition queries govt's timing



Public service to get R30m housing bonus

B/Dam 317/59

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PUBLIC servants who already receive annual housing subsidies totalling about R334m are to get a further R30m in interest assistance this year.

Administration and Privatisation Minister Dawie de Villiers said yesterday public servants would receive interest subsidies of between R40 and R80 a month from June to the end of the financial year.

The announcement follows hard on the heels of government's decision to pay R128m from its R1bn contingency fund in bonuses to social pensioners

Opposition spokesmen said the timing of both announcements was clearly linked to the election

Government sources said more than R500m of the contingency fund had been allocated in the first quarter of the financial year

A spokesman for De Villiers's office said it was not certain whether the interest subsidies for public servants would also come from the fund, they could be funded from savings by the Commission for Administration

Public servants at present receive full interest subsidies on mortgages up to R50 000. A public servant with a R50 000 mortgage receives an interest subsidy of R516 a month

A total of 54 000 public servants receive the subsidies and qualify for the supplementary payments. The spokesman said it was expected that R30m would be spent on

MIKE ROBERTSON

the supplementary subsidies in the 10 months to the end of the financial year

De Villiers said interest rates on mortgages had reached high levels, which had brought financial pressure to bear on personnel in the public sector, pressures that "could not always be accommodated within normal monthly budgets

"Government has therefore decided to institute a supplementary monthly housing subsidy to alleviate this financial burden and to ensure that personnel in the public sector are not exposed to situations where they no longer can afford to keep their existing houses," he said

The supplementary subsidies would vary between R40 and R80 a month, depending on outstanding loan balances.

De Villiers said as interest rates decreased, the supplementary subsidy would be reduced and then phased out.

"The supplementary housing subsidy is aimed at partially subsidising the interest rate on outstanding debt in excess of R50 000"

DP finance spokesman Harry Schwarz said. "It looks as if the R1bn kitty is being syphoned off one day at a time in a way which is very convenient for government from an election point of view"

Schwarz said it had to be asked why, if government felt it necessary to assist public servants, it had not done so at the time of the Budget

Instead of adopting a total approach to dealing with the country's economic problems in the Budget, government was catering for special interest groups, he said

● Comment. Page 6



● DE VILLIERS

R30m gift

CAPL Times 7/7/89

to public servants

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Political Staff

PUBLIC servants who already receive annual housing subsidies totalling some R334 million are to get a further R30m in interest assistance this year.

Administration and Privatisation Minister Dr Dawie de Villiers announced yesterday that public servants would receive interest subsidies of between R40 and R80 a month from June until the end of the financial year.

The announcement follows hard on the heels of the government's decision to pay R128m from its R1 billion contingency fund in bonuses to social pensioners. Opposition spokesmen said the timing of both announcements was clearly linked to the coming election.

Government sources said that more than R500m of the contingency fund had been allocated in the first quarter of the financial year.

A spokesman for Dr De Villiers's office said it was not certain whether the interest subsidies for civil servants would also come from the contingency fund. It was possible that the subsidies could be funded from savings by the Commission for Administration.

At present, civil servants receive full interest subsidies on mortgages up to R50 000. A civil servant with a R50 000 mortgage receives an interest subsidy of R516 a month.

A total of 54 000 civil servants receive the subsidies and qualify for the supplementary payments. The spokesman said it was expected that R30m would be spent on the supplementary subsidies in the ten months to the end of the financial year.

Dr De Villiers said that interest rates on mortgages had reached high

levels which had brought financial pressure to bear on personnel in the public sector.

"These pressures cannot always be accommodated within normal monthly budgets."

He added "The government has therefore decided to institute a supplementary monthly housing subsidy to alleviate this financial burden and to ensure that personnel in the public sector are not exposed to situations where they no longer can afford to keep their existing houses."

Dr De Villiers said that as interest rates decreased, the supplementary subsidy would be reduced and gradually phased out.

Democratic Party finance spokesman Mr Harry Schwarz said "It looks as if the R1bn kitty is being syphoned off one day at a time in a way which is very convenient for the government from an election point of view."

To page 2

From page 1

'Sweetener' for public servants

Mr Schwarz said it had to be asked why, if the government felt it necessary to assist civil servants, it had not done so at the time of the budget.

"What about the ordinary man in the street and his problems which are far bigger than those of civil servants?"

Instead of adopting a total approach to dealing with the country's economic problems in the budget, the government was now providing for special interest groups.

When the government created the multi-million-rand "slush fund", Mr Schwarz said the money would be used for buying votes, "and this seems

to be what is happening"

"The next thing you know, the government will be exchanging R10 cash for each vote."

Mr Keith Wakefield, national president of the Institute of Estate Agents, said the supplementary subsidy was "inflationary and comes at a time when everyone should be sticking to their budgets. Who will look after the private sector?"

Mr Peter Gastrow, MP for Durban Central and DP spokesman on manpower, last night slated the announcement.

"The hand-out is so blatant it is cheap," he said.

"This, together with the recent pension hand-out, makes one wonder why the Electoral Act has a clause preventing candidates from 'treating' voters."

"It is an indication that all other messages of political persuasion by the government have run out. Instead of being a sign of confidence, this is one of desperation."

250

We want

Mystery oil spill soils 88 penguins

Staff Reporter
AN inexplicable oil spill this week soiled 88 Dyer Island penguins

Conservationists are puzzled by the spill which recurs annually without any apparent source, affecting hundreds of penguins on this east-coast island

The 88 jackass penguins were yesterday removed from the island by members of the SA National Foundation for the Conservation of Coastal Birds (Sanccob) and caged for rehabilitation at the foundation's Rietvlei rescue station

Rescue station manager Mr Andre Meyer yesterday said that neither Sanccob nor scientists could explain why oil-soiled penguins had been found on the island each June for the past four years

Rough seas

Citing June figures of oil-soiled penguins found on the island east of Danger Point, Mr Meyer said that 153 birds were contaminated in June 1986, 49 in 1987, 45 in 1988 and 88 this year

Rough winter seas and strong currents could have swept the deadly crude oil from deeper water, said Sanccob honorary secretary Mrs Eva Vorster

BUSINESS BRIEF

Gold (Ldn close)	\$384,75
Gold (NY close)	\$381,75
Rand	R2,6860
FT index (close)	1815,00
BD 100	3150,90
Dow Jones	2487,00

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Current limit is 'too low'

Can trip 8/7/89

250

By PETER DENNEHY

PUBLIC servants are pleased with the R30 million "interest assistance" the government will give them on their home loans — but now they want more.

Mr Hans Olivier, general manager of the Public Servants' Association, yesterday welcomed the R40-R80 a month supplementary housing subsidies announcement yesterday, but complained that the present R50 000 limit — beyond which bondholders are not subsidised — was too low

Few three-bedroomed houses cost less than R85 000, he said, and therefore the current limit was too low

Over the years, his association had made representations several times for an increase in the limit, and it regarded the announcement as a response to its requests

The chairman of the Teachers' Federal Council (TFC), Professor Hennie Maree, complained that the subsidy limit had not been increased since 1983

'Untenable position'

"A large number of government employees who were compelled to obtain mortgage bonds of R80 000 and more, are at present in an untenable financial position — especially a large number of young people"

The TFC had been negotiating with Mr FW de Klerk to lift the limit, and for "interim emergency procedures" for those with bonds over R50 000

"Certain understandings have been reached with the Minister of National Education," Mr Maree said "The benefit as announced is unfortunately not in keeping with the arrangements agreed to. Therefore the representations of Council were only partially successful"

● The granting of an additional housing subsidy to public servants was another "election ploy," the Conservative Party said yesterday

CP spokesman on Administration and Privatisation, Mr Fanie Jacobs, said the NP Government was trying to create the impression it was helping civil servants, but it was the taxpayers who were in fact carrying the financial burden of the new subsidy

The Democratic Party candidate for the Florida constituency, Mr Norman McFarlane, also noted the move as "a vote-gathering tool" for the NP

(News by Peter Dennehy, 122 St George's Str Cape Town, P Strydom and Ken Daniels, 141 Commissioner Street, Johannesburg)

● 'NP talk unsurprising' — Page 2



PUSS IN BATH. . . The Western Cape Cat Club will be holding 61st Championship Cat Show today at the Gordon's Inn, Liesbeek Parkway, Mowbray. Receiving the full treatment, in preparation for the show, is "Red Baron" a red Persian groomed by Mr Williams at a parlour in Sea Point. Picture: GLENN

Cancer risk for mil

LONDON — Women who regularly consume milk, yoghurt and cheese run a far greater risk of developing cancer of the ovaries than those who avoid dairy produce

Experts at the Harvard School

of Public Health said in the Lancet Medical Weekly, released yesterday, that the risk of milk-drinkers getting ovarian cancer was three times greater than for women who did not drink milk

A total of 235 cancer sufferers

Public sector seeks promise of hikes by year-end

B10am 13/7/87

PRETORIA — Public sector staff associations are maintaining pressure on government for undertakings of pay hikes before the year-end

Post Office workers are demanding 20% pay hikes from July.

But Communications Minister Stoffel Botha told a Postal and Telegraphs Association delegation this week he could

GERALD REILLY

give no assurance of across-the-board rises in the immediate future.

However, he said, salaries were continually adjusted to match private sector pay levels.

The teaching profession is also agitating for pay adjustments before the

year-end Teachers got a 7% increase last December and a general 15% public sector rise in January

The pay issue and "inadequate" housing benefits were raised again recently in talks between the Teachers' Federal Council and National Education minister F W de Klerk. Further talks are expected soon.



~~1111~~ BLOWN 19/7/89

Makatho Mandela (left) and his son, Mandla, the son and grandson of jailed ANC leader Nelson Mandela, arrive at the Victor Verster Prison yesterday on the elder Mandela's 71st birthday, carrying gifts of fruit and flowers wrapped in the ANC colours. Picture REUTER

Public servants to press for immediate pay rise

PRETORIA — The Public Servants' Association (PSA) will meet Administration Minister Dawie de Villiers before the end of the month to press for immediate 15% pay rises for 750 000 central government and provincial workers.

PSA directors claimed that civil servants' salaries were running 20% behind the private sectors' at the end of the first quarter this year, even taking into account the 15% increase given to all public sector workers in January.

PSA GM Hans Olivier said the PSA was also pushing for improved housing benefits. The R50 000 ceiling for mortgage in-

GERALD REILLY

terest subsidies was unrealistically low and failed to take into account the escalation in property prices (250)

Also on the agenda would be the "pathetically" inadequate amount set aside for occupational differentiation increases in the Budget.

Meanwhile, the Teachers' Federal Council is giving urgent attention to linked associations' demands for salary adjustments. A meeting with National Education Minister F W de Klerk is expected soon

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Vol 289

PRETORIA, 21 JULY 1989
JULIE

No. 12021

GENERAL NOTICE

NOTICE 862 OF 1989

PUBLIC SERVICE BURSARY SCHEME.— BURSARIES FOR 1990

Purpose

The purpose of the Public Service Bursary Scheme is to enable selected candidates to equip themselves for positions in the entry grades in the Public Service.

General information

Bursaries for full-time study are granted from funds of the Office of the Commission for Administration. The bursaries are not to exceed the following amounts per year.

(a) Full-time study

(i) Universities

Actual tuition and residence fees plus R1 380 (Non-residents—an amount in lieu of residence fees equal to the minimum amount applicable at the particular university.) Maximum amount of bursary is R6 900.

(ii) Technikons and Colleges

Actual tuition and residence fees plus R1 040. (Non-residents—an amount in lieu of residence fees equal to the minimum amount applicable at the particular institution.) Maximum amount of bursary is R5 100.

(b) Part-time study

(i) Universities

Actual tuition fees plus R380. Maximum amount of bursary is R2 000 at residential universities and R1 300 at UNISA.

(ii) Technikons and Colleges

Actual tuition fees plus R270. Maximum amount of bursary is R1 140.

Bursaries for part-time study are available only to officers in the Public Service

ALGEMENE KENNISGEWING

KENNISGEWING 862 VAN 1989

STAATSDIENSBEURSSKEMA.— BEURSE VIR 1990

Doel

Die doel van die Staatsdiensbeursskema is om gekeurde kandidate in staat te stel om hulle vir betrekings in die toetreerange in die Staatsdiens te bekwaam.

Algemene inligting

Beurse vir voltydse studie word toegeken uit fondse van die Kantoor van die Kommissie vir Administrasie. Die grootte van beurse is hoogstens die volgende per jaar:

(a) Voltydse studie

(i) Universiteite

Werklike akademiese en losiesgeld plus R1 380. (Nie-koshuisgangers—laagste bedrag losiesgeld deur betrokke universiteit gehef.) Maksimum bedrag van beurs is R6 900.

(ii) Technikons en Kolleges

Werklike akademiese en losiesgeld plus R1 040. (Nie-koshuisgangers—laagste bedrag losiesgeld deur betrokke instansies gehef.) Maksimum bedrag van beurs is R5 100.

(b) Deeltydse studie

(i) Universiteite

Werklike akademiese gelde plus R380. Maksimum bedrag van beurs is R2 000 t o v residensiele universiteite en R1 300 t o v UNISA.

(ii) Technikons en Kolleges

Werklike akademiese gelde plus R270. Maksimum bedrag van beurs is R1 140.

Beurse vir deeltydse studie is slegs aan beamptes in die Staatsdiens beskikbaar.

Public servants ask for wage increases

Own Correspondent

PRETORIA — A Public Servants' Association delegation came away from a meeting yesterday with Minister of Administration Dr Dawie de Villiers with little more than vague promises.

Dr De Villiers told the delegation it would "probably" not be possible to grant general salary increases in the service during the current financial year.

Public sector workers got their last increase in January — 15% across the board.

Dr De Villiers said, however, that specific occupational adjustments would be within the financial capabilities of government.

PSA president Mr Colin Cameron said Dr De Villiers was asked for a 15% general salary increase in the current financial year.

Salary increases were the order of the day in the private sector and the gap between the two sectors was widening. The general salary rise in January had helped stem the exodus of well-trained personnel but resignations were again on the increase.



Who rules the roost?

Johannesburg is simply not being run like a major city



Is Johannesburg being properly run? The starting-point for an answer has to be the latest municipal budget.

It wasn't popular as if to defuse criticism in advance the management committee conceded that the increases were substantial — and suggested it had taken a good deal of courage to present a budget of this nature. Opposition critics have alleged that if the Nat-controlled management committee hadn't kept the rates unrealistically low in 1988 with an eye on the municipal elections a little less "cour-

age" would have been necessary. Pressure for increased accountability is now certain — the Nats have lost their overall majority with the Landen by-election and the Democratic Party (DP) and Conservative Party (CP) seem prepared to co-operate when it suits them both in outwitting the Nats.

Representing an average increase of 20% the R1 8bn budget provides for hikes in all major services: sewerage tariffs up 50%, water 45%, gas 15%, bus fares 20%, electricity 10%-15%, assessment rates 14%. Nevertheless, there will still be deficits of R6.6m in the sewerage department, R1.5m in water, R28m on the buses.

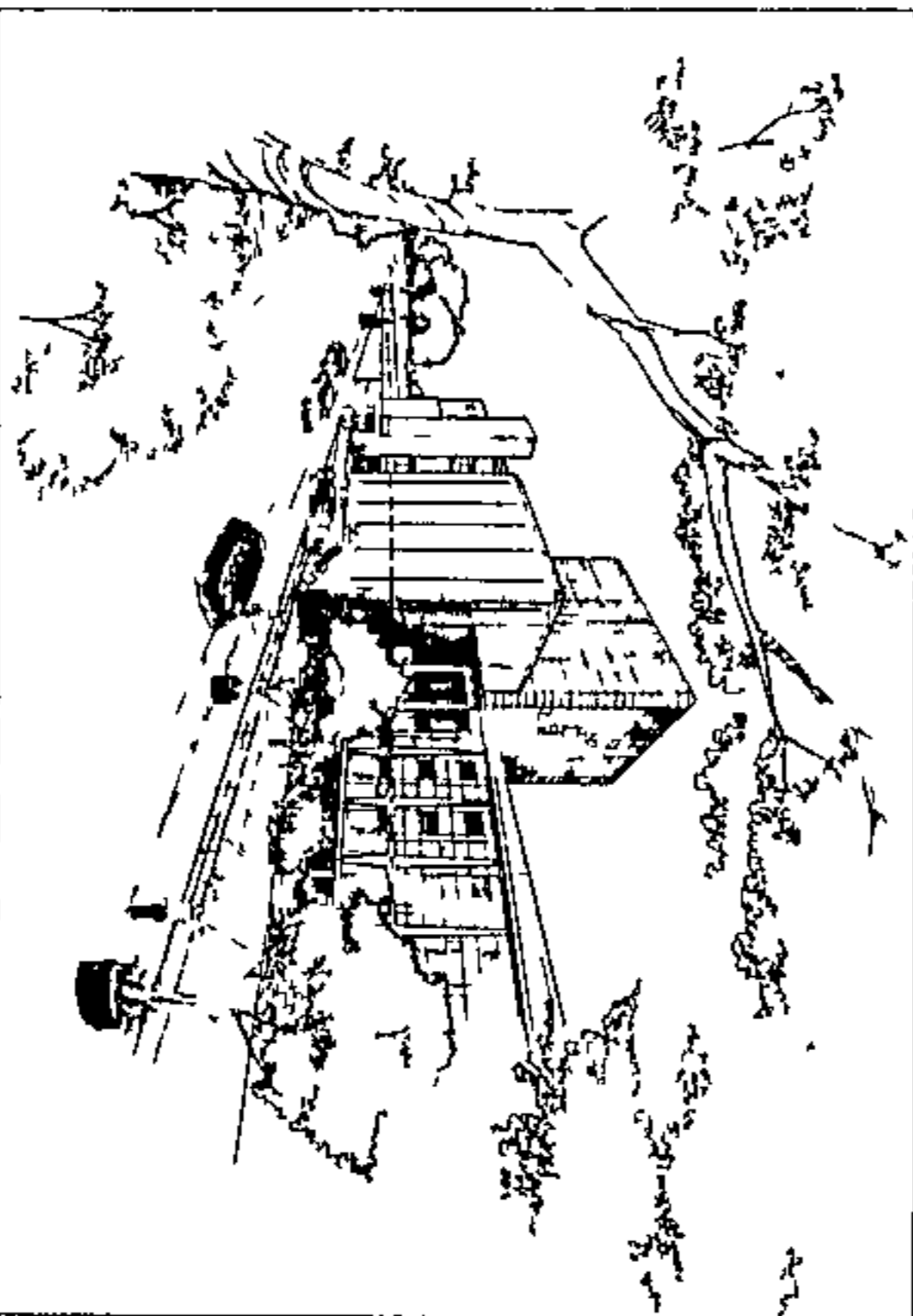
This is no sudden lurch into the red. In the year ending June 30 1989 the council had an operating loss of R34.9m, in 1989-1990, it expects an operating loss of R14.3m. The argument is that without tariff increases the loss could reach R200m. Deficits are met from "savings built up over the years" when there was no loss.

average increase of 20% is still ahead of inflation, estimated by the council at 15%-16% and some of the sectoral increases are right off this scale. It is true that inflation will add about R170m to the operating budget this year — but the council has been accused particularly by the DP, of overspending, of failure to budget properly or to keep proper controls — and generally poor business management.

Certainly given the "climate" which Burger adduces as a reason for stringency it is disquieting that R400 000 has been earmarked for civic functions and entertainment — and an additional R103 000 for floral decorations. At first glance these amounts may seem reasonable for a city like Johannesburg. But consider Cape Town's earnings of only R191 225 for entertainment while Durban set aside R170 000. Possibly the most controversial expenditure

trips around the country. Burger and his colleagues claim that these visits are invaluable to SA in forging links with the rest of the world — a function one would have thought rested if any where, with Foreign Affairs. And the programme has failed to attract anyone of particular stature. If the Department of Foreign Affairs is convinced that Johannesburg has a diplomatic role to play, it should at least help to foot the bill for these visits. As it is the council passes costs on to already burdened ratepayers.

These visits could be justified if they promoted capital investment in the city or raised money to cover the deficits. However, it can be safely argued that the management committee has a duty to report back on achievements of the programme. It hasn't done so. The massive bureaucracy on Civic Hill seems secure in the budget a third — R544m — was set aside for salaries and allowances. DP council leader Tony Leon suggests that in view of the council's earlier decision to drastically streamline staff, the increases must be attributable to "across-the-board salary and benefit increases of alarming magnitude". The budget also provides for an additional R30m in special contributions by council to the pension fund and joined medical scheme.



How the new Civic should look . . . costly splendour

ture of all is the R1m allocated for the entertainment of foreign visitors — something neither Cape Town nor Durban does. Last year, almost R1 3m was spent funding visits to SA by "foreign delegates".

The credentials of these guests remain top secret, as do preparations for and details of their visits. DP councillor Claire Quail con-firms that agendas and minutes are collected after each meeting to ensure "security".

Then in addition to the R1m, R140 000 a year is spent on staffing the programme, some employees are said to receive car and dress allowances over and above their salaries. The council has also footed the bill when these staff members accompany visitors on

a 50% increase on last year's allocation. Concern has regularly been expressed by the opposition that an inordinate amount of power rests in the hands of one man, Pearce. He is known to have taken paid leave to coordinate traffic at the Rand Show in the past earning himself an estimated R100 000 for the fortnight. Though Pearce obtained permission from the council and is not prohibited from doing such work by local ordinances, many council officials as well as councillors feel there are moral and ethical considerations at play. The operation is now run by a corporation whose chief director is Pearce's wife. It must be assumed that the award of this contract was done by the appropriate body at arm's length — and its merits or otherwise considered carefully.

A glaring symbol of Jo'burg's alleged spendthrift ways is the R37m set aside for the renovation of the Civic Theatre. It has been raised again and again by critics such as Leon. The amount represents 10% of the entire capital budget of R382m.

Burger argues that this amount will be funded from the Fixed Property Fund (mostly fixed property) and not from rates. Leon counters this. The operating account would benefit to the tune of at least R7 5m a year in finance charges — if the money had been differently apportioned.

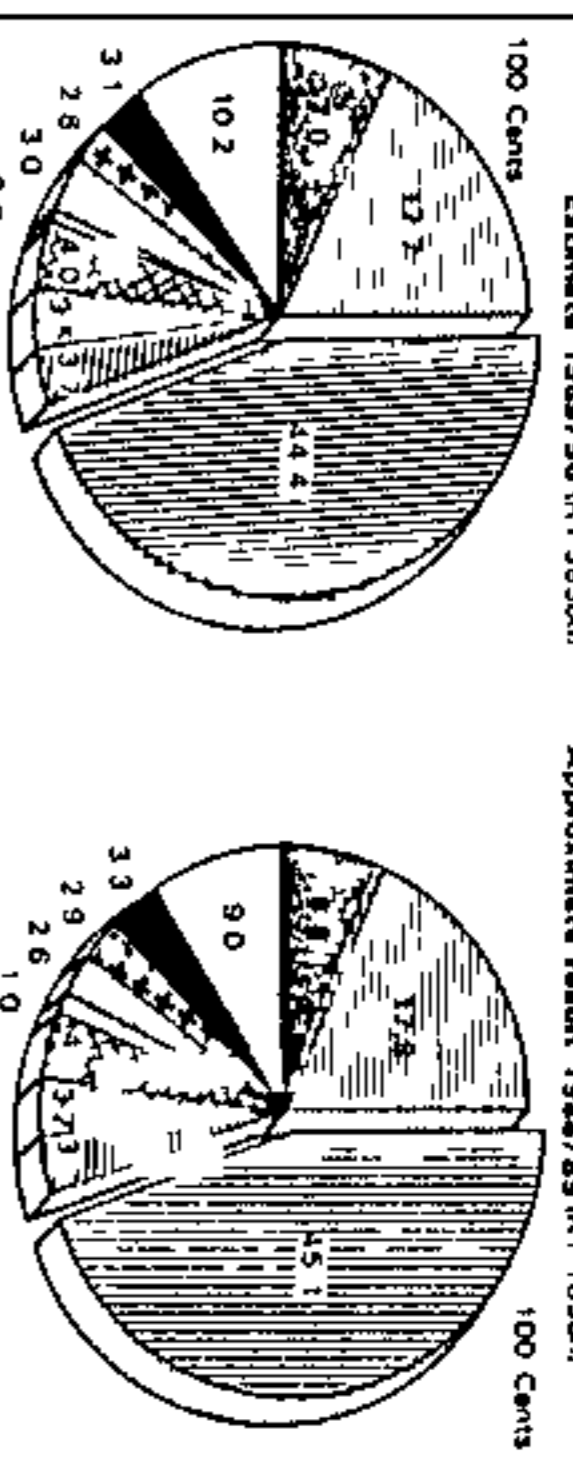
The issue of the Civic poses questions related to efficient business management. In 1986-1987 the city council allocated R27m for the renovations, meant to place the Civic on a par with the Pretoria State Theatre. Of this R27m, the State was to contribute R10m.

But then, two years later the renovations are not finished and another R37m is required. The total cost could end up exceeding R100m according to DP sources and a senior council official.

While increased surcharges on stage equipment do account for some cost rises, it seems likely the original estimates were either badly budgeted unrealistic, or poorly researched in any case, all the other large State theatres have been funded by the province concerned, or directly from government coffers.

Where it comes from

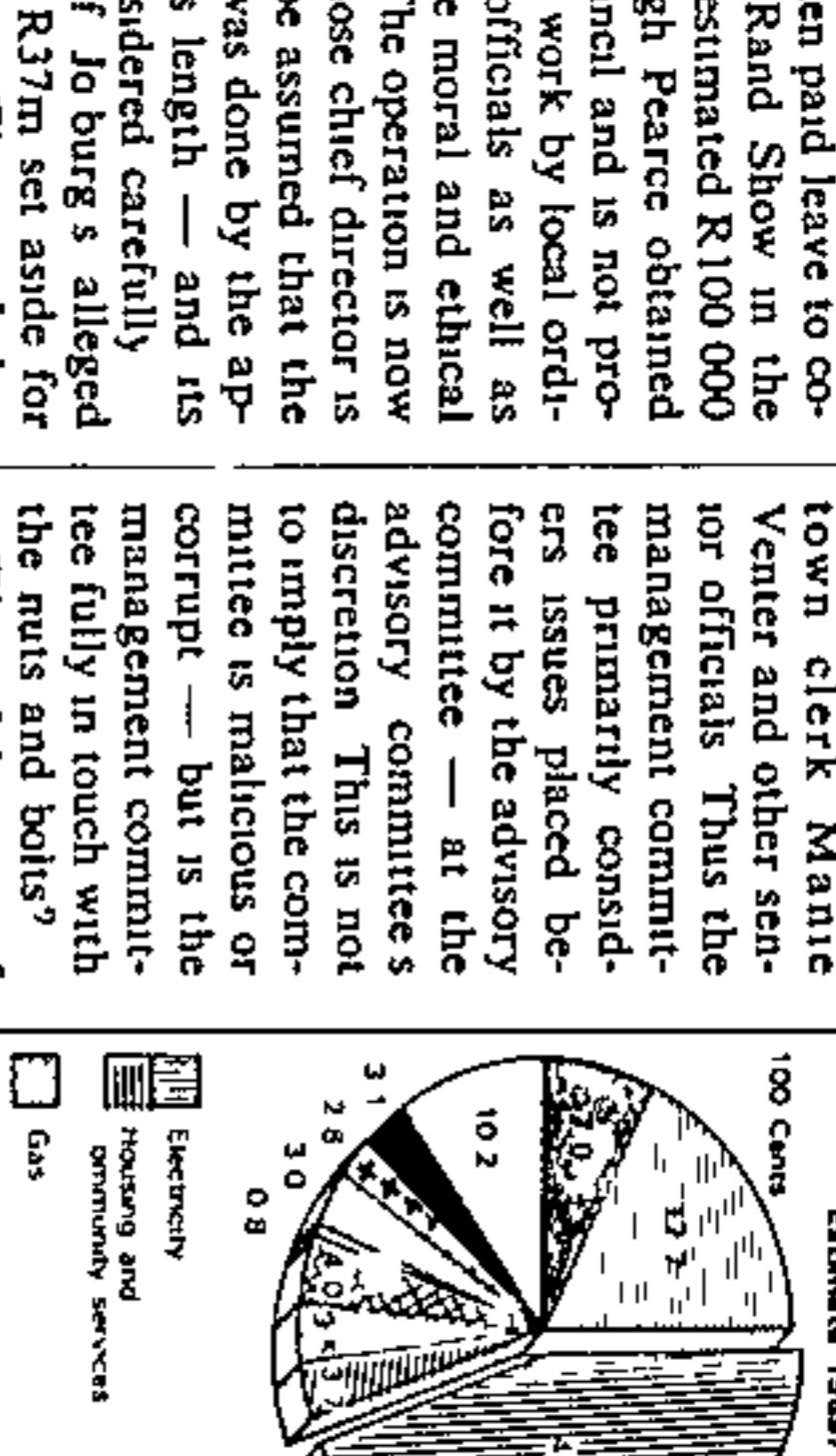
How every R1 operating income is obtained



Approximate result 1988/89 (R1 195bn)

And where it goes

How every R1 operating expenditure is spent



Approximate result 1988/89 (R1 200bn)

screened and often taken by a management advisory committee, consisting of town clerk Manie Venter and other senior officials. Thus the management committee primarily considers issues placed before it by the advisory committee — at the discretion. This is not to imply that the committee is malicious or corrupt — but is the management committee fully in touch with the nuts and bolts?

This dilution of power apparently began when Francois Oberholzer was ailing, he effectively delegated many of his powers to council officials. An important question here is whether the present management committee has the expertise to manage its officials.

Mr Jo'burg — certainly Oberholzer — did he was reputed to know every paragraph in every bylaw and he probably wrote a few of them. His successor in local government so Zyl was experienced in local government so were many of the old United Party councillors. But do any of the latest batch of elected councillors know enough to control the civil servants?

Civic officials are quick to defend expenditures by drawing analogies with business — and the rights and perks of company directors. On the face of it, this is reasonable — presiding over an annual budget of R1.8bn is a full-time business requiring efficient administration. That's the point. Directors are judged by their profit performance and don't have security of tenure.

At this stage Johannesburg's top priority should be the rationalisation of staff and services coupled with the privatisation of some existing services. For example the

Durban City Council has partially privatised bus services in the first year the scheme saved R250 000. In the US privatisation of local services is both commonplace and cost-effective.

The Johannesburg business community also needs to be involved in the affairs of the city. In its recent involvement with the planning of the CBD business proved it has the skills and financial resources the city desperately needs. "It is clear business will get involved given the opportunity," says newly elected Johannesburg DP leader-in-waiting, stockbroker Ian Davidson.

However, while Johannesburg is run by the present management committee, it seems that rationalisation and privatisation are not likely to succeed — if they ever occur. To make matters worse the strange provisions of the Remuneration of Town Clerks Act seems to enshrine and further encourage bureaucracy. In terms of this Act, authorities which divest themselves of their asset base — private them in other words — are penalised, all wages and salaries are determined according to a number of variables which include the amenities and facilities controlled by the municipality. Leon describes this as a "hindrance to efficiency and productivity which needs to be rethought".

The city still runs — and lots of professionals do their jobs well — there's no doubt about that. The problem is the principle of control. Pressure must be put on the management committee to involve businessmen more — they would promote privatisation from a knowledge of how it should work — and to ensure that petty officials have no more power than they should have.

This, of course, places a responsibility on business. Like Jo'burg's citizens generally, they have avoided local politics. In this sense the city has the rulers it deserves. But as disquiet over the functioning of the current leadership mounts, this should change Johannesburg, after all is a major city — and the home of great sections of SA business. That it should be properly run is of signal importance to all its citizens.



Public sector pay bill 'up 27%'

*CME Times
19/8/89
250*

JOHANNESBURG — Official figures show that the public sector pay bill has risen by 26,9% since March last year, despite the government's refusal to increase civil servants' salaries by more than 15% in the past 12 months

In the same period from March 1988 to March 1989, full-time staff numbers in the departments for own and general affairs and the provincial administrations rose by only 2,2%, according to figures supplied by the Central Statistical Service

The figures are part of a breakdown of employment and salaries and wages in the entire public sector, which includes parastatals, universities, agricultural marketing boards, self-governing homelands, local authorities and public corporations. It employs 1 688 639 people

The quarterly gross salary, wage and bonus cost of the public sector has risen to R7,3 billion (quarter ending March 1989) from R6,2 billion (to March 1988). Overall employment in the sector dropped by 0,6%. Average salaries and wages for the entire sec-

tor, at current prices, have risen by 20,2% compared to the 1988 quarter ending March

Some categories of public sector workers have had special increases. 22% for teachers in January 1989 and 12% for SATS workers in September 1988.

Civil service employees now represent 43,7% of the public sector employees. A year ago, the number was 43,0%.

However, though numbers are dropping, civil service salary costs have risen faster in the past year than those of the public sector as whole

(Report by R Greig, 11 Diagonal St, Jhb)

Govt income racing ahead of Budget

CMA-71475
21/8/89

250

Own Correspondent

JOHANNESBURG — Government revenue is racing far ahead of Budget with fiscal drag and continued strong domestic demand swelling the coffers. Central Statistical Services (CSS) figures released at the weekend show Exchequer revenue in the first four months of the current fiscal year was 41,3% higher than the same period last year. Government has budgeted for an increase of 16% in revenue for the full financial year.

The massive increases in government revenue have helped swell the Exchequer's bank balance to a record R9,2bn — almost four times the amount it had at the Reserve Bank a year ago.

The tax windfall has raised fears that a repeat of the previous fiscal year's overspending is on the cards.

In 1988/89, government spent its extra revenue and ended the year with an 18% increase in spending instead of the budgeted 12,6%.

CSS figures for government expenditure indicate government is already spending at a faster rate than the previous fiscal year. After four months, it has already spent 34,8% of its R65bn Budget — compared with only 31,7% in the April-to-July period last year.

Democratic Party finance spokesman Harry Schwarz said "Much of the extra revenue will probably be used for public service salary adjustments. An increase for teachers seems likely."

It would be prudent, however, to use extra revenue to reduce the need to borrow on the capital market.

"If government is using tax as a policy measure to cool domestic demand, it would make sense to use that extra income to reduce the deficit before borrowing. I expect this to happen to some extent, although part of the extra revenue will be spent," Schwarz said.

The revenue breakdown for the first four months is not yet available, but CSS figures for the period April-to-June show income tax (excluding gold mines) rose by 40,4% from the previous year.

Economists said this reflected fiscal drag and continued strength in the economy.

Schwarz said direct taxes should have been reduced in the Budget to compensate for the effects of inflation. The petrol levy, too, could be reduced.

CSS figures show income from the fuel levy was up 77,9% to R981,6m in the first three months of the fiscal year compared with last year.

Proof of a buoyant economy was evident from General Sales Tax receipts, which rose at a much higher rate than inflation (39,7%).

Surcharge receipts rose by 183,8%. Government has reaped R578,2m in import surcharges in the first three months of this fiscal year — mainly reflecting the raising of surcharges in August last year.

250 ~~100~~ Annual 1/9/89

Getting the wheels down

While private consumption expenditure peaked when it rose an annualised 5,5% in the third quarter of 1988, consumption by general government was steady in the fourth quarter and rose "very strongly" in the first quarter of 1989

In the first quarter, Reserve Bank Governor Chris Stals says in his (maiden) annual address to shareholders this week, the rapid rise in real government expenditure was "the principal factor accounting for the temporary resurgence of aggregate real gross domestic demand. The increase of more than 3,5% (in) real government consumption expenditure from the second quarter of 1988 to the second quarter of 1989 stands in contrast to the mild decline in aggregate real GDE during that period"

How does this square with Barend du Plessis' claims that government spending is being held back?

Stals points out that in the second quarter, government expenditure fell significantly

It is essential that this continues. As Stals has already pointed out (*FM* August 25), high government expenditure in 1984-1985, while GDE was declining, was unfortunate and should not be repeated

Not surprisingly, the summing up of the economic outlook in the Bank's annual report released this week is cautious. "Output and spending trends in the first half of 1989 were still compatible in general terms with the broad projection for 1989 that underlay the monetary authorities' adoption of a target rate of growth for M3 of 14%-18%". By mid-August, "little uncertainty remained that domestic spending and production activity were cooling down"

However, there are serious reservations

"In the light of certain untoward balance of payments developments — notably the sharp further drop in the dollar price of gold in the first half of 1989 — doubts could still be entertained whether spending and output were in fact slowing down at an appropriate

speed and to the requisite extent"

The point is reiterated "By the early third quarter, doubts could still be entertained whether the landing in prospect might not turn out to be too soft or too long-drawn out from the point of view of a comfortable handling of the balance of payments and foreign reserve situation"

Stals speaks also of the need to confront inflation

In 1985-1987 inflation was not regarded as a priority because of pressing short-term problems and "indeed, some inflation was perceived as forming part of the unavoidable adjustment process which the economy had to undergo" — a debatable point. In 1988, however, the authorities "recognised the emerging danger of a new escalation in inflation. With a new phase of economic consolidation under way, the main emphasis of monetary policy has been switched to the curtailment of inflation"

Stals declares himself determined to bring down growth in money supply to the target range of 14%-18%. "Positive real rates of interest should be maintained and the foreign reserves strengthened to afford the authorities more freedom of action in the management of the rand"

The report discusses unusual flows on both capital and current account since the imposition of financial sanctions in 1985. Despite the 1986-1988 upswing, it says, the current account has stayed in surplus, except for a fleeting dip "into a marginal deficit in the first quarter of 1988"

It compares the "cumulative current account surplus from the beginning of the upswing in the second quarter of 1986 to the end of 1988 (which) amounted to 3% of the concurrent GDP" with a 2% of GDP surplus in the expansion of 1978-1981 and a 1,6% deficit in the mini-boom of 1983-1984.

The quarterly average surplus (seasonally adjusted annual rate) of R2,3bn in 1989 represents a significant shrinkage from pre-



vious surpluses of R5,9bn, R7,2bn, R6,2bn and R2,9bn since 1985. However, if (as the report thinks likely) the upswing technically came to an end in late 1988 or early 1989, we can expect the surplus to strengthen as import demand declines.

When this will happen remains problematical, to judge from the soaring revenue from the import surcharge

Certainly, exports have been booming. In 1988 they were 7,5% higher than in 1987 and in the first half of 1989 "strengthened further at a seasonally adjusted but unannualised rate of 16%, from their average level in 1988. The rand value of merchandise exports — incorporating the effect of exchange rate depreciation on export volumes as well as on the rand equivalent of foreign export proceeds — rose by 25% in 1988 and at a seasonally adjusted and annualised rate of 25,5% in the first half of 1989 from its average level in 1988"

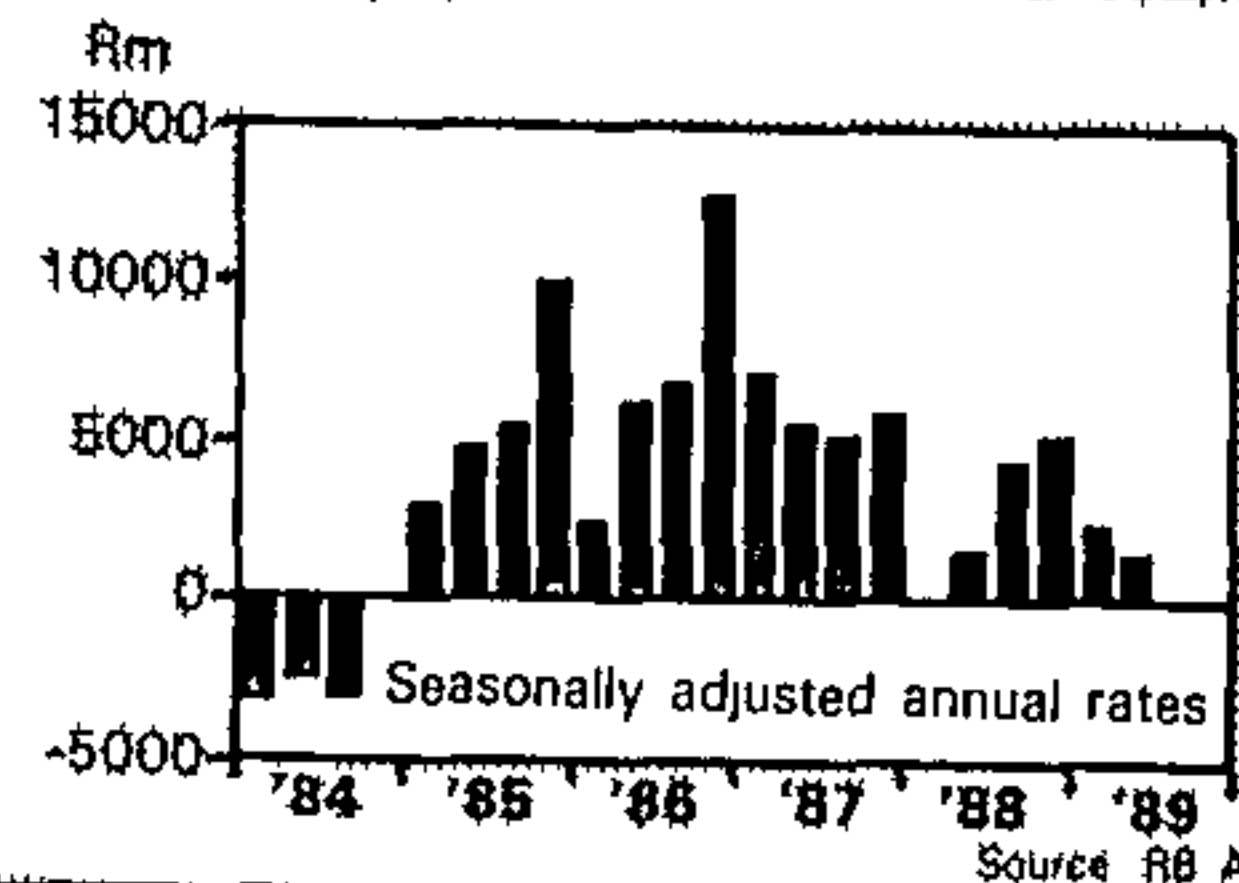
However, despite the unusual success in keeping the current account surplus relatively high through a period of economic expansion, the balance of payments is under pressure. Unexpectedly heavy outflows of capital in the four quarters to 1989 exceeded current account surpluses of a seasonally adjusted annualised R5bn in the second half of 1988, and R2,3bn in the first half of 1989.

In 1988, net outflow of capital not related to reserves totalled R6,5bn. "Thereby 1988 became the first year since 1985 in which the outflow of non-reserve related capital exceeded the surplus on the current account". In the first half of this year, the outflow reached R2,9bn

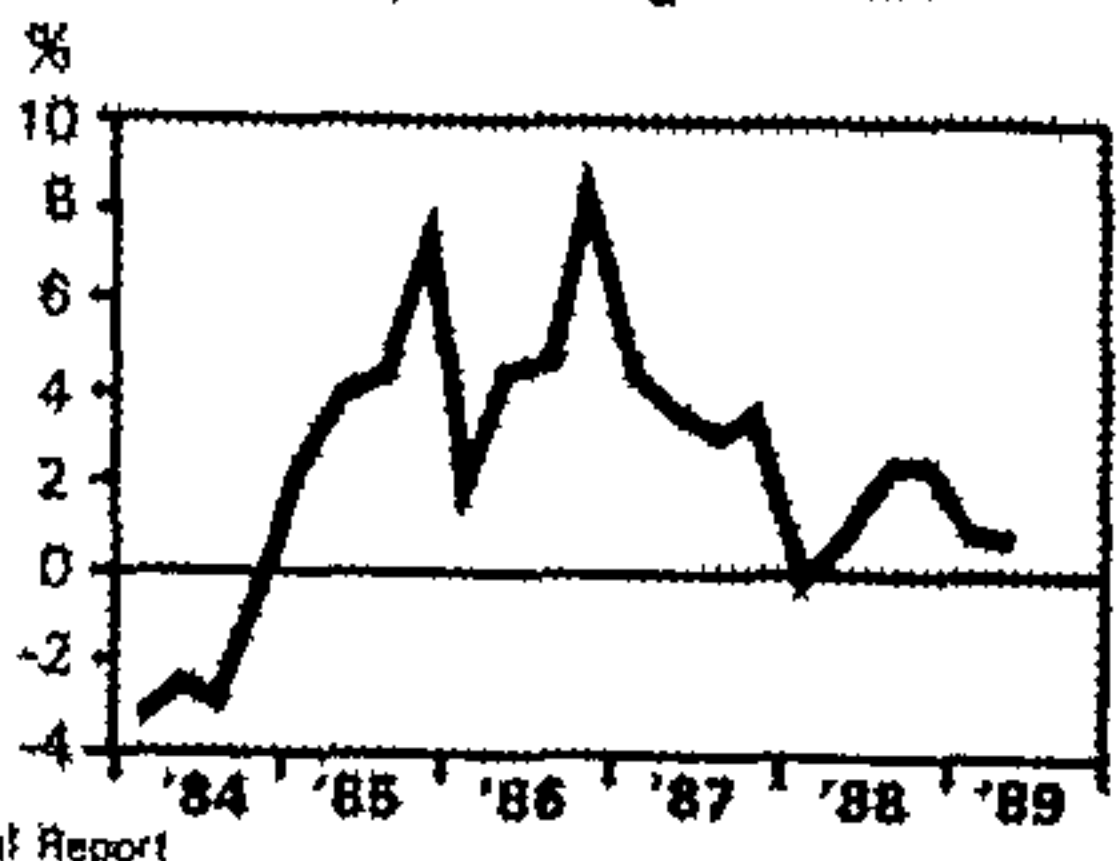
Long-term outflows, R1,1bn in 1988, were at the same level in the first half of 1989. This was due to maturation of bearer bonds and notes, rather than any fundamental economic impetus, says a Bank spokesman. Heavy outflows also resulted from non-

Time for a turn around

Balance of payments on current account



As a percentage of GDP



Source: RB Annual Report

P.T.O.

1/9/89 (250) (S) Mail

residents being net sellers of securities

Outflows of short-term capital (including unrecorded transactions) were R5,5bn in 1988 and R1,8bn in the first half of 1989. This at least was a great improvement, presumably due to the success of various inducements to borrowers to seek overseas funding. "A substantial portion of outflows in 1988 appears to have represented switching from foreign to domestic sources of trade financing, on the basis of anticipated declines in the effective exchange value of the rand." However, a R450m increase in 1988 foreign asset holdings (much of it related to export promotion) contributed to the outflow.

As a result of these outflows, at a time when the current account surplus narrowed, total gross foreign reserves dropped from their high of R8,7bn (US\$4,2bn) in August 1987 to R6,7bn (\$2,8bn) at end-1988. By end-June they recovered in rand terms to R7,4bn but dropped further in dollar terms to \$2,7bn. Recent reserves have been equivalent to 1,5-1,75 months' imports of goods.

After a 3,1% gain in the rand's trade-weighted value in 1987, it fell 16,6% in the 10 months to October 1988 and a modest 3% thereafter. Deceleration in the decline was due to a recovery between October and January and a mild reversal in the unit's fortune since it hit a record low against the US dollar of R2,8743 on June 15.

The overall tenor of the report and governor's address suggest further action on the economic front is likely. Both inflation and balance of payments problems indicate interest rates will have to go higher if they are to remain positive. And unless they are positive, they are an invitation to South Africans to borrow, consume and import. ■

The empire strikes back

Jan Burger, chairman of the Johannesburg Management Committee, takes exception to the *FM's* cover story of August 4 — "To Laugh Or To Cry" — which criticised the management of the city.

The comment that Johannesburg's deficits are met from "savings built up over the years when there was no loss" is hopelessly misleading.

The council has, since time immemorial, followed a financial policy based on the bringing and carrying forward of surpluses (or deficits) from one financial year to the next. This is a *current* situation, which mainly affects only two or three immediately consecutive financial years.

What has happened is merely that some of the operating deficit relating to 1988/1989 has been financed from an income surplus generated in the previous financial year; and the same is expected to apply to the 1989/1990 financial year.

It is also incorrect to suggest that I have attempted to attribute the so-called harsh increases in the latest budget solely to "the general economic malaise." The Johannesburg City Council is not unique in experiencing problems of this nature. I stand by my statement that our budget for the present year is eminently sound.

The accusation that we do not budget properly or keep proper controls is absurd. The budgets are prepared by the various heads of departments, in consultation with review committees which are composed of the council's most senior officials, and the draft estimates are then presented to the Section 60 committees (Planning & Environment, Health and Housing, and so forth), on which councillors from all political parties serve, for consideration.

The estimates, in whatever revised form, are considered by the management committee, whereafter they must be approved by the full council.

As far as controls over expenditure are concerned, the review committees mentioned above, the management committee itself, and various officials, most pertinently the City Treasurer, all exercise continuous control over all the major income and expenditure facets of the budget.

The evident obsession of various persons with the council's budgets for civic entertainment and floral decorations is a little difficult to fathom.

These items represent an infinitesimal fraction of a percent of the operating budget, and, were they omitted entirely, would not have had a perceptible impact on any of the council's tariffs or rates.

The provision for the overseas guests programme is similarly not a major budget item, and, furthermore, has been debated at length in the council chamber and through the medium of the press. This programme has

helped us to forge invaluable links with foreign mayors, councillors and leading figures in various professions, and has proved of considerable assistance in the council's overseas loans negotiations.

And briefly:

□ The question of a municipal security department for Johannesburg has been debated at length, and this could be the embryo of the municipal police force, the need for which has been widely propagated,

□ John Pearce is not a law unto himself, but is subject to exactly the same code of conduct as any other official or head of department,

□ The management committee will do everything in its power to limit the financial burden which ratepayers will have to bear for the Civic Theatre,

□ The management committee advisory committee is not a sinister "cabal" but is simply a corporate management team;

□ Delegation of authority to officials is a normal process, and an inevitable part of the efficient administration of a city as large as Johannesburg.

It does not represent any devious attempt by officials to usurp the governing function of elected councillors;

□ The average increase in the council's budget is not 20%, as stated by your reporter, but 17,8% for the operating budget. This compares very favourably with the projected inflation rate for the next 12-month period — conservatively estimated at 18%-19%,

□ The deficit on the bus service is mentioned in your article as though it is a novel occurrence. Nevertheless, your reporter has failed to notice that the last time the Transport Department achieved a surplus was in 1944/1945.

Moreover, in 1977 the management committee pegged the deficit on this service at 40% of its annual operating budget (in line with the recommendations of the Driessen Report). This ratio has been maintained ever since that date,

□ The special contributions to Jomed and the pension fund are an annual institution, and merely represent the council's share of the financial commitments of these bodies; and

□ The Remuneration of Town Clerks Act is solely designed to control remuneration, and there is no proof that it has in any way hampered the privatisation process.

The quality of the city's financial administration is best indicated, I believe, by the evident confidence which the business community has in the prosperity of our city. No better proof of this confidence is needed than all the highly visible building activity taking place in the CBD.

The *FM* replies:

In preparing the article the *FM* was referred by all council officials to Pieter Mathee, the acting town clerk. Mathee confirmed its fac-

tual accuracy after requesting certain changes.

Nowhere in our article do we suggest or imply that Burger attributes the increases *solely* to the general economic malaise. However, this is virtually the only explanation he gives in his budget speech for the increases.

The article notes that the council has been accused, "particularly by the DP, of overspending, of failure to budget properly or to keep proper controls." Though Burger believes these accusations are "absurd," they have nevertheless been made repeatedly and particularly in relation to the renovations of the Civic Theatre.

The *FM* approached one of the largest construction firms on the Reef to analyse the costs involved in renovating the Civic — in 1986/1987 estimated at R27m and now believed to exceed R100m. Though this firm confirmed that surcharges on stage equipment are high, and do account for many cost rises, it believes it likely the original estimates were either "badly budgeted, unrealistic or poorly researched."

The attention given to the Civic Theatre was not excessive: the R37m allocated to its renovation this year alone represents 10% of the entire capital budget of R382m.

The *FM* said that the amounts for civic functions and entertainment and floral decorations seemed reasonable for a city like Johannesburg — but that comparisons with other big metropolitan cities are important to place them in perspective. While the R1m allocated for the overseas guest programme may well not be a major item, it is nevertheless a substantial amount spent on a project that should not form part of municipal endeavour.

The Security Department, over which there is total secrecy, consumes R25m of taxpayers' money without accountability.

A code of conduct which allows an official to undertake other employment while on leave is in need of reassessment.

Burger's argument that "the Transport Department last achieved a surplus in 1944/1945" in no way justifies the present expected deficit of R28m. If anything, it highlights the inadequacies of the service.

The 1989/1990 budget and Burger's budget speech give no indication of how the special contributions to Jomed and the pension fund improve the situation of lower-paid pensioners.

This amount (R30m) is merely reflected as an additional allocation to staff benefits which means that in total more than a third of the R1,4bn operating expenditure budget is set aside for salaries, allowances and staff perks.

A better gauge of the efficiency of the city's administration than the extent of present building activity is the faster pace at which the business districts of satellite towns have grown. ■

Star 5/9/89

PSA makes demands

Public servants want New Year break

Pretoria Bureau

Public servants are agitating for a holiday over the Christmas/New Year period.

This has been revealed in the report of the Public Servants Association's executive committee, to be presented to the PSA's annual meeting in Pretoria on September 25

The report says that various general service conditions were submitted to the Commission for Administration — the body which controls the public service — for discussion

One is for the introduction of a "Christmas recess" and another that a shift allowance to be introduced "to compensate for the inconvenience caused by working shifts"

Overtime

The PSA also says the maximum salary to which overtime pay is calculated should be increased, a housing loan scheme implemented and a motor vehicle loan scheme for officials at Assistant Director and higher levels introduced

Subsistence allowances should also be revised, while benefits to assist officials stationed at isolated centres "with regard to visits to larger centres for medical reasons and to purchase basic essentials" be introduced as well

● In the meanwhile, the PSA has also been told by the Commission for Administration that recommendations regarding leave of absence by public servants had been received. The PSA had asked for the introduction of maternity leave, special leave for officials in isolated areas, compassionate leave and leave during official transfers

SA needs long-term economic strategy

Cape Times 15/9/89

250

By AUDREY D'ANGELO
Financial Editor

SA cannot afford to enter a decisive stage of its political development with a struggling economy, Nic Schoeman of the University of Pretoria's Department of Economics told Cape Town business people yesterday.

It was vital to have a long-term strategy providing continuous economic growth which would lift everyone's standard of living — getting away from the business cycles SA has grown to expect.

Schoeman was speaking at an economic presentation organised by the Central Merchant Bank (Senbank) at the Mount Nelson.

Pointing out that the public sector was taking a disproportionate share of SA's skilled human resources, and that government spending was too high, he said that "the private sector should serve as the engine of growth to provide higher material welfare on a continuous basis."

The government should play a supportive role and strict rules should be applied to "the critical elements of government action, like monetary and fiscal policy."

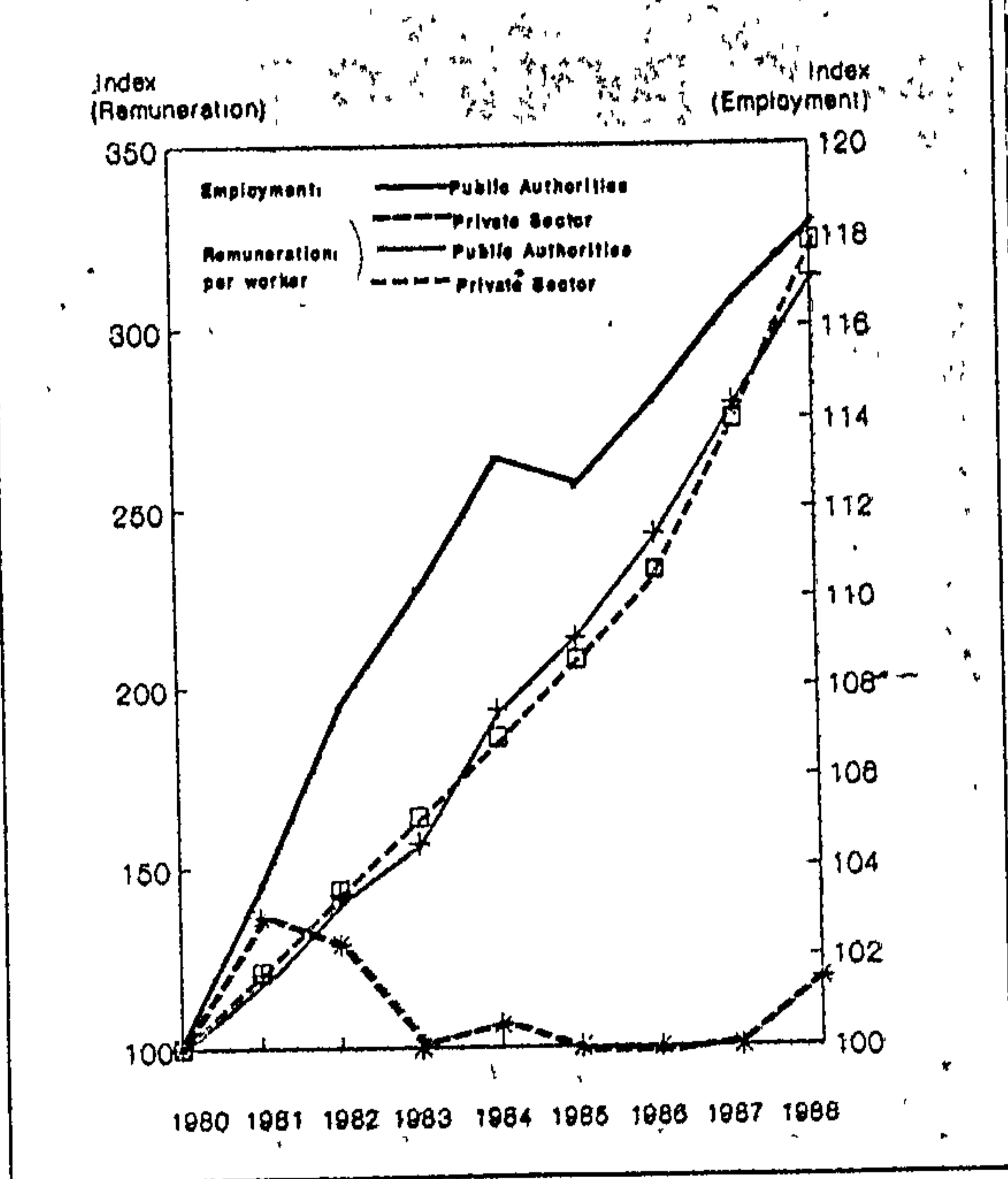
A government which broke these rules should be expected to resign.

Schoeman said that even if SA achieved a period of political stability this alone would not necessarily lead to a growth rate "which would permit a steady improvement in per capita welfare."

A well thought out, but simple, long-term strategy was necessary. His department believed that SA was capable of a growth rate of more than 5% a year.

"The composition of the SA population, and an historically skewed pattern of income distribution, urgently require that long-term economic growth be sustained at a significantly higher rate than the rate of population growth.

Figure 6 — Employment and remuneration per worker in the public and private sectors (Index, 1980=100)



Too many of SA's "scarce, skilled human resources" are being drawn into the public sector, economist Nic Schoeman said yesterday. This graph shows how the number of public sector employees — and their remuneration packages — have grown since the beginning of this decade.

"Only then will it be possible to keep up the morale of those who earn high incomes, at the same time improving the material welfare of the entire population significantly."

His department's solution was "essentially a supply-side approach, where the private sector is the engine of growth and the public sector play an important, well-planned role."

However, Schoeman continued "If the private sector is really to bring about long-term growth at a high level it must be committed firmly to the SA economy."

"To achieve this, the government must find ways and means

to ensure lasting political stability. It must protect property rights and guarantee economic freedom to all citizens.

"And it must provide certainty and stability in respect of its own monetary, fiscal and other economic policies. More than ever, official monetary and fiscal policies should be bound by strict rules, the violation of which is severely penalised — for example, by the automatic resignation of the government."

"If this can be effected, the formal and informal sectors of the economy should flourish and the supply of goods and services would then be expanding on a continuous basis."

an Airlines jet taxied to

township, Mr Nujoma...
 sands of his supporters

PREACHING PEACE... Sam Nujoma in Katutura

Wim' will put vim

250

5 Times 17/9/87

ONE of South Africa's most formidable business executives, Dr W J "Wim" de Villiers, is to be placed in charge of the public service and privatisation.

A highly qualified engineer who specialises in management and productivity, Dr De Villiers is renowned for his no-nonsense manner and a hugely impressive string of achievements in the private sector and in giant parastatal organisations.

Yesterday his appointment to the Cabinet was hailed by South Africa's leading businessmen, who saw the somewhat unexpected move as an indication that President-elect F W de Klerk was determined to introduce greater efficiency in South Africa's vast public service and to trim its off-criticised numbers. The president of the Johannesburg Stock Exchange Mr Tony Norton said the move towards appointing experienced businessmen to the Cabinet "has got to be good news". He added that Dr De Villiers had been involved in the government's privatisation programme for some time and was a good choice.

"Dr De Villiers is a man of high integrity and ex-

By MANDY JEAN WOODS and JACQUES MAGLIULO

Said Mr Ian Sims, chairman of BP South Africa "Mr de Villiers is a man of immense capability and experience in the economic field I have worked closely with him over a long period and I know he'll be a hard-working and thoughtful minister".

Resigned

A Freestater from Johannesburg, he acquired three engineering degrees from the University of Cape Town and received his early training with the Anglo-American Corporation in Zambia.

Back in South Africa he

Minister of Defence, had asked Dr De Villiers to assist with the modernisation of Armscor and the Atlas aircraft corporation — snapped up his services

Investigation

He was given special assignments to investigate the policies and structure of SA Transport Services, the Post Office and, most recent, health care services

He also undertook an extensive investigation of the giant parastatal Eskom, which led to the appointment of a new chairman, Mr John Maree. He has also served as a special adviser to the Government on privatisation

THE NEW

The new Cabinet is,
 Mr PIK BOTHA — Minil
 Dr GERRIT VILJOEN —
 Development and Planni
 Gen MAGNUS MALAN —
 Dr DAWIE de VILLIERS
 Energy Affairs, and Pub
 Dr KOBIE COETSEE —
 Mr BAREND du PLESSIS
 Mr ELI LOUW — Minist
 Mr ADRIAAN VLOK — I
 Mr GERT KOTZE — Min
 and Water Affairs
 Dr STOFFEL van der ME
 and of Development Ak
 Mr GENE LOUW — Min
 Mr KENT DURR — Mir
 and Tourism
 Mr GEORGE BARTLETT
 of Public Works and La
 Mr HERNUS KRIEL — A
 vincial Affairs
 Dr RINA VENTER — Mi
 Population Developmen
 Mr JACOB de VILLIERS
 Dr WIM de VILLIERS —
 and Privatisation
 New Minister

WEATHER AND TIDES

TRANSVAAL. Fine and hot becoming partly cloudy in the south-west this afternoon with isolated showers.
 FREE STATE. Partly cloudy and warm with isolated showers except in the north-east. Scattered thundershowers are expected over southern Lesotho tonight.
 NATAL. Fine and hot but partly cloudy in the south when isolated showers or thundershowers are expected.
 CAPE. Partly cloudy and warm

with isolated showers in the east. These will become scattered tonight in the north-east with a possibility of some heavy falls. It will become cloudy and colder in the south.

	High/Low	High/Low
Cape Town	0417/1012	1629/2245
Mossel Bay	0431/1027	1650/2300
Kovana	0454/1042	1713/2315
Port Elizabeth	0434/1032	1653/2306
East London	0429/1028	1647/2259
Durban	0434/1038	1654/2304
Wahiba Bay	0423/1015	1634/2240

Public servants 'play crucial role in new SA'

Pretoria Correspondent

The success of the "new" South Africa lies in the hands of the public service, says Dr Piet van der Merwe, chairman of the Commission for Administration.

Public servants had a crucial function in reconciliation between the race groups, discussions and negotiations, economic growth and development, the handling of unrest

and the promotion of peace.

The public service needed to maintain high ethical standards and be attractive to the young, capable and talented so it could be restored to the organisation it should be

Speaking at the annual general meeting of the Public Servants' Association (PSA) in Pretoria yesterday, Dr van der Merwe called on public servants to build up the

public's confidence in the public service because a break of confidence would jeopardise any government's chances for success with plans for a "new" South Africa.

He said public servants should also strive to promote confidence in the economy, without which South Africa would land on the "ash-heap", he said

Public sector wants 20 pc increase

By Norman Chandler, Pretoria Bureau

Public servants want a minimum salary hike of 20 percent — and they want it next April

This was said at the annual meeting of the Public Servants' Association (PSA), which began in Pretoria yesterday.

Dr Colin Cameron, who was re-elected president of the PSA, said in his presidential address that it was now common knowledge that public servants' request for a 15 percent general salary increase in the current financial year had been turned down because of lack of funds

"Similarly, the policy to address remuneration issues by means of occupational differentiation has failed and lost its credibility because of lack of funds

"We will naturally now have to negotiate earnestly for a general salary increase of at least 20 percent from April 1 1990 if we

wish to maintain the least semblance of a market-related remuneration packet"

Dr Cameron, who described pay negotiations as "demoralising and even degrading," said the solving of the problem would require innovative and radical thought and action.

He also called on the government to reach finality on privatisation "so that stability could be restored" within the public service because the current situation was causing problems in terms of loyalty, enthusiasm and dedication.

Many officials were more interested in how quickly they could retire than in loyalty and service

He also called on the media to promote the public service

The idea that public servants were "merely fat-cat bureaucrats" had to be changed, Dr Cameron said.

Temporary solution

Referring to the call by PSA president Dr Colin Cameron for a minimum general salary increase of 20 percent in April, he said general increases were only temporary solutions. Inflation had to be brought under control as it was the cause of dissatisfaction

The commission was looking at occupational differentiation which could be extended to differentiation within certain groups, with higher salaries paid for example to those in the expensive PWV-area.

Dr van der Merwe had a special appeal for those "willing to degrade and destroy the public service" to consider living in a situation where there was no faith in government or its leaders and institutions — including the courts and education systems.

Dr Cameron criticised the media for its apparent attempt to discredit the Government and its officials in "one-sided, biased and often distorted" reporting, in order to create the impression of inefficiency or that public servants were "fat cat bureaucrats".

Public servants want minimum pay rise of 20 percent

Article
26/9/89

250

The Argus Correspondent

PRETORIA. — THE Public Servants' Association (PSA) wants a minimum 20 per cent salary increase in April, and a radically revised remuneration policy.

This would include abandoning uniform salary scales for different professional and artisan groups, changes in the hierarchical structures of government departments, and giving greater acknowledgment of personal achievement and productivity

In a hard hitting speech at the opening of the annual meeting of the PSA in Pretoria yesterday the president, Dr Colin Cameron, also called for the government to reach finality on its privatisation pro-

gramme so stability could be restored to the public service.

He claimed the situation was bad for enthusiasm, dedication and loyalty and many senior officials were interested only in how quickly they could retire

He said the public service also had serious management problems and that a dynamic and efficient public service would have to have greater management autonomy, especially in regard to its personnel and spending

Although the PSA supported the principal of privatisation, if taken to excess, where the private sector provided a "First World" service leaving the public service with the "Third World" service, it would become even more difficult for

the public service to attract and keep staff.

Dr Cameron said it was clear that conventional approaches to remuneration had not managed to establish a satisfied and stable corps of public servants.

The system of achievement awards were inadequate to combat the selective drainage of able and ambitious young public servants and Dr Cameron said a major requirement was to maintain a balance with the remuneration policies of statutory bodies and particularly state corporations

He described as "demoralising" and even "degrading" the PSA's annual process of negotiations for a better pay deal and said the time had come to find "new ways" to solve the problem.

Public servants will ask for a 20% pay increase

B/Dam 26/9/89

250

PRETORIA — The Public Servants Association (PSA) was committed to "earnestly" negotiating for a 20% general salary increase from April next year, PSA president Colin Cameron said here yesterday.

In his address to the PSA's AGM, he stressed this was needed if a semblance of a market-related remuneration packet was to be maintained.

The request for a 15% pay increase during the current financial year had been rejected because of lack of funds.

Cameron stressed the policy of occupational differentiation had failed and lost its credibility year after year for the same reason.

"Major discrepancies have developed and we implore the authorities to rectify this position by immediately attending to all those categories that have not yet been assessed during the past three years." In the medium and long term the conventional approach to pay had failed to satisfy the stable corps of effective public servants.

Year in and year out they were forced to go through the demoralising and degrading processes of negotiation when the role of the PSA should have been one of consultation with the authorities.

To solve the "insidious" problem

GERALD REILLY

would demand innovative and even radical thought and action.

Pay and other service conditions should be in equilibrium with statutory bodies and state corporations. He had no vendetta against state corporations but it was undeniable that service conditions for similar personnel often differed greatly.

Cameron said a deliberate effort was being made to discredit government and its officials and to give the impression that improper benefits and inefficiency were rife in the public service. This was clear from a survey of Press reports over the past year, he said.

Obligation

He called on the media to stop their "one-sided, biased and often distorted reporting".

"Every government department and the mass media has an obligation to do more to promote the image and activities of the public service," he said.

Most work done by public servants was a service and of a benevolent nature, but the public perception was public servants were merely fat-cat bu-

reaucrats. It was imperative this image should be changed.

On privatisation Cameron said this was supported by the PSA as long as it did not result in monopolies, and became an easy mechanism to channel public money into private pockets.

Cameron said the negative effect of privatisation on the morale of personnel in the service was a source of great concern. With the introduction of the personnel freeze in the service, privatisation could have a demoralising impact on personnel. It was disturbing that so many senior officials had one thing in mind — to retire as soon as possible.

Stressing the need for good administration Cameron said without this it would be fruitless to go through all the planning and consultation exercises only to find out in practice the system would not work because of a lack of the basic principles of good administration.

It was hopeless to try to motivate people if the basic principles of good administration were neglected.

On the free market system Cameron said this had a tendency to result in an accumulation of wealth by a relatively few persons and organisations. However it was a generator of jobs and encouraged initiative and productivity.

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SOUTH AFRICA



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Vol 291

PRETORIA, 27 SEPTEMBER 1989

No. 12080

GOVERNMENT NOTICES

STATE PRESIDENT'S OFFICE

No. 2120

27 September 1989

ASSUMPTION OF OFFICE OF STATE PRESIDENT

It is hereby notified for general information that **Frederik Willem de Klerk DMS** has in accordance with the provisions of section 11 (1) of the South Africa Constitution Act, 1983 (Act No 110 of 1983), made and subscribed the oath of office as State President and assumed the office of State President with all the powers, duties and functions pertaining thereto on 20 September 1989

No 2121

27 September 1989

APPOINTMENT OF MINISTERS AND DEPUTY MINISTERS

It is hereby notified for general information that the State President has, in accordance with sections 24 and 27, read with sections 20 and 21, of the Republic of South Africa Constitution Act, 1983 (Act No 110 of 1983), appointed the following persons as Ministers and Deputy Ministers with effect from 21 September 1989

CABINET MINISTERS

- Mr Roelof Frederik Botha DMS MP as Minister of Foreign Affairs
- Dr Gerrit van Niekerk Viljoen DMS MP as Minister of Constitutional Development and of National Education
- Genl Magnus André de Merindol Malan SSA OMDG SDSM MP as Minister of Defence

GOEWERMENSKENNISGEWINGS

KANTOOR VAN DIE STAATSPRESIDENT

No. 2120

27 September 1989

AMPSAANVAARDING VAN DIF STAATSPRESIDENT

Hierby word vir algemene inligting bekendgemaak dat **Frederik Willem de Klerk DVD** op 20 September 1989 ingevolge die bepalinge van artikel 11 (1) van die Grondwet van die Republiek van Suid-Afrika, 1983 (Wet No 110 van 1983), die ampseel van Staatspresident afgeleë en onderteken het en die amp van Staatspresident met al die bevoegdhede, pligte en funksies daaraan verbonde, aanvaar het

No. 2121

27 September 1989

AANSTELLING VAN MINISTERS EN ADJUNK-MINISTERS

Hierby word vir algemene inligting bekendgemaak dat die Staatspresident kragtens artikels 24 en 27, saamgelees met artikels 20 en 21, van die Grondwet van die Republiek van Suid-Afrika, 1983 (Wet No 110 van 1983), die volgende persone met ingang van 21 September 1989 as Ministers en Adjunk-ministers aangestel het

KABINETSMINISTERS

- Mnr. Roelof Frederik Botha DVD LE as Minister van Butelandse Sake
- Dr. Gerrit van Niekerk Viljoen DVD LE as Minister van Staatkundige Ontwikkeling en van Nasionale Opvoeding
- Genl Magnus André de Merindol Malon SSA OVDG SDSM MP as Minister van Verdediging

Back to the trough

(250) ~~250~~
 Email 29/9/89

It is not only the timing of public servants' latest pay demand that is so offensive, but its wording. For Public Servants Association president Colin Cameron in the same breath to demand a 20% pay rise (well above most private-sector increases) and call on the media to stop "undermining" the public service by "constantly harping on its 'fat cat' image" is breathtaking arrogance.

When he goes on to warn of the "dangers inherent in excessive privatisation," the underlying message becomes a little clearer. Civil servants may well be concerned that their conditions of tenure and job security — despite recent much-needed reform, still more cosy than most private-sector employers offer — may not survive privatisation.

Trouble is, that's one object of the exercise.

Nobody would question that there are many competent, dedicated workers at all echelons of our public service. Nor that, if we are to attract the teachers, nurses and policemen we need, they must be adequately rewarded.

But calls for a blanket 20% pay rise (which, bitter experience has shown, usually ends up closer to 25% or 30% after notch and other special increments) fly in the face of not just economic logic but plain commonsense.

For as well as all those hardworking professionals, anybody who's ever dealt with a government department knows they also provide sheltered employment for all too many drones who would scarcely be employable in the private sector and whose main "function" appears to be make-work interference in an economy and society which would run much better if left alone.

Bluntly, we must scrap this nonsense of national civil service pay negotiations and awards. No broad benchmark can be reasonable, some workers merit more, others less.

Civil servants must brace themselves for the impact of privatisation on employment levels. Even without it, bodies like Sats have shown just how much fat there is in the public sector that can be shed without impairing service. ■

Salary-by-size: Councillors favour plan

By PETER DENNEHY

THE United Municipal Executive (UME), which represents white local authorities throughout the country, "favours" linking the remuneration of councillors to the size of the towns and cities they serve

Some councillors believe that in the larger municipalities, allowances paid to councillors could virtually double if this new scheme comes into effect — and ratepayers would have to pick up the tab.

Executive committee chairman Mr Richard Friedlander, Cape Town's representative on the UME, did not mention any figures, however, when he was asked by Mr Neil Ross whether the UME had recently considered proposals to increase the amount of allowances paid to councillors

Mr Friedlander said the UME had considered various alternatives "to establish a fair formula on which councillors' remuneration could be determined on a scientific basis"

"One of those favoured was that the remuneration of councillors be coupled to the grading of the local authority concerned in a manner similar to that in which the salaries of town clerks are coupled to such grading"

According to Cape Times records, the basic salary for a town clerk in the top grade, Grade 15, is R99 495 a year. Cape Town is a grade 15 local authority. Cape Town's mayor currently gets an allowance of R4 000 a month and ordinary councillors get R1 000 a month. Cape Town has 34 councillors.

Mr Friedlander said the proposals were currently under consideration by the Council for the Co-ordination of Local Government Affairs — a statutory body comprised of delegates of all colours from local, provincial and central government.

R138 000 for cycle paths

Municipal Reporter

FUNDS of R138 000 will be made available this financial year for the completion of the Bicycle Demonstration Project in Rondebosch, Newlands and Claremont

Planning for other cycle paths is under way in

- Raapenberg Road, between Mowbray and Pine-

- lands,
- Athlone,
- Cavan Road, Wynberg;
- Milner, Kromboom and Klipfontein roads,
- Kalk Bay, Clovelly and Fish Hoek,
- Sea Point and Green Point, possibly along Western Boulevard

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BIDAY 2/10/89 ~~250~~ 250

20% public sector salary increase 'will cost R3,6bn'

PRETORIA — The 20% pay increase demanded by public sector workers would cost R3,6bn and increase government's salary bill to R22bn, economists said at the weekend.

According to the commission for administration, in the year to September last year the payout totalled R15,859bn — an average salary of R16 562

The 15% given to all public sector workers from January this year added another R2,4bn to the total wage and salary bill on an annual basis.

Afrikaans Handelinstuut vice-president Tom de Beer said after a meeting of the AHI executive committee that the 20%, if granted, would have far-reaching implications for the whole economy.

Even taking the increase in the CPI over the past 15 months into account the demand was big, especially taking into account, too, that notch rises would also be given during the year.

Public Servants Association GM Hans Olivier said the PSA was bound to a policy of striving for market related salaries.

GERRY REILLY

"In our demands we follow the lead given by the market. We ask for no more and no less than market related adjustments."

It was ridiculous too, to lay the blame on the public sector pay bill for the country's chronically high inflation rate, he added.

Meanwhile De Beer warned against big upward adjustments in the private sector.

Economy

The delicate balance of the current account of the BoP could be disturbed and the fight against inflation made even more difficult.

On the national economy De Beer said it had begun to slow but, not as fast as planned.

Consumer spending was still high in spite of the level of interest rates. The demand for credit was also still strong, particularly in the corporate sector. Imports showed little indication of declining and the rise in the money supply remained disturbingly high.

Some plans up, some down

(99) 1...

'Public sector pay rise would cost R3,6bn'

Own Correspondent

PRETORIA — The 20% pay hike demanded by public sector workers would cost R3,6 billion and increase the government's salary bill to R22bn, economists said at the weekend.

According to the commission for administration, in the year to September last year the payout totalled R15,859bn — an average salary of R16 562

The 15% given to all public sector workers from January this year added another R2,4bn to the total wage and salary bill on an annual basis

The Afrikaans Handelinstuut (AHI) has joined the chorus of protest against the 20% pay hike demanded by government workers in the 1990-91 financial year

AHI vice-president Mr Tom de Beer said after a meeting of the executive committee in Pretoria at the weekend that the 20%, if granted, would have far-reaching implications for the whole economy

Even taking the increase in the CPI over the past 15 months into account

the demand was big, especially taking into account, too, that notch rises would also be given during the year

Public Servants' Association general manager Mr Hans Olivier said the PSA was bound to a policy of striving for market related salaries

It was ridiculous to lay the blame on the public sector pay bill for the country's chronically high inflation rate, he added

Mr De Beer warned against big upward adjustments in salaries and wages in the private sector

The delicate balance of the current account of the BoP could be disturbed and the fight against inflation made even more difficult.

On the national economy, Mr De Beer said the economy had begun to slow but not as fast as planned.

Consumer spending was still high in spite of the level of interest rates. The demand for credit was also still strong, particularly in the corporate sector

Imports at this stage showed little indication of declining and the rise in the money supply remained disturbingly high, he said

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CAF 1175 2/10/89

Fears over public servants pay call

From DEREK TOMMEY
The Argus Correspondent

JOHANNESBURG — The call by the Public Service Association for a 20 percent pay rise has sent ripples of alarm through business circles

This is both on account of the effect it could have on business payrolls and because it would presage another spending spree by the government at the expense of hard pressed companies and individual taxpayers

The public sector's pay demand comes at a time when much of business is already being squeezed by the government's measures to curb consumer spending

Fears have been expressed that the country might have to endure a further squeeze this time next year because over-generous public pay rises had wiped out the good achieved by restraints so far

The pay call has drawn a sharp response from the Afrikaanse Handesinstituut (AHI), which represents most Afrikaans businessmen

RESTRAINT NEEDED

AHI vice president Tom de Beer said that between now and the end of the year the government and the private sector must expect to be confronted by a flood of claims for salary and wage increases

But it was necessary in the national interest that restraint be exercised since large increases in wages and salaries could damage the balance of payments and seriously harm the fight against inflation

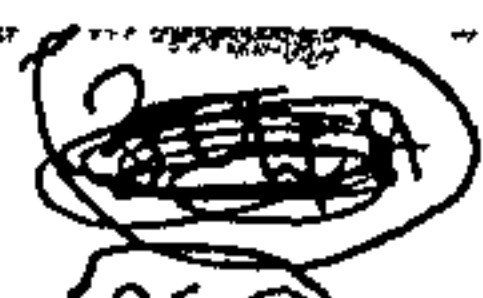
The call by the Public Service Association for a 20 percent rise in basic salaries and wages would have far-reaching implications for the whole of the economy, he said

He pointed out that even given the rises in consumer prices in the past 15 months, the figure of 20 percent looked on the high side when one took into account that public sector increases also resulted in an additional increase in the wage scales

He said the ultimate measure (of public service wages and salaries) ought to be the total salary and wages account of the state, considered in relation to the number of employees

Eat, drink and be merry

6/10/89



Greed, delegates at a winelands conference on Ethics and the Public Sector agreed, is a human failing that will always be with us. And since greed, not need, is the well from which corruption springs, we should accustom ourselves to the idea that we will never be rid of it. The question is how best to contain it

The fact this conference took place at all testifies to the widely held perception that SA is enjoying more corruption than can easily be explained by greed alone. Thus the first task the conference set itself was diagnostic: how much corruption is there in the country and what factors contribute to a climate in which corruption flourishes?

Immediately one encountered disagreement. Auditor-General Peter Wronsley said, "The whole idea of widespread corruption (in the public sector) is not right . . . and it's not fair." He distanced himself from "the idea that everybody is getting on to the gravy train because disaster is just around the corner."

Not a day later, however, the retired Justice Victor Hiemstra had the following to say: "There is a strange atmosphere in the land, as if people have no faith in the future and consequently want, as soon as possible, to make as much money as possible. By the time they are discovered, so they reason, the whole affair will have collapsed anyway" There was an atmosphere of "let us eat, drink and be merry, for tomorrow we die." said Prof Lourens du Plessis.

If there was disagreement as to the quantum of corruption, there was more consensus as to causes. Delegates were anxious to avoid joining the "blame it all on apartheid" bandwagon, but there can be no escaping that apartheid, more than any other factor, creates a climate in which corruption flourishes. Some years ago, Johan Degenaar popularised the notion of apartheid as a form of "structural violence." On the basis of what emerged at this conference, it could also be said to be a form of structural corruption — a system whose very existence encourages corruption of both a moral and political kind.

South Africans have always been attracted to the idea that passing a law is a good way of solving a problem. But as Lourens du Plessis noted, "personal and communal morality can and will be more decisive than the

law in determining the incidence of corruption in a society. Even the most stringent laws against corruption are in themselves but empty shells, if not backed by personal and communal convictions averse to this kind of misdemeanour "

When it comes to laws and remedies, the country isn't lacking (see below) But, as was implicit in various speeches, the country is seriously lacking in the sort of moral and political consensus necessary to make a framework of laws efficient. As philosopher Willie Esterhuysen pointed out, a community gets the public office bearers it deserves. "A community which doesn't record public moral protest and which doesn't value the maintenance of central moral-ethical norms and values, will be a community without office bearers with a high sense of responsibility and integrity."

Though Esterhuysen doesn't say so, it is to state the obvious that SA fits that definition comfortably.

What is true at the moral level is even more the case when we get to politics. The broad aim of government is to further the national interest. In the local context, however, *landsbelang* is normally an excuse for taking a secret decision to further a sectional interest. A system which pursues sectional interests in the guise of the national interest is obviously corrupt. Worse is the fact that a system, like SA's, where secrecy and coercion are commonplace, is exactly the sort in which corruption flourishes

As David Welsh noted, "the need to persuade is the obverse of the power to coerce. Politicians who have to use powers of persuasion are simultaneously likely to be politicians who are accountable; and accountability is the outstanding feature of political systems in which power is properly circumscribed."

The second aspect of the conference consisted of examining formal remedies available for combating corruption and maladministration. The legal arsenal is already impressive: Section 19 of the Government Service Act of 1984 which deals with misconduct; the Advocate-General Act of 1979 which deals with the dishonest, unlawful and improper uses of public monies; Section 54 of the constitution which deals with ministers convicted of criminal offences; and the

State President's power to appoint commissions of inquiry.

One of the more interesting contributions came from the Auditor-General, Peter Wronsley. He noted that if a minister was convicted of an offence and given a heavy sentence, but with the option of a fine, then he was entitled to stay on as an MP. Wronsley suggested that any minister or MP found guilty of a criminal offence is not fit to serve in parliament.

He also pointed out the serious deficiency whereby the constitution offers no sanction against a minister or MP found guilty by a commission of inquiry of irregular or scandalous conduct. He said that when a commission explicitly said a person was not fit to hold a public office which required integrity, then such a person certainly wasn't fit to sit in parliament.

Wronsley made the further point that, in his view, the taxpayer lost far more money through the lawful pursuit of dubious goals and the uneconomical, inefficient and ineffective pursuit of good goals, than from "chisellers." Retired Auditor-General Joop de Loor agreed, pointing out that with the trend towards increasing examination of the effectiveness with which goals were pursued, auditors were playing a larger role.

The man most obviously responsible for formulating and maintaining acceptable ethical standards in the public sector is Advocate-General Piet van der Walt. It was thus interesting to hear him say that current guidelines for the protection of the integrity of the government were inadequate. He called for legislation similar to the Ethics and Government Act in the US. The other interesting point to emerge from his speech was the proposed broadening of his investigative powers to allow him to play more of an ombudsman's role when citizens feel they are wronged by a State body or official.

Judge Hiemstra looked at the role of commissions of inquiry. He noted that their efficacy in fighting corruption depended upon the commissioner and, in particular, the advocate of the commission who was "the axis around which everything turned." Governments often don't listen to the recommendations of commissions — "If Erika Theron had been listened to, coloureds would be throwing fewer stones today."

Public sector wages leap R1bn in year

~~824~~ GERALD REILLY (250)

PRETORIA — Public sector workers were paid a huge R7,9bn in the second quarter of this year — an increase of more than R1bn compared with April-June last year, Central Statistical Service figures show.

This is nearly R32bn on an annual basis — a total that could rise to around R40bn if public sector workers get the 20% salary rise they have asked for.

However, the total numbers employed decreased by 12 297 — mainly because of staff cuts in public corporations including Sats and the Post Office.

The statistics show the civil services of the self-governing states continue to expand. At the end of June they employed 196 290, an increase of 16 972 compared with June last year. They were paid R598,9m — an increase of R168,8m.

The figures show that the central government also continues to expand. Its workforce increased by 7 720 to a high of 336 615. *B/047 11/10/87*

And they were paid R1,75bn for the three months — R374m more than in April/June last year.

More workers were also employed in the own affairs departments. They increased by 2 451 to a total of 184 648 and were paid R1,1bn — up R239m.

Central government and the provincial administrations combined employed 748 569 — up by 11 217 on last year at end-June. Total payout jumped by a huge R746,7m to R3,7bn.

Sats decreased its workforce by 5 874 to 178 307 — and the three months' pay bill amounted to R921m — a decrease of R45,4m.

Post workers at end-June totalled 94 449 — a decrease of 324 and they were paid R432,5m — an increase of nearly R35m compared with April/June last year.

The number of workers in public corporations dropped by 41 487 at the end of June to 134 954 due to privatisation. Public corporations workers earnings also fell sharply by R137,5m to R795,6m.

Public service shrinks — but wage bill swells

PM News 12/10/89
250

The Argus Correspondent

PRETORIA — The public service workforce has shrunk steadily as a result of privatisation — but the salary bill for the second quarter of this year is R1 billion more than in the same period last year.

In the three months to the end of June, the number of public servants dwindled by 1,2 percent to 1 681 million people, according to figures released by the Central Statistical Service.

Biggest decreases

The biggest decreases followed privatisation exercises in the public corporations — enterprises in which the State has a major interest. These cut the number of public servants by 40 662 in the first six months of this year. The number of South African Transport Services employees decreased by 976 and in the Post Office by 771.

In the same six months the average salary in the public service increased by an average of 12,6 percent while that in the public corporations rose by 18 percent or R305 a month.

In general affairs departments the number of employees swelled by 10 476 between December and June

while own affairs staffs increased by 910 members. The Transvaal Provincial Administration employed 314 more people and city councils 2 299.

According to the statistics, the average monthly salary in the public sector was R1 587 in June.

This represented an increase of 7,6 percent over the March 1989 figure, 12,6 percent over December 1988 and 15,5 percent over last June.

The highest salaries were paid to whites they earned an average of R2 578 a month, followed by Indians (R2 060), coloureds (R1 237) and blacks (R932).

Scientific councils

The highest-paid staff in the public sector were those on the scientific councils: they earned R3 438 a month. Whites on these staffs earned an average of R4 120 a month, Indians R2 847, coloureds R1 851 and blacks R1 285.

The lowest salaries were paid to blacks in own affairs departments (R490 a month in June), blacks in local authorities (R673) and blacks in parastatal institutions (R610).

The average total salary bill was R2,642 million a month

Public service shrinks — but wage bill swells

Argus 12/10/89
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Top SA public servant hits at 'own affairs' duplication

Dr Colin Cameron, president of the Public Servants' Association, has made a startling break with tradition by speaking out against the duplication inherent in "own affairs" departments

It is not normally association practice to criticise government policy or the structures set up by government

However, Dr Cameron said in an interview that "own affairs" departments were "a problem" to him

In his 11 years at the helm of the association, Dr Cameron says, he has seen many changes "for the better" in the public service — but he feels strongly that there is now a need for consolidation and rationalisation of government departments

He highlighted this by pointing to the fact that there was already "integrated government" at provincial level

He said he "would like to see the things that belong together, go together". And he added that, with consolidation, the service provided could be cheaper and better

But, discussing the public service in general, he said the public had "a misguided view" if it believed every government activity could be cut back.

Dr Cameron said he supported privatisation where it would mean a cheaper, more efficient service, but only "going concerns" and not every government department which could be privatised

"How can you privatise Foreign Affairs?" he asked.

AK 6/5
25/10/89

By VALERIE BOJE, The Argus Correspondent in Pretoria

Cameron has been closely involved in the fight for salary differentiation as a way to attract and keep key personnel.

He says it is a feather in the association's cap to have got the public and the government to acknowledge the need for competent people

"In the past the attitude was 'shrug your shoulders', because the public service could not possibly compete with the private sector

"Today, not only is the relationship between private and public sectors better, but the need for good calibre people in both is realised," he says

Dr Cameron was working as a veterinarian at Onderstepoort when one of his colleagues asked him to take his place at association meetings — "just an hour once a month", which now occupies most of his free time (he is head of the Department of Health's division for forensic and research services)

His interest at that early stage of involvement was in the scientist's place in the public service ("a predominantly administrative machinery designed to regulate and control") as compared to the scientist's place in a scientific body such as the CSIR

250

Scientists — like doctors, lawyers, economists, teachers — are as vital to the public service as good administrators are. And to improve their lot, he says, it was necessary not just to petition for a better pay deal but also to try to change the philosophy behind that pay deal

His campaigning has undoubtedly contributed to the policy of occupation-specific pay, but Dr Cameron believes this policy needs to be implemented more effectively if the science and technology drain from the public service is to be checked

Although he doesn't put the vacancy rate as high as the 100 000 reported by Central Statistical Services — explained by the fact that many of these posts are "frozen" — he says the public service has, in relation to population size, shrunk in the past decade

There has been growth in protection services and black education, but in other areas there is an embargo on the creation of new posts and many of those which fall vacant are frozen.

What the statistics fail to indicate is just how many experienced people are being lost to the public service

Dr Cameron says a comment one often hears from the people who have moved from the public to the private sectors is "I was in the public service and it was very worthwhile."

To him this is a tragedy, because it represents a draining-away of people who have had basic on-the-job training in the public service.

He says "We are losing people, most with three to eight years' experience, and often with the initiative and enthusiasm which the public service can't afford to lose."

The only way many of these young people can get promotion within the structural rigidity of the public service is to wait for it — and he says that with a bond and a car to pay off, or a young family to support, he can understand why they are not prepared to do so.

For Dr Cameron the biggest challenge in the year ahead — a year he has already said will be his last as association president — will be to achieve a re-think on the internal structuring of the public service

"We need to take the funds available, and use them with more insight, but we also need to look at ways of giving recognition above the merit system for individual achievements," he says

And when the year is up, Dr Cameron says, he will retire in the knowledge that he has done the best he could for his fellow public servants — and that his successor will bring new insights and renewed enthusiasm

Dr Cameron was recently re-elected president of the 60 000-strong association. It will be his last year at the helm

He thinks the association can claim, as its biggest achievement during his term of office, a greater awareness of how important the public service is — and a realisation of the need for quality rather than quantity in personnel.

Dr Cameron says that in spite of a generally poor public image, more notice is being taken of the public service now than ever before.

He recalls his first association congress in Port Elizabeth, when a small announcement in a local newspaper had delegates very excited

But today, he says, the association often makes front-page headlines and features prominently in radio and TV bulletins

To him it is particularly important that the government "is now sitting up and taking notice" of what the association says and does on behalf of public servants.

One of the reasons for the change in media treatment has been the higher profile he and the association have deliberately sought

Another, he believes, is the fact that he has been prepared to take a firm stand on behalf of public servants.

"Yes, probably I have provoked a bit, but my aim in this capacity — as also in my job as a public servant — has been to give the best service I can.

"My aim is certainly not to undermine the public service. I've played clean and kept within limits," he says.

During his time with the association, Dr



Dr Cameron . . . government already 'integrated' at provincial level

Government spending 59% 'over budget'

CMT TINTS 26/10/89
By BARRY STREEK
Political Staff

280

GOVERNMENT spending in four years between 1982 and 1985 was 59% higher than budgeted and the key question was whether President F W de Klerk had the muscle to control his colleagues, Mr Jasper Walsh said yesterday

President De Klerk's commitment to bringing government finances on to a sound footing by promising to exercise greater financial discipline has to be welcomed, he said

"However, the key question is Can he deliver?" Mr Walsh, the Democratic Party's deputy finance spokesman, asked

"Do he and his Minister of Finance have the muscle to control their cabinet colleagues?"

This discipline had not been in evidence in recent years, Mr Walsh said.

"For the four year period 1982 to 1985, government spending was budgeted to increase by 12,4% on average.

"Actual expenditure increased by 19,7% per annum — 59% higher than the rate budgeted

"President De Klerk will have to convince us by his actions that he can control the public sector."

"He will then, I believe, find he has a willing partner in the private sector"

President De Klerk had also placed a high priority on the need for interaction between political and economic developments, but he faced a "catch 22 situation".

"Is he prepared to abandon rigid adherence to costly and divisive racial group structures in the economic and political interests of all South Africans?" Mr Walsh asked

FW pledges to wield the axe on spending and jobs



Mr F W de Klerk

AKG 6-2
26/10/89
250

From ALAN DUNN, Political Staff

JOHANNESBURG. — President De Klerk today announced his intention to reduce the size of the Public Service to cut Government spending.

Fiscal goals would demand significant restraint to government expenditure and consequently to the rate of employment, he told the Financial Mail's conference in Johannesburg today.

Economising on the use of especially highly skilled labour fitted into the overall economic strategy

It was therefore necessary, as he had done in forming his Cabinet, to rationalise functions and diminish posts and expenditure. This had to be applied throughout the public sector.

"This is not to say, however, that we will blindly apply across-the-board cuts in expenditure," Mr De Klerk said.

"Top quality"

"Neither does this mean that public officials must be ill-paid. The tasks ahead and the expertise are such that we need top-quality people in the public sector and they will have to be remunerated according to their responsibilities."

The challenge in the economic field was, in a sense, similar to that in the political field. "We have to create a climate in which all the inventiveness that we have will be put to constructive use."

That was why government was committed to a free-market system, why it was privatising and deregulating, why it was pursuing tax and loan finance goals that would prevent and even reverse an excessive share of government expenditure in the economy.

Mr De Klerk said clarity on the government's regulatory

Call on govt to control spending

CMT Times 2/11/89

250

By AUDREY D'ANGELO
Financial Editor

ECONOMIC surveys by Old Mutual, Senbank and Investec all stress the need for government expenditure to be controlled more strictly if the inflation rate is to be curbed

Old Mutual chief economist David Mohr and the Investec survey both warn against bringing down interest rates too soon, and forecast further increases in the inflation rate before it peaks.

But Senbank chief economist Johann du Pisanie warns that the economy has now reached the stage where there is a danger of "overkill". He points out that high interest rates themselves can push up inflation

Mohr — who says he still believes a 2% growth in gross domestic product (GDP) is possible this year — says that there should be a structural adjustment in economic policy with a view towards curbing inflation in the long run.

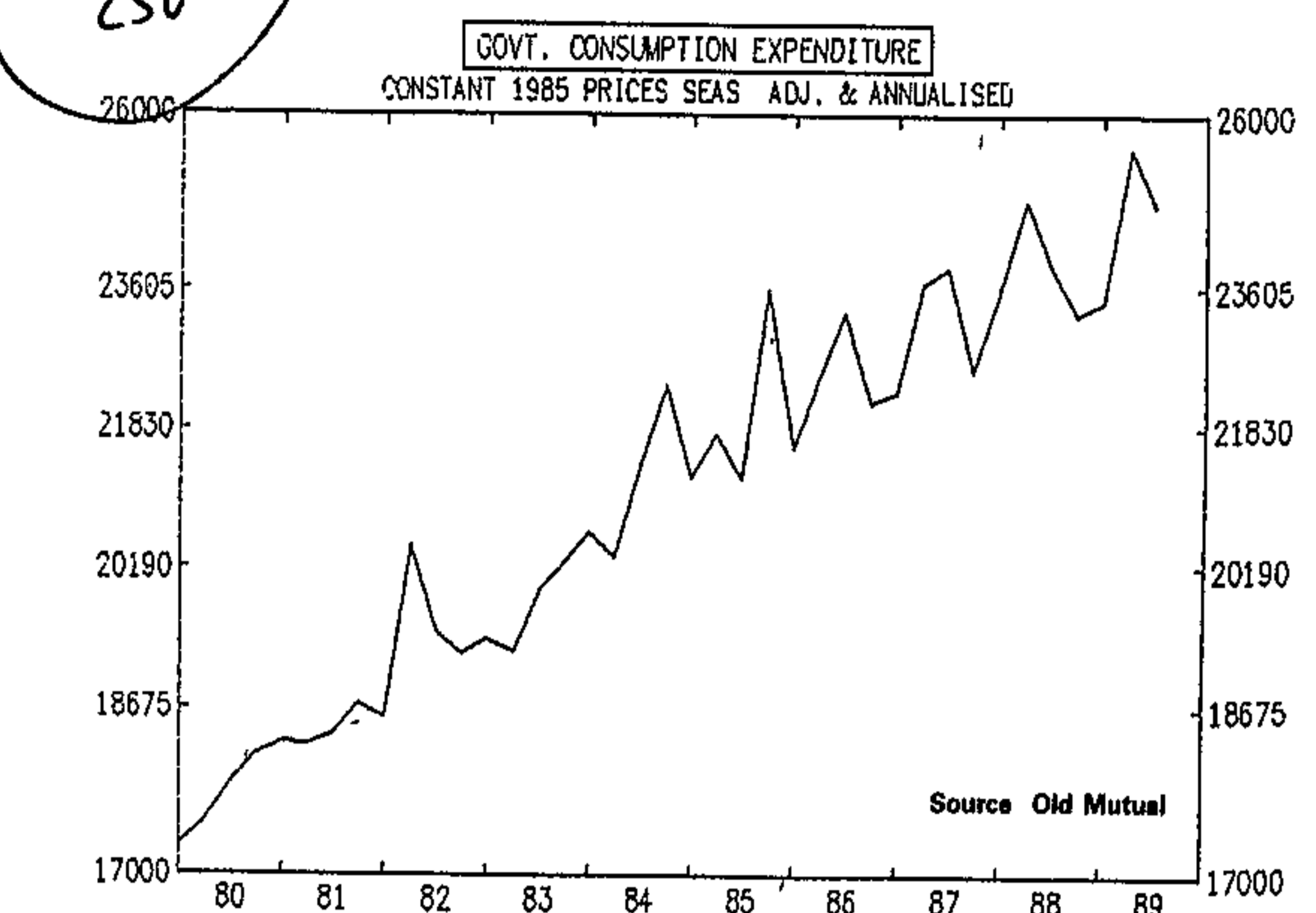
He advises the authorities to "guard against a premature and excessive relaxation of the overall economic policy approach if and when the economy exhibits clear signs of a slowdown".

Admitting that "this kind of approach could possibly result in a more severe than expected downswing in the economy than would otherwise have been the case", he says that the potential long-term benefits would far outweigh the short-term sacrifices.

With the foreign exchange reserve position still vulnerable, and firm upward inflationary pressure, he considers "the overall economic policy stance ought to remain restrictive until substantial relief has been achieved in these areas"

Although this implies "a further cooling of economic activity next year", Mohr says that the "relatively favourable prospects for the international economy will result in the expected downswing being less severe than those in 1985/86 when total real gross domestic expenditure (GDE) fell by no less than 12,6% from its peak

"Besides the fact that our (non-gold) export volumes ought to benefit from



sustained world economic growth, a repetition of the sharp falls in international commodity prices in the 80s seems unlikely"

However, he warns that "this relatively optimistic view of only a marginal decline in both private consumer spending and fixed investment in 1990 is based on the assumption that the government sector will succeed in keeping its spending under control."

This would prevent a repetition of the situation in the 1985/86 recession when the private sector had to bear the brunt of the adjustment burden

"In these two years real government consumption spending rose in total by no less than 7,5% so that the rest of real domestic expenditure had to fall by 10,5% in order to effect the desired contraction in total domestic spending levels

"Should the government sector fail to control its spending in 1990, pressure would once again be exerted on the private sector via much more stringent policy measures

"Under these circumstances the prospects for private consumer expenditure and fixed investment would be much less favourable"

Inflation seen at 16%

IF government consumption expenditure is not strictly controlled the Reserve Bank's attempts to curb inflation will fail, the Investec Focus on the Economy, prepared by the asset management division of Metboard, warns

The report also says that it will take several years to achieve a significant reduction in consumer inflationary expectations.

"Inflationary expectations are reflected in wage demands, and must be lowered for a permanent subsequent

reduction in recorded inflation rates.

"The immediate outlook for inflation remains bleak. Statistical factors may subdue the magnitude of increased rates of inflation released for the remainder of this year.

"Nevertheless we reiterate our view that inflation will rise to over 16% by the end of 1989, and that the exorbitant money supply growth over the last 18 months will prevent a meaningful reduction in inflation occurring early in 1990"

Final 3/11/89.

Steward says a rationalised bureau will not compete with private-sector services but aim to provide a centralised communication service on which other State departments will be able to draw — for a fee. Though sales to the private sector are envisaged, the bureau's main target market will be government.

He points out the bureau already provides high-cost services to various State departments but is not paid the full value. The aim is to change that.

For example, he says, the Department of Foreign Affairs pays only for the printing costs of the bureau's *SA Panorama* publication and not for other work in it. The same applies to publications made available to other departments.

Steward says the bureau won't compete with private sector advertising agencies and market research organisations but, for a fee, will provide State departments with guidelines, research and advice before they embark on campaigns or projects. "We want to be more cost and client conscious," he says.

A more commercially orientated bureau may succeed in deflecting some of the political flak it has attracted since its establishment three years ago. It has been attacked from both Left and Right for allegedly promoting NP aims rather than the State (admittedly a difficult division to determine, particularly in SA). This year, the bureau was allocated R48m, 66% more than three years ago.

President F W de Klerk did away with the Information portfolio in his new Cabinet, indicating, perhaps, an acknowledgement of the divisive nature of the bureau and an acceptance that its functions must be reassessed. The bureau now falls directly under De Klerk.

Former Information Minister Stoffel van der Merwe said this year the bureau had three main functions: dissemination of information and policy reviews through publications (of which nearly 36m copies were published last year); to "communicate with the population of SA at grassroots level" and deal with foreign guests of the Department of Foreign Affairs, and liaison with the national news media. ■

INFORMATION ~~243~~ 250

F W's news network

It's still too early to say whether the planned establishment of income-generating activities for the Bureau for Information will lead to a substantial reduction in its budget allocation.

But bureau chief David Steward says the potential for the operation to pay its own way is "quite high."

The bureau's "rationalisation" is being considered in consultation with the Commission for Administration. Possible changes include the establishment of information services for sale to other State departments and the private sector — such as a press cutting and picture service, a liaison service between government and the private sector, a communication research and planning service, an advertising and market research service, the production of publications and video material and a "rationalised" and profitable communications service between government and the public.

Women public servants want fair deal

The Argus 250
Correspondent

PRETORIA — Women in the public service do not believe they are getting a fair deal.

Women fill half the posts in the public service, but fewer than one in 10 are in senior positions, and a survey undertaken by the Human Sciences Research Council (HSRC) for the Commission for Administration suggests that they are not at all happy about it.

Neither body will release the survey report or comment on the findings, but it is understood it recommends a much more flexible working situation where women could take extended maternity leave, work from home and work part- or flexi-time, and where day-care facilities could be provided for their children.

It also apparently suggests to the commission that it ensure that there be nothing — official or unofficial — to stop women who want to get to the top from doing so.

DISSATISFACTION

A spokesman for the Commission for Administration confirmed that it, as central personnel institution, had commissioned the research and was now studying the findings.

However, the report would not be released as it was not a public document, he said. He said however that there were no differences in the conditions of service for men and women public servants.

The survey may, however, indicate a worrying level of dissatisfaction with the conditions of service in the public service, and the fact that the efforts being made by women were not seen to be recognised.

Councillors get R1.7m less

Dipam
24/11/89 EDYTH BULBRING (3047) 250

DESPITE increases in remuneration of President's Councillors, the State was saving about R30 000 a member, or R1.7m a year, a statement from the President's Office said yesterday.

The R15 000 a year salary, R150 a day subsistence allowance on days when the councillors were sitting, the R295 for each sitting, of which there were 60 a year and R4 600 annual pension contribution brought the 56 councillors' package to R46 300 a year.

Councillors used to receive R251 per sitting and R100 subsistence allowances. The increases, decided this month, were backdated to September this year.

President F W de Klerk cut back on costs of the President's Council in September, down-grading the positions to part-time posts and almost halving their salaries.

MILTON
SELL
WARDS

NOBODY CAN MANAGE



The crowd yesterday

Fi

to

Freeing a staple industry

FM 24/11/89

■ Elimination of subsidies will hike prices — making deregulation essential

Bread was in the news again this month. On November 1, government raised the price of a standard loaf for the third time in 15 months. Consumer groups cried foul and supermarkets scored a PR coup by promising to stick to the old price "as long as possible".

But the controversy surrounding the bread price is certain to be in the news for a while yet. For one thing, steeper and more frequent price increases can be expected in the months ahead as the Department of Agriculture continues to phase out its multimillion-rand bread subsidies.

Not before time, there will be a heated debate on how much to deregulate the bread industry. Next week, a government committee reports to Cabinet on what to do when the subsidies end — scheduled for the end of the next Budget year — and the debate will start.

That isn't the only committee looking at the bread issue. One went on a fact-finding trip to nine countries to study how other governments handle bread prices, another is conducting a two-year study to develop a food and nutrition strategy for SA. Its report is due at the end of next year — three months before the bread subsidies are supposed to expire — and its recommendations will influence how government decides to assist the poor, for whom bread is a staple food.

The debate will point up all the complexity and inconsistency of agricultural policy, both in SA and internationally. Already the battle lines are drawn. On one side are ranged the free marketeers who argue that the bread price will fall and quality improve if the industry is deregulated. This will mean shaking up everyone from the wheat farmers, who are protected by price supports and import barriers, to the six corporate groups that hold the contracts to bake all "government bread," the standard decreed loaf.

On the other are those who worry that, without some form of government intervention, wheat farmers will suffer quality will decline, and the price of a loaf will go up.

The clock started ticking in 1987 when government decided to follow the recommendation of yet another committee, the 1986 Davin Commission, to begin phasing out bread subsidies. Their cost had been large — nearly R270m in the 1983/1984 fiscal year. And there was the political fallout by making the price of bread a government decision, Pretoria got the blame each time it was forced to raise it — not the supermarkets, bakers or wheat farmers.

The plan called for a three year phase-out. Government has missed that target because it won't stick to its Budget. Last year, it called for a R50m cut in bread subsidies (to R100m), but government ended up spending

an additional R32m. This year, the budget was again cut — to R80m — but then another R35m was added before this year's subsidy ran out.

"What makes the thing a total nonsense is that they keep adding money to it," Housewives League president Lyn Morris observes.

Problem is, government embarked on the phase-out without planning for what ought to happen after the subsidies ended. Without any concurrent deregulation of the bread industry, the price has to go up as subsidies dwindle.

The volatile issue of controlling the price of bread — and of other staple foods, such as maize and rice — has plagued governments for centuries. Frank Vorhies, a business economist at Wits, points out that many countries control the bread price — all the socialist ones, most African countries, France since the Revolution. In the early Eighties, the price of subsidised bread was so low in Egypt — one cent a loaf — that it was fed to goats because it was cheaper than goatfeed, he says. The price was increased to 2c, there were riots, and the price went back to 1c.

Controlling the price of bread inevitably forces governments to subsidise bread production. The price is set below the market level — or else there's no point in setting it at all — and that leads more people to demand bread and fewer bakers to produce it. For supply to equal demand, government has to pay producers to bake more bread.

Vorhies notes "The subsidies are connected to the costs, so producers have incentives to raise costs. Taxpayers pay for administration, subsidies and the inefficiencies of producers."

In SA, which began subsidising bread in the Thirties, government not only sets the maximum price but also the size of the loaf and the ingredients that go into it. The subsidies go to the bakers — the six corporate

groups — and the millers, not the farmers.

Vorhies adds that, by eliminating subsidies and allowing anyone to bake the standard loaf, the price would go down because new, efficient producers would undercut the six present ones. Quality would improve, because bakers would compete on the basis of taste as well as price and packaging.

Six years ago, supermarkets were granted permission to bake superbread — but they're prohibited from baking or selling anything that looks like government bread, which dominates the market, and makes it tough for other types to compete. "We're not allowed to copy government bread," says Pick 'n Pay chairman Raymond Ackerman. "Government bread has an amazing appeal. People are indoctrinated."

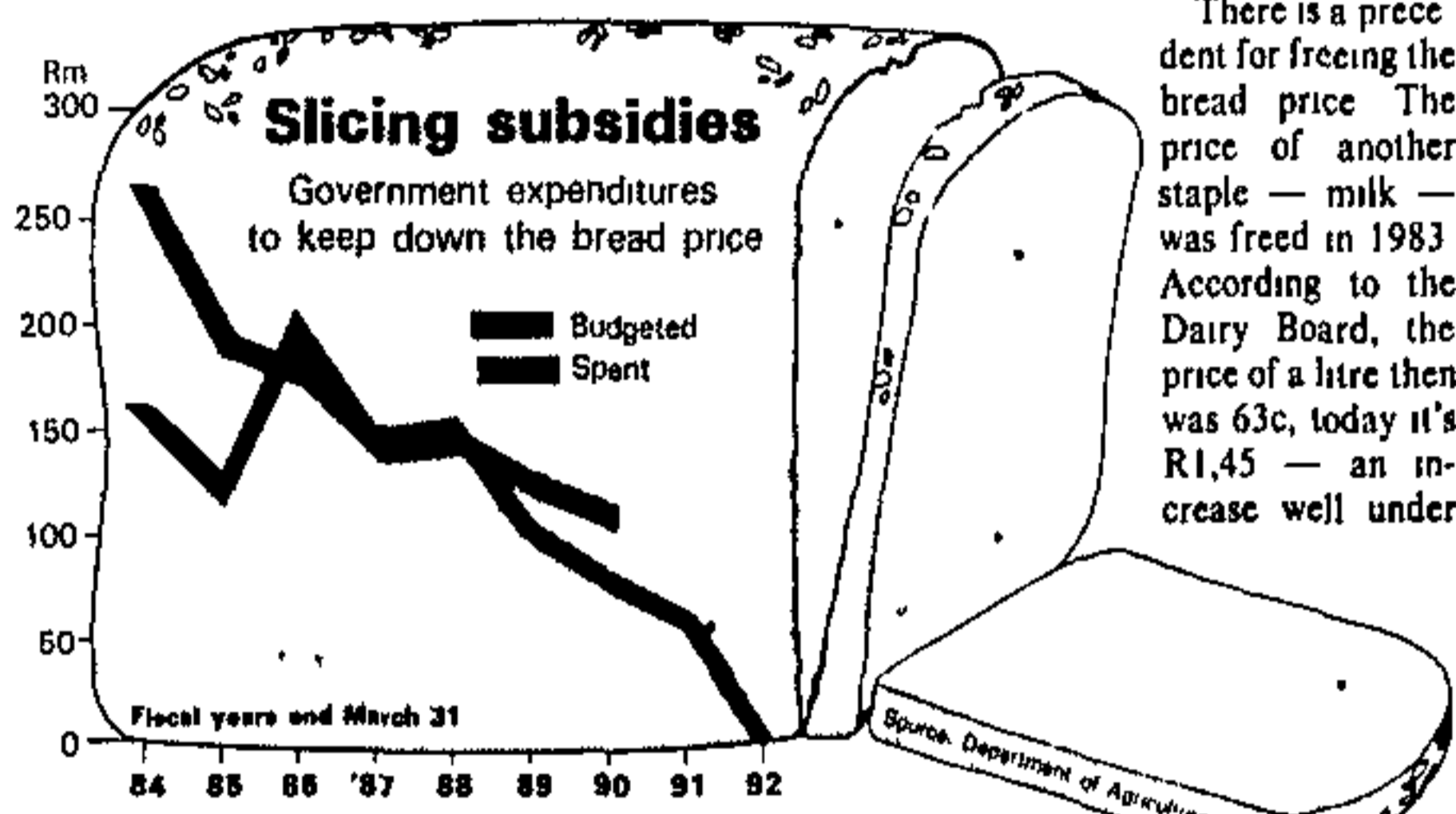
Johan van Zyl, an agricultural economics professor at the University of Pretoria, concurs that deregulation would drive down the price. "With only six bakers, it's a monopolistic situation. In a freer market situation, the price would definitely come down."

But Wheat Board officials strongly disagree. "It's a myth to say that the price of bread will come down because of competition," says Ivan Hemingway, the board's GM. "There's no way producers could sell under the set price. SA has one of the world's lowest bread prices, compared to its wheat price. Without controls, the price would nearly double, to R1,70 or so a loaf."

Hemingway points to the supermarkets. "Some of the in-store bakeries are taking the public for a ride. They say they can produce bread more cheaply — why don't they?"

Ackerman says he must make a larger profit on superbread to make up for the tiny margin on government bread — 4c a loaf. "Open up and deregulate the baking industry and we could make government bread at much lower cost — whatever the (six) bakers submit as their costs, they get in subsidies. They fiercely defend their increases."

There is a precedent for freeing the bread price. The price of another staple — milk — was freed in 1983. According to the Dairy Board, the price of a litre then was 63c, today it's R1,45 — an increase well under



the inflation rate. Furthermore, marketing increased and that triggered a wider range of container sizes and an increase in per capita consumption. The prices of bread and petroleum products are now the only ones controlled by edict.

How far government will go in deregulating the bread industry is not known. Chris Blignaut, deputy director general of the Department of Agriculture and chairman of the 11 member committee that will report to Cabinet next week, declined to discuss what the report might say. However, it's doubtful that it will call for full deregulation. That would mean letting the market determine the price SA's 10 000 wheat farmers get for their wheat, instead of government, and permanently opening the borders to imported wheat.

Van Zyl favours establishing a SA futures market for wheat and other commodities. "The Wheat Board determines the prices and does the distribution based on what it thinks is going on in the market. In a futures market, we'll get real prices and not what some bureaucrat thinks when he looks out his office window. The majority of the board are farmers, they do what's best for the producers, not the consumers." Indeed, the 13-member board has 12 industry representatives, including eight farmers and one consumer advocate.

SA prohibits wheat imports — except when the domestic crop falls short of de-

BREAKING BREAD WITH THE GOVERNMENT

Who gets the money from each loaf

	White	Brown
	Cents	
Farmers (for producing the wheat)	32.7	28.5
Millers (for turning the wheat into flour)	27.8	23.8
Bakers	35.0	35.0
Manufacturing and administration	22.7	22.7
Transport	12.3	12.3
Ingredients	4.1	4.2
Retail margin	4.0	4.0
Total	103.7	95.3
Minus government subsidy	- 3.7	-10.3
Selling price of a loaf	100.0	85.0

- 1.7bn loaves of government bread will be sold this year, about 1% less than last year. White loaves account for 48% of the total, brown loaves 52%.
- Two years ago 88% of the bread was brown loaves.
- Six corporate groups bake all the government bread: Premier, Tiger Oats, Seako, Bokomo, Fedfood and Maizecor.

Source: Department of Agriculture

mand, as may happen this year — and this drives up the price of the SA crop.

In turn, "This puts up the cost of the bread subsidies and it puts up the price of rice, maize, the whole market for carbohydrates (substitutes for wheat products)," Van Zyl says.

Right now, SA wheat is expensive but still cheaper than foreign wheat when the transport costs are considered — R450/t versus R520/R560/t. But in some coastal areas, imported wheat is cheaper.

"For the Durban Richards Bay area, far from the wheat producing areas, imported wheat would be cheaper," Van Zyl says. "In the PWV it would be more expensive. Why not get it more cheaply if it's available? The artificially high price leads to over-produce-

tion that's exported at a huge loss. Real prices would convince some wheat farmers to plant something else."

Lieb Nieuwoudt, an agricultural economics professor at the University of Natal, agrees. "There's no need to be 100% self-sufficient in wheat. We can tolerate 10% or so in imports. Importing some wheat could lower the price."

But Hemingway says that the imported price is artificially low. "The world price is not an economic price, it's a suppressed price, subsidised by foreign governments."

Government supports are certainly the rule in agriculture across the globe and wheat far-

mers get a large share. Government farm supports cost consumers worldwide more than US\$100bn a year, according to US government figures.

Van Zyl urges that SA's barriers be removed — but the best hope for that is through negotiations under the General Agreement on Trade & Tariffs (GATT). In a plan presented to GATT last month, the US proposed ending most agricultural export subsidies and trade barriers. SA, one of the 124 GATT nations, doesn't object as long as other nations go along.

The outlook for the plan, however, is uncertain.

And whether Pretoria will let go of the wheat price without supporting trade law is very much open to question. ■

Concern voiced
about cutting of
Treasury control
over spending

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ACHMED KARIEM

DP FINANCE spokesman Harry Schwarz has expressed concern about the removal of some Treasury control over spending of departments, but has welcomed changes designed to bring about greater efficiency in the Finance Department.

In a statement yesterday he said decisions on priorities of expenditure were often "not mere management decisions", but had important political implications.

Priorities of expenditure had to be carefully planned and decisions taken had to be changed at the highest level only.

There had been many examples of "lack of adequate financial control", and matters would get worse without meaningful input from Treasury.

Schwarz said another factor was the unnecessary expenditure of surplus departmental funds near the end of a financial year to avoid repayment into General Reserve Funds.

Basic safeguards of financial control had to be maintained in the light of reports on Education and Training Department activities.

Statutory

"In view of the changes, one must envisage that the role of the Auditor-General and of the Public Accounts Committee should become more proactive," Schwarz said.

He applauded the decision to make the Financial Institution Office a statutory body outside the Public Service. However, banks and building societies might have to be brought under such a body, as would the methods of liaison between such a body and the Reserve Bank.

An example of the problem was the Usury Act, which not only policed adherence to the law but also fixed maximum interest rates.

Schwarz said insurance companies were having an increasing impact on the financial sector, meaning co-ordination between the Reserve Bank and the Registrar of the Financial Institution was vital.

Another matter of concern was the personnel position in the Finance Department.

He said Director-General Gerhard Croeser and fellow senior colleagues were "capable and experienced", although he lamented the shortage of skilled personnel within the department.

which will include a career-school for 1 500 pupils and later a community hall

ge will offer vocational education enrichment programmes to be run as semester-long rather than requiring students to spend a full year or more before qualification.

of Barlow Rand, Mr Mike Jollyon said his company was delighted to work with the ACE steering committee. Barlow Rand would take an active role in the project, participating in the

support by offering vacation jobs and in-service training to college students

General manager of The Star and chairman of the ACE steering committee, Mr Jolyon Nuttall said they were delighted by Barlow Rand's decision and their offer of providing expertise at so many different levels of the undertaking

Another member of the steering committee, Alexandra resident, Mr Martin Ramokgadi said "We have waited a long time for a dream to become a reality. Now our young people can't wait for the college to open."

rightist thinkers from all walks of life "from academics to unions" — in an attempt to start a rightist "volksbeweging" or national movement — against Government reforms

Dept of Finance is streamlined

The Department of Finance has been restructured to streamline operations and to improve financial discipline in Government

STW 6/12/89
The Treasury and Public Finance branches have been scrapped and their functions taken over by three new branches — financial planning, financial relations and financial supervision (250)

One of the main aims appears to be to give greater responsibility to the spending sections of other Government departments especially since the Government has decided to appoint private sector expert financial administrators to improve controls.

Finance Minister Mr Barend du Plessis said the changes would enable the department to gear itself to present day circumstances and respond to new needs, particularly the need for greater financial discipline

Plea for blood donations

By Jacqueline Myburgh

The South African Blood Transfusion Service has appealed to donors to donate blood before they go away on holiday, in anticipation of a shortage of blood over the festive season

Mr Bill Nortman, senior technical officer for the service, said an increase in blood usage was expected as a result of road accidents, shooting incidents and Christmas parties, the last usually involving cut glass. STW 6/12/89

"Although routine surgery drops during the holiday period, these demands more than compensate.

"We are currently only just meeting our demands for blood and not replenishing the banks"

The biggest problem facing the service over the holiday period was that regular donors would be away

Mr Nortman added that holiday-makers could donate blood at other services, but his experience was that people did not feel like donating blood while on holiday

He said no-one had ever died because of a lack of blood, but one could not exclude the possibility

"We came pretty close to it this year. We can always bleed staff and family, although it is not an ideal situation," he said

For details of blood donation drives at major shopping centres later this month, or other information, contact the Blood Donors Clinic at (011) 660-6417

DEPARTMENT OF FINANCE

250
mail

Croeser's cube

Far-reaching changes announced on Tuesday in the Department of Finance are intended to "streamline operations," says Director-General Gerard Croeser. "We are eliminating duplication of services, redistributing skills and changing the department's culture."

Though no posts have been abolished, the restructuring eliminates a layer of management in the subdepartment, policy.

The changes were decided on some time ago but their release was delayed pending the inquiry of the Van der Horst Committee into the "role and functional slot of the Office of Financial Institutions." This previously fell under the chief executive director policy, though not in the subdepartment,

functions . . . but to avoid confusion, as a general rule, further references to the Treasury will be limited."

The announcement follows earlier news that Japie Jacobs, now senior deputy governor of the Reserve Bank, will take over as special economic adviser to the minister of finance from February 1. He was due to retire at the end of next year, but has been granted early retirement to enable him to take up his new post, held by Chris Stals between May and August.

Jan Lombard will take over as senior deputy governor from March 1, until the end of 1991. His term as deputy should have ended in August 1990.

Chris de Swardt, who holds the key post of



Jacobs



De Swardt



Burton



Van Wyk

policy. It is now destined to become a statutory body outside the public service with its own board of control, following the Van der Horst recommendations. Registrar Theo van Wyk will continue to report to the minister of finance.

The new arrangement, says Van Wyk, will give the office "more flexibility." Whether the new body will be funded in part by the private sector is still to be decided.

Policy was previously headed by a chief executive director who reported to the DG. He was responsible for two branches, public finance and treasury, headed by Deputy DG Arnold Pretorius and secretary Robert Burton, respectively.

This post, vacant since Croeser was appointed DG early last year, has now been abolished. Instead, three deputy DGs will report directly to Croeser: Pretorius (responsible for the new branch financial planning), Burton (financial supervision) and Estiaan Calitz (financial relations).

More changes are imminent. Calitz, who will be "involved in the budgetary process" from the next parliamentary session and Pretorius will swap posts in April.

The term Treasury will cover the functions of all three new branches, "since each has taken over certain of the former Treasury's

registrar of banks & building societies within the Bank, has been appointed deputy governor from March. No decision regarding his replacement will be made until early in the new year.

Jacobs's role as chairman of the Financial Markets Advisory Board is not likely to be affected by these decisions. ■

TAX CONCESSIONS

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Phased

Tax concessions on certain building society, Post Office and Treasury investments are to be phased out from March 1. Some compensation will be offered in that interest rates, as fixed by the minister of finance, will be in line with market rates. Exceptions are Post Office savings and Telebank investments, where the taxable portion of interest will not be market-related.

Originally, the elimination of the concessions was to coincide with lower tax rates but as yet there is no clear indication that these will be in place when the phasing out is completed.

Institutions which have had a competitive advantage in the retail market will presum-

The buck stops where?

Gerrit Viljoen is a very civilised man — and, who knows, he might have for us, under his mortar board, the constitutional settlement that so eluded poor Chris Heunis. But the administrative mess, negligence, irregularity and downright crookery in the department over which he levitated cannot be just brushed aside

He must be given substantial credit for taking swift action to expose what occurred, the implications of which are not yet over. The implied judgment of the Van den Heever Commission was that he had been rather naive. The question remains, however, whether it is good government and administrative practice to leave the matter there.

The point has been made that parliamentary tradition in this country does not require a minister to resign if his department was rotten under him and he did not know and was not directly implicated. That is not necessarily good.

First: precisely who is responsible, especially if the top civil servants are also implicated? This could be a serious void. Second: it is a tradition that is hardly likely to encourage ministers to seek out administrative excellence. Indeed, there are going to be ministers who deliberately walk about their departments blindfolded as a form of prophylactic

And, third: having presided in ignorance over maladminis-

tration and negligence — and displayed poor judgment — in one department, will a minister who disclaims responsibility simply transport these shortcomings to another portfolio? Bluntly put, is it possible that what Viljoen did not see in the Department of Education & Training he will not see in the Department of National Education?

If the Van den Heever Commission is anxious to prevent a repetition — which its recommendations suggest is the case — then it should reflect a little more in its final report on ministerial responsibility.

Another point that arises from the commission's findings is the waste that has taken place in an important department. Officials have been employed of limited intelligence and little integrity. This, as well as the financial extravagance of questionable projects, suggests that Pretoria is on shaky ground when it claims that expenditure on education is too important to cut. Clearly less could be spent more effectively.

No one expects amiable Gerrit to tear his hair and wear sackcloth. But, really, for him to be promoted to a more important Cabinet post after the DET mess does not enhance the fine judgment that the State President has displayed so far. ■

Own Correspondent

JOHANNESBURG — Government revenues at R41,5bn increased 39% year-on-year for the first eight months of the fiscal year to end-November. The budgeted increase for the year as a whole, set in the March Budget, was 18%.

Figures published in the Government Gazette on Friday showed the amount collected in the first two-thirds of the year is 75,5% of the budgeted total for the year

Govt revenues up 39%

copy 7, nps 18/12/89

as a whole ²⁵⁰ Comparable analysis of spending shows an increase of 23,4%, against a budgeted 18% for the full year, to R42,8bn. This leaves a deficit before borrowing of R1,3bn, sharply down from R4,9bn a year ago.

The end-November deficit before borrowing is about 13% of the full amount budgeted for the

year. Inland Revenue income increased 151,1% in November on the same month a year ago. Overall revenue for the State Revenue Account was up 117,6% to R7,3bn, from R3,4bn in November 1988.

Spending for November was 30,8% up on the same month a year ago to R5,6bn. Eight months' total spending at

R42,8bn was 66,8% of the budgeted R64,1bn for the full year.

Including the R1bn contingency reserve, which swells overall budgeted spending to about R65bn, eight month spending was 65,9% of the budgeted total.

Detailed spending figures for the first eight months show defence spending 28,6% up to R6,2bn. Police spending was up 34,9% to R1,8bn. Spending for the statutory amount for finance increased 56,9% to R10,3bn.

PUBLIC SECTOR GOVT. - GENERAL

1990

Public pay hike decision looms

Capl Times 10/1/90

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Own Correspondent

PRETORIA — The cabinet will have to take a R6bn decision early next month — the cost of giving state personnel an expected 15% pay hike in the new financial year, according to sources here

Paying the one million personnel in the state departments, the homelands public services and parastatals takes an increasingly bigger bite out of the budget — more than 25% of the total every year

The Public Servants' Association (PSA) has asked for an across-the-board increase of 20% from April 1

Based on the R16bn paid in salaries and salary related expenditure in 1988, and taking into account the 15% salary increase from January last year, the 1989 payout exceeded R18,5bn

Assuming a 15% increase — the 20% demand is likely to be rejected — the total needed for salaries in the new financial year would be around R22bn

And when other benefits are added, including medical aid, housing subsidies, car benefits and overtime, the total could rise by another R4bn

The PSA says that in April it will be 15 months since its last increase

Meanwhile, economists say it has become "critically urgent" that the enormous slice taken from the budget to fund SA and homelands bureaucracies be drastically reduced

Xerox boss shot by ex-employee

PARIS — The president of Rank Xerox-France was shot and seriously injured yesterday at the end of a seven-hour hostage drama in which he and four other employees were held at gunpoint by a former employee

Mr Olivier Groues, president of Rank Xerox-France, was last night in a critical condition

The gunman, Mr Daniel Vielle, 45, was taken into custody immediately after the shooting in the company's offices on the 20th floor of a skyscraper in the La Defense business district of Paris

Mr Vielle was said to be seeking more money from his dismissal five years earlier — Sapa-AP

Regret at objections

CASE-711115 19/1/70
By BARRY STREEK
Political Staff

THE Speaker of Parliament, Mr Louis le Grange, has described the objections to the appointment of National Party MPs as chairmen of all 14 of the Joint Standing Committees in Parliament as "regrettable"

None of the parties had informed him of their objections to the appointment of the chairmen, Mr Le Grange said, and it was regrettable that they had raised the matter by way of a public statement without first availing themselves of the customary parliamentary channels.

He was reacting to the statement this week by the Labour Party, Solidarity, the Democratic Party and the National People's Party, protesting against the appointment of only Nationalist MPs as chairmen of the committees

Their objections were also supported by the Conservative Party

The Rules of Parliament required the Speaker to appoint the chairmen of Joint Committees

its temporary suspension of imports.
But China was expected to come back

continued and consumers were prepared
to pay a premium for quality products.

Public servants edgy over govt plan

PRETORIA — The prospect of a speed-up in government's privatisation programme this year is causing anxiety in the public service, according to sources here

Aggravating this growing insecurity felt by some government workers is the determination of Administration Minister Wim de Villiers to rid the country's bureaucracy of at least some of its fat

De Villiers said recently he would work closely with all Cabinet ministers concerned with the economy to develop a better system of co-ordination, monitoring and management in the service

And backing him are the two private sector experts appointed last year to sharpen efficiency levels in the service — ISM's Jack Clark and Gencor's Tom de Beer

A Commission for Administration spokesman said they had helped develop a financial management system which was now being implemented

(250)

GERALD REILLY

Trade and Industry Minister Kent Durr said recently the policy of decentralisation was under close study

There were large amounts of money involved, he said, and it was necessary to look critically at the situation.

Sources pointed out it was not only large amounts of money involved, but large numbers of bureaucrats administering and dispensing lucrative incentives.

An editorial in the latest Public Servants Association magazine complains of the uncertain career prospects in the service and the destructive and unfounded criticism often aimed at government workers

The PSA claims the freezing and abolition on posts in the service has resulted in a 9% staff shortage and a saving of R400m a year for government



The public
service

mainly The Goodman Type

Govt aims at big civil service cuts

CML Tregis 26/1/90 250

From GRETA STEYN

GOVERNMENT is implementing a rationalisation programme aimed at saving hundreds of millions of rands in spending by slashing the size of the civil service.

With the help of private sector consultants, a large scale investigation is underway to pinpoint activities that could be provided by the private sector rather than the civil service. Merchant banks, accounting firms and academics are helping to create a leaner civil service.

Director of privatisation in the office of the Commission for Administration Kallie Saayman said yesterday the employment of thousands of civil servants and at least hundreds of millions of rands in government spending were affected.

"New savings plans are currently being drawn up by teams headed by directors general of government departments. Private sector consultants, including Tom de Beer of Gencor and Jack Clarke, formerly of IBM, are team members."

Apart from these major programmes, about which details are not yet available, a few smaller programmes are already underway.

The main target of these smaller operations is cutting services by the government for the government. One of the first items on the agenda this year is likely to be the scrapping of the government's own transport service, or the "government's garage" — a service with an annual budget of R400m and assets of about R300m that could be sold.

Saayman yesterday said the government was currently finalising plans for its internal transport service.

"The suggestion is that transport is left entirely up to the departments to arrange through contracts

with the private sector."

Another major thrust is in catering, cleaning and gardening — all functions that, Saayman said, need not be performed by civil servants.

"The saving through 'privatisation' of these three services is clear from the number of civil servants employed in them — 38 000 — a number we aim to reduce dramatically."

These services would be phased out over a period of three years and it was hoped small businesses would benefit from the move.

Another programme was in the Department of Public Works, where workshop activities such as maintenance of government buildings were already being placed in private hands. And a study is being done in the Department of Water Affairs to improve efficiency and find ways in which engineering and other services can be farmed out to the private sector.

Another area where "privatisation" was already taking place was forestry.

"If after these programmes have been completed we have not materially reduced the number of civil servants, we will know we have failed," Saayman said.

The move to create a leaner civil service is an extra source of business for private sector management consultants. Merchant banks Finansbank and SMB and accounting firms Pim Goldby, Deloitte Haskens and Sells, Price Waterhouse and Arthur Andersen are known to have pitched for the business.

In the case of the government's garage, the input of four consultants was used, including that of Price Waterhouse. Pim Goldby was involved in the Public Works rationalisation. SMB and Deloitte are finalising a study of Water Affairs.

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Consultants aid in civil service trim

250
BIP/26/11/90

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GRETA STEYN

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Govt is ²⁵⁰ expected to hold ²⁵⁰ down pay

6/10/90 29/11/90
GERALD REILLY

PRETORIA. — Public servants fear that government could use modest pay hikes this year to demonstrate its determination to cut the enormous costs of administration.

The increases are expected to be made known by Finance Minister Bar-end du Plessis in the Budget on March 14.

The Public Servants Association has asked for a 20% increase for nearly a million exchequer personnel. This would cost government an estimated R6bn.

Speculation in the public service now is that increases will be between 12% and 15%. However, provision is expected to be made for significant increases for key personnel where the shortage of professional and skilled workers is causing serious concern.

'Inadequate'

In the current financial year R50m was set aside in the Budget for "career differentiation" increases. The PSA condemned this as inadequate, claiming it indicated a lack of understanding for the critical staff situation in vital areas of the service.

PSA GM Hans Olivier said last week that many resignations in the past 12 months had justified the PSA's stand.

Well trained personnel — the core of the service — were being lured away to the private sector with higher salaries and better service conditions.

"We hope this time round there is a greater appreciation of the problem, and that a substantial amount will be allocated for these special increases," Olivier said.

Decision soon on saving govt pension fund

A GOVERNMENT decision on a ministerial committee's recommendations regarding the rehabilitation of the ailing Government Service Pension Fund (GSPF) is expected soon.

The committee was established in 1986 by the then Health, Finance and Privatisation Ministers

GSPF chief director Japie Visser said the report of the committee dealt with questions such as the scale of benefits and the effects of early retirement.

The problems of investments restricted to prescribed assets and the crucial issue of the level of funding were also highlighted.

"Cognisance was also taken of the effect of the privatisation process on the fund," Visser said.

~~3000~~ (250)
LINDA ENSOR

Yesterday Business Day received a complaint from a senior civil servant about the withdrawal of pensions and gratuities by retrenched SADF members. He said this would affect the GPSA detrimentally.

He said early retirement meant pensioners were withdrawing more from the fund than they had contributed. *Monday 3/11/90*

Existing members were subsidising their pensions. This would mean the fund would eventually have more pensioners than contributors, he said.

The approximately 2 300 people to be pensioned off or given early retirement would be able to get additional service up to a maximum of five

years according to an established formula plus an extra year for each four years served for those who have worked 10 years or more.

Government was not telling the taxpayers the truth about the state's liability to the fund, postponing "the evil day" when taxes would have to be increased to make up the shortfall, he said.

Being legislatively limited to investments in prescribed assets, the GSPF was not only not achieving adequate returns but was also providing the government with low-cost financing, he said.

In reply, Visser said a step away from the restriction of funds to prescribed assets was the channelling of R1bn to four financial institutions.

Du Plessis hits PW pay move

250
Political Staff

EX-PRESIDENT P W Botha lacked consistency in applying economic policy and in 1988 agreed to R2 billion extra in salary increases despite agreed strategies not to increase expenditure, according to the Minister of Finance, Mr Barend du Plessis.

"Changing priorities in this way consequently destroyed our financial credibility, severely damaged business confidence and demotivated our advisers," he said.

Mr Du Plessis, in an interview published yesterday in The Executive, said that in 1988 "the wheels came off fiscal and monetary strategies that had been soundly constructed

"It started when I suddenly had to find money for an interim increase in teachers' salaries shortly after all such increases had been ruled out. Ultimately we ended up with a general salary increase for civil servants for which we had not budgeted.

STAR 6/2/90

Minority protection 'part of new deal'

Voting rights for all on horizon — Viljoen

The new South Africa which President F W de Klerk was creating would ensure all its citizens a full and equal franchise in an undivided multi-party democracy, Minister of Constitutional Development and National Education Dr Gerrit Viljoen said yesterday.

But an effective form of minority protection was needed "as a component of the new power-sharing", he added

Speaking in the debate on the President's opening address, he said the Government had taken a risk in making its announcements on Friday Outstanding and unresolved problems could now be straightened out through negotiation

"It would be petty to make further demands in terms of a 'shopping list' To respond with an all or nothing approach would be fault-finding and cowardly."

Dr Viljoen challenged the ANC to relinquish violence unequivocally and to make its influence felt in peaceful politics.

"This new South Africa is no

mere sweet-sounding rhetoric," he said "The outlines and essential traits of this initially vague concept are becoming clearer and more sharply defined

"This new South Africa broadens the basis of democracy so as to ensure to all its citizens full and equal franchise and other political rights within an undivided, multi-party democratic state."

The new South Africa was committed to the removal of the remainders of apartheid and guaranteed all its inhabitants equal rights and opportunities through constitutional protection of human rights and of groups and minorities

Undivided

"One of the most important shifts in emphasis of the policy of the National Party has been the acceptance of the concept of one nation in an undivided South Africa," he said

The concept of minority or group protection would have to comply with democratic and non-discriminatory requirements, oth-

erwise it would obviously not pass the test of the negotiation process, Dr Viljoen said.

On the one hand was the legitimate claim of all the country's citizens, and in particular its black population, to full voting rights up to the highest level of government

"This must be acknowledged and accepted," he said.

"On the other hand there is the justifiable need and demand of minorities, in particular the whites, for constitutional protection against domination and for guarantees of a meaningful share in political decision-making

"And between these two aspects, through peaceful negotiation, by give and take, an acceptable compromise must be achieved by reconciliation"

The problem was compounded by demands for black majority rule in a unitary state, which was unacceptable to the NP.

"The practical realities of our country demands an effective form of minority protection as a component of the new power-sharing," Dr Viljoen said. — Sapa



PARLIAMENT
1990

Govt must
~~stay~~ ^{stay} ~~6/2/90~~ ⁽²⁵⁰⁾
reassure on
rights - DP

It was in the interests of the National Party and South Africa that the NP issue a declaration of intent on political rights, said the DP's Parliamentary leader, Dr Zach de Beer.

He said this declaration need not reveal every detail of the NP's policy and certainly not its negotiating plan.

But mistrust remained after Friday's speech by the State President, and people in extra-parliamentary movements were seeking reassurance.

Dr de Beer said there was some confusion over the NP's attitude on the vital issue of political rights.

Wastage, poor control under fire

B/DW 8/2/90

Auditor slams handling of state finances

250

CAPE TOWN — A scathing report by Auditor-General Peter Wronsley on the administration of government finances in general affairs departments and state-controlled bodies was tabled in Parliament yesterday.

He said he was unable to give unqualified audit opinions on four government departments — Development Aid, Education and Training, Public Works and Land Affairs and Police — and two statutory bodies — the National Parks Board and the SA Development Trust

In regard to three other statutory bodies — the Black Compensation Fund, the National Housing Fund and the National Housing Fund (Blacks) — he was not able to even express an audit opinion because of the late submission of financial statements as well as inadequate information furnished by accounting officers.

Wronsley also criticised the shortcomings in financial management, where possible wastage amounted to "several millions of rand", high car allowances paid to seconded officials in the KwaZulu Government, as well as irregularities and lack of control in several departments and statutory bodies.

He described the failure of many black authorities to comply with statutory audit requirements as "alarming".

Factors to emerge from the Auditor-General's report were:

□ Government spent R6,2bn on the ten homelands during the financial year. Almost a quarter of this total, R1,8bn went to KwaZulu, mostly under the Development Aid vote, although R34,6m was spent under the police vote and R121,9m through the SA Development Trust.

Political Staff

□ Sales tax revenues of R12,9bn were 27% up during the 1988/9 financial year, representing 26% of the total ordinary revenue of the State for the year.

□ Government will have to write off loans totalling R27,1m granted to Gencor and AECI to investigate the viability of synfuel projects.

The Central Energy Fund (CEF) lent R20,9m to Gencor for financing of Phase I for development and Phase II for testing of a potential plant for the production of synthetic fuel from torbanite.

It also lent R6,2m to AECI to test the potential of a plant for the production of synthetic fuel from coal.

□ The buyback of pensions by civil servants had added a further R296m shortfall to state pension funds. Government had decided not to make the additional shortfalls good at present and attention would be paid to the shortfalls when gross actuarial shortfalls were dealt with.

He said that in the year of reporting profits and losses of R10,5m and R13m respectively had been made on realisation of investments by the funds.

Wronsley said an actuarial assessment of the Government Service Pension Fund had shown that the shortfall had risen to R13bn from R16,8bn at the time of the previous actuarial report. Provided there were no unfinanced improvements of benefits the pension fund would be fully funded only by the year 2018.

□ Serious staff shortages are hampering the work of the Auditor-General in checking how government departments are

□ To Page 2

State finances

10W 8/2/90

250

spending taxpayers' money

□ Unauthorised expenditure totalling R165 343 took place in the Defence vote and R185 975 in the Finance vote in regard to the SA Mint

Wronsley's report, his first since he succeeded Joep de Loor as Auditor-General on September 1, is the strongest in recent years. In his introduction, he said the purpose of his report was to report on matters which, in his opinion, were of significance to Parliament

"Reporting in this manner, however, un-

fortunately sometimes gives the impression that deficiencies are unduly emphasised, while credit can often not be given for the many situations where no significant irregularities were found"

He said cognisance had to be taken of criticism expressed by the Van Den Heever Commission of Inquiry concerning the absence of machinery by which state employees can report irregularities without fear of victimisation

● See Page 5

Control of govt funds under fire

CML - Trip 8/2/90

By BARRY STREEK,
Political Staff

250

A SCATHING report by the Auditor-General, Mr Peter Wronsley, on the administration of government finances in general affairs departments and state-controlled bodies was tabled in Parliament yesterday.

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He said cognizance had to be taken of criticism expressed by the Van den Heever Commission of Inquiry concerning the absence of machinery by which state employees can report irregularities without fear of victimization.

"A system which guarantees the confidentiality of an informant and rewards him on the same basis as that used by the Directorates of Inland Revenue and Customs and Excise of the Department of Finance to expose tax evaders, may require further attention," Mr Wronsley said.

● The government spent R6,2 billion on the ten homelands during the 1988/9 financial year, the report disclosed.

● The government will have to write off loans totalling R27,1 million granted to Gencor and AECI to investigate the viability of synfuel projects. The government has decided not to go ahead with the projects.

● An audit inspection found that senior, seconded SA officials working for the KwaZulu government drew up a motor subsidy scheme which was more generous than the system applied in South Africa.

Allow private sector to invest govt pension funds, DP says

CAPE TOWN — The sooner the investment management of government pension funds, which had an actuarial deficit of R23bn in 1988, was transferred to the private sector, the better for the taxpayers of SA, Democratic Party pension expert Brian Goodall yesterday

Self-administered funds had a return of 18,76% in 1987, but the return on state-controlled funds was 9,36%.

Political Staff

"For every rand contributed by a self-administered fund, it generated R1,52 of income," Goodall said during the mini-Budget debate. "For state-controlled funds the figure was 96c"

The difference in investment returns meant the increase in income for the General Services Pension Fund would be R2bn a year.

It was the practice of the Registrar of Pension Funds to declare a private sector pension fund to be financially unsound if the value of the assets of a fund was less than 95% of the accrued liabilities. (250)

"The 1988 actuarial valuation of the General Services Pension Fund showed that its assets were equal to 41% of its actuarial liabilities, if you take into account fund increases"

Call to slash govt bureaucracy

(250)
GRETA STEYN

STANDARD Bank economist Nico Czipionka has called for government to slash the size of the bureaucracy to prove it is serious about curbing spending and trimming the role of the state in the economy. He says government has managed to cut capital outlays and maintenance.

"The performance ... though laudable, is not yet evidence of a meaningful restructuring of government's finances," he said. 8/04 22/90

Describing the bureaucracy of central government as a massive problem, he noted the staff complement grew by 2,6% in the year to September 1989, "higher than employment growth in the private sector".

The number of civil servants in the self-governing states, excluding the TBVC

states, according to Central Statistical Services, rose by 6% to September 1989 and accounted for more than 20% of central government's staff complement. Their salary bill rose by a massive 42,8%.

Another development Czipionka regards as disconcerting is the employment explosion by agricultural marketing boards, up 11%, with salaries up 28%.

Growth in the total public sector wage bill (up 20%) was restrained by the small rise in that of public enterprises (4,3%). Central government's wage bill, by contrast, rose by almost 30%.

● See Page 3

Civil servants dismayed at 10% increase

CMT Times 24/2/90
250

CIVIL servants are not happy with their 10% pay rise.

According to the Public Servants' League (PSL) and the Public Servants' Association, the increase is not enough.

The general secretary of PSL, Mr Bernard Wentzel, said the allowance was 80% below the inflation rate. The government had ignored the league's investigations which had concluded that an increase of 20% was the minimum acceptable.

The chairman of the Public Servants' Association, Dr Colin Cameron, said he was dismayed by the increase. He said the association had, after an extensive study of the situation, suggested a 20% increase and an additional sum to address the imbalances that existed in certain categories within the sector.

Bear the brunt

Mr Wentzel said that compared with the private sector, for which the minimum wage was now R800 a month, public servants were still earning as little as R300. For these people the allowance would have practically no effect.

The low increase would have a negative impact on the work attitude of public servants, he said, and many resignations could be expected.

"We do not accept the government's statement that there is no money for bigger increases."

"We do not see why public ser-

vants should bear the brunt of reducing the inflation rate. The government has made huge savings through the withdrawal from Namibia and from the sale of Yscor, and there have been statements by the minister of finance that there is a surplus of income in the budget.

"We today made it clear to the minister that it is now up to the government to justify and explain the real reasons why they are only giving 10%. We are not prepared to support them on this issue."

He said a mandate had been received from league members for "drastic action" which included direct representation to the State President, as well as mass meetings "to demonstrate our rejection of this negative treatment".

He said the first meeting would be held in Paarl at the Civic Centre in Charlestonville at 10am today. There would be a demonstration at the Gordon's Institute in Mowbray on March 3. Mr Jasper Welsh of the DP and Mr Johnny Issel of the UDF would be among the speakers.

The Hospital Personnel Association of South Africa (Hospersa) also expressed disappointment at the increase, saying it could "only lead to further losses in key personnel and a further deterioration to the present health crisis".

Hospersa too had expected an increase of 15 to 20%.

Further "urgent representations" would be made to the Minister of National Health and Population Development on behalf of the association's members.

An Athlone police detective, who did not wish to be named, called the Cape Times yesterday to express dissatisfaction. He said he and his colleagues worked long hours every day and over weekends, a fact which was not being recognised. The minister, who had led them to believe increases would be to the order of 20%, was now going back on his word. Already, he said, at least six of his colleagues were talking of "buying their discharge".

Nurses and teachers, on the other hand, have accepted their allowances with gratitude, saying that while its non-pensionable nature may be a disappointment to those about to retire, the increase will help stem the outflow of staff from these professions.

The Teachers' Federal Council yesterday said the decision was "acceptable".

Nurses

The SA Nursing Association said it "appreciates" the increase and that it being non-pensionable meant there would be "more cash in the pocket".

The association said that from February 24, it would be officially recognised as a staff association in the public service.

The Democratic Party spokesman on the public service, Mr Roger Burrows, said the party supported the level of increases "as being that which the economy can support at the present time".

However, he said the 10% increase appeared equitable only if the police, nurses and labourers had their "appallingly bad" salaries increased by additional amounts.

The Chamber of Business said the increase was within the government's commitment to maintain fiscal discipline. — Staff Reporter and Sapa

Pay hikes get 'yes' votes from MPs

Political Staff

MEMBERS of Parliament have voted themselves salary increases of just on 16% — 6% more than the non-pensionable allowance announced yesterday for the civil service.

President F W de Klerk announced a new deal for MPs which will push up their remuneration package to R105 000 a year.

However, ministers who are currently on about R160 000, will receive an increase of only 7,8%.

From April 1, MPs will earn R1 000 a month more, pushing their salaries up to R87 000. They will also be able to claim — on proof of expenditure — up to R18 000 a year in constituency secretarial and administrative costs, enjoy subsidised cheap housing in Cape Town and participate in a car scheme which provides a new car every four years.

They are also entitled to about 20 free flights on SAA a year while paying only 20% of the full fare for others.

Cabinet ministers' salaries will increase to R132 579 a year, added to which is a R36 615 reimbursive allowance, while deputy ministers will now earn R94 065 plus R28 116.

'FAT CAT' POLITICIANS

Public service up in arms

Weekend Argus Political Staff

THE move by politicians in voting themselves a 25 percent pay increase has drawn widespread anger.

At the same time public servants are up in arms at the "measly" 10 percent given them by the government which at the same time urged big business to follow suit with the same "zeal and constraint".

The full extent of the politicians' increases concealed in the bureaucratic language of official statements, has done more than anything in recent times to give the ruling establishment a "fat cat" image in the eyes of the public.

President F.W. de Klerk, in a statement yesterday, referred to a "structural salary adjustment" amounting to an extra R12 000 each a year for politicians from cabinet ministers to ordinary MPs.

In addition, they will get the general 10 percent increase for public servants according to other government sources.

Nationwide protests

The 47 000-strong Public Servants' League is planning nationwide protests and mass meetings, according to spokesman Mr Neville Petersen.

Speaking from Paarl today, where a meeting to discuss protest action was being held, he said: "We are perturbed about the whole situation and a placard demonstration will be held after the meeting."

There has been talk of possible industrial-type action as several public service sectors have condemned the 10 percent increase as "measly", "disgrace" and "unacceptable".

The pay issue will also be raised at a scheduled meeting of the powerful Public Servants' Association (PSA) executive committee in Pretoria on Monday, and black public servants living below the official bread-line may also show their objection through strike actions.

PSA chairman, Dr Colin Cameron, said today: "We are shocked, dismayed and concerned. We have told the minister unambiguously that the allowance will not be acceptable."

Speaking from Pretoria, Dr Cameron told Weekend Argus he accepted there could be valid reasons for the larger increases granted to MPs and cabinet ministers, but similarly there were "valid and sound reasons" why larger increases should also have been granted to public servants.

Cabinet ministers and MPs are to get a double salary increase — a total of about 25 percent more for MPs and 17 percent more for cabinet ministers.

This will push MPs' salaries up from R75 000 to about R94 000 a year — while the R158 000 a year that cabinet ministers now earn will rise to over R181 000. The double increase was confirmed by sources, including one in the cabinet, last night.

Most MPs and members of the government approached last night would not comment, although one new MP said he felt rather ashamed to get such a big increase after serving as an MP for only a few weeks.

However, those who were prepared to comment justified the increase. They said nurses, policemen and other occupations would also be getting increases over and above the general 10 percent.

According to Mr Jan van Eck, DP MP for Claremont, the increase was "timely". He said an MP had many expenses and "it is no wonder that so many work on large overdrafts".

Embarrassing

He said it was embarrassing that MPs had to vote for their own pay increases, and he welcomed the announcement that the government was giving attention to legislation to create a statutory body which would decide on politicians' salaries.

In a statement issued through the Bureau for Information, President De Klerk said the government was giving attention to the creation of a statutory body which will determine the remuneration of political office bearers in future and thereby remove this issue from the political arena.

Members of parliament had to incur abnormally high costs to earn their salaries, the statement read.

This included the cost of maintaining two houses and additional expenses involved in alternative arrangements for the education of their children.

Tax cuts on the way

250
CMT-TMF
24/2/90

Judge rules on fired imam

— PAGE 3

Swazi ghost

MBABANE — Swazi schoolgirls boarding at the Nzarene Church High School in Manzini claim that a ghost is haunting their dormitories. A senior teacher retorted that if pupils believed in Jesus they would not believe in "such nonsense" Sapa

Ray in coma

HOLLYWOOD — Johnnie Ray, 64, the Fifties singing star whose hallmark was shedding real tears as he crooned his hits, was in a coma yesterday after suffering total liver failure

Tunnel toll up

AT the Huguenot Tunnel toll plaza, motorists will now pay R2,25 per axle for light vehicles and R6 per axle for heavy vehicles

A rebate of 20% on the amount will be granted when R500 debit cards are purchased simultaneously — Sapa

Crack of dawn



Are you from the BBC, CBC or the CCB?

Syfrets Cape Times

Share Challenge

TODAY'S PRIZE



DRESSED FOR THE CARNIVAL — These three women in bright national costumes will be part of a parade in Adderley Street today to publicise the four-day 1990 Community Chest Carnival which opens at Maynardville on Wednesday. From the left are Hayley Norman, 19, who will be at the Norwegian stall during the carnival, Johanna Badings, 22, of the Netherlands Pavilion, and Ielhaam Regal, 17, of the Cape Malay Tea Garden

Picture ANNE LANG

By ANTHONY JOHNSON
Political Correspondent

THE government yesterday promised South Africans a "substantial" cut in personal tax — starting with next month's budget — and announced a 10% pay hike for nearly a million civil servants from April 1.

Teachers will be getting an additional 12% pay boost from March 1, while further increases — backdated to April 1 — will be announced later for certain categories of public servants such as nurses, police and security personnel.

Parliamentarians at the level of an MP or higher will receive R12 000 more a year, amounting to an increase of 15,9% for MPs and 7,6% for ministers. Members will also have their secretarial and constituency office allowances increased from R10 000 to R18 000 a year — boosting the annual package for an ordinary MP to R105 000.

The improved remuneration package applies to everyone who is paid by the exchequer — and excludes railways and post office staff and local authorities, who have separate sources of income.

'Modest' increase

Announcing the 10% non pensionable allowances for civil servants, the Minister of Administration and Privatisation, Dr Wim de Villiers, said that increases — along with the cuts in personal tax — would "make a contribution to the improvement of the in-pocket position of everyone".

He said the government realised that the general increase was "a modest one" but it was the maximum that could be afforded when the need to curb government expenditure was taken into account.

But he immediately added "It is also important to bear in mind that government is committed to implement, over a period of time, a substantial decrease in personal income tax. It is foreseen to start this process in the forthcoming budget."

MP's 'high costs'

In a separate statement, the Minister of Constitutional Development and National Education Dr Gerrit Viljoen, said the 10% allowance from April 1 was in addition to the March 1 increase announced for college and school related educators.

Funds will also be made available to universities and technicians for salary adjustments.

Announcing the increases for parliamentarians, President F W de Klerk said the increases had been implemented after consultations with all of the political parties represented in Parliament.

Mr De Klerk said the government was considering giving further attention to legislation for the creation of a statutory body which would determine the remuneration of political office bearers' and thereby remove this issue from the political arena.

Mr De Klerk said attention needed to be drawn to the fact that MPs had to incur "abnormally high costs" to earn their salaries. MPs did also not receive an annual increment, a 13th cheque or housing loans.

Post Office employees will also receive a non-pensionable salary adjustment from April 1.

The Minister of Mineral and Energy Affairs and Public Enterprises, Dr Dawie de Villiers, said it would not exceed 10% of the Post Office's salary bill, and would be calculated on a differentiated basis.

Public servants not happy — Page 3

MPs' salary bill is R30m

CAPE TOWN — The R12 000 a year across the board salary increase, plus 10%, granted to MPs and Cabinet Ministers at the weekend will raise the annual amount paid to parliamentarians to more than R30m.

It was confirmed at the weekend that in addition to the increases announced by President F W de Klerk on Friday, the parliamentarians would also qualify for the 10% non-pensionable allowance granted to all public servants.

This means the 31 Cabinet Ministers receive a total salary package of R185 800 a year which includes an allowance of R36 615 — equivalent to an 18% increase.

The 12 deputy Ministers will receive a package of R134 100, including an allowance of R28 116. Ordinary MPs will receive a salary of R94 500 a year, equivalent to a 26% increase.

In addition they are entitled to participate in a car scheme which effectively provides a free medium-sized vehicle over four years. They receive 18 free return flights a year and thereafter pay 20% of

the cost of a flight. They also receive cheap housing while Parliament is in session.

De Klerk also announced that the amount that directly elected MPs could claim for running constituency offices would be increased from R10 000 to R18 000 a year.

The increases announced by De Klerk amount to a 7,6% increase for Ministers and a 15,9% increase for ordinary MPs.

De Klerk said the increases were in line with a report of the Schlebusch commission of inquiry into the remuneration of political office-bearers.

Government, he said, was giving attention to the creation of a statutory body which would determine the remuneration of political office-bearers in future.

He wished to draw attention to the fact that MPs had to incur abnormally high costs to earn their salaries.

MPs did not receive an annual increment, a 13th cheque or housing loans.

MIKE ROBERTSON

250. BT 26/2/90

Public servants are up in arms

Dismay at politicians' double rise

Staff Reporter and Political Staff

Public servants are angered by the additional 16 percent increase granted to Members of Parliament

Dr Colin Cameron, in his most strongly-worded statement in 11 years as president of the Public Servants Association, warned of a 'show of force' from dissatisfied public servants

The executive of the Public Servants' Association (PSA) was meeting in Pretoria last night to decide on a plan of action regarding the 10 percent increase for civil servants and the "lavish" increases for MPs

At meetings of public servants in Johannesburg, George and East London, there has been deep dismay that public servants were getting only 10 percent from April 1

The Government has defended the double pay increase for politicians by saying it is necessary to attract "competent" people into politics

The double increase will push MPs' salaries from R75 000 to about R94 000 a year and Cabinet Ministers' pay from R158 000 to about R181 000

The chairman of the Commission for Administration, Dr Piet van der Merwe, has said that many public servants will also get notch increases, pushing them up the scale

Public Enterprises Minister

Dr Dawie de Villiers said critics of the politicians' pay increase forgot that it was a high risk to go to Parliament. The average career lasted only a little more than seven years

The latest increases did not fulfil the recommendations of the Schiebush Commission, which investigated politicians' pay a few years ago

If the best professionals were to be attracted to politics the remuneration package could not be too unattractive

He said it was almost impossible for MPs to supplement their income

Political issue

Parliamentarians do not receive housing subsidies or a 13th cheque

They also do not receive a kilometre allowance and MPs representing rural constituencies have to cover distances

"It is not our terrain to comment on the validity and merits of increases to parliamentarians, that is a political issue," said Dr Cameron

"We are concerned with what effects our members

"If you argue, as Dr de Villiers does, that to encourage professionals to embark on a political career you have to offer attractive remuneration, then the same argument is valid for attracting capable people into public services

"The magnitude of the in-

creases granted to parliamentarians endorses our argument that you have to make adjustments to attract capable and experienced people into the public services," said Dr Cameron

The 10 percent increase for 981 000 public servants in government and provincial administrations, education, the police, the defence force and labourers and nurses was announced by Dr Wim de Villiers, Minister of Administration and Privatisation, at noon on Friday

Six hours later, President de Klerk announced an additional R1 000 a month increase for MPs — 16 percent for ordinary MPs and 7,6 percent for Cabinet Ministers — as well as increased monies for their secretarial services

The PSA has in recent months called for a 20 percent increase for public servants, and most public servants were optimistic they would get at least 12,5 to 15 percent

Public servants would not be fobbed off with 10 percent, sources said

In the police, too, there were signs of protest

Police and nurses have been assured of further increases later, while for teachers the increase comes over and above the 12 percent from March 1

Posts and telecommunications officers will get 10 percent from April 1, Dr Dawie de Villiers has announced

Resistance can also be expected from the Posts and Telecommunications Workers' Association, which demanded a doubling of the minimum wage

Public servants and members of the protection services were living in pressurised times, and were suffering from a lack of morale, and with restrictions on their right to strike they could react with a work-to-rule

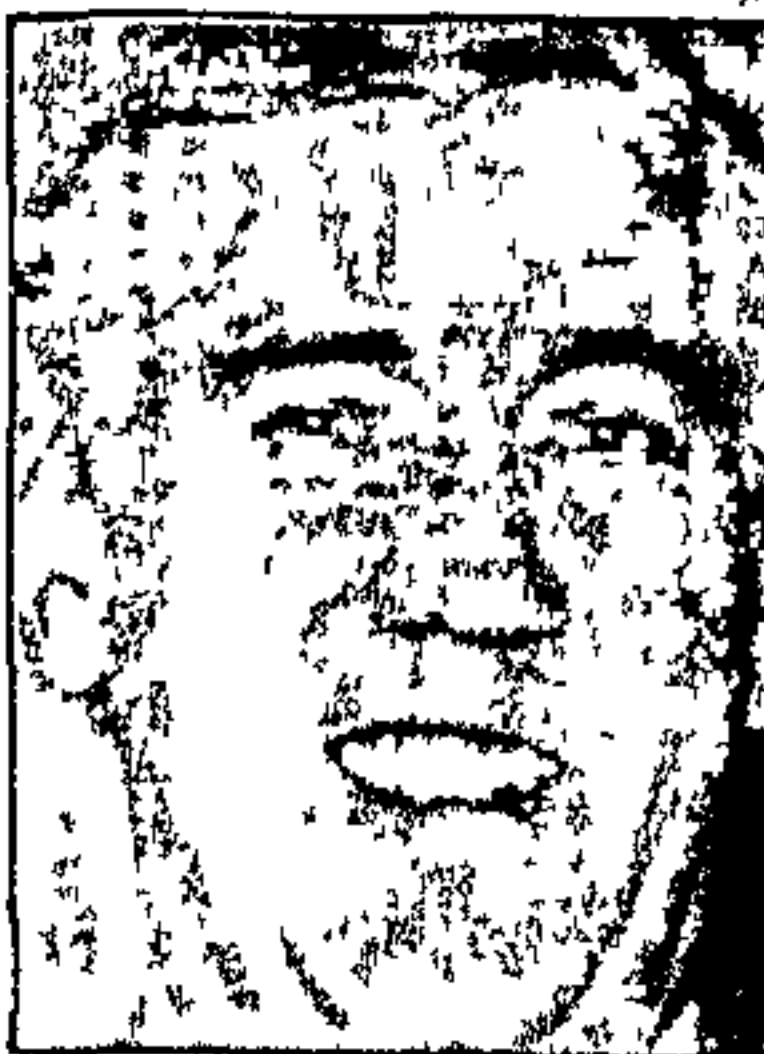
The South African Nursing Association (Sana) said in a statement that after two years of representations the Commission for Administration had fi-



Dr Dawie de Villiers ... need to attract competent people



Dr Piet van der Merwe public servants will get notch increases



Dr Colin Cameron argument applies to public service



Dr Wim de Villiers asks all to tighten belts

UK MPs do well on perks

LONDON — British MPs earn £26 700 (about R117 400) a year but can boost that to £100 000 (R440 000) with perks

They enjoy free first-class travel with British Rail, a generous mileage rate, cheap food and drink, poll tax exemptions and much more. All these helped soften the blow recently when British Airways moved to end one of the MPs' favourite perks — being able to fly first class while paying only economy fares

The free rail travel deal is worth up to £10 000 (R44 000) a year, with wives also allowed free travel. MPs also get a secretarial allowance which many hand over to their wives

Cabinet Ministers have a basic salary of more than £50 000 (R220 000) and similar perks to the MPs — London Bureau

nally indicated it would recognise the association

This means the association will be able to make direct representations to the Commission regarding nurses' salaries and their conditions of service and might in future be involved in collective bargaining with the Government as employer, and not merely acting in an advisory capacity

Dr Wim de Villiers said in reaction he realised that the increases did not meet requests of staff associations

He pointed to the need for sacrifices to reduce inflation and ensure future economic growth and stability in South Africa, and said the Government did not only expect sacrifices from its own employees

but also from the private sector

In a statement issued through the Bureau for Information, President de Klerk said the Government was giving attention to the creation of a statutory body which will determine the remuneration of political office bearers in future and thereby remove this issue from the political arena

Mr Hans Olivier, general manager of the Public Servants Association, told The Star yesterday public servants found the Government's attitude hypocritical and unacceptable when taking into account that MPs were getting an actual pay hike of 26 percent and Ministers were getting about 18,5 percent

"There is great unhappiness in the public service," said Mr Olivier

Use PO services with care, says council

Staff Reporter

Star 27/2/90

250

The Consumer Council has advised consumers to use Post Office services with more discretion to lessen the impact of the tariff increases announced yesterday by the Public Enterprises Minister, Dr Dawie de Villiers.

Consumer Council director Mr Jan Cronje said while he welcomed the possibility of better services, it was a pity some tariff increases were higher than the inflation rate. Concessions for pensioners have been welcomed by the Johannesburg Association for the Aged.

● See Page 13.

Threats of strike action and go-slows

Public servants want pay increase doubled

Own Correspondent

CAPE TOWN — Public servants are demanding the Government double their April increases.

And there are threats of strikes, protest marches, resignations or go-slows if demands are not met.

The Public Servants' Association (PSA) — with 63 000 members the largest of the four associations of public servants — decided at an executive meeting in Pretoria to urge a pensionable pay increase of at least 20 percent — instead of the 10 percent non-pensionable increase announced on Friday.

The executive also called an extraordinary annual general meeting of all PSA branches in Pretoria on April 9, to decide on further strategies.

The 46 000 strong Public Service League (PSL) is to apply for permission for three protest marches to coincide with meetings in Cape Town, Knysna and

Oudtshoorn on Saturday.

Mr Malcolm Domingo, national chairman of the PSL, said he would also be asking for an urgent audience with State President F W de Klerk on the salary question.

The PSL's demand is also for a minimum of 20 percent across-the-board.

The black public servants' association, the Institute of Public Servants (IPS), has warned of strikes if there was not a significant increase in the basic minimum wage for labourers, as well as a 20 percent general increase.

Price hikes

IPS general secretary, Mr Herbert Nhleko, said the IPS had 15 000 members, most of them earning just R240 a month. For them the 10 percent increase represented a meagre R24 a month.

"How can a man live on R240, and that R24 extra he gets

means nothing with the price of basic food like bread and milk going up all the time," he said.

The IPS negotiated for a minimum wage of R800, with an average 20 percent increase for other public servants.

Representatives of public service associations met with Dr Wim de Villiers, Minister of Administration and Privatisation, in Cape Town on Friday, and were unanimous in their condemnation of the 10 percent non-pensionable increase.

In a statement yesterday, the PSA general manager, Mr Hans Olivier, said the reasons for the small increase, as put forward by Dr de Villiers, were "hard to accept".

He said the Government as an employer had not kept its word to public servants, who had been promised market related salaries.

Instead, individual public servants were being made victims of the Government's moves towards privatisation.

REP. SIGN

MEMBER SI

CAM. 11475 26/2/90

Strike threat over pay rise

Staff Reporter

CIVIL servants could consider strikes if the government sticks to its 10% pay hike.

The multiracial Public Servants' League (PSL), which represents 46 000 government employees nationwide, has threatened to take strike action if the government does not improve its increase offer within three months.

At a mass meeting held in Paarl on Saturday, PSL general secretary Mr Bernard Wentzel said all PSL members nationwide should mobilise their forces for a "mass strike" against the increase.

A mandate should be given by members to the PSL to call an urgent meeting with the State President, to demand his immediate veto of the increase. He would be given three months to respond.

More resolutions on action to be taken would be made at the March 3 meeting and the placard demonstration at the Gordon's Institute, Mowbray.

Mr Wentzel called on the government to "abolish apartheid ideologies which would inevitably lead to the lifting of overseas sanctions" This would reduce inflation.

MPs "ought to be ashamed of themselves" for improving their own salary packages while their colleagues in lower ranks were still earning "slave salaries" like R300 a month. This proved that corruption existed within the state service, he said.

Saturday's meeting, attended by about 200 Paarl PSL members, was followed by a placard demonstration.

Meanwhile, the Public Servants' Association (PSA), execu-



PROTEST . . . Members of the Public Servants League demonstrate in Paarl at the weekend against the 10% salary increase.

utive committee is to meet tonight over the pay increases.

PSA general manager Mr Hans Olivier said anger among state workers had been aggravated by the lavish increases granted to Members of Parliament. They would get a 15% pay hike in addition to the 10% general public servants' pay increase.

Government workers found this totally unacceptable, he said, especially against a background of the appeal made by Finance Minister Mr Barend du Plessis and Reserve Bank governor Dr Chris Stals last week for restraint in the granting of wage and salary increases.

"Their attitude is an extreme of hypocrisy to appeal for restraint when unrestrained increases are granted to about 450 MPs," Mr Olivier said.

There were thousands of civil servants who would become soft targets for the Conservative Party.

He said the public service had been running on a 9% staff short-

age. The funds saved because of this in salaries should have been used to grant realistic increases.

He said it was obvious the policy of career differentiation in the service had failed miserably.

There were key groups in the service whose special circumstances had been ignored for at least seven years.

"They have been using us as a battering ram against inflation when in fact public service pay has only a marginal influence, if any at all, on the price spiral," he said.

A serious consequence of the unacceptable pay rise would be an acceleration of resignations from the service.

There were professional and skilled workers whose earnings in the service were half or less of what was being paid to similarly qualified workers in the private sector.

The result would obviously be a deterioration in the quality of state services, Mr Olivier said.

Modest pay increase applauded

(250) ~~250~~
GOVERNMENT's salary bill is set to rise by at least 15% — or about R3bn — in the next fiscal year in spite of the modest general pay increase for civil servants announced at the weekend. *Blom 26/2/90*

Economists, while applauding the decision to limit the general pay rise of the civil service to only 10%, hasten to point out the effective increase will be more. Notch increases, special adjustments and the continued rapid expansion of the civil service will drive the wage bill higher.

Government's target is for overall

GRETA STEYN

spending to shrink or remain the same in real terms in next month's Budget. A 15% increase in its wage bill, which accounts for about a third of total spending, will compel major cutbacks in other areas to keep overall spending in line with or below the inflation rate.

Economists were pleased the general rise in civil servants salaries of 10% was well below last year's 15%. In addition,

□ To Page 2

Pay increase

Blom 26/2/90
savings on defence spending, interest payments and transfers to the homelands will help rein in spending. Rand Merchant Bank economist Rudolf Gouws said the relatively low salary adjustment augured well for next month's Budget.

"An overall increase in government spending of 11%-12% in the next fiscal year seems likely," he said. This could be negative in real terms.

Old Mutual's Rian le Roux described as "surprisingly low" the 10% general rise, but noted "The civil service will probably grow in size, and this could add another 1% to the wage bill with notch increases and special adjustments taking us to a possible 16% rise in the overall spending on salaries and wages."

Standard Bank's Nico Cypionka repeated his call for government to stop the growth in the bureaucracy.

(250) ~~250~~ □ From Page 1

"I agree we need more nurses, teachers and policemen. But there are other areas where staff numbers can be reduced and we see no evidence of this happening. In the meantime, government spending is being cut in the wrong places."

Nedcor's Edward Osborn said the obvious effort to contain spending on salaries and wages was an attempt to demonstrate government was earnest about fighting inflation.

Announcing the 10% wage adjustment on Friday, Administration and Privatisation Minister Wim de Villiers said. "Given the government's example in this regard, I appeal to the private sector to handle possible salary increases with the same zeal and constraint."

He said government realised the general increase was a modest one, but it was the maximum that could be afforded.

(1)(a)(ii) (contd)

Wendywood
Bramley
Dirkie Uys
Fairmount
Fairways
Glenhazel
H A Jack
Linksfeld
Lyndhurst
Norwood
Orange Grove
Rembrandt Park
Sandringham
Blairgowrie
Bordeaux
Boskop
Cliffview
Emmentia
F D Roosevelt
Fairland
Fontainebleau
Greenhills
Greenside
I R Griffith
Louv Geldenhuys
Northcliff
Parkhurst
Randburg
Randpark
Risidale
Robin Hills
Sharonlea
Unika
Houghton
Jan Cilliers
Johannesburg Girls' Preparatory
Joubertpark
King Edward VII Preparatory
Parkview Junior
Parkview Senior
Roseneath
Saxonwold
Yeoville Boys'
Aucklandpark
Brixton
Cottesloe
Die Trap der Jeugd
E P Baumann
Genl C de Wet
Hugenoot
Jim Fouché
Jubileum
Langlaagte
Melville

(1)(b)(i)

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375
525
325
350
350

(1)(b)(ii)

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222
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284
380
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717
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732
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656
576
295
336
259
238
225
513
178
161
225
182
147
310
191
141
134
257
318
278
326
153
222
232

(1)(a)(ii) (contd)

Piet van Vuuren
Danie Theron
Dalmondeor
Forest Hill
Glenanda
Highveld
Kroonrand
Meredale
Mondeor
Park Junior
Park Senior
Regent's Park
Rewlatch
Robertsham
Rosettenville Central
Rosettenville Junior
South Hills
Suidheuwels
Suidrand
Theo Wassenaar
Townsvlew
Turffontein
Voorbrand
Winchester Rudge
W H Coetzer

(1)(b)(i)

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720
630
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690
720
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430
400
200
660
575
200
430
550
500
575
500
575
690
810
525

(1)(b)(ii)

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428
914
710
387
851
739
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367
336
322
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417
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246
383
333
667
406
348
625
470
297,

(2) 22 January 1990

* the information given applies to permanent accommodation only Where it seems as if the number of pupils exceeds the actual capacity the pupils are housed in temporary accommodation which can be utilised elsewhere as the need decreases at a certain point

School buildings constructed

16 Mr R M BURROWS asked the Minister of Education and Culture

(a) How many school buildings were constructed or caused to be constructed by his Department in 1989 and (b) what was the average capital cost of (i) constructing these buildings and (ii) construction per pupil in (aa) primary and (bb) high school?

(259)  B172E

The MINISTER OF EDUCATION AND CULTURE

(a) 4,
(b) (i) R3 235 884,75
(ii) (aa) R3 997
(bb) R6 867

Matriculation examination: results

17 Mr K M ANDREW asked the Minister of Education and Culture

How many pupils at schools falling under the control of each provincial education department obtained (a) A, (b) B and (c) C symbols in the 1989 matriculation examinations in respect of (i) Mathematics (Higher Grade) and (ii) Physical Science (Higher Grade)?

Handwritten signature  B178E

The MINISTER OF EDUCATION AND CULTURE

(i) Orange Free State
Transvaal
Natal
Cape

(a) 135
990
262
346

(b) 161
1 095
283
425

(c) 266
1 968
514
728

~~251~~ Hansard 28/2/90

(ii)	251		
Orange Free State	124	139	290
Transvaal	851	1 097	2 089
Natal	202	246	474
Cape	305	442	792

Pupils. Total enrolment

18 Mr K M ANDREW asked the Minister of Education and Culture

The MINISTER OF EDUCATION AND CULTURE

- (1) (a) 504 984,
(b) 366 823,

Hansard 28/2/90

(2)	(a)(i)	(ii)	(b)(i)	(ii)
•	Cape	*	*	*
•	Natal	40 962	29 371	4,5%
•	Orange Free State	287 248	201 377	2,11%
•	Transvaal			4,3%
•	not available			2,82%
•	Excluding special education			
•	Including special education			

Natal provincial education: budget

19 Mr R M BURROWS asked the Minister of Education and Culture

What total sum was budgeted for the 1989-90 financial year for the Natal provincial education department in respect of (a) salaries and related benefits, (b) textbooks and library books, (c) pupil transport, (d) loans and bursaries for teacher training, (e) school equipment (f) capital expenditure and (g) stationery?

B210E

(a) R291 000 000,
(b), (c) and (g) R7 675 000
(c) R7 220 000,
(d) R4 300 000,
(f) R10 862 000

Hansard 28/2/90.

~~252~~ Hansard 28/2/90

- (1) What was the total enrolment of pupils at (a) primary and (b) secondary schools in 1989,

- (2) what was the daily average (a) number of pupils attending (i) primary and (ii) secondary school, and (b) percentage absentee rate at (i) primary and (ii) secondary schools, in that year?

B179E

HOUSE OF REPRESENTATIVES**QUESTIONS**

†Indicates translated version

For oral reply

General Affairs

Chatty, PE. post office

*1 Mr W J DIETRICH asked the Minister of Mineral and Energy Affairs and Public Enterprises

- (1) (a) What progress has been made, since the reply to Question No 3 on 19 April 1989, in regard to the provision of a post office in Chatty, Port Elizabeth, and (b) when is it anticipated that building operations will be (i) commenced and (ii) completed,

- (2) whether any new problems have arisen in connection with this post office since the

(1) (a) The site aspect has since been finalised and planning consultants have been appointed Preliminary design proposals which have been received from the consultants are presently under consideration, and

(b) provided nothing unforeseen occurs and depending on the availability of funds it is expected that building operations will (i) commence during June 1991 and (ii) be completed by June 1992,

(2) no.

(3) no

date of the above reply, if so, what problems,

- (3) whether he will make a statement on the matter? C8E

The DEPUTY MINISTER OF MINERAL AND ENERGY AFFAIRS AND PUBLIC ENTERPRISES

~~253~~~~253~~ Hansard 28/2/90

HOUSE OF ASSEMBLY

THURSDAY, 1 MARCH 1990

THURSDAY, 1 MARCH 1990

255

HOUSE OF ASSEMBLY

Apart from those mentioned above, a variety of deregulatory actions are being undertaken which can not be quantified as specific cases, due to the nature and extent thereof

QUESTIONS

†Indicates translated version

For written reply

General Affairs

11 Mr J J WALSH asked the Minister for Administration and Privatisation.

- (a) How many applications for deregulation had been (i) received, (ii) investigated and (iii) granted in terms of the Temporary Removal of Restrictions on Economic Activities Act, No 87 of 1986, and (b) in how many cases had deregulation taken place, as at 31 December 1989? B34E

THE MINISTER FOR ADMINISTRATION AND PRIVATISATION

- (a) (i) Six One application was carried over from 1988 (see (a) (iii) below) (ii) One application was discontinued The other applications are currently being considered (iii) The application received in 1988 was granted Particulars are contained in GN 60, 61 and 62 in Government Gazette 11850 of 1989-05-05

(b) The Businesses Act, published in concept form in GN 228 in Government Gazette 11813 of 1989-04-07, envisages the deregulation of various aspects relating to the activities of retail businesses As this Act has not been put into operation yet, the powers conferred by the Temporary Removal of Restriction on Economic Activities Act was exercised In accordance with this GN 208 in Government Gazette 12231 of 1989-12-22 was issued This notice substantially facilitates the obtaining of licenses for activities in the retail sector Restrictions on business hours from Mondays to Saturdays, are furthermore suspended

Professionally qualified persons: emigrated/immigrated

25 Mr S S VAN DER MERWE asked the Minister of Home Affairs:

How many (a) doctors, (b) dentists, (c) lawyers, (d) architects, (e) social workers, (f) quantity surveyors, (g) scientists and (h) other specified professionally qualified persons (i) emigrated from and (ii) immigrated to South Africa in 1989? B61E

THE MINISTER OF HOME AFFAIRS

- (a) Doctors and specialists 64 (ii) 37 (b) Dentists and dental specialists 4 3 (c) Attorneys and advocates 9 17 (d) Architects and town and regional planners 38 22 (e) Social workers 4 5 (f) Quantity surveyors 7 7 (g) Scientists 103 54 (h) Other specified professionally qualified persons 1 067 810

- 1) Engineer, engineering technician and related occupations 342 213 2) Medical, dental and related health service occupations (excluding (a) and (b)) 116 136 3) Mathematical and related occupations and computer sciences occupations 97 57 4) Accountant and related accounting occupations and economic occupations 110 114 5) Legal occupations (excluding (c)) — — 6) Education and related occupations 97 133

256

7) Religious professions 92 24

8) Author and related occupations 6 23

9) Artist, plastic arts and designer 54 29

10) Artist, performing arts and related occupations 45 18

11) Sport occupations 11 2

12) Professional, semi-professional and technical occupations n e c 97 61

NOTE:

Information is furnished for the period January 1989 to November 1989 as the December 1989 data is not yet available

Immigrations/emigrations

26 Mr S S VAN DER MERWE asked the Minister of Home Affairs:

How many (a) Whites, (b) Coloureds, (c) Blacks and (d) Indians (i) immigrated to and (ii) emigrated from the Republic in 1989? B62E

THE MINISTER OF HOME AFFAIRS

- (a) (b) (c) (d) (i) 9 404 217 196 121 (ii) 4 008 210 27 194

NOTE:

Information is furnished for the period January 1989 to November 1989 as the December 1989 data is not yet available

Immigrations/emigrations

27 Mr S S VAN DER MERWE asked the Minister of Home Affairs:

- (a) What is the estimated number of (i) males and (ii) females who (aa) immigrated to and (bb) emigrated from the Republic in 1989 and (b) how many such (i) males and (ii) females were 17 years of age or younger? B63E

THE MINISTER OF HOME AFFAIRS

- (a) (aa) (i) (ii) (b) (aa) (bb) 5 484 4 928 2 157 2 308

NOTE:

Information is furnished for the period January 1989 to November 1989 as the December 1989 data is not yet available

Permanent residents of SA: visits abroad

40 Mr K M ANDREW asked the Minister of Home Affairs: 1/3/90

(1) How many permanent residents of South Africa left the country on visits abroad for stated reasons other than emigration in each of the latest specified five years for which information is available.

(2) how many permanent residents of South Africa, excluding new immigrants and returning emigrants, returned from visits abroad in each of the above five years? B44E

THE MINISTER OF HOME AFFAIRS

Table with columns: (1), (2), Holiday, Business, Study. Rows for years 1989-1984 and 1989*.

*Information is furnished for the period January 1989 to November 1989 as the December 1989 data is not yet available

Public service: persons gainfully employed (250)

60 Mr P H P GASTROW asked the Minister of Home Affairs: 1/3/90

What percentage of gainfully employed (a) Whites, (b) Coloureds, (c) Indians and (d) Blacks were (i) directly and (ii) indirectly in State employ in the Republic as at 31 December 1989? B156E

The MINISTER OF HOME AFFAIRS

	(a)	(b)	(c)	(d)
(i)*	24,5	12,9	10,6	6,4
(ii)**	9,4	5,0	3,5	6,6
* Includes	— Central Government			
	— Provincial Administrations			
	— Government Trade Establishments			
** Includes	— Civil Services of the Self-Governing Territories			
	— Local Authorities			
	— Parastatal Institutions			
	— Universities and Technological Institutions			
	— Agricultural Marketing Boards			
	— Public Corporations			

Handwritten: 11/3/90

(250)

NOTE:

- The number of gainfully employed persons is estimated on basis of the mid-year estimate of the economically active population, the number of unemployed persons and the ratio of self-employed persons according to the 1980 population census
- The information furnished is as at 30 September 1989 as the results of the survey for the quarter ending 31 December 1989 are not yet available
- The percentages in respect of (a), (b), (c) and (d), respectively, are based on the total number of gainfully employed workers of the corresponding population group in each case

National servicemen: religious objectors

66 Lt-Gen R H D ROGERS asked the Minister of Manpower *Handwritten:* 11/3/90

- How many national servicemen (a) applied for and (b) were granted the status of religious objectors in 1989,

- how many of these persons were (a) Jehovah's Witnesses, (b) Roman Catholics, (c) Anglicans, (d) Methodists, (e) Baptists, (f) Presbyterians, (g) members of the Dutch Reformed Church and (h) members of any other specified religious denominations?

Handwritten: 11/3/90

The MINISTER OF MANPOWER

- (a) 286
- (b) 263
- (a) 167
- (b) 9
- (c) 11
- (d) 13
- (e) 4
- (f) 2
- (g) 0
- (h) 57

Body of Christ Faith Centre	1
Buddhism	1
Christian Brethren	4
Evangelic Workers	1
Exclusive Brethren	2
Fellowship of the King (Free Church)	1
Fountain of Life Community Church	1
Glenridge Christian Fellowship	1
Jewish Faith	2
Lutheran Church	2
No church denomination	4
Pentecostal Protestant Church	1
Plymouth Brethren No 4	9
Rosebank Union	1
Seventh-day Adventist	12
United Congregational	1
Victory Faith Centre	1
Vineyard Christian Fellowship	1
Vineyard Fellowship	3
World Wide Church of God	8

HOUSE OF REPRESENTATIVES

- whether he will make a statement on the matter?

C3E

The MINISTER OF JUSTICE

- No
- Yes
- 2 January 1990
- On a British television programme
- He conveyed his impressions and his experiences during his term as a deputy sheriff
- No
- Yes
- (a) and (b)

†Indicates translated version

For written reply

General Affairs

Prisons Service: person employed

1 Mr L T LANDERS asked the Minister of Justice

- Whether a certain person, whose name has been furnished to the Minister's Department for the purpose of his reply, was in the employ of the Prisons Service at any time during the period 1 January 1962 to 31 December 1986, if so, (a) when, (b) what position did he hold and (c) what is his name,
- whether this person recently made any allegations in regard to the Prisons Service, if so, (a) when, (b) where and (c) what was the purport of these allegations,
- whether he intends taking legal action against this person as a result of these allegations, if not, why not, if so, when,
- whether the Prisons Service has issued a statement in regard to whether this person was in its employ, if so, (a) what was the purport of this statement and (b) why was it made,
- No

In reply to enquires by the media, the South African Prisons Service, amongst others, indicated that

— this person was never a member of the Prisons Service,

— the Prisons Service is not prepared to become a part of any sensationalisation regarding this sensitive matter and related practices; and that

— so far the co-operation of all political parties has been obtained to treat this matter as sensitive and deal with it in a responsible manner

Govt to amend delimitation law



Dr. Viljoen

HOUSE OF ASSEMBLY — The government would propose an amendment to the constitution this session that a delimitation of constituencies for all three Houses of Parliament should take place simultaneously by June 11, 1994, the Minister of Constitutional Development, Dr. Gerrit Viljoen, announced yesterday.

This would replace a provision that a delimitation for the House of Assembly should take place by October 3 this year.

Speaking during an interpellation debate, Dr. Viljoen said that in terms of the constitution, elections for the three Houses had to take place simultaneously.

Mr Daan van der Merwe (CP, nomi-

nated) said Dr Viljoen should make it clear that there would be own voters' rolls for each group.

The last delimitation had been held in 1980 and Mr Van der Merwe wanted to know whether the postponement to 1994 meant that the government was making provision for all constituencies to disappear and for proportional representation to be introduced.

Mr Jannie Momborg (DP, Simon's Town) said the DP was pleased to hear, in the light of the negotiation stage South Africa was entering, that there would not now be a delimitation.

Dr Viljoen said that in a new constitution it would be something which would have to be negotiated — Sapa

F W gets pay rise

THE State President's salary was increased to R165 477 and his allowance to R38 919 yesterday after a motion proposed by the Leader of the House of Assembly, Dr Dawie de Villiers, was passed. — Sapa

Today's business

Private member's motion. Other houses not sitting.

256

CAT Times 7/3/90

Public servants reject 'pittance'

South 1/3 - 7.12.90

THE Public Servants League (PSL) plans to continue its living wage campaign, and described the government's 10 percent pay rise as a "pittance".

The PSL is also seeking an urgent meeting with state president Mr FW de Klerk to express its "strongest rejection" of the increases.

PSL secretary Mr Bernard Wentzel said the PSL had vowed to "mobilise its 46 000 members across the country to fight for a living wage".

"We intend to express our strongest rejection of the pittance the government has offered," Wentzel said.

(250) ~~250~~ ~~250~~
He said the PSL planned to hold a series of mass meetings throughout the country.

The first meeting is due to take place on Saturday morning at the Gordons Institute in Mowbray.

Wentzel claimed that many PSL members were earning between R200 and R300 a month, despite years of service.

He said the organisation wanted all public sector workers to get a living wage as the minimum salary.

They needed a further 20 percent increase to bring them on a par with the private sector, he said.

people not at ...
imme concludes with a national
at the stadium on March 22.

Few blacks in star 2/3/90 govt service

250 Political Staff

CAPE TOWN — More than a third of gainfully employed whites worked directly or indirectly for the state but only 13% gainfully employed blacks did so, Home Affairs Minister Gene Louw said yesterday.

Louw, answering a question from Peter Gastrow (DP Durban Central), said 24,5% of gainfully employed whites worked directly for the state and 9,4% indirectly.

He said 12,9% of gainfully employed coloureds worked directly for the state and 5% indirectly, while 10,6% and 3,5% respectively of Indians.

However, only 6,4% of gainfully employed blacks worked directly for the state and 6,6% indirectly.

Those directly employed included those working for central government and the provincial administrations.

Indirect employment included self-governing territories' civil services, local authorities, universities, and agricultural marketing boards, he said

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Appointments end conflict

CAF Tink 2/3/90
Political Staff

THE conflict in Parliament about the appointment of only Nationalist MPs as chairmen of joint committees has been ended by the appointment of two House of Representatives MPs as chairmen of two of the 13 committees

The chief whip of Parliament, Mr Alec van Breda, said yesterday that Mr Desmond Lockey, MP for Northern Cape, had been appointed chairman of the home affairs, planning and provincial affairs committee and Mr Louis Hollander, MP for Britstown, as chairman of the health committee

And the Labour Party leader, Mr Allan Hendrickse, has been appointed deputy chairman of the crucial constitutional affairs committee, whose chairman is the Minister of Constitutional Development, Dr Gerrit Viljoen.

CAPT TINTS 2/3/90

Third of whites work for state

Political Staff 250

MORE than a third of gainfully employed whites worked directly or indirectly for the state, but only 13% of gainfully employed blacks worked for the state, the Minister of Home Affairs, Mr Gene Louw, said yesterday.

Mr Louw, who was replying to a question tabled in Parliament by Mr Peter Gastrow (DP, Durban Central), said 24,5% of gainfully employed whites worked directly for the state and 9,4% indirectly.

The respective figures for coloureds

were 12,9% and 5%, and for blacks, 6,4% and 6,6%

Those directly employed by the state included those who worked for the central government, the provincial administrations and government trade establishments.

Those indirectly employed included people working for the civil services of the self-governing territories, local authorities, parastatal authorities, universities and technikons, agricultural marketing boards and public corporations, Mr Louw said

Piece of string ~~3000~~

How much should a member of parliament earn? "Much more than we do," say most MPs. "A good deal less," say many members of the public.

The latest increase in MPs' pay pushed their salary and allowances up by 26% to R94 500 a year. They also get 18 free economy air tickets a year and pay only 20% of full fare for other flights. Then there's the car scheme which allows them to buy a new car every four years, low-cost housing in Cape Town and a daily allowance for out-of-towners, and R18 000 a year for running a constituency office back home (which can only be claimed on proof of expenditure).

Cabinet ministers now earn R181 000 and get ministerial mansions in Pretoria and Cape Town, luxury cars and free travel on official business. But if they're compared to executive directors of large companies, their package is not particularly excessive (though arguably they don't face the same performance pressures as company directors — and are seldom sacked for incompetence).

It sounds pretty good, but is it really? The issue of MPs' remuneration will probably never be solved satisfactorily. It's virtually impossible to put an equal worth on all of them.

An inquiry into the salaries of MPs and other political office bearers in 1986, chaired by former minister Alwyn Schlebusch, recommended a far better deal for MPs. But it postulated a "conscientious, competent, hard-working" MP for purposes of its study. It could have added "representative," because lack of support from voters skews the picture as much as an MP who doesn't serve their interests.

There's no doubt that politics is a risky game. The average MP serves for only seven years, but that does not mean the taxpayers should compensate them for willingly and knowingly taking a risk.

An effective MP also works hard both in parliament and in the constituency. Out-of-pocket expenses can be considerable, particularly for travel and secretarial work. They have pension and medical aid schemes, but no housing subsidies — even though most maintain two homes. Moving between Cape Town and their constituencies twice a year is also extremely disruptive, particularly for those with schoolgoing children.

It's also important to attract high-calibre candidates to parliament. Many of those who serve do so at considerable personal sacrifice in terms of what they could earn in fulltime private sector occupations. Good examples in

the Democratic Party (DP) are former Anglo American executive director Zach de Beer and attorney Harry Schwarz. There are a number of other highly competent DP MPs and both the Conservative Party and the National Party have a fair share of well-qualified professionals who could easily earn R150 000-plus in fulltime private practice (though some do continue their practices on a part-time basis).

But then there are the MPs who don't work as hard or enjoy the same public support, yet they earn the same salaries. Many in the Houses of Delegates (HoD) and Representatives (HoR) are good examples.

The overall percentage poll in last year's election for the HoR was only 20%. In 45 of the 80 elected seats the poll was below 25%. In the Cape Town constituency of Mitchells Plain, the Labour Party's Stanley Fisher was backed by only 802 of the 41 537 registered voters. He was elected on a 1,9% poll. In the HoD, the overall poll was 23,6%.

In 23 of the 40 constituencies, the poll was below 25%. The poll for the House of Assembly was 70%.

But paying MPs on merit is not feasible. The ultimate arbiter of their worth should be the political marketplace, though the situation in SA is severely distorted because most people can't vote — or don't vote because they have no say in deciding the constitution — and, therefore, have no role in determining what MPs earn.

What probably exacerbates the situation is that MPs themselves decide on their salaries and it's an issue on which they close ranks across party lines. A new law is expected later this year to set up an independent board to determine salaries for political office bearers.

It may place MPs in a stronger moral position to accept pay hikes — but it won't solve the problem of paying individuals what they are worth. ■

Perks overlooked

S/Times 4/3/90

250

ANGER about the 10% pay rise for public servants should be tempered because they receive notch increases, subsidies and special adjustments.

The Public Servants League (PSL) and the Public Servants Association (PSA) have expressed outrage at the 10% pay rise announced by Administration and Privatisation Minister Wim de Villiers

The PSL and PSA say members of Parliament have been granted lavish increases of 15% in addition to the 10% public servant pay rise

The PSL, which represents about 46 000 Government employees nationwide, has even threatened that its members will consider strike action

should the Government not meet its demands.

The Conservative Party backs the two associations, saying the increase is an insult CP chief whip Frank le Roux says the party is particularly worried because the increase is lower than the rate of inflation

But what must be taken into consideration are the notch increases in the public service which have no bearing on general adjustments. They are part of a system of remuneration in which salary scales consist of several notches

In 1988, for example, more than 60% of public servants received notch increases — and that was a bad year because a large proportion of the personnel corps were on the maximum

notches.

Add this to service bonuses, housing subsidies and car and other benefits, and the increase in the Government's overall spending on salaries and wages could rise by about 16% — or more than R3-billion.

In contrast to the PSL and the PSA, the Teachers Federal Council (TFC) has welcomed the general salary adjustment, effective from April 1.

The council says it appreciates the granting of a pay rise at a time when Government policy is to limit expenditure to a minimum. The 10% rise will contribute to the profession's ability to retain teachers

It asks that the Government attend to weaknesses in the tax system, such as fiscal drag.

PSL wages furore



PUBLIC SERVANTS MARCH . . . More than 400 members of the Public Servants' League held a mass-meeting and protest march on Saturday. Here members march in Liesbeek Parkway in protest against low wages.

Picture OBED ZILWA

Public servants threaten strike

CAPE TIMES 5/3/90
Labour Reporter

PUBLIC servants have threatened to strike in three months' time unless grievances are addressed by the government

This was decided at a meeting attended by about 420 members of the Public Servants' League of South Africa (PSL) in Mowbray on Saturday

After the meeting, the PSL members staged a protest march along Liesbeek Parkway, bearing placards with slogans such as "ANC liberate our workers" and "Down with apartheid salary".

Some of the demands accepted by the meeting were a minimum "living wage" of R850 a month and the scrapping of the temporary employment system

The meeting also urged the government to enter into a "system of unionism" and resolved to grant the government three months to consider this and other demands.

Other resolutions were that the PSL seek an urgent meeting with President F W de Klerk and that PSL members should "mobilise throughout South Africa"

The meeting resolved that two protest marches — one to Parliament and the other to the Union Buildings — should take place this year, said Mr Neville Petersen, organising secretary of the PSL

shortcomings which have been highlighted, so that the children can be looked after in a better environment and live under better control.

We are also going to implement the findings of the De Beer Committee of Inquiry into certain aspects of child care in 1982. We will bring them in line with the same level that we have had at Greenfield as far as staff components are concerned. All in all, I can assure this House that the money will be well spent. In answer to the question that was asked by the hon member for Haverenside, it cost us some R15 000 with qualified people. I believe that this administration benefited from this.

We will put this into effect. I have accepted all the findings and we will satisfy everyone. Furthermore, I have taken the liberty of recommending—that was in fact a decision I took a week ago—that in future boards of management which involve the public sector and my department will be responsible for the running of these institutions so that the community will also be aware of what is being done. These appointments will be from among professional people in the community and I think that will satisfy all hon members of this House in the future. I hope we will be able to have a better facility.

As far as the Greenfield Place of Safety is concerned, may I make it very clear that the report indicates that it is not in the right locality, which is not conducive to the functioning of a place of safety. I am considering taking certain decisions and I am awaiting departmental investigations of the aspect that we may have to relocate on a new basis. For that reason places in the Transvaal near to Northern Natal which have no such facilities are being looked at. I think that changing the style from an institution to a more homogeneous type of set-up where homes could be taken over—my department is investigating this—will assist us in trying to resolve this very important problem. May I end off by saying that I am rather concerned about the kind of money we have spent on the Valley View Place of Safety rehabilitation centre when really parental society itself and control are lacking. The time will come when we may have to spend more energy in trying to look at the problem rather than looking at the symptoms of the problem. However, the Act provides for this and we will continue to provide a good service so that these young lads can go back to society and become better men in the future.

Mr M RAJAB, Mr Chairman, arising out of the hon the Minister's reply, whilst I thank him for that statement may I enquire as to the numbers involved for which provision has been made in the new buildings?

The MINISTER: Mr Chairman, it is intended to keep to 100 children at the Valley View Place of Safety. May I just say that the accommodation maximum at Greenfield is 80, but at no given time do we have 100 or 80 at either place. However, the provision has been made. I am prepared to make the plans available to my study group as well as the hon member for Springfield and hon members of the House. I will have them pinned up in my boardroom in a couple of weeks' time once I receive them. I am at liberty to say that it will be the only one of its kind in the country and we hope that we can set an example and raise the standards.

M L Sultan Technikon: memorandum

*2 Mr M RAJAB asked the Minister of Education and Culture.

(1) Whether his Department has been informed of a memorandum containing certain allegations of discontent amongst the staff of the M L Sultan Technikon that was referred to the council of the said technikon, if not, why not; if so, when was the memorandum so referred.

(2) whether the council has conducted an investigation into these allegations; if not, why not, if so, (a) when, (b) what were the findings and (c) what action was taken as a result of the findings;

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

Answered 6/3/90 D25E
The MINISTER OF EDUCATION AND CULTURE:

(1) Yes on 1989-10-20

(2) No

At a special Technikon Council Meeting on 1989-12-07 Council resolved to seek legal opinion of Senior Counsel before responding

(3) No.

Mr M RAJAB: Mr Chairman, arising out of the hon the Minister's reply, could he tell this House

what the specific brief was to senior counsel regarding this memorandum?

The MINISTER: Mr Chairman, the technikon council runs the affairs of the technikon and they in their wisdom will decide what information is to be given to counsel and what brief to give counsel. We do not have that as yet. Until they respond to my query as to what type of investigation it was and what the results were, I do not have any other information on that.

Mr M RAJAB: Mr Chairman, further arising out of the hon the Minister's reply, could he give an assurance in this House that should there be a need to appoint a committee of inquiry with regard to the allegations, he will in fact appoint such a committee?

The MINISTER: Mr Chairman, upon receipt of information from the council which runs the technikon, if I am satisfied with my department's counsel that we need to appoint someone to investigate this particular matter then that will be decided upon in consultation with all those people in my department.

Department of Housing: public relations officer

*3. Mr A SINGH asked the Minister of the Budget and Auxiliary Services.

(1) Whether a certain person, whose name has been furnished to the Minister's Department for the purpose of his reply, was appointed as a public relations officer for the Department of Housing, if so, when;

(2) whether this post was advertised, if not, why not; if so, in what publications;

(3) whether any Ministers of the House of Delegates recommended this person's appointment; if so, which Ministers;

(4) whether the person concerned was subsequently relieved of this post; if so, why;

(5) whether another person has since been appointed to the post in question, if not, why not; if so, on what basis?

Answered 6/3/90 D26E
The MINISTER OF THE BUDGET AND AUXILIARY SERVICES:

(1) Yes

(2) No

These officials are selected by Ministers

(3) No

(4) Yes

After the initial five week period of probation, it was decided that the person was best equipped to execute the duties of liaison officer in the Department as such

(5) Yes

On a three year contract basis subject to renewal

Mr M RAJAB: Mr Chairman, arising out of the hon the Minister's reply, could he please tell us what the normal probation period is that applies in his administration?

The MINISTER: Mr Chairman, I did indicate that there is a probation period of three years

The CHAIRMAN OF THE MINISTERS' COUNCIL: No, probation period

The MINISTER: Oh, sorry, the probation period. No particular set period is stipulated. I could just mention that the staff who have come to Cape Town from Durban will be here until the end of March, until just before the Easter recess. They will be judged on their work capability and so forth. Basically, therefore, in this particular case a five-week period of probation will apply, but there is no stipulated period. I would say it should be not less than four weeks.

Inanda: Indian traders

*4 Mr A SINGH asked the Minister of Housing Whether, with reference to information that has been furnished to the Minister's Department for the purpose of his reply, he made any promises in or about March 1989 to a certain traders' association, through its spokesman, to the effect that Indian traders from Inanda would be provided with alternative land to carry on their businesses elsewhere; if so, (a) what promises and (b) what are the names of the traders' association and spokesman concerned?

Answered 6/3/90 D27E
The MINISTER OF HOUSING:

(a) No

(b) Falls away

Mr M RAJAB: Mr Chairman, arising out of the hon the Minister's reply, I appreciate the reply. However, I am aware that a certain aspirant

~~347~~
shortcomings which have been highlighted, so that the children can be looked after in a better environment and live under better control

We are also going to implement the findings of the De Beer Committee of Inquiry into certain aspects of child care in 1982. We will bring them in line with the same level that we have had at Greenfield as far as staff components are concerned. All in all, I can assure this House that the money will be well spent. In answer to the question that was asked by the hon member for Haverstide, it cost us some R15 000 with qualified people. I believe that this administration benefited from this.

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Handled 6/5/90 D25E

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Handled 6/3/90 D26E

The MINISTER OF THE BUDGET AND AUXILIARY SERVICES

(1) Yes

20 November 1989

(2) No

These officials are selected by Ministers

(3) No
(4) Yes *Handled 6/3/90*

After the initial five week period of probation, it was decided that the person was best equipped to execute the duties of liaison officer in the Department as such.

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Handled 6/3/90 D27E

The MINISTER OF HOUSING

(a) No

(b) Falls away

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Angry public servants revolt

By CHIARA CARTER

THE government faces a widespread revolt by public servants outraged at the recent announcement of a 10 percent wage hike in the public service

The major public sector unions and several staff associations are mobilising their members to demand union recognition, a living wage and an end to privatisation

These demands are similar to those which precipitated the bitter SA Transport Services strike last year

In Cape Town this week, about 4 000 hos-

pital workers downed tools at 10 provincial hospitals. More hospital workers were reported to be poised to join the strike

Members of the Health Workers' Union (HWU) are refusing to work until the government agrees to

meet with their union. The chairperson of the Grootte Schuur branch of HWU, Mr Patrick Twala, said the workers wanted a minimum wage of R1 100 a month, a 40-hour working week, maternity benefits and permanent status. Twala said the workers

demanded that the government recognise their union and agree to halt privatisation. The chairperson of the Grootte Schuur branch of the Public Servants' League, Mr Arthur Farred, said the PSL fully supported the strikers and was prepared to use the full strength of the organ-

isation to assist the strikers. The 40 000-strong Public Servants' League has threatened a country-wide strike if the organisation's demand for a minimum wage of R850, union recognition and permanent status for general assistants is not met within three months.

The decision was taken at a heated meeting in Mowbray last weekend. About 500 PSL members took part in a protest march after the meeting. Several PSL members have joined the strike at Grootte Schuur hospital, where hospital superintendent Dr Jocelyn Kane-

Berman this week warned that essential services were under threat.

Dr Kane-Berman said the hospital management was sympathetic to the strikers' demands and that the present minimum wage was "totally inadequate".

The general secretary of the National Education, Health and Allied Workers' Union (Nehawu), Mr Sisa Njikelana, said the union was mobilising its members to fight the state for a living wage and an end to privatisation.

He said workers at several Transvaal hospitals — including Baragwanath, Johannesburg General, Hillbrow and Nelspruit — this week delivered a memorandum outlining their demands to hospital superintendents.

About 6 000 teachers went on strike in the Transvaal earlier this week.

A spokesperson for the Post and Telecommunications Workers' Association (Potwa) said union members were presently meeting to discuss action.

"Together with Sarhwi, Nehawu, Samwu and the Transport and General Workers' Union, we are calling on all public sector workers and organisations to reject the 10 percent increase," he said.

The spokesperson said a march through central Johannesburg by workers in the public sector — which was due to have taken place last week — was being rescheduled for later this month.

According to sources, several staff associations, usually regarded as "sweetheart unions," are under pressure from their members to take action in support of the more militant unions' demands for higher wages.



About 1 000 Grootte Schuur workers marched through the hospital grounds this week after going on strike

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13 March '90
(Tuesday)

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Requirements:
Run workshops, attend branch meetings, Person must be involved in progressive organisations, Experience in non-racial policies, Drivers Licence essential, Salary negotiable.

Write to: The Secretary, P.O. Box 39

By CHIARA CARTER
THE giant National Union of Metalworkers of South Africa (Numsa), this week submitted demands for annual wage negotiations to the industrial councils for the motor and the iron and steel, engineering and metal

Numsa demands yearly

The NBC also accepted a demand relating to job security, including the prohibition of temporary labour, tighter conditions on retrenchment and redundancy, and minimum severance pay of one month's wages for each year of service.

Numsa will demand that companies implement a job creation programme and end all-segregated

Thousands march against privatisation

JOHANNESBURG — Thousands of public sector workers from four major unions on Saturday marched and toyi-toyed in a mass demonstration through central Johannesburg to protest against the privatisation of state companies.

The Cosatu-affiliated unions presented memoranda of grievances and demands to representatives of public sector management at offices along a 3km route through central Johannesburg, Hillbrow and Braamfontein.

The high-spirited crowd was closely monitored by police, who maintained a low profile, as well as traffic department officers who blocked streets and controlled the busy Saturday morning traffic.

The SA Railways and Harbour Workers' Union (Sarhwu), the Posts and Telecommunications Workers' Association (Potwa), SA Municipal Workers' Union (Samwu) and National Education, Health and Allied Workers' Union (Nehawu) led the protest against a 10% wage increase for the public sector.

Earlier, the workers assembled outside St Mary's Anglican Cathedral in downtown Johannesburg where speakers slammed privatisation and made impassioned speeches in favour of the nationalisation of industry.

Organisers of the march were complimented by management on the discipline and orderliness of the marchers.

The crowd dispersed peacefully. — Sapa

423

TUESDAY, 13 MARCH 1990

424

Local authorities: remuneration

2. Mr R M BURROWS asked the Minister of Planning and Provincial Affairs

- (1) Whether he has received a report from the Commission for Administration on the remuneration of local authority councillors and committee members, if so, (a) when did he receive the report, (b) what were the main recommendations made in it and (c) what is the likely annual additional cost which would be incurred by local authorities in implementing the recommendations contained in the report,
- (2) whether the Council for the Co-ordination of Local Government Affairs has considered the above report, if not, why not, if so, (a) to what effect and (b) what alternatives have been recommended?

B352E

THE MINISTER OF PLANNING AND PROVINCIAL AFFAIRS

- (1) Yes
 - (a) 18 June 1989
 - (b) That a comprehensive remuneration system of which the detail has not yet been formulated, be determined
 - (c) As detail has not yet been formulated in the report, the likely costs that it holds in for local governments cannot be determined
- (2) Yes, before the Action Committee of the Council for the Co-ordination of Local Government Affairs
 - (a) It has been decided that the recommendations, contained in the report of the Commission for Administration, be accepted, provided that
 - (i) the rand value as mentioned in the report be determined by the Office of the Commission for Administration,
 - (ii) any discrepancies and other deficiencies which may occur be addressed by the Office of the Commission for Administration,
 - (iii) special attention be afforded to the position of the deputy mayor of Cape Town and the deputy

425

were not summoned to appear in court, if so, (a) which such witnesses and (b) why?"

13/3/90

B357E

THE MINISTER OF JUSTICE

(1) (a) (i) Murder
(ii) Culpable Homicide
(iii) Assault
(b) R100,00 or 50 days imprisonment

(2) Yes

- (a) M S Nkosi, L N Xaba J Q Sithole and M S Ndlangamanda The latter two did in fact turn up at court
- (b) I had enquires made and it seems that the main state witness's evidence was in no way contradicted and that there were no challenged facts concerning the assault between the State and the defence The District surgeon further testified that the cause of death had absolutely no connection with the assault In the light of these facts the prosecutor concerned decided not to call any further witness

I would like to add that I do not agree with the sentence that was imposed and cannot defend it This is an excellent example where the State would possibly have liked to appeal against the sentence A proposal in this regard will be laid upon the table soon and I am of the opinion that I shall get support of Parliament

My opinion, which I have repeatedly stated, is that the lower courts are under the control of the Supreme Court and that the Supreme Court should give the necessary guidance to the lower courts It would be inappropriate for politicians to try and play this role

*3 Mr L FUCHS asked the Minister of Justice.

- (1) With reference to the case of *The State v W H Rabe* concluded in the Pieter Renef Regional Court on 12 February 1990, (a) for what offences was the accused (i) charged, (ii) prosecuted and (iii) convicted and (b) what sentence was handed down, *13/3/90*
- (2) whether any witnesses present at the time of the alleged offences were committed

The state v W H Rabe

*4 Mr H D K VAN DER MERWE asked the Minister for Administration and Privatisation +

Development Boards: taking over of staff
Whether all phases of the taking-over of staff of the former Development Boards have been completed, if not, why not?
25D
13/3/90
B361E

THE MINISTER FOR ADMINISTRATION AND PRIVATISATION

25D

Yes However, requests for the adjustment of the dispensation of individual staff members, which were later received, are at present being attended to

Inflation

*5 Mr H H SCHM ARZ asked the Minister of Finance *13/3/90*
What action is being taken in order to reduce the level of inflation in South Africa?
B363E

THE MINISTER OF FINANCE

The thrust of the Action Plan for the Combating of Inflation is fiscal and monetary discipline. Both of these have been exercised during the past year, and this will continue

Government spending is under control The Government in the 1989/90 Budget is estimated at a mere 0.3 per cent Fiscal discipline will be maintained in the coming year Details will be forthcoming tomorrow

The promotion of saving must clearly be a component of a counter-inflationary strategy, and the Government sets a high premium on both personal saving and the avoidance of dissaving on its own part But here too it would be better to wait until tomorrow for the fine print

In the monetary field, a declining money supply growth reflects the Reserve Bank's tightened policy, which was achieved inter alia by raising the cost of accommodation to the banking sector, both by penalty rates at the discount window and by increases in Bank rate Positive real interest rates, together with disciplined public expenditure, have contributed to curtailing gross domestic expenditure growth successfully Gross domestic expenditure actually declined by 1 per cent in real terms during 1989 These are important factors in the lowering of inflationary expectations The more stable and even slight appreciation of the rand in recent months, was a further positive factor

More generally and within a longer-term framework, the Government seeks to strengthen the supply side of the economy, and not least by tax reform that will reduce

House

~~THURSDAY~~

13 MARCH 1990

House

- (2) Yes
- (3) No

A decision will be taken as soon as the investigation has been completed

- (4) No

WEDNESDAY, 14 MARCH 1990

HOUSE OF ASSEMBLY

QUESTIONS

†Indicates translated version

For written reply

General Affairs

Soweto. houses

15. Mr P H DE LA REY asked the Minister of Planning and Provincial Affairs †

- (1) (a) How many houses were originally intended to be sold to Black persons in Soweto and (b) how many of these houses are still unsold,
- (2) (a) what total amount is in arrears in respect of the houses that have been sold and (b) what percentage does this represent of the original amount due,
- (3) in respect of what dates is this information furnished?

House 14/3/90

B39E

The MINISTER OF PLANNING AND PROVINCIAL AFFAIRS

- (1) (a) 72 521
- (b) 46 470
- (2) (a) R7 230 777,72
- (b) 36,26%
- (3) Question One 31/1/90
- Question Two 31/12/89

Public service: persons employed

17 Mr R M BURROWS asked the Minister for Administration and Privatisation

House 250

- (1) What was the total number of persons employed in each department and organizational component referred to in section 6(1) of the Public Service Act, No 111 of 1984, as at 30 September 1989,
- (2) (a) how many such persons were employed in each of the following eight salary intervals in each such department

House 14/3/90

and organizational component, viz (i) more than R165 000, (ii) R120 001 to R165 000, (iii) R110 001 to R120 000, (iv) R87 001 to R110 000, (v) R74 001 to R87 000, (vi) R49 001 to R74 000, (vii) R38 001 to R49 000 and (viii) R29 001 to R38 000 and (b) to which population group did each of these persons belong?

House 14/3/90 250 B42E

The MINISTER FOR ADMINISTRATION AND PRIVATISATION

According to particulars supplied by the relevant departments and organizational components, the figures are as follows

Administration House of Delegates

- (1) 16 023
- (2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	1	0
(iii)	0	0	0	0
(iv)	2	0	2	0
(v)	6	0	5	0
(vi)	49	0	687	0
(vii)	31	0	1 665	0
(viii)	48	1	2 811	0

Administration House of Representatives

- (1) 60 060
- (2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	0	1	0	0
(iv)	4	5	1	0
(v)	16	2	1	0
(vi)	271	1 436	19	0
(vii)	274	2 051	19	0
(viii)	669	4 038	33	2

Administration House of Assembly

- (1) 116 679
(2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	2	0	0	0
(iii)	8	0	0	0
(iv)	50	0	0	0
(v)	77	0	0	0
(vi)	5 175	1	3	0
(vii)	9 590	1	2	0
(viii)	16 905	2	0	2

Department of Finance

- (1) 9 329
(2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	8	0	0	0
(iv)	22	0	0	0
(v)	72	0	0	0
(vi)	242	0	0	0
(vii)	472	0	1	0
(viii)	944	0	1	0

Department of Home Affairs

- (1) 6 881
(2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	2	0	0	0
(iv)	7	0	0	0
(v)	17	0	0	0
(vi)	60	0	1	0
(vii)	110	0	1	1
(viii)	72	0	0	1

Department of Foreign Affairs

- (1) 1 452
(2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	2	0	0	0
(iv)	16	0	0	0
(v)	60	0	0	0
(vi)	137	0	0	0
(vii)	207	5	0	0
(viii)	154	1	1	0

Department of Trade and Industry

- (1) 968
(2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	3	0	0	0
(iv)	7	0	0	0
(v)	18	0	0	0
(vi)	118	0	0	0
(vii)	94	0	0	0
(viii)	71	0	0	5

Department of Justice

- (1) 30 705
(2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	6	0	0	0
(iv)	262	0	0	0
(v)	290	1	0	0
(vi)	1 001	2	11	2
(vii)	692	4	3	2
(viii)	1 382	74	8	108

Department of Agricultural Economics and Marketing

- (1) 2 853
(2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	1	0	0	0
(iv)	6	0	0	0
(v)	22	0	0	0
(vi)	145	0	0	0
(vii)	212	1	8	6
(viii)	236	4	6	2

Department of National Health and Population Development

- (1) 2 967
(2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	3	0	0	0
(iv)	19	0	0	0
(v)	36	0	0	0
(vi)	136	9	7	1
(vii)	237	0	2	3
(viii)	328	6	7	9

Department of Manpower

- (1) 4 126
(2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	1	0	0	0
(iv)	8	0	0	0
(v)	26	0	0	0
(vi)	84	0	0	0
(vii)	182	1	2	0
(viii)	360	5	4	6

Department of National Education

- (1) 597
(2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	2	0	0	0
(iv)	3	0	0	0
(v)	10	0	0	0
(vi)	27	0	0	0
(vii)	58	0	0	0
(viii)	79	0	0	0

Department of Mineral and Energy Affairs

- (1) 968
(2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	3	0	0	0
(iv)	8	0	0	0
(v)	26	0	0	0
(vi)	159	0	0	0
(vii)	106	0	0	0
(viii)	90	0	0	0

Department of Environment Affairs

- (1) 9 888
(2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	2	0	0	0
(iv)	8	0	0	0
(v)	20	0	1	0
(vi)	70	2	1	3
(vii)	220	0	0	0
(viii)	340	0	0	0

Heuserd Department of Education and Training

(1) 68 851

(2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	2	0	0	0
(iv)	0	0	0	0
(v)	29	0	0	1
(vi)	706	0	0	0
(vii)	954	0	0	314
(viii)	967	0	0	693
				1 452

Heuserd Department of Public Works and Land Affairs

(1) 12 828

(2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	2	0	0	0
(iv)	11	0	0	0
(v)	28	0	0	0
(vi)	165	0	0	0
(vii)	380	0	1	0
(viii)	499	6	0	0

Heuserd Office of the Auditor-General

(1) 1 089

(2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	1	0	0	0
(iv)	8	0	0	0
(v)	22	0	0	0
(vi)	87	1	0	0
(vii)	155	3	0	0
(viii)	114	4	0	0

SA Police

(1) 72 373

(2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	2	0	0	0
(iv)	25	0	0	0
(v)	117	0	0	0
(vi)	290	1	1	1
(vii)	751	4	3	15
(viii)	4 922	82	107	329

Office of the Auditor-General

(1) 809

(2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	1	0	0	0
(iii)	1	0	0	0
(iv)	4	0	0	0
(v)	15	0	0	0
(vi)	49	0	0	0
(vii)	153	0	0	0
(viii)	181	0	1	0

SA Defence Force

(1) 71 813

(2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	13	0	0	0
(iv)	72	0	0	0
(v)	188	0	0	0
(vi)	1 169	2	0	0
(vii)	2 782	18	0	2
(viii)	3 792	159	3	87

Office of the State President

(1) 131

(2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	1	0	0	0
(iv)	4	0	0	0
(v)	5	0	0	0
(vi)	17	0	0	0
(vii)	9	0	0	0
(viii)	14	0	0	0

Provincial Administration of the Cape of Good Hope

(1) 66 974

(2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	4	0	0	0
(iv)	23	0	1	0
(v)	310	11	6	0
(vi)	1 048	35	20	7
(vii)	1 222	44	17	14
(viii)	2 817	484	45	227

Handwritten

250

Handwritten

Provincial Administration of Natal

- (1) 38 964
- (2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	3	0	0	0
(iv)	12	0	1	0
(v)	98	1	39	3
(vi)	381	12	217	16
(vii)	482	8	173	27
(viii)	1 110	58	297	325

Provincial Administration of the Orange Free State

- (1) 21 655
- (2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	3	0	0	0
(iv)	36	0	0	0
(v)	71	0	0	0
(vi)	249	0	0	0
(vii)	363	0	0	4
(viii)	932	20	0	147

Transvaal Provincial Administration

- (1) 90 601
- (2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	6	0	0	0
(iv)	87	0	0	1
(v)	292	2	2	9
(vi)	1 240	8	86	53
(vii)	1 161	7	54	48
(viii)	4 124	26	61	400

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North West	31 March 1989
Overberg	31 March 1989
Sentraal Karoo	31 March 1989
Stellaland	31 March 1989
Stormberg	31 March 1989
South Cape	31 March 1989
West Coast	31 March 1989

Coloured/Indian management committees constituted

31 Mr W C MALAN asked the Minister of Planning and Provincial Affairs

- (1) Whether any new (a) Coloured and (b) Indian management committees were established in 1989, if so, (i) why, (ii) by whom or what authorities, (iii) in respect of which areas and (iv) how were these committees constituted.
- (2) whether it is the intention to establish more (a) Coloured and (b) Indian management committees, if so, (i) why, (ii) in respect of which areas and (iii) how are these committees to be constituted?

THE MINISTER OF PLANNING AND PROVINCIAL AFFAIRS

- (1) (a) No
- (b) Yes

(i) The local Indian community requested that a management committee be established for the Indian group area

(ii) By the Administrator with the consent of the Minister of Planning and Provincial Affairs after consultation with the Own Affairs Minister of the Minister's Council House of Delegates

- (iii) Wolmaransstad (Noorpark)
- (iv) Five appointed members

(2) (a) Yes, if such a request is received from a particular Coloured community

(b) Yes, such a request is currently under consideration

(i) The local Indian community requested that a management com-

mittee be instituted for the Indian group area

(ii) Amersfoort

(iii) The first committee will consist of five appointed members

- (1) (a) No
- (b) Yes

(i) The Local Indian Advisory committee requested that an advisory committee be established for the Indian Group Area

(ii) By the Administrator with the consent of the Minister of Planning and Provincial Affairs after consultation with the Own Affairs Minister of the Minister's Council House of Delegates

(iii) The Duff's Road Development Area

(iv) In terms of section 306(1)(a) of the Local Authorities Ordinance, 1974 (Ordinance 25 of 1974) Members of the committee have been appointed by the Administrator, in consultation with the Administration House of Delegates

- (2) (a) Yes
- (b) Yes

(i) For the promotion of sound local government in the relevant areas and to provide for direct representation of the areas on the proposed Joint Services Boards, if and when the Boards are established

(ii) The Coloured proclaimed areas in Richards Bay and the Indian proclaimed area in Harding

(iii) By the Administrator in terms of section 306(1)(a) of the Local Authorities Ordinance, 1974 (Ordinance 25 of 1974) in consultation with the Administration House of Representatives and Administration House of Delegates

Local authorities: remuneration

*2 Mr R M BURROWS asked the Minister of Planning and Provincial Affairs

- (1) Whether he has received a report from the Commission for Administration on the remuneration of local authority councillors and committee members, if so, (a) when did he receive the report (b) what were the main recommendations made in it and (c) what is the likely annual additional cost which would be incurred by local authorities in implementing the recommendations contained in the report,
- (2) whether the Council for the Co-ordination of Local Government Affairs has considered the above report, if not, why not, if so, (a) to what effect and (b) what alternatives have been recommended?

B352E

THE MINISTER OF PLANNING AND PROVINCIAL AFFAIRS.

- (1) Yes
- (a) 18 June 1989
- (b) That a comprehensive remuneration system of which the detail has not yet been formulated, be determined
- (c) As detail has not yet been formulated in the report, the likely costs that it holds in for local governments cannot be determined
- (2) Yes, before the Action Committee of the Council for the Co-ordination of Local Government Affairs
- (a) It has been decided that the recommendations, contained in the report of the Commission for Administration, be accepted, provided that
- (i) the rand value as mentioned in the report be determined by the Office of the Commission for Administration,
- (ii) any discrepancies and other deficiencies which may occur be addressed by the Office of the Commission for Administration,
- (iii) special attention be afforded to the position of the deputy mayor of Cape Town and the deputy

chairman of the management committee of a local authority, as well as to the positions of persons in other relevant posts, and

- (iv) the Office of the Commission for Administration (convenor) and the four provincial governments determine a formula, as well as finalise the objections raised

It was also decided that after the conditions have been reconsidered and discussed, the Office of the Commission for Administration again submits the report as adapted to the Action Committee of the Co-ordinating Council for discussion

In the meanwhile the Office of the Commission for Administration withdrew itself from the investigation. The Co-ordinating Council for Local Government Affairs convened a special meeting on 8 December to consider the matter. During the meeting it was decided—

that the four administrators, with Administrator D J Hough as convenor, will consider the matter further and finally decide on the percentage of the proposed increase in the remuneration of councillors as well as the date of commencement, and

that the Minister of Planning and Provincial Affairs will clear the matter of parity in the compensation of councillors of local governments with the Own Affairs Ministers

The matter has thus not been finalised

(b) None

The state v W H Rabe

*3 Mr L FUCHS asked the Minister of Justice

- (1) With reference to the case of *The State v W H Rabe*, concluded in the Pret Refief Regional Court on 12 February 1990, (a) for what offences was the accused (i) charged, (ii) prosecuted and (iii) convicted and (b) what sentence was handed down, *Howard* 13/3/90
- (2) whether any witnesses present at the time of the alleged offences were committed

were not summoned to appear in court, if so, (a) which such witnesses and (b) why? *Howard* 13/3/90 B357E

The MINISTER OF JUSTICE

- (1) (a) (i) Murder
- (ii) Culpable Homicide
- (iii) Assault
- (b) R100,00 or 50 days imprisonment
- (2) Yes

(a) M S Nkosi, L N Yaba, J O Sirhole and M S Ndlangamandla. The latter two did in fact turn up at court

(b) I had enquiries made and it seems that the main state witness's evidence was in no way contradicted and that there were no challenged facts concerning the assault between the State and the defence. The District surgeon further testified that the cause of death had absolutely no connection with the assault. In the light of these facts the prosecutor concerned decided not to call any further witness

I would like to add that I do not agree with the sentence that was imposed and cannot defend it. This is an excellent example where the State would possibly have liked to appeal against the sentence. A proposal in this regard will be laid upon the table soon and I am of the opinion that I shall get support of Parliament

My opinion, which I have repeatedly stated, is that the lower courts are under the control of the Supreme Court and that the Supreme Court should give the necessary guidance to the lower courts. It would be inappropriate for politicians to try and play this role

Development Boards: taking over of staff

*4 Mr H D K VAN DER MERWE asked the Minister for Administration and Privatisation +

Whether all phases of the taking-over of staff of the former Development Boards have been completed, if not, why not? *Howard* 13/3/90 B361E

THE MINISTER FOR ADMINISTRATION AND PRIVATISATION

Howard 13/3/90 B363E

Yes. However, requests for the adjustment of the dispensation of individual staff members, which were later received, are at present being attended to

Inflation

*5 Mr H H SCHWARZ asked the Minister of Finance *Howard* 13/3/90

What action is being taken in order to reduce the level of inflation in South Africa?

THE MINISTER OF FINANCE

The thrust of the Action Plan for the Combating of Inflation is fiscal and monetary discipline. Both of these have been exercised during the past year, and this will certainly continue

Government spending is under control. The overrun in the 1989/90 Budget is estimated at a mere 0,3 per cent. Fiscal discipline will be maintained in the coming year. Details will be forthcoming tomorrow

The promotion of saving must clearly be a component of a counter-inflationary strategy, and the Government sets a high premium on both personal saving and the avoidance of dissaving on its own part. But here too it would be better to wait until tomorrow for the fine print

In the monetary field, a declining money supply growth reflects the Reserve Bank's tightened policy, which was achieved inter alia by raising the cost of accommodation to the banking sector, both by penalty rates at the discount window and by increases in Bank rate. Positive real interest rates, together with disciplined public expenditure, have contributed to curtailling gross domestic expenditure growth successfully. Gross domestic expenditure actually declined by 1 per cent in real terms during 1989. These are important factors in the lowering of inflationary expectations. The more stable and even slight appreciation of the rand in recent months, was a further positive factor

More generally and within a longer-term framework, the Government seeks to strengthen the supply side of the economy and not least by tax reform that will reduce

Local authorities: remuneration

*2 Mr R M BURROWS asked the Minister of Planning and Provincial Affairs

- (1) Whether he has received a report from the Commission for Administration on the remuneration of local authority councillors and committee members; if so, (a) when did he receive the report, (b) what were the main recommendations made in it and (c) what is the likely annual additional cost which would be incurred by local authorities in implementing the recommendations contained in the report,
- (2) whether the Council for the Co-ordination of Local Government Affairs has considered the above report, if not, why not, if so, (a) to what effect and (b) what alternatives have been recommended?

B352E

The MINISTER OF PLANNING AND PROVINCIAL AFFAIRS.

- (1) Yes
- (a) 18 June 1989

(b) That a comprehensive remuneration system of which the detail has not yet been formulated, be determined.

(c) As detail has not yet been formulated in the report, the likely costs that it holds in for local governments cannot be determined

- (2) Yes, before the Action Committee of the Council for the Co-ordination of Local Government Affairs

(a) It has been decided that the recommendations, contained in the report of the Commission for Administration, be accepted, provided that

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(2) whether any witnesses present at the time of the alleged offences were committed

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so, (a) which such witnesses and (b) why? *Howes* 13/3/90 B357E

The MINISTER OF JUSTICE

(1) (a) (i) Murder

(ii) Culpable Homicide

(iii) Assault

(b) R100,00 or 50 days' imprisonment

(2) Yes

(a) M S Nkosi, L N Xaba, J O Sithole and M S Ndlangamandla. The latter two did in fact turn up at court

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Development Boards: taking over of staff

*4 Mr H D K VAN DER MERWE asked the Minister for Administration and Privatisation whether all phases of the taking-over of staff of the former Development Boards have been completed, if not, why not? *Howes* 13/3/90 B361E

The MINISTER FOR ADMINISTRATION AND PRIVATISATION

Howes 13/3/90

Yes. However, requests for the adjustment of the dispensation of individual staff members, which were later received, are at present being attended to

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B363E

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More generally and within a longer-term framework, the Government seeks to strengthen the supply side of the economy, and not least by tax reform that will reduce

11/answered

(2) Yes

~~THURSDAY~~ TUESDAY, 13 MARCH 1990

11/answered

(2) Yes
(3) No

A decision will be taken as soon as the investigation has been completed

HOUSE OF ASSEMBLY

WEDNESDAY, 14 MARCH 1990

QUESTIONS

Indicates translated version

for written reply

General Affairs

Soweto: houses

15. Mr P H DE LA REY asked the Minister of Planning and Provincial Affairs +

(1) (a) How many houses were originally intended to be sold to Black persons in Soweto and (b) how many of these houses are still unsold.

(2) (a) what total amount is in arrears in respect of the houses that have been sold and (b) what percentage does this represent of the original amount due,

(3) in respect of what dates is this information furnished? *14/3/90* B39E

THE MINISTER OF PLANNING AND PROVINCIAL AFFAIRS

(1) (a) 72 521
(b) 46 470

(2) (a) R7 230 777,72.
(b) 36,26%

(3) Question One. 31/1/90
Question Two 31/12/89

Public service: persons employed

17 Mr R M BURROWS asked the Minister for Administration and Privatisation *250*

(1) What was the total number of persons employed in each department and organizational component referred to in section 6(1) of the Public Service Act, No 111 of 1984, as at 30 September 1989,

(2) (a) how many such persons were employed in each of the following eight salary intervals in each such department *14/3/90*

and organizational component, viz (i) more than R165 000, (ii) R120 001 to R165 000, (iii) R110 001 to R120 000, (iv) R87 001 to R110 000, (v) R74 001 to R87 000, (vi) R49 001 to R74 000, (vii) R38 001 to R49 000 and (viii) R29 001 to R38 000 and (b) to which population group did each of these persons belong? *14/3/90* B42E *250*

THE MINISTER FOR ADMINISTRATION AND PRIVATISATION

According to particulars supplied by the relevant departments and organizational components, the figures are as follows

Administration House of Delegates

(1) 16 023
(2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	1	0
(iii)	0	0	0	0
(iv)	2	0	2	0
(v)	6	0	5	0
(vi)	49	0	687	0
(vii)	31	0	1 665	0
(viii)	48	1	2 811	0

Administration House of Representatives

(1) 60 060
(2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	0	1	0	0
(iv)	4	5	1	0
(v)	16	2	1	0
(vi)	271	1 436	19	0
(vii)	274	2 051	19	0
(viii)	669	4 038	33	2

Administration House of Assembly

(1) 116 679

Department of Finance

(1) 9 329

(2) (a) and (b).

(2) (a) and (b)

	White Coloured Indian Black			
	(i)	(ii)	(iii)	(iv)
(i)	1	0	0	0
(ii)	2	0	0	0
(iii)	8	0	0	0
(iv)	50	0	0	0
(v)	77	0	0	0
(vi)	5 175	1	1	0
(vii)	9 590	1	3	0
(viii)	16 905	2	2	0

Department of Home Affairs

(1) 6 881

(2) (a) and (b)

	White Coloured Indian Black			
	(i)	(ii)	(iii)	(iv)
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	2	0	0	0
(iv)	7	0	0	0
(v)	17	0	0	0
(vi)	60	0	1	0
(vii)	110	0	1	0
(viii)	72	0	1	1

Department of Foreign Affairs

(1) 1 452

(2) (a) and (b)

	White Coloured Indian Black			
	(i)	(ii)	(iii)	(iv)
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	2	0	0	0
(iv)	16	0	0	0
(v)	60	0	0	0
(vi)	137	0	0	0
(vii)	207	5	0	0
(viii)	154	1	1	0

Department of Agricultural Economics and Marketing

(1) 2 853

(2) (a) and (b)

	White Coloured Indian Black			
	(i)	(ii)	(iii)	(iv)
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	1	0	0	0
(iv)	6	0	0	0
(v)	22	0	0	0
(vi)	145	0	0	0
(vii)	212	1	8	6
(viii)	236	4	6	2

Department of National Health and Population Development

(1) 2 967

(2) (a) and (b)

	White Coloured Indian Black			
	(i)	(ii)	(iii)	(iv)
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	3	0	0	0
(iv)	19	0	0	0
(v)	36	0	0	0
(vi)	136	9	7	1
(vii)	237	0	2	3
(viii)	328	6	7	9

Department of Manpower

(1) 4 126

(2) (a) and (b)

	White Coloured Indian Black			
	(i)	(ii)	(iii)	(iv)
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	1	0	0	0
(iv)	8	0	0	0
(v)	26	0	0	0
(vi)	84	0	0	0
(vii)	182	1	2	0
(viii)	360	5	4	6

Department of National Education

(1) 597

(2) (a) and (b)

	White Coloured Indian Black			
	(i)	(ii)	(iii)	(iv)
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	2	0	0	0
(iv)	3	0	0	0
(v)	10	0	0	0
(vi)	27	0	0	0
(vii)	58	0	0	0
(viii)	79	0	0	0

Department of Mineral and Energy Affairs

(1) 968

(2) (a) and (b)

	White Coloured Indian Black			
	(i)	(ii)	(iii)	(iv)
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	3	0	0	0
(iv)	8	0	0	0
(v)	26	0	0	0
(vi)	159	0	0	0
(vii)	106	0	0	0
(viii)	90	0	0	0

Department of Environment Affairs

(1) 9 888

(2) (a) and (b)

	White Coloured Indian Black			
	(i)	(ii)	(iii)	(iv)
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	2	0	0	0
(iv)	8	0	0	0
(v)	20	0	1	0
(vi)	70	2	1	3
(vii)	220	0	0	0
(viii)	340	0	0	0

Department of Education and Training

- (1) 68 851
- (2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	2	0	0	0
(iv)	0	0	0	0
(v)	29	0	0	1
(vi)	706	0	0	0
(vii)	954	0	0	314
(viii)	967	0	0	693
				1 452

Department of Development Planning

- (1) 685
- (2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	3	0	0	0
(iv)	10	0	0	0
(v)	25	0	0	0
(vi)	63	0	0	0
(vii)	78	0	0	0
(viii)	58	0	0	3

Department of Development Aid

- (1) 3 378
- (2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	2	0	0	0
(iv)	5	0	0	0
(v)	43	0	0	0
(vi)	141	0	0	0
(vii)	295	0	1	0
(viii)	286	0	0	0
				1

Department of Public Works and Land Affairs

- (1) 12 828
- (2) (a) and (b).

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	2	0	0	0
(iv)	11	0	0	0
(v)	28	0	0	0
(vi)	165	0	0	0
(vii)	380	0	1	0
(viii)	499	0	0	0
		6	0	0

Department of Transport

- (1) 2 637
- (2) (a) and (b).

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	3	0	0	0
(iv)	2	0	0	0
(v)	17	0	0	0
(vi)	78	0	0	0
(vii)	224	0	0	0
(viii)	195	0	0	0
		1	1	11

Department of Water Affairs

- (1) 13 871
- (2) (a) and (b).

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	2	0	0	0
(iv)	5	0	0	0
(v)	22	0	0	0
(vi)	205	0	0	0
(vii)	265	0	1	0
(viii)	291	0	2	0

Office of the Commission for Administration

- (1) 1 089
- (2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	1	0	0	0
(iv)	8	0	0	0
(v)	22	0	0	0
(vi)	87	1	0	0
(vii)	155	3	0	0
(viii)	114	4	0	0

Office of the Auditor-General

- (1) 809
- (2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	1	0	0	0
(iii)	1	0	0	0
(iv)	4	0	0	0
(v)	15	0	0	0
(vi)	49	0	0	0
(vii)	153	0	0	0
(viii)	181	0	1	0

Office of the State President

- (1) 131
- (2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	1	0	0	0
(iv)	4	0	0	0
(v)	5	0	0	0
(vi)	17	0	0	0
(vii)	9	0	0	0
(viii)	14	0	0	0

SA Police

- (1) 72 373
- (2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	2	0	0	0
(iv)	25	0	0	0
(v)	117	0	0	0
(vi)	290	1	1	1
(vii)	751	4	3	15
(viii)	4 922	82	107	329

SA Defence Force

- (1) 71 813
- (2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	13	0	0	0
(iv)	72	0	0	0
(v)	188	0	0	0
(vi)	1 169	2	0	0
(vii)	2 782	18	0	2
(viii)	3 792	159	3	87

Provincial Administration of the Cape of Good Hope

- (1) 66 974
- (2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	4	0	0	0
(iv)	23	0	1	0
(v)	310	11	6	0
(vi)	1 048	35	20	7
(vii)	1 222	44	17	14
(viii)	2 817	484	45	227

Provincial Administration of Natal

- (1) 38 964
- (2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	3	0	0	0
(iv)	12	0	1	0
(v)	98	1	39	3
(vi)	381	12	217	16
(vii)	482	8	173	27
(viii)	1 110	58	297	325

Provincial Administration of the Orange Free State

- (1) 21 655
- (2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	3	0	0	0
(iv)	36	0	0	0
(v)	71	0	0	0
(vi)	249	0	0	0
(vii)	363	0	0	0
(viii)	932	20	0	147

Transvaal Provincial Administration

- (1) 90 601
- (2) (a) and (b)

	White	Coloured	Indian	Black
(i)	1	0	0	0
(ii)	0	0	0	0
(iii)	6	0	0	0
(iv)	87	0	0	1
(v)	292	2	2	9
(vi)	1 240	8	86	53
(vii)	1 161	7	54	48
(viii)	4 124	26	61	400

250

Howesd 14/3/90

Buro for Information

- (1) 539
- (2) (a) and (b)

	White	Coloured	Indian	Black
(i)	0	0	0	0
(ii)	0	0	0	0
(iii)	1	0	0	0
(iv)	3	0	0	0
(v)	12	0	0	0
(vi)	34	0	0	0
(vii)	50	0	1	0
(viii)	68	3	1	2

Regional services councils constituted

29 Mr W C MALAN asked the Minister of Planning and Provincial Affairs

- (a) How many regional services councils had been constituted as at 31 December 1989 and (b) (i) in respect of what regions and (ii) when were they constituted in each case? B65E

The MINISTER OF PLANNING AND PROVINCIAL AFFAIRS Howesd 14/3/90

- (a) and (b)
- 16 Regional services councils were constituted by 31 December 1988 and I draw the honourable member's attention to the written reply which was furnished last year to question no 509

During 1989 21 regional services councils were constituted on the following dates

Orange Free State

- Gold Field 1 June 1989
- Northern Free State 1 June 1989
- Eastern Free State 1 June 1989

Cape Province

- Amatola 31 March 1989
- Benede-Oranjerivier 31 March 1989
- Bo-Karoo 31 March 1989
- Breerivier 31 March 1989
- Diamantveld 31 March 1989
- Drakensberg 31 March 1989
- Kamdeboo 31 March 1989
- Klein Karoo 31 March 1989
- Kalahari 31 March 1989
- Midland 31 March 1989
- Namaqualand 31 March 1989

Howesd 14/3/90

North West	31 March 1989
Overberg	31 March 1989
Sentraal Karoo	31 March 1989
Stellaland	31 March 1989
Stormberg	31 March 1989
South Cape	31 March 1989
West Coast	31 March 1989

Coloured/Indian management committees constituted

31 Mr W C MALAN asked the Minister of Planning and Provincial Affairs

- (1) Whether any new (a) Coloured and (b) Indian management committees were established in 1989, if so, (i) why, (ii) by whom or what authorities, (iii) in respect of which areas and (iv) how were these committees constituted.
- (2) whether it is the intention to establish more (a) Coloured and (b) Indian management committees, if so, (i) why, (ii) in respect of which areas and (iii) how are these committees to be constituted? B67E

The MINISTER OF PLANNING AND PROVINCIAL AFFAIRS Howesd 14/3/90

Transvaal

- (1) (a) No
- (b) Yes

(i) The local Indian community requested that a management committee be established for the Indian group area

(ii) By the Administrator with the consent of the Minister of Planning and Provincial Affairs after consultation with the Own Affairs Minister of the Minister's Council, House of Delegates

(iii) Wolmaransstad (Noorpark)

(iv) Five appointed members

- (2) (a) Yes, if such a request is received from a particular Coloured community
- (b) Yes, such a request is currently under consideration

(i) The local Indian community requested that a management committee be instituted for the Indian group area

(ii) Amersfoort

(iii) The first committee will consist of five appointed members

- (1) (a) No
- (b) Yes

(i) The Local Indian Advisory committee requested that an advisory committee be established for the Indian Group Area

(ii) By the Administrator with the consent of the Minister of Planning and Provincial Affairs after consultation with the Own Affairs Minister of the Minister's Council House of Delegates

(iii) The Duff's Road Development Area

(iv) In terms of section 306(i)(a) of the Local Authorities Ordinance, 1974 (Ordinance 25 of 1974) Members of the committee have been appointed by the Administrator, in consultation with the Administration House of Delegates

- (2) (a) Yes
- (b) Yes

(i) For the promotion of sound local government in the relevant areas and to provide for direct representation of the areas on the proposed Joint Services Boards, if and when the Boards are established

(ii) The Coloured proclaimed areas in Richards Bay and the Indian proclaimed area in Harding

(iii) By the Administrator in terms of section 306(i)(a) of the Local Authorities Ordinance, 1974 (Ordinance 25 of 1974) in consultation with the Administration House of Representatives and Administration House of Delegates

Howesd 14/3/90

Minister
praises
teachers

EDUCATION and Development Aid Minister Mr Stoffel van der Merwe yesterday praised the decision by striking black teachers to go back to school.

Mr Van der Merwe said he would welcome a meeting with teachers to discuss their grievances, suggestions and proposals.

He said the decision to go back to school was a "victory for reasonableness" and for everybody who had the interests of children and of education at heart.

"One hopes this will pave the way for a return to normality so the students can get on with the job of acquiring knowledge and skills."

Mr Van der Merwe also paid tribute to those involved in efforts to bring the teachers back.

He said government and the department acknowledged that there were many facets of the present education system that were not ideal but these problems were constantly assessed.

(b) In terms of section 43 of the Admission of Persons to the Republic Regulation Act, 1972 (Act 59 of 1972) ~~the following~~

LBS countries/Zimbabwe/Mozambique: workers ~~repatrated~~ *repatrated* 14/3/90
 136 Mr S S VAN DER MERWE asked the Minister of Home Affairs

- (1) How many Black (a) workers and (b) persons from Zimbabwe, Lesotho, Swaziland, Botswana and Mozambique, respectively, were repatriated in 1989,
 (2) how many Black (a) workers and (b) persons from each of the above countries had been granted exemption from repatriation on the ground of long service as at the latest specified date for which figures are available?

The MINISTER OF HOME AFFAIRS ~~B301E~~ B301E

- (1) Statistics on the basis as required by the honourable member are not available. However, the total number of persons (irrespective population group) removed

to the countries in question in 1989 is as follows

Zimbabwe	5 817
Lesotho	4 728
Swaziland	1 269
Botswana	843
Mozambique	38 758
<i>14/3/90</i>	

- (2) During the period 1 January 1988 up to 26 February 1990, the following exemptions in terms of section 7 bis (1) of the Aliens Act, 1937 (Act 1 of 1937) were granted in respect of workers and persons from the following countries

Zimbabwe	(a) 329	(b)* 16
Lesotho	158	110
Swaziland	15	35
Botswana	38	23
Mozambique	199	30

Separate statistics of exemptions granted to persons on the ground of long service alone, are not available.
 * Excluding workers, but including the wives and children of workers

HOUSE OF ASSEMBLY

Administration and Economic Co-ordination

(a) How many (i) Whites, (ii) Coloureds, (iii) Indians and (iv) Blacks were employed in the following broad occupational categories in Departments, viz Labourers, Educators, Nursing, Services and Other Personnel and (b) what total number of persons in each race group was employed in Departments as at 30 September 1989?
Hansard 15/3/90 B155E

59 Mr P H P GASTROW asked the Minister for

The MINISTER FOR ADMINISTRATION AND ECONOMIC CO-ORDINATION

	(i)	(ii)	(iii)	(iv)
Labourers	1 050	35 237	2 065	132 821
Educators	68 657	37 743	12 655	54 692
Nursing	25 881	15 082	5 992	26 315
Services	84 533	13 469	3 722	41 286
Other	121 980	18 119	7 077	22 318
(b)	302 101	119 650	31 511	277 432

Films, subsidies

74 Mr P G SOAL asked the Minister of Home Affairs

- (1) What amounts were paid in subsidies in the 1988-89 financial year in respect of films in (a) Afrikaans, (b) English and (c) the Black languages;
 (2) in respect of how many films in each language were these subsidies paid?
 B184E

The MINISTER OF HOME AFFAIRS

- (1) (a) R5 653 688
 (b) R2 161 549
 (c) R5 200 223

- (2) Afrikaans 13
 English 13
 Black languages 122

What was the infant mortality rate for (a) Blacks, (b) Coloureds, (c) Whites and (d) Indians in the Republic in 1989?
Hansard 15/3/90 B202E

The MINISTER OF HOME AFFAIRS

As many late registrations of births and deaths in respect of 1989 are still being received, the 1989 data have not yet been processed. However, the relevant information in respect of 1988 is as follows

- (a) 62*
 (b) 57,5
 (c) 13,2
 (d) 17,4 (estimate)
 * Latest estimate of the Human Sciences Research Council in respect of 1988

NOTE

Infant mortality rate means the number of infant deaths (ie deaths of children under the age of one year) per one thousand live births

FW vow to cut back public service

PRETORIA — Government was committed to reducing its intervention in the economy and to cutting the public sector size, President F W de Klerk said yesterday.

The economy could not afford a public sector of the present proportions, he said at the opening of the National Maize Producers Organisation (Nampo) annual congress in Potchefstroom.

The tax burden, as well as a disproportionately large section of the population which had no part in the production process and supporting commercial services, made the situation untenable.

Outlining reasons for his non-intervention commitment, De Klerk said control systems often obscured market price signals and consequently lead to inefficiency.

Producers assured of a turnover, be-

GERALD REILLY

cause of statutory control and protection, tended to lose interest in striving for higher productivity. Protection encouraged the creation of enterprises which would perhaps not function profitably without it.

De Klerk said government would focus on active implementation of its policy of deregulation. This policy, with privatisation as an essential part, was geared to improve achievement in the economy.

This would result in more effective application of production factors, optimal functioning of market forces and a rise in the percentage of net fixed investment by the private sector.

● See Page 3

B 10007 14/3/9

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(b) In terms of section 43 of the Admission of Persons to the Republic Regulation Act, 1972 (Act 59 of 1972), ~~how many~~ *14/3/90*

LBS countries/Zimbabwe/Mozambique: workers ~~repatrated~~ *14/3/90*
 136 Mr S S VAN DER MERWE asked the Minister of Home Affairs

(1) How many Black (a) workers and (b) persons from Zimbabwe, Lesotho, Swaziland, Botswana and Mozambique, respectively, were repatriated in 1989,

(2) how many Black (a) workers and (b) persons from each of the above countries had been granted exemption from repatriation on the ground of long service as at the latest specified date for which figures are available? ~~14/3/90~~ *14/3/90* B301E

The MINISTER OF HOME AFFAIRS

(1) Statistics on the basis as required by the honourable member are not available. However, the total number of persons (irrespective population group) removed

to the countries in question in 1989 is as follows

Zimbabwe	5 817
Lesotho	4 728
Swaziland	1 269
Botswana	843
Mozambique	38 758

(2) During the period 1 January 1988 up to 26 February 1990, the following exemptions in terms of section 7 bis (1) of the Aliens Act, 1937 (Act 1 of 1937) were granted in respect of workers and persons from the following countries

	(a)	(b)*
Zimbabwe	329	16
Lesotho	158	110
Swaziland	15	35
Botswana	38	23
Mozambique	199	30

Separate statistics of exemptions granted to persons on the ground of long service alone, are not available.

* Excluding workers, but including the wives and children of workers.

HOUSE OF ASSEMBLY

Administration and Economic Co-ordination

QUESTIONS

†Indicates translated version.

For written reply

General Affairs

Departmental employees

59 Mr P H P GASTROW asked the Minister for

The MINISTER FOR ADMINISTRATION AND ECONOMIC CO-ORDINATION

(a)	(i)	(ii)	(iii)	(iv)
Labourers	1 050	35 237	2 065	132 821
Educators	68 657	37 743	12 655	54 692
Nursing Services	25 881	15 082	5 992	26 315
Other	84 533	13 469	3 722	41 286
	121 980	18 119	7 077	22 318
(b)	302 101	119 650	31 511	277 432

Films: subsidies

74 Mr P G SOAL asked the Minister of Home Affairs

(1) What amounts were paid in subsidies in the 1988-89 financial year in respect of films in (a) Afrikaans, (b) English and (c) the Black languages;

(2) in respect of how many films in each language were these subsidies paid? B184E

The MINISTER OF HOME AFFAIRS.

(1) (a)	R5 653 688
(b)	R2 161 549
(c)	R5 200 223
(2) Afrikaans	13
English	13
Black languages	122

Infant mortality

87 Mr M J ELLIS asked the Minister of Home Affairs *Hansard 15/3/90*

(a) How many (i) Whites, (ii) Coloureds, (iii) Indians and (iv) Blacks were employed in the following broad occupational categories in Departments, viz Labourers, Educators, Nursing, Services and Other Personnel and (b) what total number of persons in each race group was employed in Departments as at 30 September 1989? *Hansard 15/3/90* B155E

What was the infant mortality rate for (a) Blacks, (b) Coloureds, (c) Whites and (d) Indians in the Republic in 1989? *Hansard 15/3/90* B202E

The MINISTER OF HOME AFFAIRS

As many late registrations of births and deaths in respect of 1989 are still being received, the 1989 data have not yet been processed. However, the relevant information in respect of 1988 is as follows

(a)	62*
(b)	57,5
(c)	13,2
(d)	17,4 (estimate)

* Latest estimate of the Human Sciences Research Council in respect of 1988

NOTE

Infant mortality rate means the number of infant deaths (ie deaths of children under the age of one year) per one thousand live births

Sk 1573/90

250

Nurses, police, pensioners benefit from R6-bn tax windfall

Focus shifts to social upliftment

By PETER FABRICIUS,
Political Correspondent

CAPE TOWN — Social and civil pensions are to rise by 10 percent, and police and nurses are to get pay increases, Finance Minister Barend du Plessis announced in his Budget speech yesterday.

He presented a tightly controlled record, R72,9 billion Budget which increased Government spending by only 11 percent but shifted the focus to social upliftment.

Using a R6 billion windfall from excess tax revenue last year, Mr du Plessis handed out several goodies. He announced:

- An increase of about 10 percent in pensions for social pensioners, civil pensioners, military pensioners and occupation disease pensions.
 - That backlogs in the pay of nurses and police and other law enforcement personnel would be overcome.
 - A salary rise for the lowest-paid civil servants was being investigated.
- The Minister also announced the following once-off payments:
- R100 million for police equipment
 - R150 million to help overcome the backlog in black education.
 - R100 million to the development

corporations in the self-governing territories

● R50 million to universities and technikons.

Mr du Plessis also said the Ministers' Councils in Parliament had at last agreed on a formula for allocating funds among them.

This year's Budget was broadly based on this formula and the State legislators were being consulted on the need for legislation in this regard.

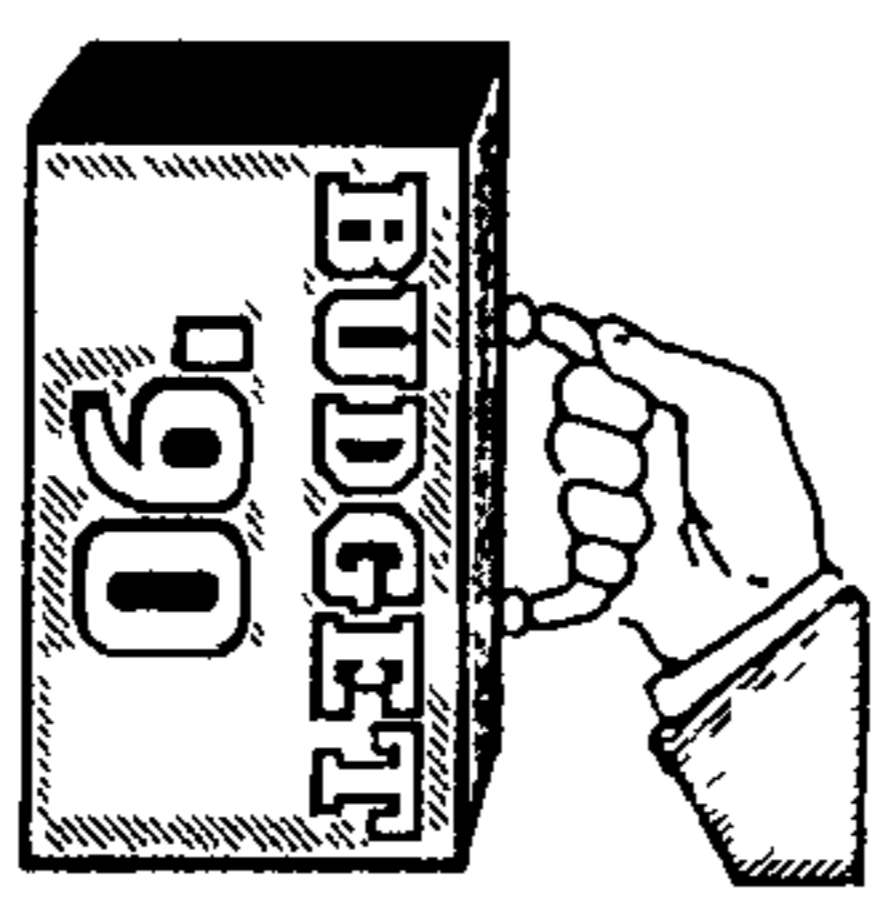
The Minister said estimated expenditure for the year was R71,932 billion, including training allowances which would replace existing tax allowances as well as the return to the Budget of Soekor expenditure.

As he did last year, Mr du Plessis set aside R1 billion as a contingency fund for unforeseen expenditure.

Mr du Plessis said about 40 percent of the Budget would go on social services and a special fund would be created from this year's R6 billion loan surplus to overcome socio-economic backlogs.

Health, education and housing all get substantial increases, as do the police. Mr du Plessis hinted, in the early part of his speech, at some tax cuts and savings incentives.

Tax reduction — especially of per-



sonal tax — was of crucial importance in boosting saving-enterprise and investment, he said.

However, he also hinted at further cuts in tax rebates and perks to broaden the tax base.

The Budget would tackle inflation, the shortage of skilled manpower and the shortage of domestic savings.

Mr du Plessis' Budget Review indicated that the policy goals of the Budget were to raise the living standards of all South Africans by reducing inflation, and to overcome poverty and backlogs in housing, education, training and literacy.

The Budget shows an increase of 11 percent on last year's R65,18 billion Budget — well below the official 15 percent inflation rate.

The defence budget drops from R10,3 billion to R10,29 billion, while police get a 5,7 percent increase from R2,9 billion to R3,1 billion. Although the Budget shows a decrease for defence in the general breakdown of functional allocations, the detailed budget shows a 1 percent increase from R9,9 billion to R10,07 billion.

Officials could give no immediate explanation for the discrepancy. Social services will receive R27,853 billion, up 11 percent from R25,074 billion last year.

The category improvement in conditions of service rises markedly from R138,8 million to R2,32 billion, to pay for the 10 percent public-service pay increase announced earlier.

The Budget Review defined the broad policy goal as "to control Government spending so that the tax burden does not subvert income- and job-creation and to avoid using loans to finance consumption spending".

Discipline in Government spending was also necessary to combat inflation and raise foreign reserves.

However, although more jobs would be created in the long run, a cut in Government spending could cause jobs to be lost in the short and

medium term. This might need a supportive labour strategy and a re-forming strategy for the unemployed. Local government had been restricted to a 13 percent increase in spending in 1990/91.

Mr du Plessis said investigations of tax on company vehicles, the abuse of close corporations for tax purposes, exempted donations and the desirability of some form of minimum tax had been completed. The possibility of capital gains tax was also being investigated.

The draft Bill to introduce value added tax had been finalised and would be published shortly. Time would be allowed for comment and the tax would not be implemented within six months after it had been approved by Parliament — in other words, not before October 1 1991.

A system of self-assessment for income tax was also being investigated. The Government remained committed to systematic reform of the tax structure involving the broadening of the tax base by eliminating or reducing tax concessions, rebates and expenditures as much as possible, equal, just treatment of all taxpayers and laying greater stress on indirect taxation and less on direct taxation.

Jobs in public sector expanded last year

BID 1573190
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PUBLIC sector employment continued to grow at a relatively high rate last year, despite a significant reduction in SA Transport Services personnel, Finance Minister Barend Du Plessis said in his expanded budgetary review.

In contrast, the rate of increase in private sector employment had contracted markedly, while employment in mining and in electricity generation declined.

He said total employment — excluding agriculture — increased 0,9% during the first nine months of last year, compared to the same period in 1988.

The slower rate of increase in employment in the economically active population last year implied a corresponding increase in unemployment.

However, he said the seasonally adjusted number of registered unemployed workers, although increasing during a short period in June last year, continued to drop.

Du Plessis said the contradictory movement of unemployment figures

ADELE BALETA

against the business cycle could be explained by either an expansion of the informal sector or the fact that not all employed people registered as such.

An additional disturbing development in the labour market during 1989 was the increase of almost 18% in workers' nominal wages in the non-agricultural sectors of the economy during the first nine months.

The only justification for an increase in remuneration higher than the inflation rate should be an equivalent or higher rate of increase in the productivity rate.

After a sharp increase in 1988, the rate of increase in workers' output slowed markedly during the first nine months of 1989.

This led to a significant acceleration in real unit labour costs during the first three quarters of 1989.

Lowest-paid workers to get more

CAP T19P
16/3/90

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By ANTHONY JOHNSON
Political Correspondent

MORE than 170 000 of the lowest-paid workers in the civil service are to receive a pay hike with effect from April 1, Minister for Administration and Economic Co-ordination Dr Wim de Villiers announced last night.

About 25% of government workers earn under R600 a month, while 45,4% of them have a monthly pay packet of under R1 000, according to the annual report of the Commission for Administration tabled in Parliament yesterday.

One in every four members of the civil service is a labourer and 78% of all labourers working for the government are black.

Dr De Villiers did not give an indication of the size of the increase workers could expect over and above the 10% across-the-board hike already announced for civil servants.

However, he said that investigations into structural adjustments with regard to labourers or "general assistants" in the civil service were already at "an advanced stage".

The additional increases for labourers would be implemented with retrospective effect from April 1.

It is understood that the striking workers at hospitals around the Cape

Peninsula will also benefit from the proposed increases.

The government has already announced that certain other categories of civil servants — including nurses, the police, the Defence Force and certain groups of officials involved with law enforcement — will also be receiving more than the blanket 10% increase announced last month.

The government has already announced increases for the country's 173 474 educators, with teachers receiving a 22% increase in pay.

Announcing the increases for the lowest-paid workers in the civil service last night, Dr De Villiers said the government as an employer "must compete with other employers in the open market".

"Therefore it is necessary, apart from periodical general salary adjustments, to make more specific structural adjustments to the conditions of service of particular groups of workers so as to be able to recruit and retain necessary manpower."

Dr De Villiers said the necessary structural adjustments in the conditions of service of all groups of employees could not be addressed simultaneously due to restricted funds.

"Therefore priorities must... be determined to address the most urgent problem areas first," Dr De Villiers said

Increases for 'lowest paid'

31 Day 16/3/90

MIKE ROBERTSON

CAPE TOWN — General assistants, the lowest-paid members of the public service, are, like nurses, policemen and defence force personnel, to get pay rises in addition to the 10% general increase that comes into effect on April 1.

Administration Minister Wim de Villiers said in a statement yesterday that the increases would be implemented with retrospective effect from April 1.

It is expected that the total amount to be shared by nurses, policemen, defence force personnel and the general assistants will be about R450m.

This could be funded out of the R1bn contingency fund which Finance Minister Barend du Plessis included in his Budget on Wednesday.

Defending the additional increases, De Villiers said yesterday that government, as an employer, had to compete in the open labour market.

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"Therefore it is necessary, apart from general salary adjustments from time to time, to make more specific adjustments to the conditions of service of particular groups of workers so as to be able to recruit and retain the necessary manpower," De Villiers said.

He added that conditions of service of all groups of employers could not be addressed simultaneously.

"Priorities must, in consultation with the different departments and acknowledged personnel associations, be determined to address the most urgent problem areas first."

Provision of R2,2bn has already been made in the main Budget to fund the general 10% increase for the public service.

More anger at govt pay

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GERALD REILLY

PRETORIA — Government workers at protest meetings throughout the country in the past two weeks have been demanding talks with the President F W de Klerk on their "meagre" 10% pay increase.

At a meeting in Durban earlier this week, the Public Servants Association's largest Natal branch passed a motion of no confidence in government for its indifference to its worker's financial plight.

The PSA wants to by-pass Administration Minister Wim de Villiers and have direct talks with De Klerk.

The Durban meeting, in line with other protest meetings, also called for a speeding up in the passing of legislation now before parliament to provide for a more effective bargaining mechanism for public servants.

Meanwhile, senior government workers in Pretoria say lack of motivation and low morale in the service because of the "unacceptable" increase may result in a go-slow strike. *B/Dam 22/3/90*

Government workers are prohibited from strike action, but a slowdown in the work tempo could threaten the efficiency of key services.

The PSA has called a special general meeting for April 9 to decide on a line of action.

Talks with 'pressure groups' under fire

sw 23/3/90
The Public Servants Association (PSA) has criticised negotiations held between the authorities and what the PSA describes as "unrecognised pressure groups" within the civil service.

"Recognised staff associations have uniformly withheld themselves from militant, illegal methods such as strikes, stayaway actions and demonstrations, with or without placards," said Dr Colin Cameron, president of the PSA.

Public servants had, without exception, acted legally.

The impression gained, he said, was that militant and challenging action had to be taken before attention would be given to the demands of the public servants.

This was demoralising.

It would further appear from news reports that the authorities are even prepared to consider a trade union, and this on the eve of the implementation of a legal system for collective bargaining which was particularly designed to conform to the special circumstances of the civil service," he said.

"As far as we're concerned, this would mean the end of the road for orderly negotiation." — Sapa.

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B/pay 26/3/90

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Minister hears PSA complaints

GERALD REILLY

PRETORIA — The Public Servants' Association bluntly told Administration Minister Wim de Villiers at a meeting here last week that levels of discontent in the service were a grave threat to efficiency in state departments.

Main complaints concerned the latest 10% pay hike for government workers, lack of funds for occupational differentiation and inadequate negotiating machinery.

PSA GM Hans Olivier said the discontent could depress workers' morale further, and weaken staff motivation.

"We also said we could not understand why government had talked to an unrecognised trade union."

This was a reference to the Health Workers' Union.

Turnover
Operating profit
Interest paid
Profit before abnorm
Abnormal items
Profit before taxation

Consolidated Inc

The audited group re

Group

Public sector contribution to GDP staying 'stubbornly high'

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THE public sector's contribution to GDP was 28,8% in 1989 — down from its peak of 30,4% in 1986 but still significantly higher than 10 years ago.

An analysis of figures in the Economic Review shows the public sector's share of GDP remains stubbornly high because of the uptrend in the contribution of "general government" — mainly salaries and wages. Other public sector categories are on the decline.

General government — central, regional, TBVC and self-governing states — contributed 13,8% to GDP last year,

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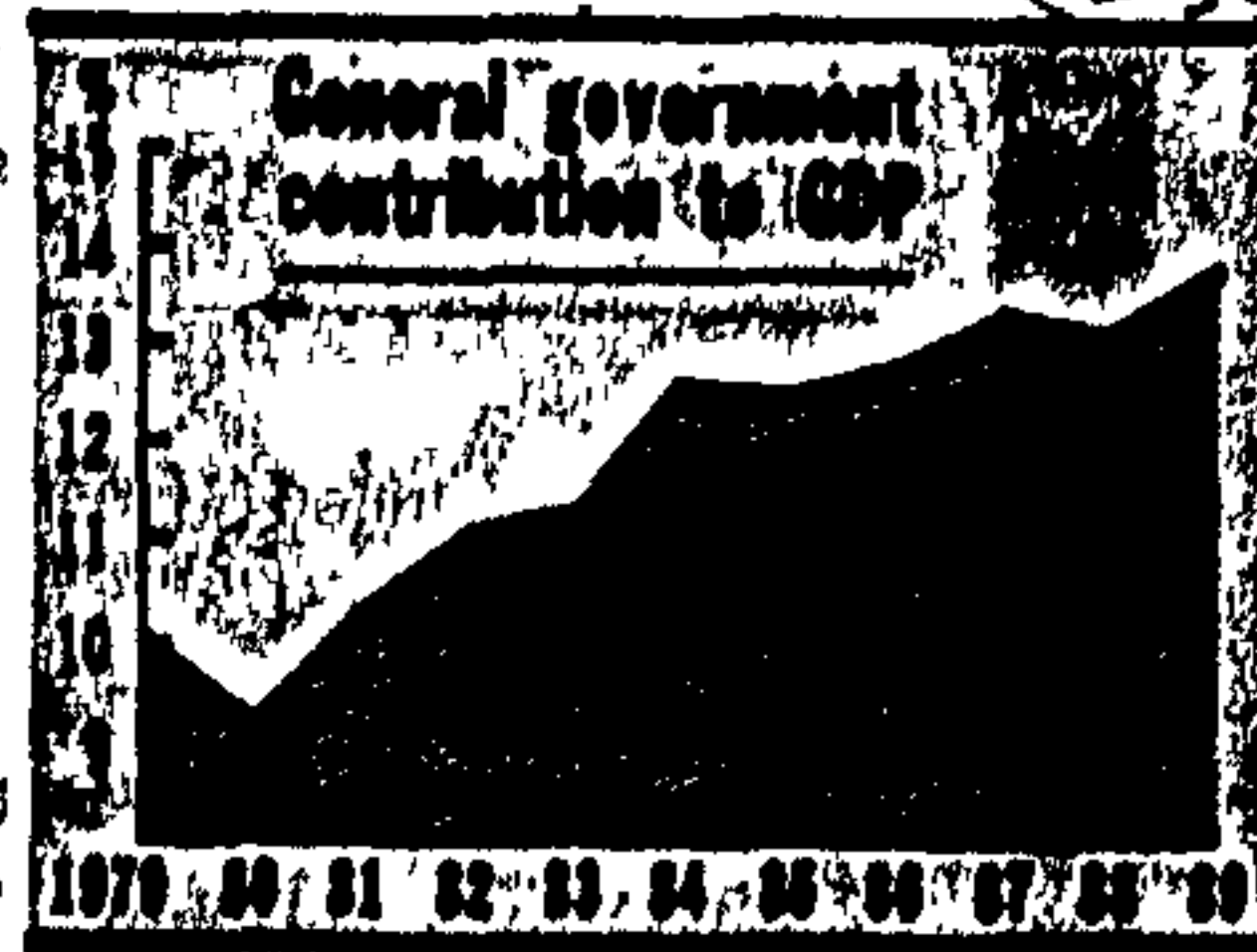
GRETA STEYN

up from 12,8% in 1986.

Ten years ago, general government's contribution was 10% and the public sector's total stake about 25%.

"The smaller contribution of the public sector since 1986 is mainly reflected in the smaller contributions of public corporations, Sats, and government business enterprises (including Post and Telecommunications)," the review says.

Better private sector profits during the latest upswing added 71,2% to GDP from a low of 69,6% in 1986.



Graphic: FROM NBSCH Source: CBS

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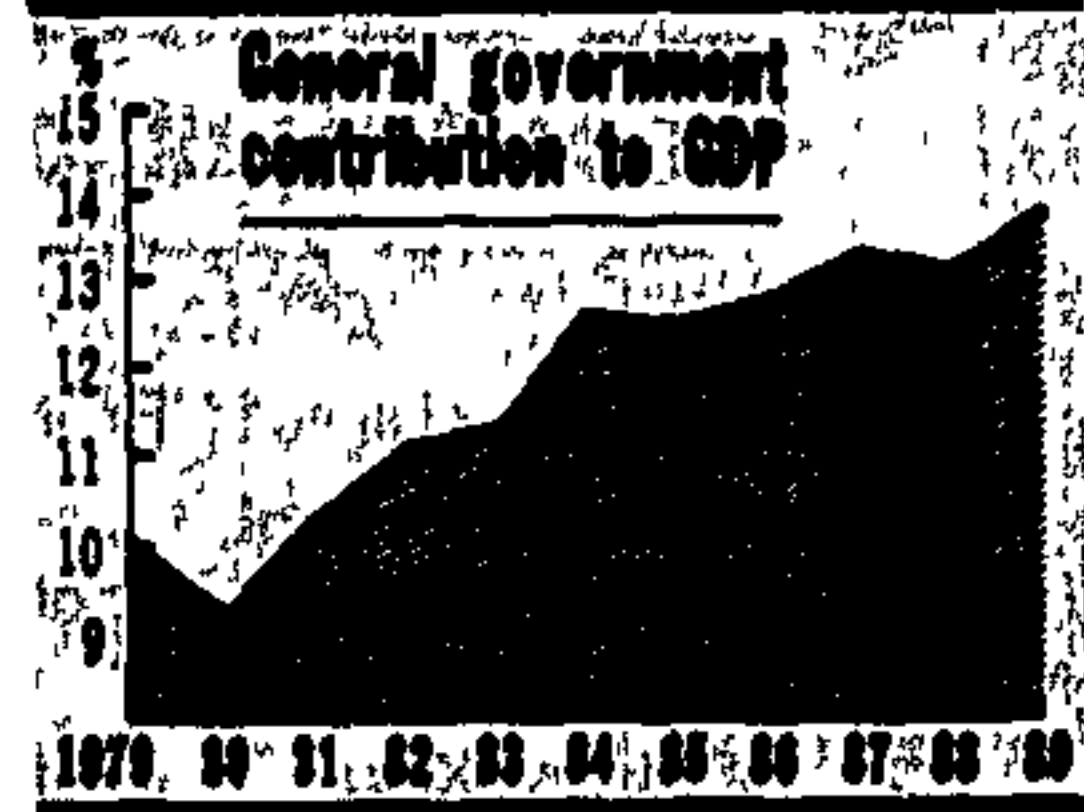
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Graphic: FIONA KRISCH Source: CS

Four unions to stage protests nationwide

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ADELE BALETA

THOUSANDS of public sector employees from four trade unions will stage nationwide protests against privatisation tomorrow and on Thursday.

Post Office and Telecommunications Workers Association (Potwa) vice-president and a national co-ordinator of the protest action Floyd Mashele said anti-privatisation rallies would be held tomorrow in Johannesburg, Cape Town, Port Elizabeth, East London, Pretoria, Bloemfontein and Kimberley.

He said workers were prepared to fight to the "bitter end" to prevent privatisation and he warned shareholders "they would not be reimbursed once nationalisation takes place".

Members of Cosatu affiliates Potwa, the SA Railways and Harbours Workers Union (Sarlwu), the National Education Health and Allied Workers Union and the SA Municipal Workers Union (Samwu) would take part in the action.

Sarlwu launched a three-day anti-privatisation campaign at the Kaserne railways depot in Johannesburg yesterday.

A depot spokesman said 500 workers held a peaceful demonstration on the premises for about an hour. Workers did not meet management.

Mashele said public sector employees countrywide would march on employer bodies starting at 10am tomorrow. Memorandums calling for a halt to privatisation would be handed in and a picket would be staged for the rest of the day.

Johannesburg public sector workers, however, would march on the JSE, where a memorandum would be handed in, followed by a picket.

The action was part of a public sector worker campaign to protest against privatisation, de-regulation and government's 10% pay rise for workers.

Action would include work stoppages, overtime bans and, as a last resort, strikes, Mashele said.

Workers to march on JSE against privatisation

The Argus Correspondent

JOHANNESBURG — Public sector workers are to march on the Johannesburg Stock Exchange in working hours on Thursday to register their rejection of the government's privatisation policy.

The march forms part of a two-day programme of national action — also focusing on the government's 10 percent pay increase for public servants spearheaded by Cosatu-affiliated unions in the postal, health and education, rail and municipal sectors.

The vice-president of the Posts and Telecommunications Workers Association, Mr Floyd Mashele, said yesterday that anti-privatisation rallies would take place tomorrow during working hours in all major centres.

On Thursday, workers would march on the JSE and to the offices of public sector employers, such as Transnet and the post office.

PROTEST AT TRANSNET

Memoranda would be presented, protesting against the imminent listing of Transnet on the JSE and plans to list the post office, possibly later this year, he said.

"We also want to warn prospective purchasers that if these industries are re-nationalised, under a future government, we cannot guarantee compensation," said Mr Mashele.

Cosatu's public sector unions were organising their 110 000 members to participate in the protests, he said. Approaches for support would also be made to Nactu and non-aligned civil service unions.

R850 wage demand by public servants

AR645 28/3/90

By MICHAEL DOMAN
Staff Reporter

MORE than 500 members of the Public Servants League (PSL) decided to demand a living wage of R850, to explore affiliation to Cosatu and to call for the resignation of national chairman Mr Malcolm Domingo, at a sometimes rowdy meeting at the Westridge Civic Centre last night.

Members from as far afield as Worcester and Atlantis also accepted a resolution to change the PSL's name to "Public Workers Union" in defiance of regulations which forbid the forming of trade unions in the public service.

A decision on further action on salary demands will be taken after the expected April 16 announcement on the restructuring of salaries.

PSL secretary Mr Bernard Wentzel said recent talks with government ministers Dr Rina Venter and Mr Wim de Villiers had been a disappointment.

"They were seeking a way to end the strike, but we told

them they were the cause of people's actions and that we supported the reasons (for the strikes)," he added.

"We have not received a reply to our letter to the State President regarding conditions of employment and wages, and we would still like to have discussions with him."

Guest speaker Mr Siza Njikelana, general secretary of the National Education, Health and Allied Workers Union (Nehawu), said that public sector workers were among the lowest paid in spite of being the people who ensured that the country prospered.

He added "Government ministers' pay increases will mean their salaries will increase from R11 000 to R15 000 a month, but health workers' salaries will go up from only R221 to R246. Who in their right minds will accept such peanuts as wages?"

Mr Njikelana and other speakers rejected the 10 per cent increase mooted for health workers.

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Privatisation fears allayed

GERALD REILLY

PRETORIA — Public sector staff associations have been given "cast iron" assurances that no workers will be adversely affected by privatisation.

Spokesmen were reacting to the planned protests this week by black public sector unions against the 'threat' of privatisation.

They are the Post and Telecommunications Workers Union, the SA Railways and Harbours Workers Unions, National Education Health and Allied Workers Union, and the SA Municipal Workers Union. *8/10am 28/3/90*

Federation of Sats Trade Unions general secretary Abe Koekemoer said after a thorough investigation the federation accepted privatisation in principle.

"Against a background of what we consider watertight guarantees, we cannot understand the fuss being made," he said.

Public Servants Association GM Hans Oliver said the PSA had accepted privatisation provided no worker was prejudiced.

"Government has also undertaken to consult, and if necessary negotiate with, the PSA" on privatisation, Oliver said.

Post Office staff associations have also been told they need not fear privatisation.

March by unions to Stock exchange

29/3/90

Sowetan

THOUSANDS of public sector workers are today expected to converge on the Johannesburg Stock Exchange to deliver a petition calling on investors to block privatisation of parastatals.

The workers will march from the Central Methodist Church in Pritchard Street, and then to Diagonal Street at noon.

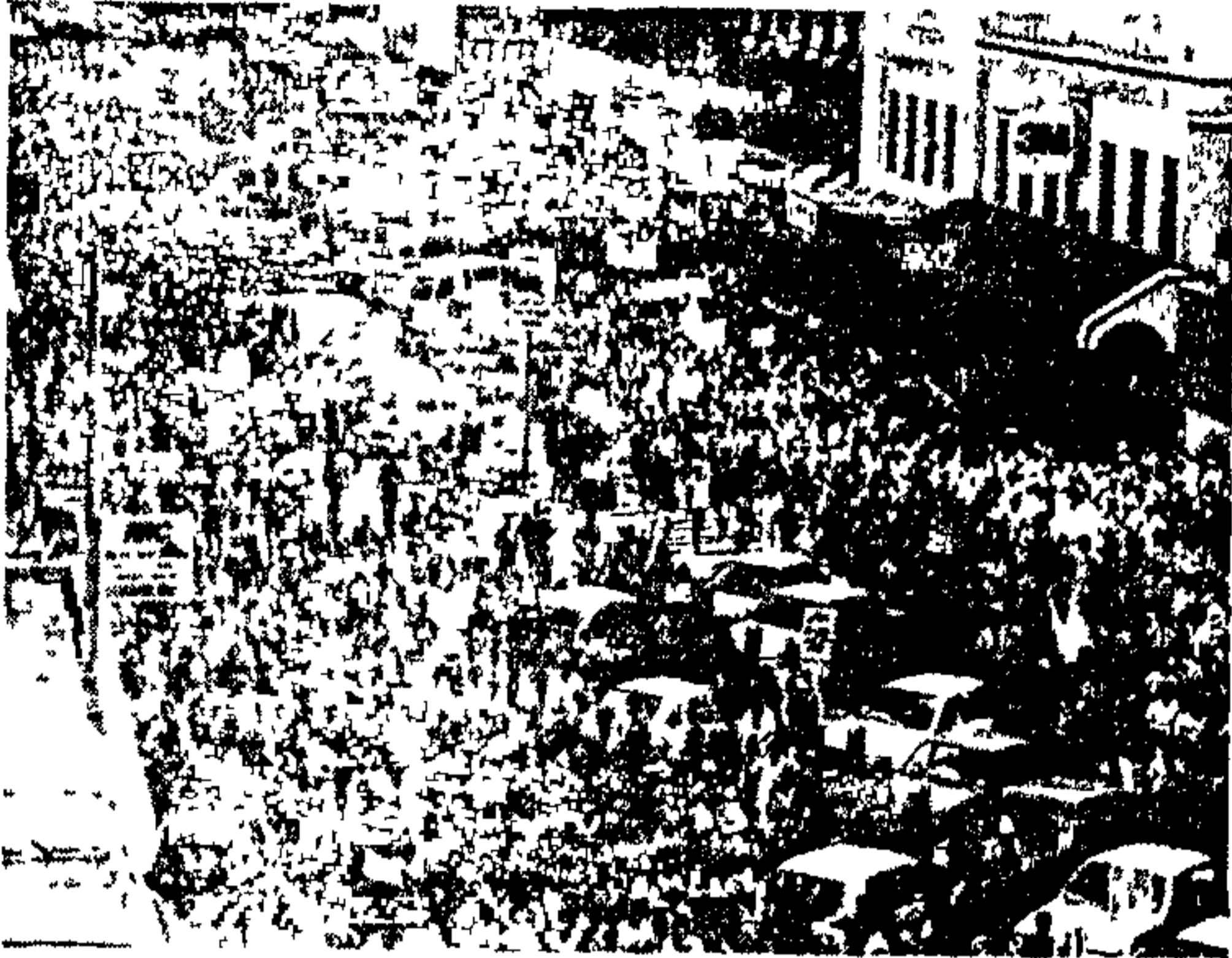
The anti-privatisation march is part of two-day nationwide protests organised by four affiliates of the Congress of SA Trade Unions to protest against the Government's move.

The four unions are National Education, Health and Allied Workers Union, Post and Telecommunication Workers Association, SA Municipal Workers Union and the SA Railway and Harbour Workers Union.

Mr Floyd Mashele, a spokesman for the four Cosatu affiliates, said the petition would be handed to Mr Tony Norton, the JSE president.

Mashele said the campaign got off to "a low-key start" yesterday, with public sector workers holding meetings and placard demonstrations at their workplace.

In Port Elizabeth, hundreds of public servants will march through the city today protesting privatisation. The marchers will proceed from the city centre to the Centenary Church, where UDE and ANC leaders will address them.



CONTRAST ... While tens of thousands turned out for a peaceful protest march against privatisation and salary grievances in Port Elizabeth yesterday, police in Pretoria stopped a similar march.

Thousands march on privatisation

Own Correspondent

JOHANNESBURG. — Thousands of public sector workers of four Cosatu-affiliated trade unions marched with banners through South African cities yesterday to register opposition to government privatisation plans

Members of the Post Office and Telecommunications Workers' Association (Potwa), National Education Health and Allied Workers' Union, SA Railways and Harbours Workers' Union and the SA Municipal Workers' Union were taking part in an ongoing national campaign to protest at privatisation and the 10% salary increase for public sector workers

In Pretoria police confirmed

that 39 workers were arrested. They were later released and warned to appear in court

A police spokesman could not verify union claims that about 40 marchers were injured when police used teargas on workers. Pretoria's Chief Magistrate, Mr Jan Burger, citing a city council ban on the anti-privatisation campaign, banned the march on Wednesday night

Potwa vice-president Mr Floyd Mashele said a Cosatu delegation delivered a memorandum addressed to Privatisation Minister Mr Dawie de Villiers at the Union Buildings in Pretoria

The minister was urged to stop the privatisation process with the union expressing fears of job losses

In Johannesburg, 10 000 public sector workers marched to the Jo-

hannesburg Stock Exchange (JSE) where Mr Mashele and ANC leader Mr Wilton Mkwayi handed a memorandum to JSE executive president Mr Tony Norton

The memorandum said employees believed the sectors concerned were part of the national wealth created "out of the exploitation of our labour"

"We believe the government has no right to auction this wealth without our consent."

About 200 suspended warders from Johannesburg Prison — Police and Prison Civil Rights Union members — joined the march to support anti-privatisation demands

Sapa reports that in Port Elizabeth thousands of workers presented demands to employer bodies

As at September 30 last year, government departments employed 302 101 whites, 277 432 blacks, 119 650 coloureds and 31 511 Indians. (250)

Of the whites, 1 050 were labourers; 68 657 educators; 25 881 nursing staff; 84 533 services staff and; 121 980 in other occupational categories. F1430/3/70

Of the blacks, coloureds and Indians, 170 123 were labourers; 105 090 educators; 47 389 nursing staff; 58 477 services staff; and 47 514 other categories (Wim de Villiers, Administration, to Gastrow)

'Only 7% employed by public service'

CHM 714 FS 5/4/90
By BARRY STREEK
Political Staff

ZSO

THE public service was not the bloated bureaucracy it was often made out to be and only 7% of the economically active population was employed by it, the chairman of the Commission for Administration, Dr Piet van der Merwe, said yesterday.

However, he was referring only to the public service — employees of state departments, provincial administrations and government trade establishments.

Recently two University of Durban-Westville academics, Mr S Moodley and Mr D Sing, estimated that 16,1% of the economically active population work for the public sector.

Moreover earlier this year the Minister of Home Affairs, Mr Gene Louw, said in Parliament that 33,9% of employed whites were directly and indirectly in state employment at the end of last year, as were 17,9% of employed coloured people, 14,1% of employed Indians and 13% of employed blacks.

While Dr Van der Merwe's figure of 7% of the economically active population is technically correct, it clearly does not refer to the whole public sector, as the public service is only one of the seven categories into which public sector employees are divided.

Public service not bloated, says commission chairman

B1 Day 5/4/90 Political Staff

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CAPE TOWN — The public service was not the bloated bureaucracy it was so often made out to be, and only 7% of the economically active population was employed by it, Commission for Administration chairman Pieter van der Merwe said yesterday.

However, he was referring only to the public service — employees of state departments, provincial administrations and government trade establishments.

Recently University of Durban-Westville academics S Moodley and D Sing estimated that 16,1% of the economically active population worked for the public sector.

And earlier this year Home Affairs Minister Gene Louw said in Parliament that 33,9% of gainfully employed whites were directly and indirectly in state employ at the end of last year, as were 17,9% of coloureds, 14,1% of Indians and 13% of blacks.

While Van der Merwe's figure of 7% of the economically active population is technically correct, it clearly does not refer to the whole public sector, as the public service is only one of the seven categories into which public sector employees are divided.

Van der Merwe said the public service employed only 7% of the economically active population and this compared more than favourably with that of any Western country.

Bid to dispel criticism of public service

CAPE TOWN — Public servants have hit out at the traditional perception of the public that they are a "bloated bureaucracy" And the figures show there are fewer of them now than last year.

Dr Piet van der Merwe, chairman of the Commission for Administration, the department in charge of the public service, has launched a special edition of the service's journal, Publico,

in a bid to introduce the "real public service".

He said public servants today made up 6,7 per cent (730 694 people) of the total of 10,8 million economically active South Africans. Last year the public service was 6,9 percent (730 828 people) of the total of 10,6 million economically active.

He hoped the special issue of Publico would help dispel the "so often unfounded criticism" of the public service. — Political Staff.

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Stor

9/4/90



Public servants taking pay demand to FW

The Argus Correspondent

PRETORIA. — It may be a few weeks before public servants put their case for more money to President De Klerk, but they are optimistic he will give them an audience soon.

The Public Servants Association (PSA) voted at a general meeting here yesterday to approach Mr De Klerk with their demands for a further 10 percent pensionable salary increase on September 1.

This comes in the shadow of failure to have pleas for a 20 percent April 1 increase heard, which has led to growing discontent, further resignations in government departments and a loss of faith in the PSA.

A spokesman for the office of the State President said Mr De Klerk had an exceptionally busy schedule, but he was sure he would consider the request when it arrived, perhaps consulting with Administration Minister Dr Wim de Villiers.

Yesterday's general meeting of representatives of PSA branches throughout the country passed a unanimous motion of "deep disappointment" in the government as an "unsympathetic" employer, and voted unanimously to take the pay problem to the State President.

Core of loyal workers

PSA president Dr Colin Cameron said there was a "confidence crisis" in the public service, brought about by a combination of grievances topped with the fact that an increase of only 10 percent, in the form of a non-pensionable allowance, had been granted from April 1.

Dr Cameron denied the public service itself was "in crisis" because it still had a core of loyal workers, but said the PSA was trying, in requesting an interview with Mr De Klerk, to "pre-empt a possible critical situation".

He admitted the growing dissent among PSA members could also put the association's future in jeopardy, and warned that without such channels through which public servants and government could negotiate the way would be open for aggressive and even militant reactions.

The PSA would demand of Mr de Klerk an explanation as to why government "brushed aside" personnel associations (of which the PSA is the biggest) while entering into negotiations and making concessions to illegal strikers.

PRETORIA — The Public Servants' Association will send a delegation to President F W de Klerk to inform him of the confidence crisis and large-scale distress in the ranks of public servants, the PSA said in a statement yesterday.

Delegates from PSA branches throughout the country have met here to decide on a strategy to avert their disappointment at the 10% non-pensionable salary increase implemented on April 1. The PSA represents just over 58 600 public servants of all races throughout the country.

The meeting passed a unanimous motion of deep disappointment in the government as employer and its unsympathetic attitude towards the remuneration needs of public servants, PSA president Dr Colin Cameron said. The government's attitude towards these needs was further emphasised by the meagre non-pensionable adjustment of 10%, he said.

It was also agreed that officials were no longer prepared to be the only ones who had to make sacrifices to check inflation.

The President would be informed in a personal interview that the salaries of public servants had weakened by 17 to 32% compared to the market in the period June 1985 to June 1989.

In addition, 146 career groups had had no differentiation since 1983.

The PSA consequently requested a total pensionable adjustment of 20% for Central Public Service Officials from September 1 this year.

They would further ask for market-oriented salaries for all career groups who were last evaluated in 1983.

These increments had to be made during the current financial year to eliminate anomalies.

The present 10% non-pensionable allowance

should be converted into a pensionable allowance.

The message that came from delegates was that public servants had finally concluded that the government was completely out of touch with their remuneration and other needs, Dr Cameron said.

"This is apparent from what has happened now with the non-pensionable adjustment of only 10% compared to the simultaneous adjustment of 18 to 35% for political office-bearers," he said.

Quality personnel were being lured more easily from the public service by offers of higher salaries and the load on senior and career-oriented officials would increase alarmingly.

This was not in the long-term interest of the country.

Delegates also slammed state departments for

negotiating with, and making concessions to, illegal strikers, while "brushing aside" representations by the recognised personnel associations, of which the PSA was the largest.

"This is inexplicable and has shaken the confidence of the public servant as an employee in the government as employer," Dr Cameron said.

The biggest cause of distress for PSA members was the failure of the policy of occupational differentiation because of lack of funds.

The President would be asked to intervene and finalise matters which had been dragging on for a number of years.

These included designing legislation for feasible and orderly negotiation machinery, a uniform optional retirement age of 60 years and an increase in the maximum housing subsidy.

Other demands were that public sector employees be paid maternity benefits, the widow's pension be increased to 75% of the member's pension, and transfer benefits be improved.

The PSA also vowed to announce publicly that it was compelled to change its attitude to negotiations.

This was "in view of the obvious success achieved by the non-recognised militant groups ... with stayaway actions, protests and strikes", the statement said

The matter of reasonable remuneration of public sector officials did not affect only individuals, but the service which the "public, as taxpayers, could reasonably claim".

Delegates said the PSA was also deeply concerned about the failure to implement the long-term remuneration policy and the government's handling of the public service remuneration structure promoted a lack of motivation. — Sapa

250 10/4/90 Cape Times

Confidence crisis' in public service

Public Service pay rise

Increases for more than 260 000 lower-paid workers

By ALAN DUNN, Political Staff

MORE than 260 000 of the lowest paid members of the public service are to get pay boosts.

And further increases have been announced for about 60 000 low-qualified educators in an attempt to eliminate disparities between service conditions of men and women teachers

Nursing assistants were also in line for a pay boost, sources said

The rises, increasing the public service pay bill by hundreds of millions of rands, are in addition to the 10 percent non-pensionable allowance given public servants across the board on April 1.

The Minister for Administration and Privatisation, Dr Wim de Villiers, said in a statement today the increases for the lowest-paid public servants, "general assistants" (mainly black), would be back-dated to April 1. It is understood some general assistants earn R270 a month

He said agreements worked out with staff associations included improved salaries in general, substantially improved starting salaries on the lowest levels, extension of the area allowance in greater urban areas, financial recognition of those with many years of uninterrupted and loyal service, and payment of a night-duty allowance to general assistants at hospitals

"Ripple out"

Dr De Villiers noted that the better pay for general assistants would "ripple out" to those just above them in rank, such as their supervisors

Dr De Villiers said those benefitting from the ripple included

Packers, library aides, general assistants, barmen, nature conservation assistants, waiters, shop assistants, laundry managers, rural chargemen, snake demonstrators, shooting rangemen, care officers, gardeners, general foremen, cleaning services foremen, ground maintenance foremen, compound/town managers, sterilisation workers, photocopy machine operators, photographic assistants, machine attendants, micrographic assistants, restaurateurs, meter readers, security officers, drivers/operators, therapy assistants, porters, technical operators, field rangers, parachute packers, lithographic operators, dockyard assistants and road workers (certain ranks).

The Minister of National Education, Mr Gene Louw, said the government had in 1981 declared its intention to eliminate male-female salary discrepancies among educators.

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THE TIMES
12/4/90

(250)

PSL slams hike as 'unacceptable'

According to him, the minimum annual wage for general assistants was to be increased from R2 685 to R5 517 — an increase of 106%. This means that those who were earning R223 will now receive R459 per month.

"When we met with Dr De Villiers we demanded a minimum living wage of R850 per month, so these increases are unacceptable," he said, adding that the league was still pressing for a meeting with Mr De Klerk.

The overtime rates announced by Dr De Villiers — 30c per hour

worked on an eight-hour shift only — have been totally rejected and described as "laughable" by the league.

The PSL said it also demanded that the area incentive allowance be allocated to all general workers in other magisterial districts, as well as the revision of the long service awards and the night allowance.

The Health Workers' Union, which called last month's strike, and signed an agreement ending it, said they had not yet been supplied with all the information regarding the announced increases.

Boost for lowest-paid govt workers

12/11/90
Political Staff 250
More than 260 000 of the lowest-paid members of the public service are to receive pay boosts of between 16 and 122 percent.

And further increases have been announced for 75 600 women teachers in a bid to narrow disparities between their service conditions and those of their male colleagues.

Nursing assistants were also in line for a pay boost, the Government announced yesterday.

The rises, increasing the public service pay bill by hundreds of millions of rands, are in addition to the 10 percent non-pensionable allowance given public servants across the board on April 1.

The Minister of Administration, Dr Wim de Villiers, said yesterday

that the remuneration adjustments for the poorest paid of public servants, "general assistants", would be backdated to April 1.

It is understood some general assistants presently earn R270 a month. Cases of black workers earning R210 a month had been brought to the attention of the Public Servants' Association (PSA), a Pretoria meeting of black members heard last month

Latest figures

Although salaries are no longer based on race, black workers tend to occupy the worst-paid jobs.

Latest available figures from Central Statistical Services in Pretoria show that a black worker could, on average, expect to be employed in a job earning only 35 percent of that held by his or

her white colleague.

In the public sector, black workers earned, on average, R965 a month, compared with R2 738 for white workers in December last year.

More than 800 000 black people were employed full time in the public sector in December last year, compared with about 580 000 whites.

The total pay bill for black workers in the public sector was R2,3 million, less than half that for whites.

A spokesman for the Public Servants' Association, Mr Hans Olivier, said his organisation had long pressed for an improvement in the lot of the lower-paid workers who "trailed the market by more than 100 percent".

Pay rises for 360 000 govt workers

250 (initials)

Political Staff

PAY increases are to be given to more than 360 000 of the lowest-paid public servants, black women teachers and health workers.

No details about the size of the increases were given, but it is understood the annual starting pay of the lowest-paid public servant, which was R3 144 (or R262 a month) last year, will be more than doubled to nearly R7 000 a year.

The pay boosts were announced in a number of statements yesterday by four cabinet ministers.

They were immediately welcomed by the Democratic Party's spokesman on government-administration, Mr Roger Burrows, MP for Pinetown.

However, he said that whether the 120% increases to the very lowest-paid workers were either competitive with the private sector or above the poverty datum line could be

seen only when the salary scales were finally given.

A spokesman for the Commission for Administration yesterday refused to give details of the new scales because it was the commission's policy not to divulge these figures on the grounds that they were a matter between employer and employee.

The Minister of Administration and Economic Co-operation, Dr Wim de Villiers, said after consideration of the inputs of the recognised personnel associations and state departments, specific attention had been given in the government's investigation into the position into general assistants to certain aspects which had been identified as "critical".

The revised service dispensation for general assistants went as far as possible within the framework of available funds.

The new dispensation provided for:

- Improved salaries in general.
- A substantial improvement in the commuting salary on the lowest level of remuneration.

meration

● Extension of the area allowance payable in the greater urban areas to other areas where this payment was justified

● The provision of a basis for financial recognition to persons with many years of uninterrupted and loyal service

● The payment of a night-duty allowance to general assistants who perform night-duty at hospitals

Dr De Villiers said these structural adjustments would be effected over and above the 10% salary increase which was applicable to all public servants from April 1

The investigation into the position of general assistants, which was announced on March 15 after the statement by the Minister of Finance, Mr Barend du Plessis, regarding the allocation of funds for this purpose, had now been completed.

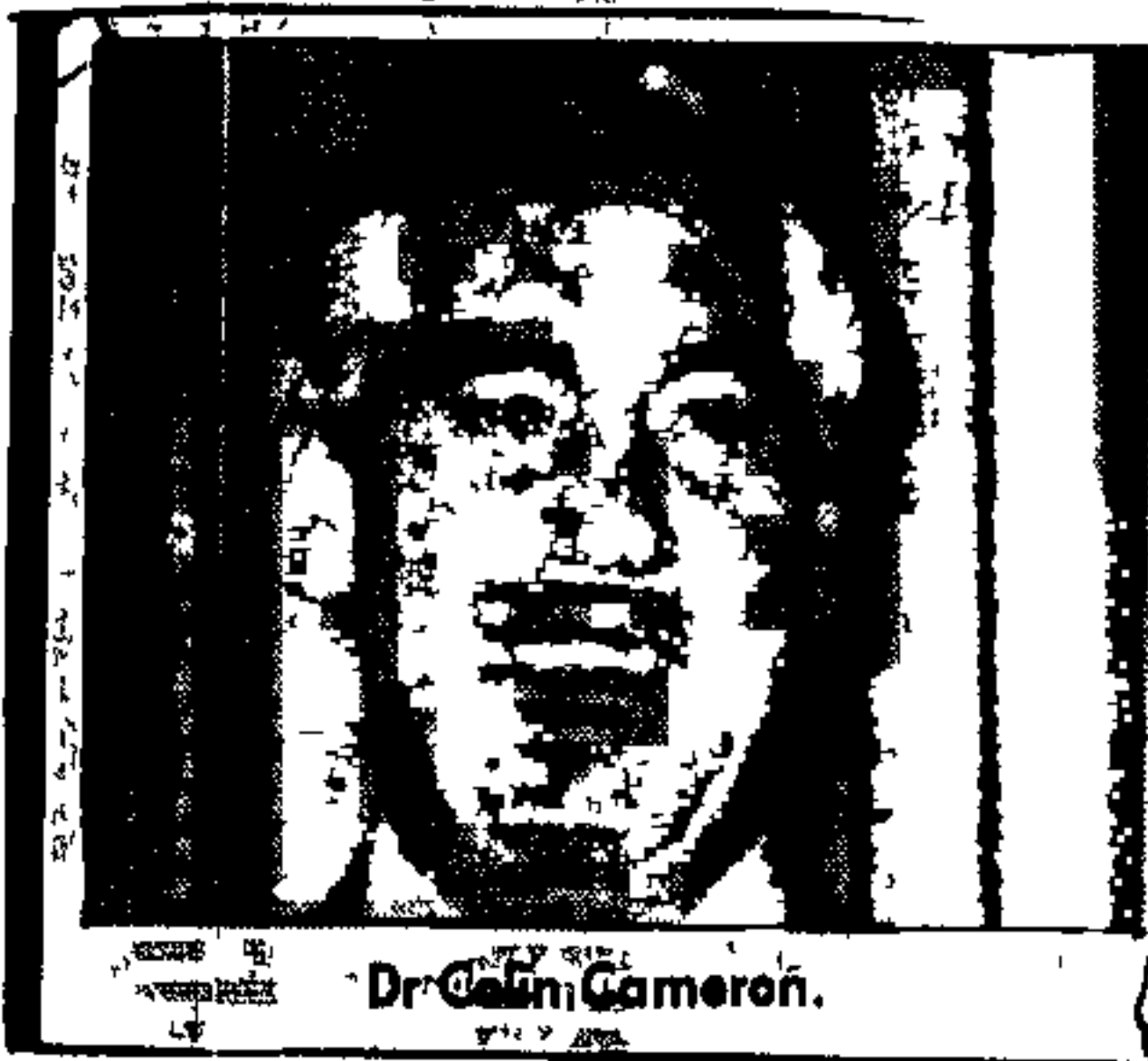
Dr De Villiers said that together with the Commission for Administration, he held discussions with the Public Servants Association (PSA), the Public Service League of

South Africa (PSL), the Hospital Personnel Association of South Africa (Hospera), the Natal Provincial Staff Association (NPSA), the Institute of Public Servants (IPS) and the Public Servants' Union (PSU).

"During these talks the recognised personnel associations were once again given the opportunity to highlight crucial problem areas and to submit proposals as to how these may be addressed at present."

The new adjustments had the effect, in order to maintain definite relationships which existed between general assistants and other closely related occupational groups, that essential adjustments had to be effected to the salary gradings of a number of groups of workers.

These groups included the classifications of: Packer, library aid, general assistant/receptionists, barman/barmaid, nature conservation assistant, waiter/waitress, shop assistant, laundry manager, chageman, rural areas, snake demonstrator, shooting range-man, care officer, gardener.



Dr. Colin Cameron.

SA public servants ISSUE new warning

250

Sta 19/4/90

By Norman Chandler,
Pretoria Bureau

The Government has for the second time in a month been warned that public servants are considering possible confrontation over pay scales.

They claim — in a magazine article — that the Government is “estranging public servants from it”.

Last week, the president of the Public Servants' Association (PSA), Dr. Colin Cameron, said a further 10 percent pay rise was demanded, along with improved conditions, by September 1.

Dr. Cameron said some members were agitating for strong action to be taken, but he was not in favour of a strike.

The latest comments are published in “The Public Servant”, official journal of the PSA.

In an editorial, the association says there has been “great disgruntlement (which has) resulted in a number of spontaneous protest meetings across the country for the first time in the history of the PSA”.

Change

It adds: “The PSA always reacted positively whenever the Government asked for sacrifices . . . Somehow it seems as if occasional praise was the only real reward.

“Members therefore claim they have grounds for demanding a change in the style of endeavours and negotiations to better the position of public servants. It seems as if the time has come to take a stronger line.”

The 66 000-strong PSA says the Government had been warned on previous occasions that “consistent negligence is to risk harsh action from us. Government apparently finds it appropriate to ignore our warnings”.

Calling a special Cabinet meeting “when about 4 000 members of an unregistered and non-recognised union for hospital workers are on strike makes little sense for recognised staff associations to abide by the rules and in so doing achieve nothing.

“Therefore, if the road to success (improved pay) is confrontation and all the unpleasant things that go with it, do we have any alternative but to follow this road?”

effect that that is not permissible. I want to ask you to take into account the fact that the name of the late Mr Lubowski has a certain connotation in the same way that in certain cases the name "quising" had a certain connotation. Reference has been made to "quising" and it was accepted that remark was made in the same spirit, and for that reason I want to ask you to rule that it is not unparliamentary to use that expression.

Mr H H SCHWARZ Mr Chairman, on a further point of order. This makes it worse now because if it is permissible to refer to an hon member in this manner, it is indeed a tragedy! First of all the issue of whether Mr Lubowski was or was not a traitor or quising, is again tasteless, bearing in mind the trial that is pending. What is significant

Mr J H VANDER MERWE. You are talking a bunch of nonsense!

The CHAIRMAN OF COMMITTEES. Order! Mr H H SCHWARZ. It is better to be talking a bunch of nonsense than to be one of a bunch of coconuts! [Interjections] I want to submit that if in fact now—and this makes it so much worse in view of the argument of the hon Chief Whip of the CP—it is parliamentary to refer to an hon member of this House as [Interjections]

*Mr SP BARNARD Are we still wearing skins, Harry? Are we still wearing skins?

*Mr H H SCHWARZ I think there is something wrong with your skin!

The CHAIRMAN OF COMMITTEES. Order! Mr SP BARNARD. You were the one who [Interjections.]

*The CHAIRMAN OF COMMITTEES. Order! The hon member for Hercules must now contain himself! [Interjections]

†Order! Will the hon member for Yeoville please resume his seat?

Mr H H SCHWARZ Mr Chairman, may I continue, Sir? I want to

The CHAIRMAN OF COMMITTEES. Order! I want to address the hon the member for Hercules

*The hon member for Hercules! A point of order has been raised and the hon member for Yeoville must be given the opportunity to state his case

†The hon the member for Yeoville may continue

Mr H H SCHWARZ Mr Chairman, what is now being inferred, is that these two hon members are, in the words of the Chief Whip of the CP, quislings! Quislings are people who are alleged to be traitors to their own people. Now whether or not that applies to Mr Lubowski is another story, and I do not think it does! The reality, however, is that to apply that label to an hon member of this House, is unparliamentary! [Interjections]

*The CHAIRMAN OF COMMITTEES. Order! At this stage I want to ascertain which hon members made the allegation. They were the hon members for Hercules, Wonderboom and Heilbron [Interjections.] Does the hon member for Losberg wish to address me on this point of order again?

*Mr S C JACOBS Mr Chairman, on another point of order?

*The CHAIRMAN OF COMMITTEES. Order! No, the hon member can request an opportunity for that later.

*Mr J H VANDER MERWE Mr Chairman, on this point of order. Lubowski was not found guilty of anything. A number of allegations have been made with regard to him. I would therefore like to suggest, with all due respect, that at this stage you cannot draw any conclusion with regard to the meaning of the name "Lubowski". We do not know whether he was a spy or a murderer. We do not know what he was. It is merely a name to which you cannot attach any connotation [Interjections]

*The CHAIRMAN OF COMMITTEES. Order! I have been addressed by various hon members on this point. Based on the fact that hon members may only be addressed as hon members, I could ask the hon members to withdraw the remark, but I would like to scrutinise all the arguments and will then give my ruling in this regard at the earliest opportunity. Order! The hon member for Loskop wanted to raise a further point of order [Interjections] I beg your pardon! The hon member for Losberg [Interjections]

*Mr S C JACOBS Mr Chairman, on a point of order. While the hon the Chief Whip of the Official Opposition was addressing you on a

point of order, two hon members on the other side of the House told the hon the Chief Whip to sit down. I want to allege that that is not in order as it does not show respect for the hon the Chief Whip. Hansard 24/4/90

*The CHAIRMAN OF COMMITTEES. Order! That is not a point of order. Debate concluded.

QUESTIONS

†Indicates translated version

For oral reply

General Affairs

Questions standing over from Tuesday, 17 April 1990

Johannesburg City Council: information to SAP
*10 Mr P G SOAL asked the Minister of Law and Order Hansard 24/4/90

Whether the South African Police received from any official or individual at the Johannesburg City Council any information on the activities of individuals or organisations, if so, (a) what is the name of the official or individual who supplied the information, (b) what are the names of the (i) individuals and (ii) organisations on whose activities information was supplied and (c) what information was supplied in each case? B693E

The MINISTER OF LAW AND ORDER.

In view of the appointment and assignment of the Hiemstra Commission of Inquiry, I do not consider it advisable at this stage to furnish information which may anticipate or possibly prejudice the inquiry or the findings of the Commission.

Mr P G SOAL. Mr Chairman, arising from the reply of the hon the Minister may I ask why he did not give us that answer last week and also whether he has received information of a similar nature from other town and city councils throughout South Africa?

The MINISTER: Mr Chairman, I have not received any information I was investigating and compiling information in this regard and this is

the reply which I think is the best under the circumstances Hansard 24/4/90

Commission for Administration: personnel
*20 Mr R M BURROWS asked the Minister for Administration and Economic Co-ordination

(1) Whether the Commission for Administration has a specific policy for the recruitment of qualified personnel of any South African race group to the senior ranks of the public service; if not, why not, if so, what is this policy, Hansard 24/4/90

(2) whether public service bursaries/loans are made available in general proportion to the racial composition of the South African population; if not, why not, if so, what was the distribution of such bursaries/loans amongst the four race groups as at the latest specified date for which figures are available;

(3) whether he will make a statement on the matter? B737E

2-50
†The MINISTER FOR ADMINISTRATION AND ECONOMIC CO-ORDINATION

(1) Yes. The policy for the filling of vacant posts is embodied in Section 10 of the Public Service Act, 1984. It stipulates, inter alia, that in filling a post

— no person who qualifies for a post shall be favoured or prejudiced, and

— only the qualifications, level of training, relative merit, efficiency and suitability of the persons who qualify for the appointment, transfer or promotion concerned shall be taken into account.

All vacant posts in the Management Echelon, i.e. posts in the rank of director and higher, are therefore advertised at least in the Public Service in order to ensure that the posts are filled by the most suitable persons. The filling of other posts is the responsibility of the Minister/Administrator who must effect this in terms of the provisions of the Act.

(2) No

Public service bursaries are awarded on academic merits where symbols already obtained

Hansard 24/4/90

determine the relative merit of each applicant irrespective of race or colour (250)

(3) No

New questions

ANC/SACP supporters in SADF

*1 Adv S C JACOBS asked the Minister of Defence † ~~Mr J H Van Der Merwe~~ 24/4/90
Whether persons who support the principles and policy of the ANC and the South African Communist Party may join the South African Defence Force, if so, (a) how many such persons have already joined and (b) in respect of what date is this information furnished? B686E

†The DEPUTY MINISTER OF DEFENCE

No (a) and (b) fall away

†Mr J H VAN DER MERWE Mr Chairman, arising out of the reply of the hon the Deputy Minister, if this then means that members of the ANC and the SA Communist Party may not join the Defence Force, on what grounds are they prevented from becoming members, as they now belong to a legal grouping in South Africa? On what grounds are they thus now prevented from becoming members?

†The DEPUTY MINISTER. Mr Chairman, I believe that Mr Mandela will be very pleasantly surprised about the assistance he is receiving from the CP here today in order to have ANC members taken up in the SA Defence Force, as is clear from this as well as the following question. [Interjections] The hon member is his party's chief spokesman on defence. He knows that when any person applies to join the SA Defence Force, the application goes through a selection board and security procedures. In this procedure an applicant's *bona fides* are naturally investigated, and because the SA Defence Force is an instrument of the government of the day, such persons' political feelings [Interjections] I don't really mean political feelings. They must support the underlying principles of policy and the Constitution of the Government of this country, otherwise it is self-evident that they cannot become members of the SA Defence Force [Interjections]

†Adv C D DE JAGER Mr Chairman, further arising out of the reply of the hon the Deputy Minister, on what grounds does he then take

over the function of the selection board by deciding himself who can be admitted and who not? Hansard 24/4/90

†The DEPUTY MINISTER: Mr Chairman, it is really futile to reply to the hon member's question as a result of his complete lack of any ability to understand [Interjections]

I have just said that a procedure exists in the SA Defence Force through which prospective members must go to be selected for the Defence Force. We know the hon member finds it difficult to understand something. I leave it at that [Interjections]

†Dr W J SNYMAN Mr Chairman, further arising out of the reply of the hon the Deputy Minister, is it not correct that exactly a week ago in an interpellation debate, as reported in Hansard, he admitted that members who support and are favourably disposed towards the ANC and the SA Communist Party may become voluntary members of the Commandos or the Permanent Force? [Interjections]

Is it also not further true that in that session for replies he said that members of the ANC and the SA Communist Party should also do compulsory military service? I ask the hon the Deputy Minister this directly

†The DEPUTY MINISTER Mr Chairman, to a certain extent the hon member for Pietersburg is twisting my replies of last week completely. [Interjections] He is twisting it intentionally! [Interjections] It is subject to

†Mr F J LE ROUX Mr Chairman, on a point of order. Is it permissible to say that the hon member for Pietersburg intentionally twisted the hon the Minister's words? [Interjections]

†The DEPUTY MINISTER I withdraw it, Mr Chairman

†The CHAIRMAN OF COMMITTEES Or-der! The hon the Deputy Minister has withdrawn it

†The DEPUTY MINISTER The hon members have no argument, then they come with this kind of rubbish [Interjections]

Naturally, further to my replies during the interpellation, those applications must all go through this procedure which I just spelled out to hon members. Hon members should know that

Hansard

according to the Defence Act there is a different dispensation for national servicemen. That Act says that everyone who is a member of the White group must do national service. Thus CPs and all kinds of strange characters have done their national service in the past and we have accepted them as such

Mr P G SOAL Mr Chairman, arising out of the hon the Deputy Minister's reply, does this mean that if David Bruce and Charles Bester had said that they supported the aims and principles of the ANC, they would not have been sent to jail for six years each? [Interjections]

The DEPUTY MINISTER Mr Chairman, that has no relevancy to this debate [Interjections] They were national servicemen who failed or refused to do service in terms of the Defence Act

†Adv S C JACOBS Mr Chairman, further arising out of the hon the Deputy Minister's reply, I should like to know from him whether in view of the fact that the ANC is a legal organisation, he discriminates between members of the ANC—for example the family members of Mandela—who want to join the SA Defence Force, and Blacks who are not members of the ANC and who want to join the SA Defence Force?

†The DEPUTY MINISTER Mr Chairman, it is clear that the hon member has understood nothing of what I tried to tell him. I say again we take note that the CP is advocating the case for the ANC today in the House of Assembly to become members of the SA Defence Force [Interjections]

†The CHAIRMAN OF COMMITTEES Or-der! I have allowed five supplementary questions on this question. I am not going to allow any more supplementary questions

Umkhonto we Sizwe members in SADF

*2 Adv S C JACOBS asked the Minister of Defence † ~~Mr J H Van Der Merwe~~

(1) Whether he intends including members of Umkhonto we Sizwe in the South African Defence Force as a part of the so-called new South Africa, if so, Hansard 24/4/90

(2) whether he will hold discussions or enter into negotiations on this matter with Umkhonto we Sizwe or its members.

(3) whether he will make a statement on the matter? B688E

†The DEPUTY MINISTER OF DEFENCE

(1) No

(2) and (3) Fall away

†Mr Chairman, it is for the same reasons which I have just given to hon members, and it will serve no purpose to reply to further supplementary questions in this connection [Interjections]

†The CHAIRMAN OF COMMITTEES Or-der! The hon the Deputy Minister has given notice that he will not allow any further supplementary questions.

†Mr J H VAN DER MERWE Mr Chairman, on a point of order. He cannot do that! [Interjections]

†The CHAIRMAN OF COMMITTEES Or-der! The hon the Deputy Minister has indicated that he will not reply to supplementary questions [Interjections] Order! I shall hear the hon member as to whether he may do so or not

†Mr J H VAN DER MERWE Mr Chairman, I am of the opinion that questions form part of the proceedings of this Parliament and that it is the duty of an hon Minister to reply in Parliament to questions on a matter of public interest. I suggest that the hon the Deputy Minister has no right to evade his responsibilities as he is doing now and in the way in which he is running away from the challenge which he has put to the hon member for Bethal. He is compelled to reply to the questions

†The CHAIRMAN OF COMMITTEES Or-der! My ruling is that, just as the hon the Deputy Minister may refuse afterwards to reply to a supplementary question, he may refuse beforehand to do so

†Mr J H VAN DER MERWE He is a "papbroek"

†The CHAIRMAN OF COMMITTEES Or-der! The hon member for Overvaal must withdraw the word "papbroek"

†Mr J H VAN DER MERWE I withdraw the word "papbroek" and say that he is a coward

†The CHAIRMAN OF COMMITTEES Or-der! The hon member must withdraw his remark

(2) Yes ~~_____~~ representatives (namely that members did not perform their normal duties)

(a) Grievances in connection with alleged discrimination in respect of work, living quarters, social and outdoor activities, facilities on prison grounds as well as allegations that the existing communication channel does not function effectively and that Commanding Officers are not accessible enough to hear members' grievances

(b) In order to put these allegations into perspective, I wish to direct the Honourable member's attention to the fact that the dealing with the complaints and grievances of personnel is a continuous process. Specific grievances have come to attention recently. Although certain grievances do have substance, there are others with little or no substance and are attributable to wrong/distorted perceptions which have already been rectified/are in the process of being rectified

The Prisons Service is currently compiling a handling strategy which will provide Commanding Officers with guidelines to solve the grievances which have not yet been resolved, as far as possible to the satisfaction of all parties.

One of the stumbling blocks, namely the provision of medical benefits to dependents of Black members, have recently been resolved. The decision to provide this service to members was taken in April 1989, but funds only became available on 1 April 1990

Other stumbling blocks such as the establishing of better quality housing, establishment and upgrading of sports and recreational facilities, the provision of state transport between home and place of work where no public transport is available, are given ongoing attention, but are coupled to financial realities and will not occur overnight

For purposes of complaints and grievances by members of the South African Prisons Service, a communication channel exists which provides that complaints and grievances may be forwarded to the highest level. All members are aware of this communication channel and it has always been the policy of the South African Prisons Service to deal actively with complaints and grievances brought to its attention.

Inland Revenue employees remuneration

*7 Mr D J DALLING asked the Minister of Finance ~~_____~~ 24/4/90

Whether any employees in the Finance Division Inland Revenue are remunerated on a commission or revenue-collected basis, if so, what total amount was paid out on this basis in 1989, if not, (a) what is the basis of remuneration for these employees and (b) what total amount was paid out on this basis in the said year? ~~_____~~ 250 B766E

The MINISTER OF FINANCE

No — No personnel of Inland Revenue is remunerated on a commission basis or on the basis of tax collected. It follows that no remuneration was paid on this basis during the 1989/90 or any other financial year.

(a) The basis of remuneration is according to fixed salary scales as prescribed by the Commission for Administration

(b) The total amount paid on this basis during the 1989/90 financial year amounts to R188 099 690. In addition to this, an amount of R1 457 015 was paid during the 1989/90 financial year in terms of a production bonus system to officials in the office of the Receiver of Revenue, Johannesburg

The reason for the introduction of a bonus system is that a serious staff shortage is continually experienced at that office and the existing staff have to work that much harder to keep the work up to date. The remuneration is paid monthly on the basis of the production of all the officials of the office for the relevant month. It is in no

way related to the collection efforts of individual officials ~~_____~~ 250 ~~_____~~ 24/4/90

Transferability of pensions

*8 Mr P J PAULUS asked the Minister of National Health and Population Development whether the transferability of pensions is being investigated at present, if not, why not, if so, when is it expected that a report on this investigation will be available? ~~_____~~ 250 B774E ~~_____~~ 24/4/90

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT.

Yes, transferability of pensions already exists between State controlled pension funds mutually, as well as between such funds and certain other pension funds. Investigation into the transferability of pensions generally, forms part of the terms of reference of the Mouton Committee of Investigation into a Retirement Provision System for South Africa, appointed by the Minister of Finance

Police investigation into death of Mr Thukutha

*9 Mr L FUCHS asked the Minister of Law and Order ~~_____~~ 24/4/90

Whether, with reference to the reply by the Minister of Justice to Question No 20 on 20 March 1990, the Police investigation into the death of Mr Thomas Mavimbela Thukutha near Heidelberg, Transvaal, on 13 February 1990 has been completed, if not, (a) why not and (b) when is it anticipated that the investigation will be completed, if so, what were the findings? ~~_____~~ B796E

The MINISTER OF LAW AND ORDER.

Yes, however the results of the tissue tests are still being awaited before the docket can be submitted to the Attorney-General for his decision.

(a) and (b) Fall away

International School in Bophuthatswana: money

from SA government ~~_____~~ 250 ~~_____~~ 24/4/90

*10 Mr M J ELLIS asked the Minister of Foreign Affairs ~~_____~~ 24/4/90

(1) Whether he gave an undertaking that the South African Government would give a sum of money to the International School

in Bophuthatswana, if so, what are the relevant details, ~~_____~~ 24/4/90

(2) whether he has made any arrangements for this sum of money to be given to the said school, if not, why not, if so, (a) what arrangements, (b)(i) what is the amount involved and (ii) why was it promised and/or given and (c) for whom does this school cater? ~~_____~~ B798E

The MINISTER OF FOREIGN AFFAIRS

(1) Yes. South Africa will provide, in the form of a loan, 50% of the costs of the construction of the school building

(2) Yes

(a) In terms of a loan agreement signed on 28 November 1989, Bophuthatswana may make drawings on the loan amount

(b) (i) R3 850 000,00

(ii) The RSA decision to assist financially in the construction of the school was based on various considerations including a study undertaken by the Department of Education and Culture and the Cape Director of Education

(c) There are at present 176 enrolled students, of whom 43 are citizens of Bophuthatswana and the rest are representative of 22 nationalities (non standing over)

*11. Mr J VAN ECK—Law and Order [Question standing over]

Third party insurance: compulsory

*12 Mr M J ELLIS asked the Minister of Transport ~~_____~~ 250 ~~_____~~ 24/4/90

Whether the Government intends making the balance of third party insurance on motor vehicles compulsory; if not, why not; if so, when? ~~_____~~ B801E

The MINISTER OF TRANSPORT:

No. This matter has been considered on many occasions by among others the Grosskopf Commission (appointed in 1981) and the Ad-

Row over MPs pay jump: DP want a referee

250

CAPE TOWN
Staff Reporter 24/4/90

DEMOCRATIC Party MPs have said they would rather not vote for their own pay rises but have an independent body ascertain the increases.

MPs received about 25% more from April 1 — nearly R1 000 a month.

State workers have slammed the increase which is 15% more than their 10% non-pensionable rise.

A petition signed by 50 people and sent to the DP MP for Pinelands, Mr Jasper Walsh, said the increase was inappropriate and insensitive.

Stony silence

"It is interesting to note that those champions of right and justice, our DP MPs, have chosen a moment like this to lapse into a state of stony silence," the petition says.

Mr Walsh said the DP caucus felt that they should not vote their own pay increases. This should rather be decided by an independent body.

Claremont DP MP Mr Jan van Eck agreed with Mr Walsh but said that an MP had many expenses.

When President F W de Klerk announced the pay rise in February he said the government was considering creating a statutory body to decide on politicians' salaries.

Row broiling in PSL executive

CAPT 117/5
24/4/90

250

Staff Reporter

A SPLIT may be looming in the 47 000-strong Public Servants League (PSL) with Western Cape members demanding the resignations of the chairman and his entire executive who some public workers see as "too soft" on the government.

A meeting of the PSL national committee at the weekend was cut short after a "heated exchange" when PSL chairman Mr Malcolm Domingo refused to let workers address the committee on their demands.

Mr Arthur Farred, spokesman for the PSL "crisis committee" and national committee member, said yesterday that the meeting — which was held at a Brackenfell hotel — was closed early by Mr Domingo after he refused to let about 25 workers, who had earlier handed him a petition detailing their grievances and demands, speak to the meeting.

"He just walked out of the meeting and got into his car," Mr Farred said.

The crisis committee was going to demand that Mr Domingo pay the estimated R8 000 to R10 000 hotel and travel cost of the delegates to the meeting, Mr Farred said.

Mr Farred said the crisis committee had the backing of most PSL members in the Western Cape and sympathy from other parts of the country. He said the PSL national leadership was reluctant to face the membership.

Among the demands of the workers were that the union should change its name to the Public Workers' Union, and that the PSL should align itself with more progressive forces in the country and "become part of the struggle".

Mr Farred said the workers had rejected the recent 10% salary increase and said they had requested a meeting with President F W de Klerk more than a month ago.

He said the workers felt that if no action was taken on their demands by the end of this month, a mass protest march to the Tuynhuis would be staged.

At a Mitchells Plain meeting last month, about 500 members called for the resignation of Mr Domingo and resolved to seek affiliation with Cosatu.

● Mr Domingo could not be reached for comment yesterday and PSL secretary Mr Bernard Wentzel was not available.

(2) (a) Transmission of the human immunodeficiency virus (HIV)

Less than 10% of HIV infection is preventable through medical technology. This is already taken care of by rendering a blood transfusion service as safe as possible.

More than 90% of transmissions take place by sexual contact or is transmitted from the mother to the unborn child. The AIDS/HIV problem is therefore not really a medical problem.

Various disciplines of the health services are already involved in awareness and dissemination of knowledge campaigns. Motivation towards safer sexual practices is mainly done in small groups or on an individual basis. Towards this end, the Department has established AIDS Training and Information Centres (ATIC's) in the main metropolitan centres (Cape Town, Port Elizabeth, Durban, Bloemfontein and Johannesburg) and is in the process of expanding this programme. These centres are to act as sources of information to assist trainers and counsellors to motivate local communities and attain community involvement and participation in anti-AIDS campaigns.

(b) the Department realises the potential threat of AIDS and will therefore allocate a high priority to the funding of meaningful and proven successful preventive programmes,

(3) the public can be exposed to the HIV by — Unprotected sexual contact with an infected person

— Contact with infected blood through a broken skin, mucous membrane or by using contaminated needles, blades, etc

Both modes of transmission involve active participation by individuals. The disease is NOT transmitted through casual contact or by vectors (insects). The Public can thus only be protected by the dissemination of factual knowledge on how not to expose themselves to the HIV

Health services personnel can only protect themselves by rigorously adhering to basic infection control measures. Various guidelines have been made available to health service personnel. Booklets aimed at specific professions have been compiled and distributed free of charge to medical practitioners, dentists and nurses.

Exchequer personnel

276 Mr W C MALAN asked the Minister for Administration and Economic Co-ordination

How many exchequer personnel were employed in (a) the Transvaal, excluding the self-governing territories, (b) Natal, excluding KwaZulu, (c) the Orange Free State, excluding Qwaqwa, (d) the Cape Province, (e) KwaZulu, (f) Qwaqwa and (g) the Pretoria magisterial district as at 1 September 1988?

(250) B721E
The MINISTER FOR ADMINISTRATION AND ECONOMIC CO-ORDINATION

Statistics regarding exchequer personnel are not available as at 1 September 1988 and also not according to geographical distribution. Statistics are, however, available regarding exchequer personnel as at 30 September 1988, divided according to the departments/administrations/institutional groups where they were employed on that date, and the information is set out in the accompanying table.

(*Van Sark 26/4/90*)
Statistics personnel as at 30 September 1988/
Exchequer personnel as at 30 September 1988

Administrasie Volksraad/ Administration House of Assembly	
Kaapse	27 016
Onderwysdepartement/ Cape Education Department	
Natalse	11 963
Onderwysdepartement/ Natal Education Department	
OVS	8 662
OFS Education Department	
Transvaal	48 868
Onderwysdepartement/ Transvaal Education Department	

Departement van Onderwys en Kultuur/
Department of Education and Culture

Departement van Landbou en Watervoorsiening/
Department of Agriculture and Water Supply

Res van Administrasie Volksraad/
Remainder of Administration House of Assembly

Administrasie Raad van Afgevaardigdes/
Administration House of Delegates

Administrasie Raad van Verteenwoordigers/
Administration House of Representatives

Binnelandse Sake/
Home Affairs

Buitelandse Sake/
Foreign Affairs

Finansies/
Finance

Handel en Nywerheid/
Trade and Industry

Justisie (sonder
Gevangensdiens)

Justice (without Prison Service)

Kantoor van die Kommissie vir Administrasie/
Office of the Commission for Administration

Landbou-ekonomie en -bemarking/
Agricultural Economics and Marketing

Mannekrag/
Manpower

Mineraal- en Energiesake/
Mineral and Energy Affairs

Nasionale Gesondheid en Bevolkingsontwikkeling/
National Health and Population Development

Nasionale Opvoeding/
National Education

Omgewingsake/
Environment Affairs

Onderwys en Opleiding/
Education and Training

Ontwikkelingsbeplanning/
Development Planning

Openbare Werke en Grondsake/
Public Works and Land Affairs

Kantoor van die Ouditeur-Generaal/
Office of the Auditor-General

Kantoor van die Staatspresident/
State President's Office

721

12 238

6 533

16 071

58 969

7 940

1 484

8 850

1 047

7 811

981

3 077

3 936

869

3 782

574

10 037

66 838

638

Development Planning

Ontwikkelingshulp/
Development Aid

Openbare Werke en Grondsake/
Public Works and Land Affairs

Kantoor van die Ouditeur-Generaal/
Office of the Auditor-General

Kantoor van die Staatspresident/
State President's Office

Vervoer/
Transport

Waterwese/
Water Affairs

Buro vir Inligting/
Bureau for Information

Bureau for Information

S A Polisie/
S A Police

S A Weermag/
S A Defence Force

S A Gevangensdiens/
S A Prisons Service

Kaapse Provinsiale Administrasie/
Cape Provincial Administration

Natale Provinsiale Administrasie/
Natal Provincial Administration

OVS Provinsiale Administrasie/
OFS Provincial Administration

Transvaalse Provinsiale Administrasie/
Transvaal Provincial Administration

Personnel van die Parlement/
Personnel of Parliament

Verklaarde inrigtings — Ad-
min Volksraad/
Declared institutions — Ad-
min House of Assembly

Verklaarde inrigtings — Nasio-
nale Opvoeding/
Declared institutions — Na-
tional Education

Rade vir Uitvoerende Kunste/
Councils for Performing Arts

Wetenskaplike Rade/
Scientific Councils

Universiteite/
Universities

Technikons

SATOER/ SATOOR	258
Botaniese Tuine/ Botanical Gardens	100
Parkeraad/ Parks Board	718
Bosboufakulteit, Universiteit van Stellenbosch/ Faculty of Forestry, University of Stellenbosch	26
Regshulpraad/ Legal Aid Board	64
SA Koördinerende Verbruikersraad/ SA Co-ordinating Consumers' Council	49
NPA — statutêre instellings/ NPA — statutory institutions	3 864
KwaZulu	53 917
Lebowa	46 354
Gazankulu	31 066
Qwaqwa	12 926
KaNgwane	13 779
KwaNdebele	9 050

SADF pensions: widows

280 Lt-Gen R H D ROGERS asked the Minister of National Health and Population Development

- Hansard 26/4/90*
- (1) What percentage does the widow of a deceased pensioner of the south African Defence Force receive of the pension paid to her late husband,
- (2) whether consideration has been given to raising the pension of such a widow to 75 per cent of the original pension, if not, why not if so, with what result?

B725E

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

- (1) Fifty per cent.
- (2) yes, in view of the considerable financial implications and the difficulties in financing such a concession, the matter is still under consideration

Hansard
26/4/90

construction of the second carriageway of the existing Ballito-New Guelderland section by 1999

Sandton constituency: telephone services

312 Mr D J DALLING asked the Minister of Mineral and Energy Affairs and Public Enterprises

- (1) How many applications for telephone services were outstanding in respect of (a) the exchanges of (i) Bryanston, (ii) Randburg, (iii) Benmore Gardens, (iv) Kelvin, (v) Bramley, (vi) Rosebank and (vii) Sunninghill Park, and (b) any other exchanges serving the Sandton constituency, as at 31 December 1989,
- (2) when is it anticipated that the backlog in respect of each exchange will be eliminated,
- (3) what steps are being taken to satisfy the demand for telephones in respect of each such exchange?

B792E

The MINISTER OF MINERAL AND ENERGY AFFAIRS AND PUBLIC ENTERPRISES

- (1) (a) (i) 112,
(ii) 132,
(iii) 166,
(iv) 59,
(v) 80,
(vi) 200,
(vii) 100, and
(b) Farnall 14,
Fourways 148,
Olivedale 52,
Diepsloot 7,
Bromhof 89,
Crowthorne 52,
(2) and (3)

Bryanston, Bramley, Farnall, Diepsloot and Crowthorne

All the waiting applicants in these exchange areas have since been provided with telephone service

The majority of waiting applicants in these exchange areas have in the interim been provided with service and only the following numbers in the exchange areas indicated are still waiting for service

Randburg	1
Benmore Gardens	1
Kelvin	1
Rosebank	5
Sunninghill Park	6
Fourways	3
Olivedale	1
Bromhof	6

If everything proceeds according to plan, these applicants will be provided with telephone service within the next two months on completion of the necessary cable works

Sandton: post offices/postal services

315 Mr D J DALLING asked the Minister of Mineral and Energy Affairs and Public Enterprises

Whether it is the intention to provide any additional (a) post offices and (b) postal services in the Sandton area in 1990, if so, (i) where, (ii) what services, and (iii) when, in each case?

B800E

The MINISTER OF MINERAL AND ENERGY AFFAIRS AND PUBLIC ENTERPRISES

- (a) Yes,
(i) In Kelvin,
(ii) a post office, and
(iii) September/October 1990

The establishment of the proposed post office has been postponed as a result of a delay with the extension to the shopping centre complex in which it will be accommodated

- (b) Yes,

HOUSE OF ASSEMBLY

State pension funds

289 Mr B B GOODALL asked the Minister of National Health and Population Development

QUESTIONS

† Indicates translated version

For written reply

General Affairs

B734E

THE MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

(a) and (b) (i) and (ii)

Pension Funds	Total Amount	Individual %	State, Institutions, Authorities %
Government Service Pension Fund	R19 061 136 87	26,68	73,32
Associated Institutions Pension Fund	R 3 366 559 35	32,89	67,11 by Institutions
Temporary Employees Pension Fund	R 2 119 709 65	33,33	66,67 by State and Institutions
Authorities' Service Pension Fund	R 1 860 667 37	33,49	66,51 by Authorities
Authorities' Service Superannuation Fund	R 80 833 87	43,48	56,52 by Authorities

(c) as at 31 March 1989

State pension schemes

290 Mr B B GOODALL asked the Minister of National Health and Population Development

(a) How many State pension schemes were there as at the latest specified date for

B735E

THE MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

(a) Two pension schemes, one provided by and five pension funds were administered by the Department of National Health and Population Development as at 31 March 1989,

(b) and (c) (i) and (ii)

Pension Schemes, Provident and Pension Funds	Contribution by State	Total Value of Assets
Members of Parliament and Political Office-bearers Pensions Scheme	Pension Fund from Revenue R 3 091 715	Nil

1111

300

WEDNESDAY, 2 MAY 1990

1112

<i>Pension Schemes, Provident and Pension Funds</i>	<i>Contribution by State</i>	<i>Total Value of Assets</i>
Members of Statutory Bodies Pension Scheme	Pensions paid from Revenue — R883 286	Nil
Associated Institutions Provident Fund	R26 339 (other contributions paid by various institutions from own funds)	R10 406 183
Government Service Pension Fund	R1 802 494 498 (including contributions by Post and Telecommunications)	R19 061 136 874
Associated Institutions Pension Fund	R1 357 856 (other contributions paid by various institutions from own funds)	R3 366 559 381
Pension Fund for Temporary Employees	R143 999 997 (other contributions paid by various institutions from own funds)	R2 119 709 659
Authorities' Service Pension Fund	Contributions paid by various authorities from own funds	R1 860 667 365
Authorities' Service Superannuation Fund	Contributions paid by various authorities from own funds	R80 833 865

1113

300

WEDNESDAY, 2 MAY 1990

1114

HOUSE OF REPRESENTATIVES

THE MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

QUESTIONS

† Indicates translated version

*For oral reply**General Affairs*

Pensions: judicial commission

*1 Mr W J DIETRICH asked the Minister of National Health and Population Development

- (1) Whether a judicial commission has been appointed to investigate the question of pensions in general, if not, why not, if so, (a) what progress has been made to date and (b) what were the terms of reference of this commission.
- (2) whether she will make a statement on the matter?

C85E

†THE MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

- (1) No, there is no necessity for such an investigation. Last year, the Minister of Finance appointed a committee under the chairmanship of Prof Wynand Mouton to investigate a Retirement Provision System for South Africa. Particulars in this regard can be obtained from the Department of Finance.
- (a) and (b) fall away.

(2) No

†Mr P A S MCPP Mr Chairman, arising from the hon the Minister's reply, has she ever been involved in discussions with the hon the Minister of Health Services and Welfare of the House of Representatives regarding the equalisation of social pensions?

†The MINISTER Mr Chairman this matter that the hon member is now raising does not have a bearing on civil pensions. That is how I understand the matter. My reply to the question of the hon member only has a bearing on civil pensions.

De Villiers announces govt department restructuring

CAPE TOWN — Government has started the restructuring programme of its own departments with the appointment of private sector managers to trim fat and improve cost efficiency.

This was announced in Parliament yesterday by Administration and Economic Co-ordination Minister Wim de Villiers, who was appointed to co-ordinate an economic policy for future maximum growth.

De Villiers said the process of creating a leaner, more efficient public service had started in the SA Prisons Services, the SA Police and the Finance Department, where members of the private sector were introducing management accounting methods.

LESLEY LAMBERT

He said the process was being phased in gradually.

Speaking in the Administration and Economic Co-ordination vote in Parliament, De Villiers said SA's medium and long-term economic growth would depend largely on its ability to boost exports, make provision for socio-economic backlogs created by past policies and develop the process of inward industrialisation.

Export growth depended on the optimal use of production capacity, particularly in heavy industries, and on the ability of SA companies to compete on international

markets.

De Villiers said improvement of the economy's production capacity would rely on the gradual lowering of inflation to levels comparable with those of leading trading partners, the reinstatement of the savings pattern and the reduction of the tax burden on households.

Other necessary measures included the promotion of responsible wage determination to help combat inflation and boost employment, the promotion of competitiveness within industry, the rationalisation of industrial protection policy and the elimination of factors preventing the

□ To Page 2

De Villiers

relative prices of production factors from reflecting their relative scarcity

High on the list of recommendations for government policy were the rationalisation of the industrial protection policy, continued fiscal discipline on expenditure and tax reform which promoted savings and discouraged the subsidising of capital versus labour.

The financial authorities would have to apply a monetary policy ensuring positive real interest rates and a stable rand which was not overvalued for the sake of exporters, he said.

□ From Page 1

DP finance spokesman Harry Schwarz launched a scathing attack on De Villiers's statement, saying it did not address the vital issue of wealth income and the skills gap, which were of vital significance to current political changes in SA.

He said government had no economic policy to bring to the negotiating table and called for the abolition of the Administration and Economic Co-ordination Ministry and the transfer of its function to the Finance Department.

● See Page 10

MP ordered out for 'treason' remark

Mr Fanie Jacobs (CP Losberg) was ordered by the Chairman, Mr S Abram, yesterday to leave the Chamber of Parliament, after he said by implication that President de Klerk was busy with the politics of treason

Speaking during debate on the Administration and Economic Co-ordination vote, he said Mr de Klerk had said the CP's protest memorandum on Wednesday against the negotiations between the ANC and the Government, was not true. The CP wanted to debate this with the President in Parliament.

"The politics currently being followed are politics of treason (verraad) You (the State President) have no mandate to do what you are busy doing."

Mr Jacobs refused to withdraw what he had said when asked to do so and was ordered to leave the chamber

Earlier, in the debate, Mr Jacobs said that the department and its Minister, Dr Wim de Villiers, had not done much to combat inflation

He said the Civil Service was in uproar and the Government had to be blamed

"The civil servant is the victim of a government that doesn't combat inflation. The three salary adjustments for civil servants this year shows inadequate co-ordination.

"The increases were only to the advantage of the black civil servants."

Mr Roger Burrows (DP Pinetown) said if South Africans were moving into a new South Africa, people of all races had to be brought into the top level service or South Africa would move to political patronage.

"In view of a new South Africa and as we move in the next



Dr Wim de Villiers ... "expansion of industrial capacity".



Mr Harry Schwarz ... "ministry should be transferred".

three to four years we may return to the bad old days of political patronage unless the structure in its entirety is changed"

There was only a minimum number of blacks employed in the different State Departments

Will not work

Of the 181-people employed in the Office of the State President, no blacks, Indians or coloureds were employed and in the Department of National Education, out of the 597 people, no coloureds, blacks or Indians were employed.

"In a new South Africa with one man, one vote, this will not work."

Mr Harry Schwarz (DP Yeville) said that apartheid was a piece of social engineering applied by the State to create economic and other privileges for some based on race.

He had great respect for the person of Dr de Villiers, but wondered whether the ministry was really necessary

It should be transferred to that of the Minister of Finance.

Introducing the debate, Dr de Villiers said that there could be no doubt that South Africa's economic future in the medium and long-term lay in the direction of the expansion of its industrial capacity.

He said this was the sector in which South Africa's manpower had the best chance to develop its technical abilities.

The Government was thoroughly aware of the necessity of proper co-ordination and of the ongoing implementation of its economic policy

The aim of a relatively smaller, but more effective, public service, was still one of the biggest challenges. — Sapa.

Bj Day 7/1/90

250

Public service 'skeleton staff'

PRETORIA — Some sectors of the public service were working on a skeleton staff basis and the situation was worsening, Public Servants Association GM Hans Olivier said at the weekend.

He was reacting to the announcement by Administration and Economic Co-ordination Minister Wim de Villiers in Parliament that a job-by-job public service evaluation was almost complete.

De Villiers said the aim was to shrink the role of the public service in the economy.

Olivier said the high rate of resignations and the 5 000 posts already abolished meant "we are already working with a smaller but underpaid public service".

The PSA agreed the ideal was a smaller, more efficient and market-orientated pay system.

He emphasised the bottom line in the shrinking of the service, as far as the PSA was concerned, was that no public servant

GERALD REILLY

currently employed should be prejudiced. Grievances are to be discussed with President F W de Klerk soon after the end of the parliamentary session.

The PSA submitted a memorandum to De Klerk setting out the major causes of the discontent. Top of the list was pay.

It recommends another 10% increase from September — government workers received an across the board rise of 10% from April 1. The PSA also wants both pay increases to be pensionable.

Olivier said another important grievance and a major cause of the high resignation rate was the "totally inadequate" funds set aside for career differentiation.

There were groups in the service who had fallen far behind workers with similar qualifications in the private sector.

Olivier said the tempo of resignations in the service until two weeks ago had not slowed.

Malnutrition just one of many problems

Hand over unsold housing DP

PRETORIA — Government should look urgently at handing over ownership of unsold state housing stock to current occupants, DP spokesman on housing Brian Goodall said yesterday.

Not only would this be a logical move, and one that would have no adverse impact on taxpayers, but in the present political climate it could strengthen the fragile relations between government and the black community.

It would also help maintain the euphoric glow which followed last week's historic first NP-ANC encounter and help remove a prime source of township discontent and potential unrest

GERALD REILLY

Goodall was commenting on the fact that government has sold less than half of total housing stock over the past few years.

According to a Planning and Provincial Affairs spokesman, up to the end of last year only 115 400 of a total of 339 187 township homes had been sold.

Goodall said the British government had granted ownership of council houses to occupants where rentals payments had equalled or exceeded the initial costs of the accommodation. A similar scheme could work in SA.

Where occupants' total rental

payments failed to compensate fully, ownership should be granted after the payment of the difference between the rentals paid and the initial cost of the house.

Another important reason why private ownership of property should be encouraged by government was that it would help defuse the demand for nationalisation.

"There are far too few people in this country who might be losers in terms of nationalisation and far too many with absolutely nothing to lose."

Goodall said the maintenance and other risks associated with state ownership could also result in a saving of taxpayers' money.

10/1/90
 Ministers all the educational authorities, devise teachers' guides to assist teachers in giving health education To compile such guides the advice of experts in a particular field is always sought

Approximately 90% of the present number of AIDS cases were the result of high-risk behaviour The establishment of high moral values regarding sexuality amongst the youth, is primarily the responsibility of parents within the family context Further contributions can especially be made by non-governmental organisations (such as churches and culture groups) Educational institutions can especially contribute by means of making factual information available By this kind of action they contribute towards the preparation of the youth for the future to enable them to make informed and responsible decisions However no person can take a decision on behalf of another person

Media representatives: visas

307 Mr P G SOAL asked the Minister of Home Affairs *10/5/90*

- (1) How many applications for (a) new, and (b) the renewal of, visas were received from foreign media representatives in 1989,
- (2) how many such applications (a) had been (i) granted and (ii) refused and (b) were pending as at 31 December 1989,
- (3) what was the average time taken before such applications were decided upon?

The MINISTER OF HOME AFFAIRS

- (1) (a) 1 236 of which 157 applications were withdrawn
- (b) 169 of which one was withdrawn

- (2) Statistics on the basis required are unfortunately not available The applications not finalised during 1988 and therefore carried over to 1989 are included in the following figures which are given for the purpose of the reply

Carried over from 1988

Applications Renewal	143	865	234	123
Applications	10	166	4	8

(a)(i) (a)(ii) (b)

- (3) It took on average 19 working days in respect of new applications and 13 working days in the case of renewal applications to finalise the respective applications

Monitoring of media: amount allocated

308 Mr P G SOAL asked the Minister of Home Affairs *10/5/90*

- (a) What amount of the total amount allocated to his Department for the 1990-91 Financial year is to be set aside for the monitoring of the media and (b) how is this amount made up?

The MINISTER OF HOME AFFAIRS

- (a) None
- (b) Falls away

SABC: curtailing of certain external broadcasting services

335 Mr P G SOAL asked the Minister of Home Affairs *10/5/90*

- (1) Whether the South African Broadcasting Corporation recently announced a decision to curtail the broadcast of certain radio services to Europe and the United States, if so, (a) why, (b) how many individuals will be affected by this decision and (c) what savings will be achieved,
- (2) whether he will make a statement on the matter?

The MINISTER OF HOME AFFAIRS

- (1) Yes

- (a) The hon member is referred to the SABC's news release of 9 April 1990, a copy of which is attached as well as to the reply of the Minister of Foreign Affairs to Question No 334
- (b) Approximately 22 persons However negotiations are still taking

10/5/90
 (c) The saving will amount to approximately R4 million per annum which will be used for the upgrading of the Africa services of Radio RSA

- (2) No

NEWS RELEASE

Certain of the SABC's External Radio Services will be phased out in the following months

The SABC announced today that — in consultation with the Department of Foreign Affairs — this decision had been taken in the light of limited available funding on the one hand but on the other hand new available technology to achieve set goals The Services to be closed are the external short wave radio services, with the exception of those broadcasting to Africa The Radio RSA Services involved are the Dutch, German, Spanish, Brazilian and Portuguese Overseas Services, as well as the English and French Services to the United States, Britain and Europe In line with international practice, the External Services of the SABC are financed by the State *10/5/90*

In the international broadcasting arena today, rapid and ongoing satellite and other technological development — particularly in North America and Europe — favours more modern methods of communication, rather than short wave broadcasting as provided in the past by Radio RSA In Africa, however, the lack of overall technological development maintains short wave radio broadcasting as by far the most effective present-day communication channel

Throughout the years the overseas short wave services of Radio RSA have performed a valuable task for South Africa, and both the Department of Foreign Affairs and the SABC owe a debt of gratitude and appreciation to each and every one of those involved

9 4 90

Retiring teachers' gratuity

351 Mr A GERBER asked the Minister of National Health and Population Development

- (1) Whether consideration is being given to reducing the gratuity paid to retiring

teachers, if so, what are the relevant details,

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

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

- (1) and (2) No

Persons economically active

381 Mr P H P GASTROW asked the Minister of Home Affairs *10/5/90*

- (a) How many persons in each population group were economically active in the Republic as at the latest specified date for which figures are available and (b) how many such persons were employed by the public sector?

The MINISTER OF HOME AFFAIRS

	Whites	Coloureds	Asians	Blacks
1989	2 033 000	1 223 000	344 000	7 256 000
June 1989	608 877	200 520	40 724	830 717
June 1989	528 316	186 148	39 007	748 971

* Mid-year estimate

** The public sector comprises:

- Executive institutions for general and own affairs
- Civil services of the self-governing territories
- Local authorities
- Parastatal institutions
- Universities and technikons
- Agricultural marketing boards
- Public corporations (Isacor excluded)
- Public sector, excluding South African Transport Services

Chief Directorate Surveys and Mapping: posts

391 Mr E W TRENT asked the Minister of Public Works and Land Affairs *10/5/90*

- (1) How many posts were there on the establishment of the Chief Directorate Surveys and Mapping as at 31 March 1990,
- (2) whether any posts on the establishment of this chief directorate were vacant as at 31 March 1990, if so, (a) how many, (b) what is the designation of each such post

and (c) what steps are being taken to rectify this shortfall of staff?

The MINISTER OF PUBLIC WORKS AND LAND AFFAIRS

- (1) 774 classified posts and 172 posts for General Assistants — offices of the Surveyors-General included
- (2) (a) and (b) 118 of the 774 classified posts are vacant, namely

Surveyor	—	9	posts
Control Industrial Technician	—	3	posts
Chief Industrial Technician	—	21	posts
Industrial Technician	—	19	posts
Head Data Capturing	—	3	posts
Data Typist	—	31	posts
Typist	—	1	post
Survey Officer	—	15	posts
Artisan Foreman (C-group)	—	2	posts
Artisan (C-group)	—	6	posts
Senior Provisioning Administration Officer	—	1	post
Provisioning Administration Clerk	—	5	posts
Handyman	—	2	posts

(c) Steps are being taken on a continuous basis to recruit professional technical and other staff. Recruitment results regarding professional and technical personnel and retention of their services are not favourable mainly due to the shortage of candidates in these spheres of employment and the service dispensation, especially salaries which are not competitive with those in the private sector. Priorities for the improvement of the service dispensation of approximately 520 occupational classes are considered annually by the Commission for Administration in consultation with the various departments. Inputs in this regard to the Commission for Administration have been made by the Department over the past few years but considering other priorities and the availability of funds an improvement in the service dispensation of the occupational classes surveyor and technician

(surveying) could not as yet be effected. This matter also receives continuous attention

Cape Province: deeds registries

392 Mr E W TRENT asked the Minister of Public Works and Land Affairs

- (1) (a) How many deeds registries are there in the Cape Province, (b) where is each situated and (c) which magisterial districts are served by each such registry,

- (2) (a) what was the total number of (i) registrations and (ii) executions in each (aa) deeds registry and (bb) magisterial district in the Cape Province during the latest specified period of 12 months for which information is available and (b) what was the total (i) purchase consideration and (ii) transfer duty paid on transactions registered in each magisterial district in the Cape Province during the above period?

The MINISTER OF PUBLIC WORKS AND LAND AFFAIRS

- (1) (a) Four

- (b) Cape Town, King William's Town, Kimberley, Vryburg

(c) Cape Town All magisterial districts in the Cape Province with the exclusion of those districts served by the deeds registries in King William's Town, Kimberley and Vryburg

King William's Town	Cathcart
King William's Town	East London
King William's Town	Komgha
King William's Town	Sruterheim
King William's Town	Barkly West
King William's Town	Hay
King William's Town	Hartswater (Partly)
King William's Town	Herbert
King William's Town	Kimberley
King William's Town	Postmasburg (Partly)
King William's Town	Prieska (Partly)
King William's Town	Warrenton
King William's Town	Vryburg
King William's Town	Kuruman

Postmasburg (Partly)
Hartswater (Partly)
Gordoma (Partly)

- (2) (a) (i) (aa) The figures for the period 1 April 1989 to 31 March 1990 are as follows

<i>Deeds of Transfer</i>	76 032	King William's Town	3 744	Vryburg	1 894	Kimberley	2 250
<i>Contracts</i>	1 192	Cape Town	50	Vryburg	149	Kimberley	63
<i>Antenputial/Contracts</i>	5 163	Cape Town	411	King William's Town	190	Vryburg	210
<i>Sectional Title Transfers</i>	8 328	Cape Town	327	King William's Town	6	Vryburg	67
<i>Sectional Title Contracts</i>	673	Cape Town	2	King William's Town	0	Vryburg	0
<i>Sectional Title Schemes</i>	221	Cape Town	13	King William's Town	1	Vryburg	4
<i>Leasehold</i>	3 800	Cape Town	295	King William's Town	324	Vryburg	954
<i>Port Elizabeth</i>	3 694	King William's Town	324	Vryburg	954	Kimberley	
<i>Cancellation of Leasehold Bonds</i>	244	Cape Town	375	Port Elizabeth	10	King William's Town	9
<i>Sectional Title Transfers</i>	8 328	Cape Town	327	King William's Town	6	Vryburg	67
<i>Sectional Title Transfers</i>	73 913	Cape Town	3 805	King William's Town	1 558	Vryburg	2 013
<i>Mortgage Bonds</i>	68 895	Cape Town	4 585	King William's Town	2 489	Vryburg	1 985
<i>Bonds Cancelled</i>	1 077	Cape Town	74	King William's Town	40	Vryburg	48
<i>General Powers of Attorney</i>	5 573	Cape Town	197	King William's Town	3	Vryburg	45
<i>Sectional Bonds Cancelled</i>	7 316	Cape Town	331	King William's Town	3	Vryburg	61
<i>Certificates of Registered Sectional Title</i>	4 424	Cape Town	287	King William's Town	11	Vryburg	41
<i>Leasehold Bonds</i>	2 760	Cape Town	3 220	Port Elizabeth	242	Vryburg	12
<i>Sectional Title Transfers</i>	76 032	Cape Town	3 744	King William's Town	1 894	Vryburg	2 250
<i>Sectional Title Transfers</i>	8 328	Cape Town	327	King William's Town	6	Vryburg	67

the cargo to be offloaded. This problem stems from the reasoning that other developed countries no longer have the capacity to handle toxic waste. Africa is thought to have such a capacity.

Toxic waste arouses emotions in developed countries. The lobbying against toxic waste is very strong throughout the world. There is also the notion amongst developing industrialised countries that the limited quantity of toxic waste makes it uneconomical to process such waste [Time expired.]

Mr M ABRAHAM Mr Chairman, three bodies, namely the Umgeni Water Board, the United States newspaper the *St Louis Post Dispatch* and Greenpeace International, have actually tested the water and soil in the vicinity of Thor Chemicals and all three bodies have found an abnormally high level of mercury pollution in the water.

The information that I have at my disposal is also that permission was granted by the South African authorities in a cable on 3 October 1989 for American Cyanamide to export in the region of 20 000 pounds in weight of waste from their plant in New Jersey to South Africa where Thor's reprocessing plant burns mercury waste and waste containers in a furnace. It appears that we need to take this very seriously indeed.

We are processing waste which very few others are prepared to handle themselves in their own country. I call upon the hon the Minister to explain and tell us whether he has taken any further action and to do something very urgently. Are we accepting waste that nobody else can accept in their own country because processing is too dangerous there?

THE MINISTER OF ENVIRONMENT AFFAIRS Mr Chairman, so many questions were asked and I have only two minutes in which to reply. It is simply impossible to clarify all the points on which I have been asked to give clarification.

The hon the Leader of the Official Opposition alone has asked a whole series of questions. The problem is that this should have been the topic for a private member's motion and not an interpellation. Then we could have discussed it extensively.

The fact is that we must distinguish between the importation of raw materials and waste. A

HOUSE OF DELEGATES

by-product of one factory may be a raw material of another. Here we have a specific case where the material is not imported as waste, according to the South African definition of waste, but as a raw material.

The fact is that we are handling it with great care. I have explained to this House that Greenpeace clearly states in its report that the mercury pollution of the water is non-detectable—in other words, they could not find any mercury in the water itself. The fact that there was mercury in the silt does not necessarily mean that there would be any mercury in the water, because some forms of mercury are soluble and others are not. In this specific case it seems as if the mercury did not contaminate the water at all.

However, I was asked to clarify the whole issue, and I think the best way to do that would be by means of an extensive press statement and I intend doing just that. I can tell hon members that the standards set for our drinking water are very high and there was no question of the water contamination being above the minimum standards set by our department.

Debate concluded

QUESTIONS

†Indicates translated version

For oral reply

General Affairs

Public servants' housing subsidies

*1 Mr K PANDAY asked the Minister for Administration and Economic Co-ordination
Whether the ceiling on housing subsidies to public servants is to be raised from the present R50 000, if not, why not, if so, (a) when and (b) to what amount? 250

THE MINISTER FOR ADMINISTRATION AND ECONOMIC CO-ORDINATION

The raising of the ceiling on housing subsidies to public servants is presently receiving attention. Any increase of the subsidy limit will naturally depend on the availability of funds (a) and (b) fall away D132E

Mr K PANDAY Mr Chairman, arising out of the hon the Minister's answer, I would like to know whether he is giving consideration to the fact that the last review was on 1 April 1985, when the ceiling was raised from R40 000 to R50 000. 250

THE MINISTER Mr Chairman, this investigation is at an advanced stage and I hope to have the results shortly in order to submit them to the Cabinet.

Health services: privatisation

*2 Mr M RAJAB asked the Minister of National Health and Population Development

(1) Whether her Department is giving consideration to the privatisation of health services in the Republic, if not, why not, if so, what steps are being considered,

(2) whether she will make a statement on the matter? D136E

THE MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

(1) Yes, investigations are being done by the Department of National Health and Population Development in collaboration with the sub-committee. Privatisation of the Health Matters Advisory Committee. There is at present no plan to sell any State hospital as such.

(2) no

THE LEADER OF THE OFFICIAL OPPOSITION Mr Chairman, arising out of the hon the Minister's answer, will she let us know which branches of the health services are being considered for privatisation?

THE MINISTER Mr Chairman, I will be dealing with this issue during the debate on my Budget Vote on Wednesday, and I would welcome it if the hon the Leader of the Official Opposition would allow me to deal with it then. I will go into it extensively on that occasion.

THE LEADER OF THE OFFICIAL OPPOSITION Mr Chairman further arising out of the hon the Minister's reply, and considering that we have limited time during the debate on the health Budget Vote, has the hon the Minister's department, in giving consideration to this, studied the success or failure of the privatisation of hospitals? I am not talking about normal private

hospitals such as those of Smith, Mitchell & Co and others. Has it been examined with a view to its advantages and disadvantages?

THE MINISTER Mr Chairman, the answer is yes. We are undertaking extensive investigations. I would like to state at this stage that market forces do not apply to health care and therefore privatisation, as it is known in the private sector, does not apply to health care in the same respect. D137C

THE LEADER OF THE OFFICIAL OPPOSITION Mr Chairman, further arising out of the hon the Minister's reply and taking into consideration the nation-wide problem in respect of health services as well as the fact that the hon the Minister's department is considering this matter, has the hon the Minister or her department received any objections to privatisation?

THE MINISTER Yes, Mr Chairman, we have received objections. However, as I have stated, we do not consider privatisation on the same basis as it was done in, for instance, the case of Iscor. The same principles do not apply in this case.

MPs serving on local government bodies:
legislation

*3 Mr D K PADJACHEY asked the Minister of Planning and Provincial Affairs

(1) Whether he is considering the introduction of legislation in terms of which members of Parliament will be barred from serving on local government bodies, if not, why not, if so, when is such legislation expected to be introduced,

(2) whether he will make a statement on the matter? D138E

THE MINISTER OF PLANNING AND PROVINCIAL AFFAIRS

(1) No

Possible amendments to existing legislation coincide with the current legislation controlling third-tier government which could be changed together with the possible amendment of the present constitutional dispensation. A task group under the chairmanship of an official of my Department is at present considering options for a new local authority system.

HOUSE OF DELEGATES

Magistrate dismissed

By **BENSON NTLEMO**

ROBERT MALAVI, the Gazankulu magistrate who has recently been in hospital with asthma during his detention under the State of Emergency, has had his appointment as additional magistrate cancelled for being absent from his duties while in detention.

City Press has a letter signed by Deputy Director-General of Justice AM Hlungwani informing Malavi he has "dismissed himself", for being absent from duty without leave from the head of his department or head of his office from March 2 to April 23.

On March 2 all public servants in Gazankulu embarked on a stay-away, demanding the resignation of Chief Minister Hudson Ntsanwisi.

At the end of March, a circular appeared under the Public Service Act threatening civil servants with dismissal if they had not returned to work by March 12.

By this time Malavi was in detention under the State of Emergency.

There was a moratorium on returning to work which ended on April 17, but Malavi was still being held.

"I only became aware of the circular when I was released a week ago," said Malavi, who is chairman of the Malamulele branch of the Gazankulu Government Servants' Association. He said he was not going to resign but was looking forward to being dismissed officially.

He believed he was suffering retribution for having taken part in the stay-away, which involved every civil servant in the homeland.

Ironically, when Ntsanwisi called for the return to work during the height of the stay-away, he called for reconciliation.

Hlungwani, who signed the letter, said the Public Service Act prevented him from commenting and he referred *City Press* to the Director-General, who was not available.

250

13/5/90

Public servants want better deal from FW

PRETORIA — Public servants want more muscle behind their efforts to improve salary levels and other employment benefits. *BIDay 16/5/90*

This issue will be raised when the Public Servants Association (PSA) meets President F W de Klerk after Parliament rises.

PSA GM Hans Oliver said public servants felt at the mercy of the Treasury.

If they did not like the deal they were handed — and they did not like the 10% non-pensionable allowance given to them from April — there was no recourse except ineffectual protest. *(250)*

It was a take-it-or-leave-it situation and it was vital that more effective machinery be created to give more power to representations from government workers.

GERALD REILLY

The principle of collective bargaining had to be recognised and there had to be recourse to arbitration if negotiations ended in deadlock, Oliver said.

Public servants were not asking for the right to strike or go slow — although some militant elements in the service wanted this — but merely that at the end of the road an impartial body would determine the extent of improved benefits.

Oliver said the PSA had asked government for an additional 10% pensionable increase from September.

Rejection would intensify the frustration being felt throughout the service, and aggravate the resignation rate.

Heretic in public service

With his background, De Villiers has the right stuff for economic reform ■

For more than 10 years it has been the policy of government to reduce its role in the economy, curb its spending and reduce the public service. But only in the very recent past has discernable progress been made. To achieve this, it has taken a new State President, a reshuffled Cabinet — and the thrifty Wim de Villiers.

He may be a junior Cabinet minister, but he is not a man to trifle with. Indeed, among the directors-general in their stately apartments, a call from Wim is about as welcome as a headmaster's summons to an errant

experience as one of SA's most successful industrialists, he had been quietly hammering out the new policy guidelines since his appointment last September, when he entered the Cabinet as privatisation minister.

After launching Iscor into the private sector (with what can best be described as mixed success), he was given the task of reducing the private sector and co-ordinating economic policy. Neither tasks are enviable or easy, given the entrenched power and political influence of this country's bureaucracy.

So far as we can tell, Finance Minister Barend du Plessis still calls the shots at Finance (where he is strongly supported by DP finance spokesman Harry Schwarz, who has called for the abolition of De Villiers' department and the appointment of Du Plessis himself as SA's sole economic tsar.) But De Villiers has behind him, in his new role, the full blessing and support of the Cabinet.

In his first Budget address to parliament, De Villiers said that any of his responsibilities which could "affect the line functions of any other minister have been cleared out with each of the ministers concerned. (The policy) approach therefore represents the combined policy of the government as a whole, and is approved by all the ministers and their departments."

The brief is comprehensive.

□ Top priority is to maximise economic growth, with the highest possible levels of concomitant welfare growth and job creation.

□ To achieve this, economic restructuring must first be achieved by means of a co-ordinated, comprehensively targeted economic policy.

□ Reducing inflation is target number one in restructuring the economy for future growth, with Reserve Bank-enforced discipline on the banking sector a vital ingredient. And flagging productivity must be addressed;



De Villiers

□ The growth strategy also rests on the recovery of the internal and external stability of the rand, "both as currency and as savings medium;"

□ SA must exploit the "formidable, fundamental" comparative advantages of its minerals by benefiting these riches locally

schoolboy.

Wim, we are told, is going about asking senior public servants questions which to them smack of pure heresy. He has been suggesting, for instance, that the market (or consumers) might be a better judge of the provision of public-sector services than the public servants themselves.

Simply put, Wim appears to have become to the public service what Graham Boustred is to Anglo American — a brilliant industrialist but a most difficult man. And that is probably what is needed

into manufactured exports. Export markets must be "broadened" to areas like eastern Europe,

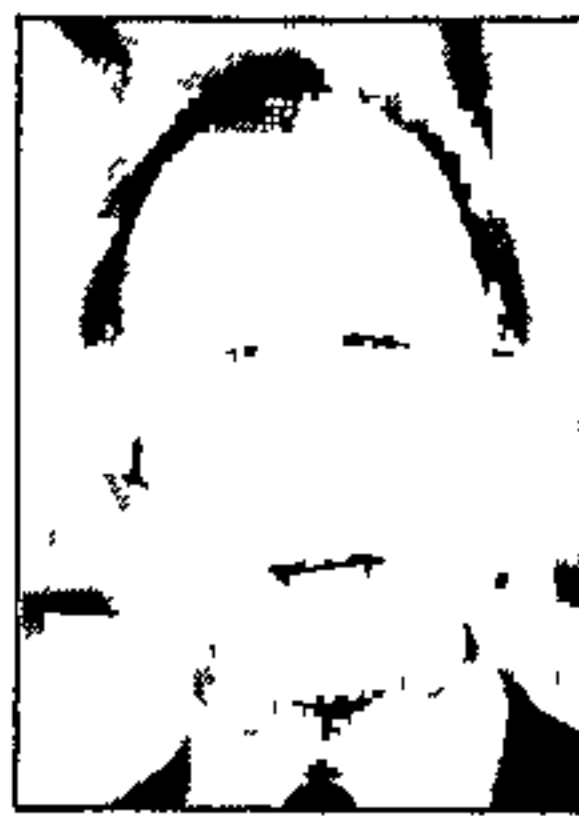
□ Better use must be made of SA's well-developed transport, electricity and communications infrastructures, by combining them with available, cost-effective production capacity in industry,

□ Costly import replacement policies of the past, aimed at self-sufficiency by using tariff protection, must now be "replaced by a new approach aimed at SA's comparative advantages so that our exports can compete in world markets;"

□ "Permanent" tariff protection "for survival" of industries will be done away with. "Inflationary elements have to be removed from tariff protection and surcharges," De Villiers said. Tariff policies are being examined by the IDC,

□ Protected industries charging local consumers higher prices than their overseas customers — so-called import parity pricing — "undermine SA's industrial growth and also the agricultural sector.

"In fact, it also destroys the comparative



Du Plessis



Schwarz

advantages of this country. Government will have to act against these practices with an appropriate tariff protection policy and incentive schemes;"

□ The shortage of adequately trained and skilled manpower must be urgently addressed by means of education and training.

□ Other structural problems include the artificially low past cost of capital, reduced by low interest rates in the past and an overvalued rand. This led to a preference for capital investment, which must now be turned around;

□ State spending must be cut back and the public sector's role in the economy reduced, although the State's essential "socio-economic developmental role" must continue; and

□ The tax burden on households must

Wim, of course, does have a background in industry. He was a senior Anglo manager before he aspired to the heights of Gencor, from whence he was unseated by the late Fred du Plessis, a god among those to whom Sanlam entrusted its investments. Since then, government has used his undoubted talents in some of the less tractable of its enterprises.

Subsequently, he became Minister for Administration & Economic Co-ordination in President F W De Klerk's new reforming government. Delving into his rich stock of

FIM 18/5/90 (250)

reduced. "Government policy measures to achieve these aims would include fiscal discipline on expenditure, tax reforms to promote savings and to discourage subsidising of capital versus labour and a rationalisation of industrial protection policy," says De Villiers.

Apart from his economic restructuring portfolio, De Villiers' other major role is to promote efficiency and management accountability in the public sector.

This, he says, will lead to cost (and tax) savings, and the scaling down of service operations where these are uneconomic, unnecessary or duplicate other services. De Villiers has co-opted some top private sector men, such as Gencor executive director (finance) Tom de Beer to achieve this.

"The new approach is to look at State departments along business lines, at management accountability and also the cost-effectiveness of services rendered and possible wastage of resources.

"For example, in the case of SA Transport Services, De Villiers found that assets to the value of about R8 bn rendered no return," says De Beer.

Such massive resource waste will hopefully now become a thing of the past. For, although the task is a formidable one, De Villiers is a determined and dedicated man without, we suspect, political ambitions of his own — which makes a pleasant change.

Consequently, he probably does not have the politician's way of drawing rapid attention to his achievements — or masking his setbacks.

It is probably too early to expect much success. But all those who understand the urgency of his task are waiting anxiously for signs of progress.

All that can be said with any certainty at this stage, is that he is making his presence

That is a good start. ■

Untallied wealth (250)

The State owns about 40 000 properties worth an estimated R19bn but has no formal asset register. It cannot say for sure whether they are being used effectively nor even who is in them.

Public Works & Land Affairs Minister George Bartlett admitted in parliament, during the debate on his department's Budget vote, that information on the use, cost of maintenance, condition and market value of State-owned property was not immediately available.

He acknowledged, however, that it was important to get the information as soon as possible to ensure that his department was equipped to "face the challenge of a new business-orientated environment".

Bartlett added that the compilation of a comprehensive database of all property assets administered by his department was receiving a high priority. It was "only realistic" to accept that funds for public works would become scarcer and necessitate the best use of what was available.

Investigations are under way to determine the State's property and accommodation needs. They are headed by Sanlam senior GM Ronnie Masson and government's privatisation unit chief Pieter van Huyssteen.

Bartlett said "We do not know exactly

FIM 18/5/90 (250)

how many pieces of land the State owns. I suggest we get on fast and at least register the urban pieces of land because that is where the real wealth is now." (250)

He added that for the sake of sound management exactly what the State owned and what and who were on the land, departments would be "scrutinised closely as to how effectively they are managing their accommodation needs".

According to its annual report the primary function of the Department of Public Works and Land Affairs is to provide accommodation for "certain departments responsible for general affairs". At the end of last year it had a staff of 13 056. The department's Budget allocation this year was R1,9 bn ■

Govt to ~~250~~ delay on 250 delimitation commission

Political Staff

THE government plans to postpone the appointment of a delimitation commission for the House of Assembly to allow negotiations for a new constitution to get under way, the Deputy Minister of Constitutional Development, Mr Roelf Meyer, said yesterday.

Opening debate on the Constitution Amendment Bill in Parliament, Mr Meyer said an important object of the bill was to extend the period within which a delimitation commission was appointed to allow more time for the negotiations to progress.

Under existing legislation, the House of Assembly's delimitation commission, which defines the boundaries of constituencies, would have to be appointed by October this year, while the commissions for the other two Houses would have to be appointed by June 1994.

Mr Meyer said an important objective of the Constitution Amendment Bill was to bring the delimitation timing of the three houses in line.

Debate on the bill, which was supported by all parties but the CP yesterday, continues today.

Protest against PSL dismissals

South 23/5 - 29/5/90

(250) ~~250~~

By CHIARA CARTER
IN a new development in a deepening row over the expulsion of two leading figures from the Public Servants' League (PSL), about 60 dissatisfied PSL members protested at the organi-

sation's headquarters in Cape Town last Friday.

The members, mostly school employees, demanded the immediate and unconditional reinstatement of the Athlone district chairperson, Mr Stuart Cloete, and the chairperson of

the Groote Schuur district, Mr Arthur Farred.

The two had been expelled because of "unruly actions".

The protesters were told that Farred and Cloete would have to use constitutional channels to seek reinstatement.

PSL secretary, Mr Bernard Wentzel, said he had met with the group of protesting workers and told them that demonstrations could not alter the situation.

He said Farred and Cloete had the right to appeal to the national executive committee, which is scheduled to meet at the beginning of June.

Unaware

An appeal by Farred and Cloete against their expulsion was rejected. The regional executive committee earlier this month rejected an appeal by the two men against their expulsion.

PSL chairperson, Mr Malcolm Domingo, said he was unaware of the protest but that such an incident "aggravated" the situation.

Domingo denied allegations that the expulsions were motivated by personal interests and were aimed at ridding the PSL of the "progressive faction".

"The decision was taken by the executive committee, not an individual," Domingo said.

"Mr Cloete and Mr Farred were expelled as a result of their unruly actions".

Domingo confirmed that Cloete had been expelled as a result of an incident at a Brackenfell hotel when Cloete and a group of PSL members interrupted an executive committee meeting to deliver a memorandum demanding that the organisation adopt a more militant stance on behalf of its 40 000 members.

The memorandum called on the executive committee to resign.

The incident followed a mass meeting at Mitchells Plain at which the PSL leadership was severely criticised.

Criticism

Domingo said the executive was unhappy with statements which Farred made to the press about the league becoming a union and moving closer to Cosatu, as well as Farred's criticism of the role played by the PSL leadership during the recent Cape provincial hospital strike.

Domingo denied critics' claims that the PSL was a "sweetheart" union and that workers — who constitute 80 percent of the PSL's membership — did not have an adequate say in how the organisation was run. There were "adequate channels of communication", he said.

He flatly denied allegations that the PSL national executive was closely tied to the Labour Party.

Cloete and Farred were not able to comment because of their forthcoming appeal.

Clothing dispute ends

From PATRICK GOODENOUGH
PORT ELIZABETH — A three-day strike by about 2 500 textile workers at 14 Port Elizabeth factories ended with a major victory for the strikers.

The "spontaneous work stoppages", which almost brought the clothing industry to a standstill in the Eastern Cape, followed deadlock between the Midlands Chamber of Industries and the South African Clothing and Textile Workers' Union (Sactu) earlier this month.

After what Sactu regional organiser, Mr Lesley Maasdorp, described as "hard bargaining", an

agreement was reached which brings Eastern Cape wages slightly higher than those paid in the Transvaal.

In terms of the agreement, workers will get an across-the-board weekly increase of R23,50, backdated to the beginning of May.

Machinists will get an additional R5 from November, while general workers will get another R3.

Sactu initially demanded a R30 across-the-board increase, while employers offered R17,76 for machinists and R15,56 for general workers, with a further increase later in the year.

Congress in call for night schools

Lucl Neyembe, were guest speakers at the congress — the first ever in the region.

The congress endorsed the recent meeting between the ANC and the government, noting mass pressure and other forms of struggle had forced the government to negotiate.

It also re-endorsed the Harare Declaration, resolving to encourage Cawu members to join the ANC and to understand and popularise ANC policies and principles.

Delegates resolved to organise and consolidate members with a view to participating in the next

round of negotiations with the South African Civil Engineering Council which, they said, was formed specifically to exclude workers from decision making and wage determination in one of the country's lowest-paying industries.

The congress, with other organisations, resolved to address the educational crisis in South Africa and called for night schools as a matter of urgency. Delegates agreed to call on employers to invest in such schools and to add the price of a progressive newspaper to paypackets.

Resolutions on a national mini-

mum wage, housing and subscriptions were referred to the regional executive committee.

Support was expressed for Cosatu's policy of worker unity and mergers such as that with the South African Allied Workers' Union.

Cawu also committed itself to encouraging female participation in the union, also at leadership level, in line with its non-sexist policy.

Elected office bearers: Chairperson: Mr G Qandela; vice chairperson: Mr E Siqwabe, treasurer: Mr C Manquna; and regional secretary: Mr L Ramtlakane.

followed.

28/5/70

Talks on civil service unions

A COSATU delegation will see two cabinet ministers today to discuss the role of trade unions in the public service.

The Minister of Mineral and Energy Affairs and Public Enterprises, Dr Dawie de Villiers, confirmed yesterday that he and Dr Wim de Villiers, Minister of Administration and Privatisation, are due to meet the Cosatu delegation this afternoon.

Dr Dawie de Villiers said the discussions would concern the recognition of Post Office trade unions. A spokesman for Dr Wim de Villiers said talks would range far wider than privatisation. — Sapa

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hood matters
majoritarian
without the pro-
rities.

Regional differences and
"divergent local circum-
stances and needs" would be
accommodated, the CCLA en-
visaged, although these would

of a directly
elected mayor as one finds in
the United States.

The CCLA will consider all
these options at its next meet-
ing on October 25.

GMT Times 29/5/90
Ministers meet union leaders

Political Staff

BASIC worker rights and bringing
public sector workers under the La-
bour Relations Act were discussed
yesterday by two ministers and a
trade union delegation.

The Minister of Mineral and Energy
Affairs and Public Enterprises, Dr
Dawie de Villiers, and the Minister
for Administration and Economic Co-
ordination, Dr Wim de Villiers, said
in a joint statement: "The discussions
took place in a good spirit.

"There was an open and frank ex-
change of views on important issues
such as basic workers as well as the

case for including public servants and
postal workers within the ambit of the
Labour Relations Act."

The union delegation included the
Post and Telecommunications Work-
ers' Association, SARH Workers'
Union and Cosatu

They said the union delegation was
advised to submit its views to the
National Manpower Commission
which was at present looking into
these issues.

"It was pointed out that the govern-
ment will decide on these issues once
it has had the opportunity of studying
the National Manpower Commission
report," the ministers said.

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PUBLIC SERVANTS TO AIR GRIEVANCES WITH FW

GERALD REILLY

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PRETORIA — Government workers will air their major grievances at a meeting between President F W de Klerk and the Public Servants Association (PSA) on June 12.

Also at the meeting will be administration and privatisation Minister Wim de Villiers and finance Minister Barend du Plessis.

The PSA's board of directors met in Pretoria last night to prepare an agenda for the meeting. The top grievance is over pay.

Government workers were given a non-pensionable pay increase of 10% from April 1, which was dismissed as unrealistic against the background of private sector increases and the inflation level.

The PSA demanded another 10% be effective from September. The submission also asks that both increases be made pensionable.

De Klerk will be asked to support a demand from the PSA for improved housing benefits.

The major grievance here is that the subsidised loan ceiling of R50 000 is unrealistic when the escalation in house prices in the past five years is taken into account

BID am 2915790

Two other issues to be raised are the amounts set aside for career differentiation and the need for a collective bargaining system.

Undertakings have been given this will be provided for in an amendment to public service legislation expected to go before Parliament before the end of the current session

No stayaway planned for public sector

8/5/90
THERE will not be a nationally organised stayaway by public sector workers today, but localised protests might occur, according to Cosatu spokesman Neil Coleman.

The proposed action coincides with a second round of talks today between Public Enterprises Minister

DANIEL FELDMAN

Dawie de Villiers and the general secretaries of Cosatu's postal, health and rail affiliates, National Union of Mineworkers and UDF representatives will also be present.

Today's talks follow discussions yesterday between

De Villiers and Administration and Economic Co-ordination Minister Wim de Villiers and union representatives.

Today's talks centre around the workers' opposition to privatisation. Some work stoppages have been planned to occur between those hours.

Coleman said a national stayaway had been planned originally, but no final decision concerning it was ever reached. It was therefore the decision of local affiliates to decide what action to take. "This is not a major national action," he said.

A joint statement by the two ministers said the discussions with union representatives took place in a good spirit.

"There was an open and frank exchange of views on important issues such as basic worker rights as well as the case for including public servants and postal workers within the ambit of the Labour Relations Act," they said.

Bureaucrats
to see FW

CNT
Tint
30/5/90

PRETORIA. — A delegation of civil servants is set to meet the State President, Mr. F. W. de Klerk, in Cape Town next month to discuss "distressful" matters relating to salaries and conditions of service.

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The president of the Public Servants' Association, Dr. Colin Cameron, said the meeting stems mainly from the unhappiness regarding the 10% non-pensionable allowance granted to public servants in April. "Apart from the fact that the allowance is totally insufficient, it will also — as long as it remains non-pensionable — adversely affect the pension of those officials who retired since April 1," he said — Sapa

Privatisation a danger to talks — Cosatu

Cape 7/4/90

31/5/90

1982

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JOHANNESBURG — The country's largest trade union federation, Cosatu, yesterday warned that negotiations between government and the ANC would be "prejudiced" if government continued with its privatisation programme.

This follows a meeting in Cape Town on Tuesday between a Cosatu delegation and government ministers involved with privatisation and the Commission of Administration at which Cosatu failed to gain an assurance that privatisation would be halted.

The Cosatu delegation resolved to discuss this meeting with its National Campaign Committee tomorrow where further action will be decided upon, a Cosatu statement said.

The Cosatu statement issued yesterday described the Cape Town meeting as "completely unsatisfactory", warning that the attitude of the ministers could result in a "a recipe for confrontation".

They claim Minister of Mineral and Energy Affairs and Public Works Mr Dawie de Villiers and

Minister of Administration and Privatisation Mr Wim de Villiers were not interested in hearing the views of Cosatu "or the people as a whole", and instead spoke at length on their perspectives.

The Cape Town meeting was designed by Cosatu to state its members' position that "we are totally opposed to all privatisation, and to secure a commitment from them that there would be no further privatisation".

The Cosatu statement further warned that "any attempt (by government) to embark on such a major restructuring programme without consulting those affected will be resisted".

Negotiation process

People were particularly sensitive to the fact that the privatisation process was happening now, as the negotiation process was about to begin.

"We reiterated (to the Ministers) our demand that all privatisation and other drastic restructuring of the public sector should be halted until a political settlement has been reached."

The Cosatu delegation claimed

the Ministers attempted to deny that privatisation was taking place and focused instead on the term "commercialisation", or the restructuring of public sector industries, their fragmentation and selling off of certain sectors.

"In our view this is privatisation in another guise. Despite attempts by the ministers to deny it, we gained the clear impression that the government was preparing to go ahead with the privatisation programme."

Mr Dawie de Villiers had refused to confirm his statement, reported several weeks ago, that all privatisation would be halted until the relevant parties had been consulted.

The attitude of the ministers had left Cosatu with no option but to intensify its programme of action against privatisation.

● Since the release from prison in February of ANC deputy president Mr Nelson Mandela, the general secretary of Cosatu's largest affiliate union, Mr Cyril Ramaphosa of the National Union of Mineworkers, has featured prominently at the ANC deputy leader's side during major events. — Sapa

Cosatu plan to shake up govt

Cape Times 11/6/90

250

Own Correspondent

JOHANNESBURG. — Nationwide stayaways, demonstrations and marches, still in the final planning stages, were scheduled to take place throughout July, a Cosatu spokesman said yesterday.

Industrial action, in solidarity with the Natal violence, was planned for the first week of July, with other action, in response to the government's stand on privatisation, taking up the remainder of the month, Cosatu spokesman Mr Floyd Mashele said.

He was speaking yesterday after a Cosatu delegation met to discuss the July industrial action timetable.

There would probably be a

Stayaways, marches set for July

countrywide stayaway on July 2, and demonstrations and marches on July 7, he said.

Cosatu leaders who met cabinet ministers Dr Dawie de Villiers and Mr Wim de Villiers in Cape Town this week said the meeting was "completely unsatisfactory" and warned that the attitude of the ministers was "a recipe for confrontation".

They said the ministers tried to deny that privatisation was oc-

curing by focusing instead on the term "commercialisation", and Cosatu "gained the clear impression that the government was preparing to go ahead with the privatisation programme".

Mr Mashele said Cosatu was "geared to take any action to stop privatisation", and was considering the series of actions in July to bring attention to the workers' opposition to it if the government's response had not changed by then.

He proposed that each week in July different public sector unions take some sort of action, including sit-ins, pickets and marches during work hours, to highlight their opposition.

"We hope it will be resolved through negotiation before this occurs," Mr Mashele added.

FW, top public service men in pay rise talks

By TOS WENTZEL
4/16/90 12/6/90

on the Presidency
PRESIDENT De Klerk is
meeting a delegation of the
Public Servants Association
today to discuss demands for
salary increases and retire-
ment and pensions problems.

The two-man delegation
from the PSA, president Dr.
Colin Cameron and general
manager Mr Hans Olivier will
also discuss a long term salary
policy which could halt resig-
nations from the public
service

HOUSING SUBSIDIES

Housing subsidies, a uniform
retirement age and the impli-
cations of recent illegal strikes
will also be discussed

Other matters to be dis-
cussed are the possibility of an
increase in the housing subsidy
which has been pegged at
R50 000, maternity benefits for
married women and an im-
provement in widows pensions

F W meets PSA to discuss demands

12/6/90 Down Correspondent

CAPE TOWN — President de Klerk is meeting a delegation of the Public Servants Association today to discuss demands for salary increases, and retirement and pensions problems.

The two-man delegation from the PSA, president Dr Colin Cameron and general manager Hans Olivier, will also discuss a long-term salary policy which could halt resignations from the public service, housing subsidies, a uniform retirement age and the implications of recent illegal strikes.

Other matters to be discussed are maternity benefits for married women and an improvement in widows' pensions.

There have been a number of resignations as a result of dissatisfaction with the 10 per cent non-pensionable salary increase public servants were given this year.

The PSA has submitted a memorandum to the president in which it also asks for a uniform optimal retirement age of 60 as soon as possible, occupationally directed remuneration and a legalised system of collective bargaining.

NEWS 13/6/90



President De Klerk

FW promises new deal for bitter public servants

Political Staff

PRESIDENT De Klerk has agreed to an improved bargaining mechanism between government and the public service, to be forged as a matter of urgency

He said after meeting recognised public servants' associations at Tuynhuys yesterday that this matter would be dealt with in the next few months

But a statement from Tuynhuys failed to mention what some saw as the crunch issue at the talks bitterness over the fact that unrecognised unions using strikes and other action had been seen to deliver more for their members than staff associations had for their people through orderly negotiations

Dr Colin Cameron, chairman of the Public Servants' Association, said the seven associations represented yesterday had been both reassured and impressed by Mr De Klerk's understanding of problems they had cited

These included the inadequacy of the 10 percent non-pensionable allowance — they had dwelt on that in the discussions — housing, pensions and so on

NOTHING CLARIFIED

Mr De Klerk gave the undertaking that high priority would be given in the next financial year to the service deals of those public servants who received only a 10 percent non-pensionable allowance this year

Attention would also be given other sticking points this year including certain general service conditions such as housing subsidies, maternity leave, and transfer costs

Mr Roger Burrows, Democratic Party spokesman on the public service, said the President's statement had not clarified the situation about deals with unrecognised unions,

It appears likely the recognised staff associations will have to accept that in a changed South Africa the government has to take account of unions which were previously totally ignored or even forbidden

"A compromise must, therefore, be arrived at"

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Political Staff

CAPE TOWN — President de Klerk yesterday agreed to an improved bargaining mechanism being forged as a matter of urgency between the Government and the public service.

After meeting recognised public servants' associations at Tuynhuys, he said that this matter would be dealt with in the next few months.

But a statement from Tuynhuys failed to mention what

President promises a new deal for the public service

Star 13/6/90 250

some saw as the crunch issue at the talks bitterness at the fact that unrecognised unions using strikes and other action had been seen to deliver more for their members than staff associations had through orderly negotiations.

Dr Colin Cameron, chairman

of the Public Servants' Association, said the seven associations represented yesterday were "by and large very happy" with the talks.

They had been both reassured and impressed by Mr de Klerk's understanding of problems they had cited.

These included the inadequacy of the 10 percent non-pensionable allowance, housing and pensions

Mr de Klerk gave the undertaking that high priority would be given in the next financial year to the service deals of those public servants who only received a 10 percent non-pensionable allowance this year.

He said in a statement attention would also be given to other problem areas.

Call for better deal for nature conservationists

Pretoria Correspondent

Gross starting salaries for

The Public Servants' Association (PSA) has called for a massive salary injection for nature conservationists

learner conservation officers with matric were R642 a month and those for qualified nature conservation officers R1 139, while the average salary of the 343 nature conservation officers employed by the State and Cape and Transvaal provincial departments was R1 610 a month.

This includes a 40 percent pensionable salary increase for nature conservation officers, as well as the implementation — backdated to 1983 — of a new dispensation for research technicians

This, the article said, was R409 a month less than that of any similarly qualified personnel in the public service. The TPA responded by saying it had consistently given support for better salaries

A report in The Public Servant magazine describes the 465 nature conservation officers, research technicians and conservation scientists as a "crisis group".

(250) ~~Star~~ Star 20/6/90

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- (bb) None
(cc) None
(dd) None
(ee) None

(b) It is unfortunately not possible to determine the number of commuters involved in each of the relevant financial years, but the numbers mentioned below are calculated according to the number and type of subsidised bus tickets which were sold at Harrismith and Bethlehem and there are no other commuters involved —

	Harrismith	Bethlehem
1980/81	1 514 326	Nil
1981/82	1 724 564	33 630
1982/83	2 151 198	69 952

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

Number of lung cancer deaths in the Republic of South Africa by Population Group, 1989 (as on 11 June 1990)

Province	Indian	Black	Coloured	White
Cape	2	41	187	98
Natal	20	3	12	54
Orange Free State	0	1	0	0
Transvaal	1	27	0	55
Total	23	72	199	207

Notifications received by the Department of National Health and Population Development.

Marasmus/kwashiorkor. cases

540 Mr M J ELLIS asked the Minister of National Health and Population Development

How many (a) cases of (i) marasmus and (ii) kwashiorkor were reported, and (b) children were treated in clinics for each of these diseases, in 1989?

Hansard 22/6/90 B1275E
The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

(a) (i) and (ii) Marasmus and kwashiorkor are not notifiable diseases. Accurate incidence figures are thus not available for these two conditions

(b) During 1989, 3 045 children were treated for marasmus and 7 672 for kwashiorkor through the departmental scheme

HOUSE OF ASSEMBLY

1983/84	2 117 388	100 194
1984/85	2 912 572	187 538
1985/86	3 289 060	121 436
1986/87	3 839 804	151 024
1987/88	3 969 196	164 358
1988/89	4 571 006	184 272
1989/90	4 180 716	148 824

(c) Qwaqwa Bus Service (Pty) Ltd which traded under the name of Setsokosana Bus Service (Pty) Ltd until the end of 1985/86 financial year

Lung cancer

539 Mr M J ELLIS asked the Minister of National Health and Population Development

How many persons in each race group in each province died of lung cancer in 1989?

Hansard 22/6/90 B1274E

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

Number of lung cancer deaths in the Republic of South Africa by Population Group, 1989 (as on 11 June 1990)

Province	Indian	Black	Coloured	White
Cape	2	41	187	98
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Transvaal	1	27	0	55
Total	23	72	199	207

Notifications received by the Department of National Health and Population Development.

Marasmus/kwashiorkor. cases

545 Mr R M BURROWS asked the Minister for Administration and Economic Co-ordination

(1) Whether the Commission for Administration recently effected alterations to the Public Service Staff Code relating to the housing subsidy scheme for State employees, if so, (a) what is the purpose of the alterations and (b) when will they come into effect, *Hansard* 22/6/90

(2) whether a costing has been done of the effect of these alterations, if so, what are the relevant details?

Hansard 22/6/90 B1289E
The MINISTER FOR ADMINISTRATION AND ECONOMIC CO-ORDINATION

(1) Yes

HOUSE OF ASSEMBLY

(a) The purport of the most important changes are as follows

* The revised allowance scheme does not provide for the continued subsidisation of additional capital redemption.

* In terms of the revised allowance scheme, employees will only be paid an allowance until they reach the age of 65 years whereas no age restriction existed under the previous scheme for the payment of subsidy to employees

* Under the previous scheme participants were penalised in terms of shortening the period for which they could participate in the scheme as a result of some or other action (eg the net profit realised from the sale of a previously subsidised dwelling was not utilised as payment for a next dwelling). Under the revised scheme, penalisation will be effected by means of decreasing the amount of the monthly allowance payable

* Participants in the previous scheme were divided into two percentage groups, namely the 3% group and 4% group with the salary notch R29 205 as division point between the two groups. In the case of the 3% group, the interest above 3% up to and including the average building society interest rate was subsidised whilst in the case of the 4% group, the interest above 4% was subsidised. The new allowance scheme will only cater for one percentage group namely a 3% group

* The previous scheme permitted a person to buy (or own) only two dwellings consecutively while stationed at the same headquarters. Furthermore, he could in respect of the first dwelling for which he received a subsidy, raise his registered mortgage more than once in order to obtain funds for immovable improvements/alterations to

such first dwelling. In the revised scheme, no such limitations exist

* If a person under the previous scheme, in addition to the dwelling which he occupied, owned another

(i) paid-off dwelling in respect of which he previously received a housing subsidy, he was excluded from participation in the scheme; or

(ii) not paid-off dwelling in respect of which he previously received a housing subsidy and if such other dwelling had a smaller mortgage bond than the bond on the dwelling which he occupied, the subsidy payment period (in respect of the house he occupied) was shortened according to a prescribed formula

In terms of the revised allowance scheme if a person owns another (paid-off or not paid-off) dwelling, he will qualify for participation in the scheme but a reduced monthly allowance is payable in respect of the dwelling he occupies

* Under the previous scheme a person who sublet his dwelling was penalised in terms of the period for which he qualified for the payment of subsidy. In terms of the revised allowance scheme, no penalisation for subletting takes place.

(b) 1 August 1990

(2) An accurate costing was not undertaken. Care has however been taken to ensure that the expenditure resulting from the revised allowance scheme does not exceed that of the previous scheme

Brandvlei area, NW Cape, Radio SA transmissions

552 Mr J VAN ECK asked the Minister of Home Affairs †

With reference to his reply to Question No 448 on 28 May 1990, (a) how many radio listeners are detrimentally affected by the fact that the English service of Radio SA is not transmitted

~~Dr C Laubscher~~
Dr C Laubscher

Dr C J Vermaak

Dr C J Vermaak

Dr I V de Jager

Dr E du Plessis

Dr W Heunis

Dr J H Olivier

Dr P J Beukes

Dr H C Vorster

Dr C J Vermaak

Dr E J Badenhorst

Dr R Olivier

Dr W A Kotzenberg

Dr A J P Burger

Dr M Patterson

Dr D Ungerer

Dr W E Jackall

Dr P J de Jager

Dr D M Hawkins

Dr J Nagtegaal

Dr D Bruwer

Dr G S Withunshaw

Photo-chemical smog

588 Mr R F HASWELL asked the Minister of National Health and Population Development

- (1) Whether Cape Town experienced a photo-chemical smog on the morning of 17 April 1990, if so,

- (2) whether there were any instances of non-compliance with State health guidelines on the morning in question, if so, what are the relevant details?

B1356E

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

- (1) Yes atmospheric conditions were conducive to photo-chemical reactions, with a strong temperature inversion and absolutely calm conditions,

- (2) yes, the National Guidelines were exceeded for Total Nitrogen Oxides, (NOX), Nitric Oxides

HOUSE OF ASSEMBLY

(NO) and Hydrocarbons, as measured by the City Council of Cape Town at the City Hall However, at the same site, the level of ozone, an important indicator of photo-chemical smog was low

The highest levels measured were as follows

Pollutant	Levels measured hourly average values in microgram/m ³	Guidelines
NOX	2 468	1 504
NO	2 357	1 128
Non-methane hydrocarbons	1 287	270
Ozone	20	240

The episode lasted only for two hours from 07 00 to 09 00

Salaries/salary scales

589 Mr R M BURROWS asked the Minister for Administration and Economic Co-ordination

What have been the applicable salaries and/or salary scales for each post level in each department and organisational component referred to in section 6(1) of the Public Service Act, No 111 of 1984, since 1 April 1990? **250**

Answered 27/6/90 B1358E
The MINISTER FOR ADMINISTRATION AND ECONOMIC CO-ORDINATION

There are approximately 520 occupational classes, each consisting of various post classes, each with its own salary scale. In order to ascertain the appropriate salary scale for each post class in each department and organisational component referred to in section 6(1) of the Public Service Act, No 111 of 1984, the relevant information will have to be obtained from each such department and organisational component. Due to the extent of this task, it cannot be justified.

Public Service: differential pay scales

590 Mr R M BURROWS asked the Minister for Administration and Economic Co-ordination

Whether there are differential pay scales in the Public Service for different grades of employees, if so, (a) how many pay scales are there and (b) what will be the appropriate key scale applicable to each pay level as at 1 July 1990? **250**

B1359E

The MINISTER FOR ADMINISTRATION AND ECONOMIC CO-ORDINATION

Yes

(a) 318, according to the latest available information **250**

(b) Particulars of the standard salary levels, utilised as basis for the salary scales of officials, are as follows

3141x228-3369x312-4305//3369x312-4617//3681x312-4617x399-5016//3993x312-4617x399-5415//4617x399-6213//5814x399-7410//7011x399-7809x438-9123//9123x438-10437x498-11931//11931x498-13425x663-15414//14088x663-17403x909-18312//15414x663-17403x909-20130//18312x909-23766//21948x909-25584//25584x909-26493x1356-30561//29205x1356-34629//34629x1356-40053//38697x1356-40053x1641-43335//43335x1641-46617//49899x2106-54111//54111x2106-56217//56217x2106-58323//58323x2106-60429x2778-63207//74319//87402//110901//120987//165768

Own Affairs

Group areas legislation: prosecutions in certain areas

124 Mr L FUCHS asked the Minister of the Budget and Local Government **250**

Whether it is the intention to prosecute every person contravening group areas legislation in the Homestead Park/Turffontein/Bezuidenthoutsvallei/Malvern/Southdale West area, if

260/1
New board to
set MPs' pay?

Political Correspondent

MEMBERS of Parliament yesterday took the first step to the setting up of a neutral body to determine their salaries and perks.

The delicate issue has sparked heated public debate in recent years — particularly when MPs voted themselves increases higher than members of the public service and the inflation rate

However, all three Houses of Parliament yesterday agreed to an all-party parliamentary committee to investigate the establishment of an independent statutory board to determine the pay and allowances of political office-bearers.

Reserve Bank seeks answer to R2bn spending dilemma

THE Reserve Bank wants to find a way of transferring government's R2bn social spending fund to the private sector without interfering with monetary policy or disrupting the markets.

The Independent Development Trust has not yet received the money allocated at the end of the previous fiscal year from the exchequer's account at the Reserve Bank.

The trust, chaired by Jan Steyn, is losing interest on the money while it lies idle at the Bank — lending some urgency to finding a solution to the dilemma.

Bank Deputy Governor Chris de Swardt said yesterday.

GRETA STEYN

"If the money is placed on deposit with a private bank, it will mean a substantial injection of liquidity into the money market.

"Such a development would contradict the current monetary policy stance. We are therefore holding discussions with the trustees in an effort to find a way around the problem."

There is talk in banking circles that the money might be kept out of the market by investing it in short-term government stock via government's investment agency, the Corporation for Public Deposits —

a move which would ensure the trust no longer lost interest. *17 Day 29/6/90*

Once the money is spent on development infrastructure, however, it will have an expansionary effect on the economy and the Reserve Bank is expected to keenly monitor the timing of the actual spending.

The Bank has maintained a tight stance in the markets despite firm signs that credit demand is dwindling fast.

Bankers say most of the R2bn-R3bn money market shortage (the amount the banks need to borrow from the Reserve Bank) has been created by the Bank to keep its policy effective.

De Swardt confirmed the Bank had continuously been draining liquidity in the form of dollar repurchase agreements, but added the last agreements expire at the end of this month.

He also noted the Bank had been selling government stock on an ongoing basis, and that the heavy foreign outflows in June would also reduce liquidity in the market.

Market estimates put the sale of government stock in June at R300m-R400m, but foreign outflows in the form of interest and capital payments are less easy to estimate as the amount of rollovers secured has not been revealed.

The volume of production of secondary industry grew by 0,2% in 1989

the growth force it had to be placed on An outward-orient

Auditor General attacks public service duplication

GERALD REILLY

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PRETORIA — The expensive duplication and triplication in SA of public services had for decades been uneconomic and inefficient, Auditor General Peter Wronsley said yesterday

Speaking at a SA Institute for Public Administration seminar at the University of Pretoria, Wronsley said, however, it was arguable they — duplication and triplication — were effective so long as integrated facilities were anathema to the parliamentary majority

"Pity the auditor entering this subjective minefield on a performance audit excursion," he said

Wronsley said duplicated and triplicated facilities were under-utilised in one place or community while nearby facilities were overloaded as a consequence of ideology. This placed the auditor in an invidious position

"However clinically correctly he might identify a fiscally indefensible arrangement, he could land up in a political crossfire," he said.

On standards, he said as the departments of finance discovered when norms and standards to underpin grants to "own affairs administration" were being designed, the norms were the least of the problem.

It was the standards that eluded agreement and to this day they were likely to feature high on the forthcoming negotiations agenda, he said

Transnet control 'effective'

GERALD REILLY

PRETORIA — Although Transnet was only a few months old, it was already clear that control by a board of directors was far more effective for a government business than parliamentary control ever was, Transnet GM Anton Moolman said yesterday

direction — and it was not privatisation but commercialisation.

Speaking at a SA Institute for Public Administration seminar at the University of Pretoria, Moolman said the switch from SA Transport Services to a public company was a dramatic change in

In the case of Transnet, parliamentary control was replaced by a board of directors which, with the exception of himself, consisted of business leaders from the private sector

At least 80% of the advantages came from commercialisation and only a smaller part from eventual privatisation

61 Day 2/16/90
4

Role of govt questioned

DEBATE must come on how government exercises its influence on the economy. Development Bank of Southern Africa (DBSA) chairman Simon Brand said this week in Johannesburg.

Addressing the AGM of the Southern Transvaal African Chamber of Commerce (Soutacoc) he said the debate should not be on whether government should play an important part in increasing the share.

He said the public sector had long commanded and directed a large part of the resources of the country.

"Government expenditure has long amounted to over 20% of gross domestic expenditure and the share of the broader public sector in gross domestic fixed investment has been in the order of between 50% and 60% for several decades.

"The real question is therefore not whether the state is supposed to play an important part in the economy, and neither is the argument strong in favour of further increasing the share of the state in the economy for whatever purpose," Brand said.

The facts were that the state was already playing an important role in the

THEO RAWANA

economy, he said.

The debate should be more about the way and the purpose with which government intervened and influenced the economy — in terms of regulation and of the use of resources, he said.

Brand said an important part of the policy agenda of bodies like Soutacoc (an affiliate of Nafcoc) should be to evaluate the extent, direction and effect of government's role in the economy.

It should also suggest ways in which that role could be adjusted towards more effectively serving goals such as more equitable participation and sharing in the benefits yielded by the economy.

He listed other areas in which government's role should be subjected to scrutiny: were access to economic opportunities and resources, access to land and the increasing level of unemployment.

The DBSA had given a lot of attention to these issues over the past years through basic research and would like to offer the bank's facilities, Brand said.

Worrall on public service

CAPETOWN — A heavy responsibility rested with the public service as SA entered a period of profound transition, DP co-leader Denis Worrall said this week. *6 Day 2/16/90*

Addressing the AGM of the Public Servants' League in Brackenfell on Wednesday, he said that in times of great transition public servants had often kept the state running while political parties and even whole generations of politicians had been swept out of office.

"Public policy in this country must now increasingly reflect the interests of a constituency in excess of 35-million people." — Sapa.

Minister denies NMS resurrected

Cart TIME 9/7/90

250

Political Staff

THE National Co-ordinating Mechanism (NCM) bore a superficial similarity to the discredited National Management System (NMS), but had a totally different aim and command structure, Education and Development Aid Minister Dr Stoffel van der Merwe said yesterday.

He was reacting to reports in a Sunday newspaper that suggested the NMS was being operated under a different guise.

The NMS, dominated by security officials, was set up to counter activities of "revolutionary" organisations and had a chain of command outside normal government structures.

Dr Van der Merwe said the NCM was run by a secretariat of civilian officials out of the State President's Office and not by military officials.

The purpose of the NCM was to co-ordinate activities of government departments "to ensure that the left hand knows what the right is doing".

Reacting to suggestions that the ex-

istence of the NCM suggested that the government has a second agenda, Dr Van der Merwe said "We do have two agendas. The first agenda is negotiating a settlement. The second, as has been repeatedly stated, is good government. This forms part of that second agenda."

Asked about the operation of security committees which are mentioned in the document leaked to the Democratic Party on which the Sunday newspaper based its report, Dr Van der Merwe said such committees did exist where the police and the defence force felt it necessary that they co-ordinate actions. But these committees existed outside the NCM.

Dr Jannie Roux, secretary-general of the President's Office, who as secretary of the cabinet is in charge of the NCM, said. "There is no way the new system can be compared to the old management system. It cannot give orders. It is an open system designed to ensure that there is co-ordination."

Reports on security system 'incorrect'

Copy to V 11/7/90 250

PRETORIA — The State President's office yesterday said reports that the shadowy National Security Management System (NSMS) still existed under a different name were incorrect.

Mr F W de Klerk announced last year that the NSMS would be "replaced"

A statement said the reports contained "incorrect information", and that the new National Co-ordinating Mechanism (NCM) was in line with what the State President had announced

The statement said the purpose of the NCM was to bring together departments and institutions in matters demanding multi-departmental action.

"The NCM is not an institution which issues directives and exercises powers in respect of the line-functions of departments"

The whole point of the NCM was to confirm and support line-function authority

"The NCM is not a body or institution in itself, but merely serves as an instrument through which co-ordination of government activities can be brought about.

"Emphasis has been shifted to welfare and co-ordination

"The old system was by contrast strongly security-orientated and certain functions were managed from within it," the statement said

The primary objective of the NCM was to create the prosperity demanded by the new South Africa

The so-called state war book to which several reports had referred had nothing to do with the NCM, the statement said.

The war book was a set of administrative rules according to which state departments would have to act in the event of a military onslaught against South Africa. It had been compiled jointly by all departments involved.

"While it is improbable that the RSA could become officially involved in a war, maintenance of procedure arrangements of this nature is international practice," said the statement.

The war book was no secret and the media had in the past been informed of its existence

"The book as such has nothing to do with the functioning of the NCM" — Sapa

CAF T-715 17/7/90

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Blacks on rise in civil service

Own Correspondent

PRETORIA. — Blacks are set to play a far more important role in the public service in the years immediately ahead, the chairman of the Commission for Administration, Mr Pret van der Merwe, said yesterday.

In an interview here, he stressed that there were no barriers to the advancement of qualified blacks in the service and no place for tokenism. The commission was colour-blind —

"we want the right man for the job, irrespective of colour or race". The service currently consists of 41% whites and 38% blacks.

He also said the service's image had suffered grievously because of the unjust discriminatory laws it was compelled to administer under the apartheid regime of the past four decades.

How, he asked, could any public service avoid a poor and oppressive image when it was antagonising 75% of the population.

"It is vital that we restore the trust and confidence in the service which has been broken down under apartheid."

Mr Van der Merwe said it could be expected that blacks would overtake whites as a majority, and not only in low-level jobs.

There was nothing to prevent a black person even now rising to the rank of director general heading a state department, he said.

And as more blacks became educationally qualified, their intake into senior posts would increase.

Asked if an increasing integration of blacks into the service would be resisted by white workers, he said "I believe not, provided promotions are seen to be strictly on merit, based on qualifications and the ability to do the job".

The number of blacks in the service would move and more reflect the composition of the population with its 16% whites.

Mr Van der Merwe said public service numbers were small compared with other countries, with the possible excep-

tion of Japan.

In West Germany, for instance, the spread of the public service was greater by half relatively than the SA public service.

The public perception of the service was that the 980 000 workers in the public service all worked in central government departments.

It should be noted, he added, that included in that number were 230 000 teachers, 91 000 nurses, 240 000 labourers and 140 000 in the security forces.

R2,7m to renovate ministerial homes

Political Staff

THE government had spent more than R2,7 million renovating 50 ministerial homes over the past eight financial years, the Minister of Public Works, Mr George Bartlett, has disclosed.

This means an average of R54 800 has been spent on each of these Cape Town houses in the past eight years.

Mr Bartlett said in reply to a question, tabled in Parliament by Mr Schalk Pienaar (CP Pot-

gietersrus), that R1 784 468 was spent on 48 houses between the 1982/83 and 1988/9 financial years.

Earlier this year he told Mr Rupert Lorimer (DP Bryanston) that a further R956 325 was spent on six of these houses and two others during the previous financial year.

Mr Bartlett said in March that it had been decided that at least one ministerial house would be totally upgraded each year.

Other costs in the renovation of the houses involved the provision of additional facilities, such as

cupboards and fittings, as well as the provision of braai facilities at a number of the houses.

At Schoongelegen in the city, the enlargement of the entertainment area and provision of a braai facility in January 1988 cost R36 542

The entertainment area and braai facility at Newlands House, also in the city, cost R18 293 in June 1987, and the erection of a garage, braai area, laundry and other minor services at Maroela in Pretoria cost R89 100 in March 1986, Mr Bartlett said



Midweek Politics
By ANTHONY JOHNSON

TO WHAT extent have the se-
curocrats really had their wings
clipped since President F W de
Klerk announced amid great
fanfare late last year that the
shadowy National Security
Management System was to be
scrapped?

Government spokesmen have
in recent weeks been quick to
deny that the National Co-ordin-
ating Mechanism (NCM) is large-
ly a resurrection of the NSMS.

The State President's office
has maintained there was "no
way" the two could be compared
since the new management sys-
tem could not give orders.

And one of the government's
key negotiators, Dr Stoffel van
der Merwe, insists that the NCM
and its sub-bodies need to be
differentiated from their prede-
cessors because they are now
only advisory bodies.

But the government and the
security establishment mar-
shalled basically the same argu-
ments in defence of the old sys-
tem when it was criticised for
the scope of its power and influ-
ence in affecting policy-related
decisions and the executive
branch of government in
general.

Were they fibbing last time
around, it has to be asked?

In defending the new system,
Mr De Klerk has stated that
whereas the NSMS was strongly
"security-orientated", the em-
phasis had been shifted to "wel-
fare and co-ordination".

This may well be the case, but
what he omitted to say in his
defence of the new order was
that such a transition was part
of the original rationale for the
security management pro-
gramme.

The objective of the old sys-
tem was to pilot the country
through three distinct stages:
from a state approaching ungo-
vernability to relative stability
to eventual normality.

The welfare action which
forms a major component of the
stabilising stage was already
gaining a high priority in most
areas of the country (except
Natal) when Mr De Klerk an-
nounced the scrapping of the
NSMS late last year.

The leaked secret document
detailing the new role of the

The NSMS v. the NCM: Can you spot the difference?

CMK 7/90
25/7/90
250

NCM now places the word "wel-
fare" before the word "security"
when the two issues are men-
tioned in the same sentence.

But it continues, as before, to
advocate involvement between
sub-bodies of the NCM and
black community organisations
with the view to feeding infor-
mation (intelligence?) through
to government department
heads.

In many cases the adjust-
ments that have taken place
amount to little more than
changing the name of previous
structures, leaving the new sys-
tem — in diagramatic form —
looking like a close relative of
the old one rather than a totally
new animal.

The document outlining the
goals, composition and func-
tions of the new complex web of
bodies often uses virtually iden-
tical terminology to that which
applied before.

True, security personnel no
longer chair most of the ren-

amed Joint Co-ordinating Cen-
tres and the formal status of the
State Security Council has been
downgraded but questions will
continue to arise as to why the
new system does not appear to
reflect the thoroughgoing
changes that many observers ex-
pected when Mr De Klerk an-
nounced the scrapping of the
NSMS to restore state control to
elected representatives.

Observers of the security es-
tablishment now point out that
many seurocrats believed the
old system, despite its poor
reputation, was "working well"
and certainly did not deserve to
be abolished.

The secret document dealing
with the NCM notes rather dis-
armingly that because the
scrapping of the old NSMS led
to certain vacuums in the secur-
ity field, Mr De Klerk has given
permission for an investigation
into creating mechanisms to fill
these.

Mr De Klerk should have an
interesting time explaining this
one to the ANC when the two
sides meet next month.

Bureaucrats push demand for inclusion in Act to Cabinet level

B/Dam 1/8/90

GERALD REILLY

PRETORIA — Pressure from public service staff to have government workers brought within the Labour Relations Act's ambit has forced the issue to Cabinet level, Public Servants' Association (PSA) GM Hans Olivier said yesterday

It was on the agenda of special Cabinet meetings on Monday and yesterday at a secret venue outside Pretoria (250)

Olivier said public servants should no longer be denied rights set out in the Labour Relations Act

He said there were two possibilities supplementing the Public Service Act to provide for the instruments and mechanisms in the Labour Relations Act, or the application of the Act to public servants.

During the protest that followed the 10% non-pensionable pay hike from April, many members demanded the right to strike or go slow in support of demands for improved service conditions. Olivier said the logical solution was to bring the public service work corps under the umbrella of labour relations legislation

Under existing conditions the public service staff associations had little muscle when it came to pay demands and negotiations. They were at the mercy of government. The PSA realised that essential services could not be disrupted by strikes, but at the same time they needed the bargaining rights accorded all other workers in terms of the Labour Relations Act. The PSA also wanted the right to go to arbitration when negotiations deadlocked.

"The bottom line is we have no effective powers to force the employer to compromise with us on our demands," Olivier said.

The PSA welcomed Cabinet's decision to consider improved labour legislation for government workers. However, the PSA was not asked to submit inputs as a background to the discussions. Olivier said the PSA could not turn a blind eye to strong indications that the Labour Relations Act was to be reviewed and possibly amended to include public servants.

Don't deny Public Servants - plea

Journal 11/8/90
250
PUBLIC servants should no longer be denied the right other employees in the private sector enjoy in terms of the Labour Relations Act, the general manager of the Public Servants' Association, Mr Hans Olivier, said yesterday.

Responding to reports that the Cabinet might discuss the unionising of public servants during their "planning session" this week, Olivier said two possibilities existed for this purpose namely, "Supplementing the Public Service Act to make provision for the instruments and mechanisms provided for in the Labour Relations Act, or the application of this act to all public servants.

"The PSA is at present considering the matter carefully," he said.

Olivier said the logical solution could possibly be to make the Labour Relations Act accessible to all public servants "in view of the fact that it is an easier avenue for the solution of the present problems".

"The application of the Act to accommodate public servants would also alleviate the position of officials rendering essential services in which case they would in terms of the Act be excluded from the right to strike and be compelled to participate in compulsory bargaining with the employer" - Sapa.

FIM 3/8/90

(250)

nel the remaining funds to the most needy cases (*Property* July 20)

The commission faces the opposite problem. It oversees the housing subsidies available to public employees and, since the State's manpower cutbacks appear to be working, it may be in a position to divide the existing funds more generously between fewer public employees who do qualify for assistance.

"The suggestion is that broadly four out of every 10 State employees on a subsidy will move to the private sector and that will leave a considerable amount of money in the subsidy pool for redistribution," says H Lewis-Trafalgar's Peter Ferreira. He adds that a subsidy review is overdue because they haven't been revised for several years.

Needless to say, the commission is keeping mum on the issue — other than to confirm that a meeting to discuss the matter is to be held with various civil service personnel organisations later this month.

However, it is widely believed the ceiling on subsidies could be raised from R50 000 to R70 000.

Civil servants are now subsidised to the tune of R662 a month on bonds of up to R35 000. Above that mortgage assistance drops to R627 a month for bonds not exceeding R50 000.

Any change in the subsidy ceiling could have a particularly dramatic affect on Pretoria's flagging residential property market. Just as demand for office space in Pretoria is largely dictated by the needs of the public sector, so the housing requirements of civil servants project the biggest influence on the residential property market.

The result of a static or shrinking civil service in Pretoria's case, according to agents like H Lewis-Trafalgar and E G Chapman, is a soft residential market with stagnant or even declining house prices in all but the higher priced brackets. Particularly badly hit are flats and apartments — even though there has been little or no flat building in Pretoria in recent years.

Chapman executive director Robert Ketjes says the market seems to be adopting a wait-and-see attitude on the State employee subsidy issue. "As a result our agents are having to work hard to close deals." ■

HOUSING SUBSIDIES FM 3/8/90

Overstated

(250)

While Planning & Provincial Affairs Minister Hernus Kriel grapples with the daunting task of spreading rapidly diminishing subsidy funds among a growing number of first-time home-buyers, his colleagues in the civil service Commission for Administration have a very different problem on their hands.

Kriel has been forced to reduce the earnings ceiling of blacks applying for the first-time home-buyer's subsidy in order to chan-

(250)

L

Government cutbacks begin to take effect

CAPE TOWN — The public sector is undergoing significant rationalisation — an indication that the cost-cutting recommendations by Economic Co-ordination Minister Wim de Villiers' are taking effect.

The rationalisation programme, most visible in the government departments of Foreign Affairs and Trade & Industry, stems from this year's limited Budget allocations and an undertaking by President F W De Klerk, at De Villiers' recommendation, to control public sector spending. Initiated at the start of the financial year in March, the programme was intensified in June when De Klerk announced

LESLEY LAMBERT

that the R1bn allocated for the upgrading of the security forces, including the expansion of the police force and provision for salary increases, would have to be funded by cuts in other departments.

All departments were immediately ordered to re-assess their spending programmes and report back to the Treasury by the end of July.

So far, Foreign Affairs appears to have been hardest hit.

The department has already announced the closure of some of its smaller missions,

the freezing of staff vacancies and a moratorium on the recruitment of new staff and is expected to add more casualties to this list.

According to a Foreign Affairs spokesman, only R542m of the R3,8bn budget allocated in the 1990/91 budget is available for the department's core business and staff salaries. The rest goes to the TBVC countries.

To be able to afford new opportunities as they arise in Eastern Europe and the Soviet Union, the department has already had to sacrifice some of its smaller missions.

□ To Page 2

Cutbacks

The reduction of staff in foreign missions has become an important priority as a result of foreign exchange losses incurred from the payment of salaries in foreign currencies, amounting to almost a R50m loss last year.

Trade & Industry has also declared significant cost savings, with the suspension of decentralisation allowances as one of its major cutbacks.

Another development has been the appointment of a committee to reduce the

unnecessary duplication in government departments of functions like development assistance, while the Defence Force is expected to announce further cuts in navy and airforce spending. Cutbacks in agricultural subsidies are apparently under consideration.

To assist the rationalisation process, government appointed private sector consultants to identify unnecessary costs and introduce management accounting techniques with the purpose of creating a leaner, more efficient public sector.

□ From Page 1

GRETA STEYN

CENTRAL government is still growing in spite of the oft-stated policy to rationalise; according to an analysis of public sector employment figures provided by the Central Statistical Service.

The figures also show the governments of the "self-governing" territories are still expanding at a rapid rate.

But the privatisation of Iscor and rationalisation of public sector business enterprises such as Transnet and the Post Office are keeping overall public sector employment figures down.

Government's policy to trim central government and devolve power to the lower levels of administration is not re-

Central govt staff keeps on growing

flected yet in the employment figures.

While central government is expanding, provincial administrations are shrinking and local authorities are remaining more or less static.

The figures show 17 497 new people were enrolled by "general affairs" in the year to March 1990 — representing growth of 5%. The expansion in this category follows similar growth in the year to December 1989.

"Own affairs" also rose (1,3%). By con-

□ To Page 2

Govt staff

trast, provincial authorities cut staff numbers by 4,6% or more than 10 000 people and local authorities were down by 6,3%

The Iscor privatisation had a huge effect on the overall employment figures of public corporations, pulling them down by more than 21% and taking more than 37 000 jobs out of the public sector.

Transnet also showed a substantial de-

cline in the number of full-time posts — 8 332 jobs were cut in the year to March

The cutback in Post and Telecommunications was at a slower rate with the decline less than 1%.

These cutbacks, combined with the Iscor privatisation, pushed overall public sector employment down 2,2% in the year to March

□ From Page 1

Civil servants push for labour rights

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PRETORIA — The Public Servants' Association (PSA) would tell the Commission for Administration at a meeting tomorrow that the setting up of more effective negotiating machinery had become "extremely urgent", sources said yesterday.

Senior public servants said government had been dragging its heels on the issue for the past two or three years, and this had been a major cause of resignations.

Unlike other employee organisations in the private sector they had had to accept a pay deal from government that fell far short of what was asked for and what was justified by inflation and comparable private sector pay levels.

A PSA spokesman said the bottom line was the right to go to arbitration. This was a basic right enjoyed by all other employee organisations and trade unions. The PSA wanted government workers to fall within

GERALD REILLY

the ambit of the Labour Relations Act.

In terms of the Public Service Act government workers were forbidden to strike, go to arbitration or take their grievances to the industrial court

The spokesman said this was an intolerable situation in these days of enlightened labour relations.

The PSA conceded there were certain essential public services which could not be allowed to be disrupted by strikes or other aggressive labour action. However, the rest of the public service should be on a par with private sector workers.

Another issue to be thrashed out with the commission tomorrow is the housing loan ceiling of R50 000. The PSA wants this raised to at least R90 000

15/8/77

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'Make the public service efficient'

The Argus
Correspondent

PRETORIA. — The government can contribute to a more effective and efficient public service by producing clear and practical policies, says the chairman of the Commission for Administration, Dr Piet van der Merwe.

In an opening address to a seminar entitled "South Africa Public Service Quo Vadis" at Unisa yesterday, he said government must be prepared to modify policies on the basis of feedback from its public service managers

Reduce burden

Other steps which must be taken were:

- The reduction of legislative burden on administrators, public service managers and the public,
- Decentralisation and an end to the "crippling" external constraints imposed on administrators and public service managers,
- Tranquillising of South Africa's external and internal relations;
- Allocation of adequate resources to administrators and line managers

Dr Van der Merwe said public service managers needed the freedom to organise, staff, finance and control their departments while head offices concerned themselves only with policy, planning and management information systems.

Public service of future 'more streamlined'

By Own Correspondent

The "new" public service would be more streamlined, cost-effective and productive, and alert to the needs of the public, executive chief director, administration House of Representatives, Awie Muller said at a seminar on the future on the public service at Unisa this week.

The days of the tri-cameral system of government were numbered and the public should not be forced to use public services against their wishes, or to pay for services not used, but should have "free choice"

Emphasis

But while the separate houses would not exist in a new constitution, and the emphasis would shift from judging the success of a man by the size of carpet in his office, the basic role of the public service would remain the same, he told the seminar.

Director General, administration, House of Delegates, "Skippie" Scheepers said the public service of the future would have to give more attention to the public than to the government of the day.

The public service had to be flexible and innovative, employing its members on a non-racial basis, and selecting leaders who are constructive thinkers with less rigidity and a more tolerant attitude, he said.

In the "new" South Africa public servants need to:

- Have a "vision" of the just society of the future, and actively work to achieve it.
- Undertake duties in an objective manner so as to best serve interests of all people.
- Strive for efficiency.

While fundamental and irrevocable political, social and economic changes had already taken place in South Africa, the public service still had to adapt, he said.

● The Government aims to limit its intervention in the relationship between Public Service departments and employees, three cabinet ministers said in a joint statement in Pretoria yesterday.

The Minister of Manpower, Eli Louw, the Minister of Home Affairs and of National Education, Gene Louw and the Minister for Administration and Economic Co-operation, Dr Wim de Villiers, said this policy would allow parties to establish efficient and suitable arrangements for the relations between employers and employees.

Commitment

As far as teaching staff and other civil servants were concerned, the Government had initiated a process aimed at giving effect to recognised employee rights.

"This implies that the state as employer will continue its commitment to fair and just conduct towards its employees, while ensuring on the other hand that Public Service departments as employers are still able to render an efficient service to the community."

Over R2-m embezzled from State in a year

Pretoria Correspondent

Between R2 million and R3 million was misappropriated from the State during the past financial year

And although the Auditor-General, Peter Wronsley, says he is "not happy about it", this amount represented a very small percentage of the total State Budget and showed SA had "an honest administration".

Addressing the Unisa Department of Public Administration seminar on the financial responsibilities of the public ser-

vant yesterday, Mr Wronsley said the total extent of irregular spending — including valid excess expenditures — was R52 million.

Mr Wronsley pointed to the wastefulness of duplicated facilities, under-utilised in one place of the community while facilities nearby were overloaded because of a political ideology.

This situation, he said, placed the auditor in an invidious position.

Mr Wronsley told the seminar — attended by about 250 se-

nior public servants and academics — there was no statutory restriction to prevent public officials getting greater financial responsibility. Some departments already had a high degree of such autonomy.

However, he warned, in the public service, effectiveness was often difficult to quantify, and success could not always be measured by profits.

He also warned against a relaxation of strong centralised control by the Treasury, especially at a time of an "unknown" future.

In his address to the seminar, Dr Estian Calitz, Deputy Director-General of the Department of Finance, referred to the time of change and uncertainty facing South Africa.

Dr Calitz said available State finances could not meet all the demands of the "new" South Africa.

He said the first demand for successful financial management in the new public service was realistic expectations of economic growth and development.

Govt needs additional R1,2billion

250
CMT-TinP
30/8/90 Own Correspondent

JOHANNESBURG. — The government will need R1,2 billion more than budgeted from the capital market to finance extra expenditure in the current fiscal year, according to a senior Department of Finance official.

The Deputy Director-General of Finance, Mr Estian Calitz, said special expenditures, announced after the budget, could mean a greater demand on the financial markets.

A revision of spending estimates for the 1990/91 fiscal year yielded about R74,1bn — against a budgeted R72,9bn. This implied an increase in spending of 12,9% for the year (budgeted 11,8%). He said "various actions" were under way to ensure compliance with the adjusted budget figures.

Increased spending would reflect a portion of R1bn set aside for black schools and buying land for black urbanisation.

"These expenditures, to be financed from privatisation proceeds or, failing that, from other sources of finance, have yet to take place. For logistical reasons it is doubtful that more than about 50% of this money will be spent during this financial year," Mr Calitz said.

Although privatisation proceeds had been identified as a source of finance, the macro effect on the financial markets would be no different from direct borrowing in the capital market.

"Both methods represent a demand on private savings through the financial markets," he said.

TEACHERS and civil servants could win trade union rights, including the right to collective bargaining, as a result of a government decision to review employment conditions of state employees

The government intended limiting "to the minimum" its intervention in the relationship between public service departments and their employees, the Minister of National Education, Mr Gene Louw, said in a statement.

The government had recently deliberated on the position of employ-

Teachers ^{4th} ^{for it} could win ^{20/8/60} union rights

ees of the state.

"The government endorses in principle the basic rights of employees and employers in all sectors of the national economy and in particular the basic rights of freedom of association and collective bargaining."

The government last week initiated a process aimed at recognising em-

ployee rights for teaching staff and state employees.

Mr Louw said the government had now instructed the Commission for Administration and the Department of National Education to accelerate the process.

These two bodies would liaise widely with interested parties "in order to establish, through a process of negotiation with representative parties, efficient and suitable arrangements for relations between employers and employees with the relevant sectors"

Executives to run govt departments

Cape Times 3/18/90
Political Staff
250

DURBAN. — Administration and Economic Co-ordination Minister Mr Wim de Villiers told the Natal National Party congress yesterday that he had appointed 12 private sector businessmen to serve as financial managers in government departments.

Mr De Villiers said it was not just the civil service that was top heavy but the government along with state involvement in the economy that was too large. He said that by 1988 63,7% of fixed investment in South Africa had come from the state.

There were simply not sufficient investment in the productive sector of the economy. An indication of this was that whereas in 1973 it required an investment of R2,40 to contribute R1 to GNP by 1988 it required a R5,80 investment to contribute R1 to achieve the same result.

Earlier Finance Minister Mr Barend du Plessis said the government's new economic policy would ensure cheaper electricity and transport and place

the country in a position to "export as never before".

He referred to the economic reconstruction plan which President F W de Klerk is expected to unveil within weeks and said government spending would be constrained and people would have to accept that their standards would have to drop.

Mr Du Plessis said red lights standing in the way of the country achieving high growth rates were excessive wage demands and low productivity.

Unions must understand their demands were destroying job opportunities and they were in danger of pricing themselves out of the market.

● Mr Pik Botha told delegates it was "a bit unfair" to blame the ANC and Mr Nelson Mandela for being committed to nationalisation.

Mr Botha said it was his impression from discussions with Mr Mandela that the ANC deputy president "stands ready to be persuaded" that nationalisation was not the best way to redistribute wealth in the country and correct historical imbalances.

Get the administrators back in the field, says Jammine

Stw 4/9/90

By Claire Gebhardt

20

Cut bureaucracy and let all the administrators who are doctors, nurses and teachers go out and do what they were originally doing.

That, says Dr Azar Jammine of Econometrix, is the only effective way to give a boost to the economy.

"The civil service must be cut down. We don't need eighteen education departments and fourteen health departments.

"With one department each, surplus administrators who are doctors, nurses and teachers could go out and do what they do best.

"It is far better to spend money on teaching and nursing than on administrators."

"If fiscal policy becomes expansionary now to help monetary policy the Budget deficit will rise and government's borrowing requirement will increase and place upward pressure on interest rates."

Dr Jammine is one of several economists who have come out strongly in support of Dr Stals' tight monetary stance.

They point out that if interest rates are being used as an operational variable to fight inflation, they cannot be brought down until inflation is under control.

And even if interest rate cuts materialise at the end of the year, they would have a negligible impact on unrest as effects take at least six months to filter through to the real economy.

Such poor shape

They warn however that the economy might, six months down the line, be in such poor shape that interest rates might have to drop as low as they did in 1986-87 to get the economy moving once more.

Professor Philip Mohr, head of Unisa's department of economics, says the rest of the world is watching SA to see how it maintains some form of economic stability in a changing political environment.

"If we cannot show signs of economic discipline the world will write us off.

"Dropping interest rates by a few

percentage points will have no effect on the real economy.

"It will only bring relief to the haves who have borrowed to the hilt, rather than to the have-nots.

"And if we try to stimulate the economy in the short term we will run into problems further along the line.

"On the fiscal side it was hoped that the tax cuts and the social upliftment programme would provide a welcome lift to the economy.

"But on the one hand there is the organisational problem, and now the spending problem on the ground.

"There is uncertainty as to where the economy is going but I do not believe we have a shortage of funds internally.

"People are merely waiting to see what will happen so are holding back investment. Even if we drop interest rates it will not have the desired effect.

"On the positive side the destruction of infrastructure will create the demand for new infrastructure and provide work for construction companies and the like."

WORK STOPPAGE

AKU 17/10/90 (250) ~~AKU~~ ~~AKU~~

By SHARON SOROUR, Labour Reporter
 THOUSANDS of public servants have stopped work — a move which is expected to seriously affect pension payouts, teachers' salaries and school examinations

The employees, from the House of Representatives' administration section, have stopped work over disparate salary adjustments

A Public Servants' League spokesman said they were demanding an immediate 20 per cent increase on the "living wage"

The employees were also demanding the immediate scrapping of the system of "occupational differentiation," in which people in other departments who do the same job are paid more

The spokesman said more than 3 000 Western Cape employees had stopped work yesterday in the departments of budgetary and auxiliary services, health and welfare and teaching personnel

The stoppage would have a serious effect on pension payouts, teachers' salaries and school examinations

Cut services

"The personnel who work directly with these matters have threatened to cut the services to the community if their demands are not met," the spokesman said.

A working committee had been formed to represent the majority of the workers, who were not members of the Public Servants' League

"We are having discussions with Cosatu about whether or not to let them take up our demands"

A meeting between workers' representatives and the chief director of the Department of Health and Welfare was scheduled for today

"At this stage services at schools and clinics are not affected. But if the strike continues it will definitely affect both

AKU 17/10/91
 Pay rises halt the police exodus

Crime Reporter

SALARY increases seem to have ended the exodus of policemen

A police spokesman said today the number of police had increased by 702 after the pay rises in July

Paltry pay was one of the reasons for hundreds of policemen buying their discharge last year

The loss was considered a catastrophe before the government announced in April that salaries would be increased.

The spokesman said 2 063 policemen had bought discharges since April and 2 286 had been recruited

After the increases 1 509 had joined the force and 807 had bought discharges

Flights to Comoros

PRETORIA — South African Airways is set to resume flights to the Comoros in March Comoran Minister of Tourism Saidah Youssouf said here two of his country's major tourist hotels would reopen at the beginning of March — The Argus Correspondent

The weather

Cloudy and cool

(Details, page 2)

20% pay increase demanded by thousands of Repps public servants



Black night for the White Angel

The return of professional wrestling to the Good Hope Centre was last night marred by an angry crowd which stormed the ring demanding their money back after two top South African wrestlers did not show up. Here angry fans at the apron of the ring demand their money back from promoter Shane Jaipal. Left Masked American wrestler White Angel with one of the chairs thrown at him by fans

who do the same job are paid more

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"At this stage services at schools and clinics are not affected. But if the strike continues it will definitely affect both the payout of teachers' salaries and pensions"

Main centres

Clerks, child-care officers, labourers and social workers attached to the regional offices in Wynberg, Mitchell's Plain, Athlone, Bellville were involved in the stoppage, as well as workers from the Bonnytoun Place of Safety, the Ottery and Faure industrial schools and the Porter correction school in Tokai

Workers in Worcester, Paarl, Johannesburg, Kimberley, George and Port Elizabeth had also downed tools

All the country's main centres were affected

"The administration section is the only government department in which workers have received only a 10 percent increase"

A letter requesting a 20 percent increase had been sent to President De Klerk 10 days ago

"We were very disappointed with the way he dealt with the issue"

High priority

Dr L Kathan, chief director of budgetary and auxiliary services in the administration section of the House of Representatives, said "There is no large-scale strike in the true sense of the word

"The core of the problem is occupational differentiation, which affects the entire public service

"This issue was taken up with the Commission for Administration. Their reply reflected that the matter would receive a high priority"

licemen

A police spokesman said today the number of police had increased by 702 after the pay rises in July.

Paltry pay was one of the reasons for hundreds of policemen buying their discharge last year

The loss was considered a catastrophe before the government announced in April that salaries would be increased.

The spokesman said 2 063 policemen had bought discharges since April and 2 286 had been recruited.

After the increases 1 509 had joined the force and 807 had bought discharges.

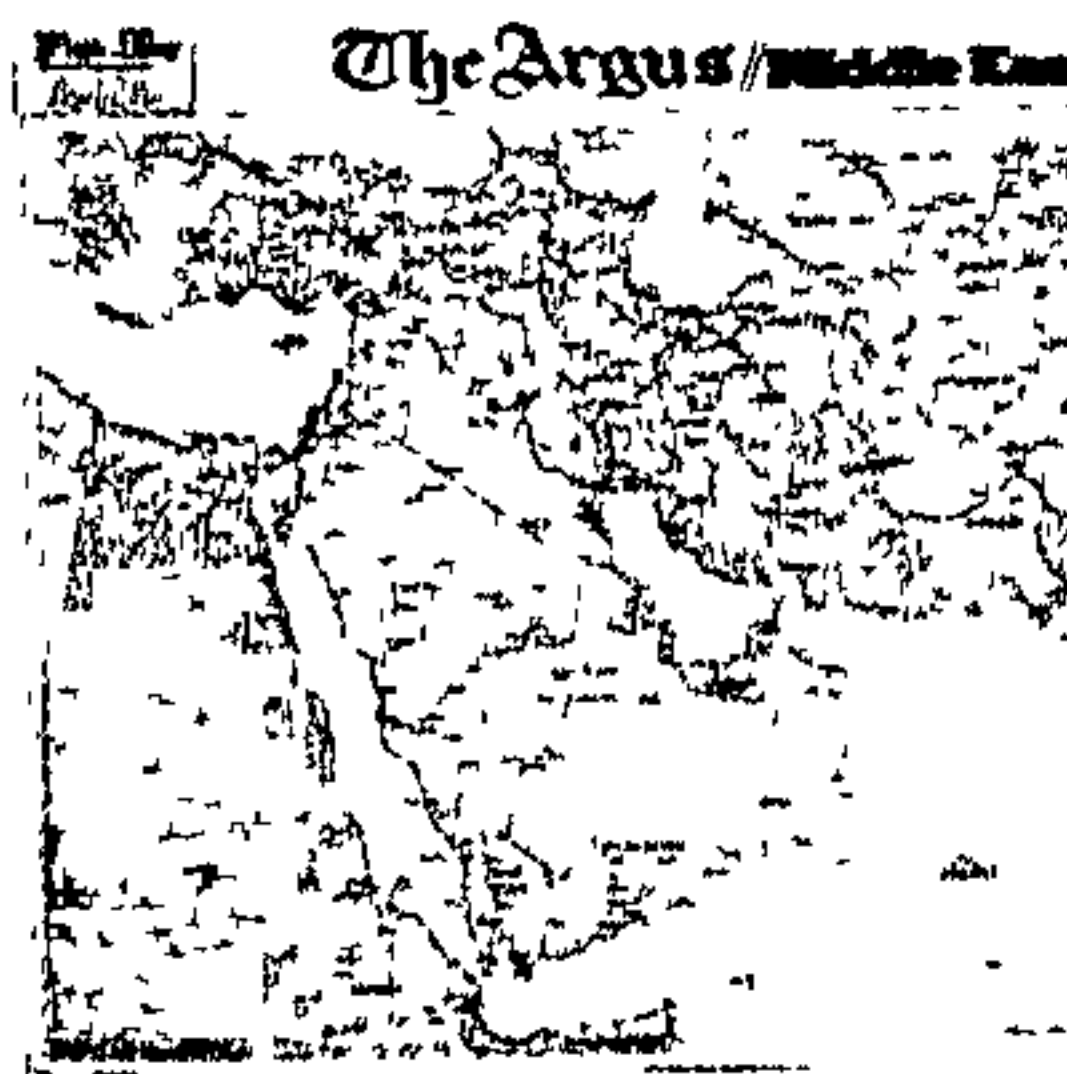
Flights to Comoros

PRETORIA — South African Airways is set to resume flights to the Comoros in March. Comoran Minister of Tourism Saidali Youssouf said here two of his country's major tourist hotels would reopen at the beginning of March — The Argus Correspondent

The weather

Cloudy and cool

(Details, page 2)



Free colour map of Middle East on FR

LOOK out on FRIDAY for the detailed page colour map of the Middle East to be included free with every copy of

The map's topicality — as a result of the threat in the Gulf — makes it of importance and interest to people in all groups.

This specially commissioned map of its kind produced in South Africa focuses specifically on the Middle East centres on the Persian Gulf and Kuwait, which was invaded by Iraq on August 2

Bulk orders from educational institutions should be made to The Argus Circulation Department, Newspaper House, 122, Street, Cape Town or by phoning 021-435 1111

Don't miss YOUR Middle-East map on FRIDAY.

Inside today: Exam

A 12-page special section which includes matric science, biology and mathematics which goes with the SABC TV review — is inside The Argus today

● See also page 4.

PSL rejects Cosatu offer

THE Public Service League yesterday cold-shouldered an offer by Cosatu to mediate in a pay dispute between "coloured" civil servants and the state, charging that the federation had no mandate from the PSL rank and file.

Motivating its intervention in the wage row, Cosatu (Western Cape) claimed that the PSL executive committee had distanced itself from a work-to-rule by disaffected employees.

Cosatu backed full trade union rights for state sector workers and, as a party to the Labour Relations Act Minute, was prepared to mediate in the dispute, the federation's Western Cape regional secretary, Ms Lucy Nyembe, said.

But according to PSL general secretary Mr Bernard Wentzel, his organisation had ruled out a fully fledged strike, while condoning a go-slow by civil servants until their demands were met.

"As far as we are concerned, Cosatu has no mandate to mediate," he said, adding that Cosatu would first have to prove that it had canvassed the opinions of 50 000 PSL members in 26 regions.

The labour action started on Tuesday and hinges on PSL demands for 20% salary rise and wage parity. — Sapa



SALARY PROTEST . . . House of Representatives civil servants holding a placard protest over a pay dispute in the city yesterday.

Picture ALAN TAYLOR

Striking civil servants sit-in at PSL offices

250
CAF 7-15 11/11/90
MORE THAN 80 striking Public Servants' League members occupied the organisation's Worcester offices yesterday to protest at the PSL leadership's lack of support for a two-week wage strike.

More than 60 suspended civil servants and 20 others charged with misconduct by the Administration: House of Representatives started the sit-in.

PSL general secretary Mr Trevor Wentzel and a Cape Town lawyer visited Worcester yesterday in an effort to defuse the crisis in the organisation's ranks, already struck by defections to a Cosatu-aligned "workers action committee", said strikers.

A spokesman said the PSL executive is due to meet the Minister's Council today — Sapa

Increase in govt home subsidy delayed

By ROBERT LAING

250

THE increased housing subsidy for civil servants is expected to be implemented on January 1 instead of this month as state employees anticipated.

Public Servants Association GM Johannes Olivier says: "We have been fighting for this for five years, so another couple of months makes little difference." *W/Mail 2/11/81-8/11/90*

The government employees' housing subsidy is to increase from R50 000 to R70 000. Civil servants pay three per cent annual interest on housing loans up to the subsidy limit, the state pays the difference needed to meet building societies' bond rates — now at about 20 per cent; state employees who were

getting a R662 a month subsidy on R50 000 will get R916 on R70 000 loans next year.

"We are very happy with the increase, but we don't see the purpose of the state imposing the limit. Only about 11 per cent of public servants using the scheme take housing loans over R70 000. Building societies place limits on people's bonds according to their salaries anyway," says Olivier.

Property agents H Lewis Trafalgar MD Neville Shaefer blames government's decision to stall its employees subsidy increase for Pretoria and Bloemfontein's slow house markets. Civil servants constitute 95 per cent of HLT's Pretoria market.

A deposit of R30 must 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, will be invalid.

N. M. PRINSLOO,
Returning Officer.

P.O. Box 205
Pretoria
0001

or

553 Vermeulen Street
Arcadia
Pretoria
0083

(2 November 1990)

'n Deposito van R30 moet die nominasie vergesel.

Elke nominasievorm ten opsigte waarvan een van hierdie bepalings nie nagekom is nie of wat nie teen voorvermelde datum by onderstaande adres ontvang is nie, is ongeldig.

N. M. PRINSLOO,
Kiesbeampte.

Posbus 205
Pretoria
0001

of

Vermeulenstraat 553
Arcadia
Pretoria
0083

(2 November 1990)

250 BOARD NOTICE 75 OF 1990

ADDITIONAL HOUSING SUBSIDY

I, Jakobus Stephanus Kitshoff, acting secretary to the Board on Remuneration and Service Benefits of Town Clerks, duly authorised thereto by the said board in terms of section 2 (2) of the Remuneration of Town Clerks Act, 1984 (Act No. 115 of 1984), hereby announce for general information that the undermentioned additional housing subsidy has been approved by the said board for the period 1 October 1990 to 31 December 1990 for town clerks of all grades of local authorities:

"In addition to paragraph 6.2 of Circular 2/85 from the then Department of Constitutional Development and Planning, and over and above the maximum subsidies in terms of Part I of Annexure A to the Government Service Personnel Code D.XX (the housing subsidy table) a town clerk may, for the period 1 October 1990 to 31 December 1990 and on a monthly basis, be paid a supplementary housing subsidy in accordance with the following table, on condition that such town clerk is in receipt of a housing subsidy for which the outstanding bond amount exceeds R50 000:

Monthly amount deducted by the authority through debit order and paid over to the bondholder as "compulsory capital and interest redemption"	Monthly supplementary housing subsidy
R 1 to R 811	Nil
R 812 to R 900	R40
R 901 to R 950	R45
R 951 to R1 000	R50
R1 001 to R1 050	R55
R1 051 to R1 100	R60
R1 101 to R1 150	R65
R1 151 to R1 200	R70
R1 201 to R1 250	R75
R1 251 and higher	R80

J. S. KITSHOFF,
Acting Secretary.

(2 November 1990)

RAADSKENNISGEWING 75 VAN 1990

ADDISIONELE BEHUISINGSUBSIDIE

Ek, Jakobus Stephanus Kitshoff, waarnemende sekretaris van die Raad op Besoldiging en Diensvoordele van Stadsclerke, handelende kragtens magtiging deur die Raad aan my verleen ingevolge artikel 2 (2) van die Wet op die Besoldiging van Stadsclerke, 1984 (Wet No. 115 van 1984), kondig hiermee vir algemene kennisname aan die ondergemelde addisionele behuisingsubsidie vir stadsclerke van die verskillende grade plaaslike owerhede vir die tydperk 1 Oktober 1990 tot 31 Desember 1990 deur die gemelde raad goedgekeur is:

"In Aanvulling tot paragraaf 6 2 van Rondskrywe 2/85 vanaf die destydse Departement van Staatkundige Ontwikkeling en Beplanning, en bo en behalwe die maksimum subsidies ingevolge Deel I van Bylae A van Staatsdienspersoneelkode D.XX (die behuisingsubsidietabel) mag vir die tydperk 1 Oktober 1990 tot 31 Desember 1990, maandeliks 'n aanvullende behuisingsubsidie ooreenkomstig die onderstaande tabel aan 'n stadsclerk betaal word mits hy reeds 'n ontvanger van 'n behuisingsubsidie is en sy uitstaande verbandskuld R50 000 oorskry:

Maandelikse bedrag wat deur die owerheid per aftrekorder as "verpligte kapitaal-/rentedelging" gevorder en aan die verbandhouer oorbetal word	Maandelikse aanvullende behuisingsubsidie
R 1 tot R 811	Geen
R 812 tot R 900	R40
R 901 tot R 950	R45
R 951 tot R1 000	R50
R1 001 tot R1 050	R55
R1 051 tot R1 100	R60
R1 101 tot R1 150	R65
R1 151 tot R1 200	R70
R1 201 tot R1 250	R75
R1 251 en meer	R80

J. S. KITSHOFF,
Waarnemende Sekretans.

(2 November 1990)

Govt faces massive wage bill next year

B. Dam 7/11/90
PRETORIA — Government costs will soar again during the 1991/92 financial year when 760 000 central government and provincial administration workers are likely to collect about R22bn in wages and other benefits.

This calculation is based on the latest Central Statistical Service figures and on the assumption that the wage bill will increase by between 12% and 14% from April.

For the million-strong public sector, the wage bill for the 12 months from April will exceed R30bn.

A Public Servants' Association spokesman said yesterday that most

GERALD RENLY

government department workers would not be happy with a 14% increase next year.

He was reacting to a Stellenbosch Economic Research Bureau report which cast doubt on whether government could hold down next year's salary hikes to the low level of last year.

It appeared, the bureau said, that the public sector's total pay increase in the new financial year would be close to 14%.

The PSA spokesman said the 700 000 exchequer personnel who got

special increases this year might be happy with 14%.

"But for the remaining, nearly 300 000 workers, there would be great unhappiness.

"The last time private sector-related salaries were paid to state department workers was in 1983."

Since then, the spokesman said, workers had fallen further and further behind.

However, he said, President F.W. de Klerk had given an undertaking that the 270 000 workers who got only a 10% non-pensionable increase this year would get priority attention in the new financial year.

Democracy forecast in 5 years

Star 10/11/90

250

FRANS ESTERHUYSE

CAPE TOWN — South Africa will be run by a multiracial working administration at an early stage, but it will take at least five years for a new negotiated constitution and a democratically elected government to be in place.

This is predicted in a comprehensive new strategic forecast and analysis of South Africa's future in the next five years Saturday Star's Cape Town correspondent has been given an exclusive glimpse of some of the findings

Instability

The analyses also indicate that South Africans can expect a measure of political and economic instability in the country's transition period, but that overall prospects are largely peaceful.

There will be some volatility in the country's situation, perhaps some more political violence, but the situation will be largely "containable" or under control.

Based on surveys and studies by five analysts, including Dr Frederik van Zyl Slabbert, the report, entitled "Political Environment Survey", is being launched this month at a price of R5 500 a copy.

Its analyses and forecasts are designed to provide guidelines to businessmen in strategic planning. The other contributors included are Michael Olivier, businessman,

computer specialist and president of the Five Freedoms Forum; Michael Charnas, a specialist in business strategy and market research, and Gael Neke, who has been involved in extra-parliamentary politics for years.

Political analyses are partly based on interviews with more than 100 key leaders across a wide political spectrum.

Among the findings are that it may take at least another five years before a democratically elected government and a new negotiated constitution are in place. Before then, many serious differences between the negotiating parties will arise.

Two broad phases are foreseen in the political process: a period of preliminary negotiation between now and a referendum, and a period of full negotiation to develop a new constitution.

In the pre-referendum phase — expected to take about 18 months — various agreements will be reached, negotiations will gain momentum and a broad interim mechanism or framework for a constitution will be worked out.

A point will be reached where the nation can be consulted — by way of a referendum — on whether to go ahead with a plan of ac-

tion for negotiations.

At that stage — after the go-ahead has been given by referendum — a new multiracial working administration, which will include a significant proportion of black people, will be set up to run the country.

It will be like an interim government, but is unlikely to be called by that name because of some of its current controversial political connotations.

Such an administration would not be fully democratic, as it would not have been democratically elected.

Nitty-gritty

Once such a working administration is in place, the real nitty-gritty of the new constitution will be negotiated. This will be the difficult phase — expected to take another three or four years.

One of the crucial issues to be resolved once black people have been incorporated at all levels into the country's administration is the evolution of the security forces for the "new South Africa".

It is foreseen that once black people share power and responsibility in the country's administration, it will be essential to effect corresponding changes in the entire security system, including the Defence Force and the police.

MPs' pay is ammo for public servants

B1 pay 14/11/90

PRETORIA — Public sector staff associations will tell government in an expected salary showdown in the new financial year that the 26% pay hike MPs voted for themselves earlier this year contradicted President FW de Klerk's appeal for moderate salary demands.

Earlier this year MPs voted themselves 26% pay increases against the 10% non-pensionable allowances given to government workers.

Senior government workers emphasised yesterday if Cabinet expected moderation in increase demands it had to demonstrate moderation in the increases which politicians granted themselves in the new financial year.

Expectations among senior public servants are for increases of 15%.

The Public Servants' Association, which speaks for about 250 000 central government workers, says it will base its case for increases firmly on government commitment to pay private sector-related salaries.

Also, PSA GM Hans Olivier says De Klerk undertook to give special priority

GERALD REILLY

to government workers who received only the 10% non-pensionable allowance in April.

Informed calculations show the 308 MPs in the three houses of Parliament will earn well in excess of R30m this financial year.

The 22 white ministers and their 12 deputies will earn about R5,8m excluding perks.

250
Rents

An example of perks is the nominal rents they pay for houses in Cape Town and Pretoria.

Earlier this year, MPs got an across-the-board pay hike of R12 000 a year, plus the 10% non-pensionable allowance granted to government workers.

This gave them a salary of R94 000 — an increase of about 26%.

A Cabinet minister's total salary, including a reimbursive allowance of R36 615, jumped about 16% to R155 800.

**OFFICE OF THE COMMISSION
FOR ADMINISTRATION**

No. R. 2630 ²⁵⁰ ~~250~~ 16 November 1990

ANNEXURE ~~250~~ ~~250~~

For general information it is hereby notified that the State President has, under the powers vested in him by section 35 of the Public Service Act, 1984 (Act No. 111 of 1984), made the following regulations:

The Public Service Regulations, published under Government Notice No. 2047 of 11 December 1959, as amended, are hereby further amended by—

(a) the insertion in the seventh line of regulation G3.1 of the word "individuals" after the word "different" and the deletion of the words "or classes", "sections, branches or offices", "classes" and "or for individuals within such classes or groups, or for sections, branches or offices"; and

(b) the substitution for regulation G3.2 of the following regulation:

"G3.2 The head of a department determines the hours of service of an officer or a full-time or part-time employee, provided that—

(a) in the case of an officer or full-time employee, a minimum of 40 hours of service per week has to be rendered; and

(b) in the case of a part-time employee such determination be done in accordance with the basis upon which such an employee is employed and remunerated in relation to a full time employee and the result thereof represents the minimum hours of service a part-time employee has to render."

No. R. 2631

16 November 1990

ANNEXURE

For general information it is hereby notified that the State President has, under the powers vested in him by section 35 of the Public Service Act, 1984 (Act No. 111 of 1984), made the following regulations:

The Public Service Regulations, published under Government Notice No. 2047 of 11 December 1959, as amended, are hereby further amended by—

(a) the deletion in regulations A1.1 (definition of "abroad") C14.1 (i) (i), F1.1 (a) and F.2.2 (a) of the words "and the Territory";

(b) the deletion in regulation A1.1 (definition of "Non-White authority") of the words "a legislative assembly or authority referred to in the *Development of Self-government for Native Nations in South-West Africa Act, 1968* (Act No. 54 of 1968)";

(c) the deletion in regulation A13.1 (a) (i) of the words "the national assembly of the Territory or a legislative authority of a population group in the Territory";

**KANTOOR VAN DIE KOMMISSIE
VIR ADMINISTRASIE**

No. R. 2630

16 November 1990

BYLAE

Hierby word vir algemene inligting bekendgemaak dat die Staatspresident kragtens artikel 35 van die Staatsdienswet, 1984 (Wet No. 111 van 1984), die ondergenoemde regulasies uitgevaardig het:

Die Staatsdiensregulasies gepubliseer by Goewermentskennisgewing No. 2047 van 11 Desember 1959, soos gewysig, word hierby verder gewysig deur—

(a) in regulasie G3.1 die woord "individue" in te voeg na die woord "verskillende" waar dit die tweede maal in die sesde reël voorkom en deur die woorde "of klasse", "afdelings, takke of kantore", "klasse" en "of vir individue binne sodanige klasse of groepe, of vir afdelings, takke of kantore" te skrap; en

(b) regulasie G3.2 te skrap en deur die volgende regulasie te vervang:

"G3.2 Die departementshoof bepaal die diensure van 'n beampte of 'n voltijdse of deeltijdse werknemer, onderworpe daaraan dat—

(a) in die geval van 'n beampte of voltijdse werknemer, 'n minimum van 40 diensure per week gelewer moet word, en

(b) in die geval van 'n deeltijdse werknemer, sodanige bepaling geskied aan die hand van die grondslag waarop so 'n werknemer in verhouding tot 'n voltijdse werknemer in diens geneem en besoldig word en die resultaat daarvan die minimum diensure verteenwoordig wat 'n deeltijdse werknemer moet lewer."

No. R. 2631

16 November 1990

BYLAE

Hierby word vir algemene inligting bekendgemaak dat die Staatspresident kragtens artikel 35 van die Staatsdienswet, 1984 (Wet No. 111 van 1984), die ondergenoemde regulasies uitgevaardig het:

Die Staatsdiensregulasies gepubliseer by Goewermentskennisgewing No. 2047 van 11 Desember 1959, soos gewysig, word hierby verder gewysig deur—

(a) in regulasies A1.1 (woordskrywing van "buiteland") C14.1 (i) (i), F1.1 (a) en F.2.2 (a) en F3.3 die woorde "en die Gebied" te skrap;

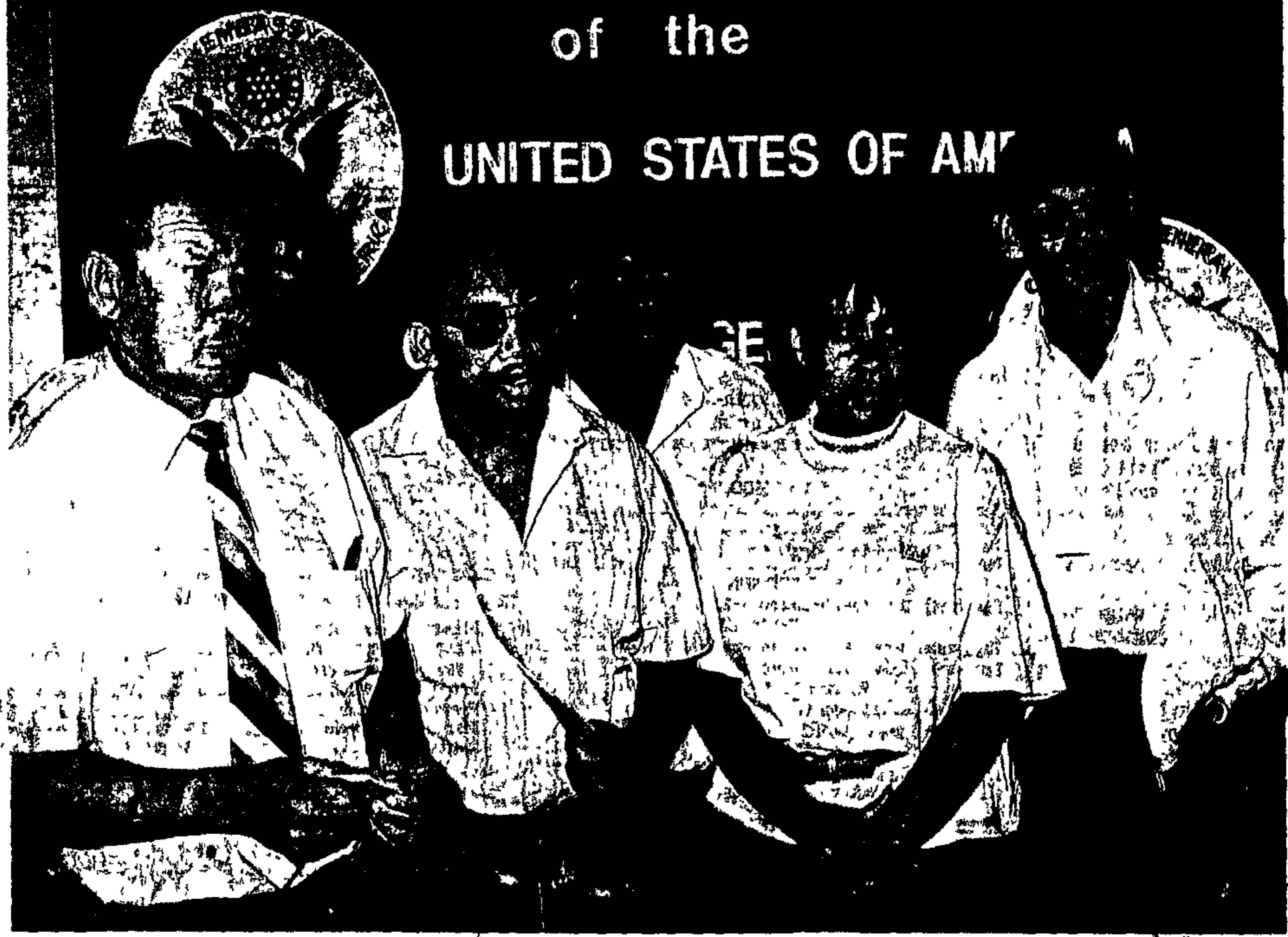
(b) in regulasie A1.1 (woordskrywing van "Nie-Blanke owerheid") die woorde "'n wetgewende raad of owerheid bedoel in die *Wet op die Ontwikkeling van Selfbestuur vir Naturelle volke in Suidwes-Afrika, 1968* (Wet No. 54 van 1968)" te skrap;

(c) in regulasie A13.1 (a) (i) die woorde "die Nasionale Vergadering van die Gebied of 'n wetgewende owerheid van 'n bevolkingsgroep in die Gebied" te skrap;

EMBASSY

of the

UNITED STATES OF AMERICA



Picture: WILLIE de KLERK, The Argus

SIT-IN: The six staging a sit-in at the American consulate are, from left, Mr Albert de Jager, Mr Andre Stryers, Mr Pedro George, Mr Ferdie Fourie, Ms Doreen Februarie and the Reverend Neville Swartz.

Public servants stage sit-in at US consulate

ARGUS
22/11/90
250

By SHARON SOROUR
Labour Reporter

FOUR government workers from Worcester who were suspended for taking part in a work stoppage are staging a sit-in with two others at the American consulate in Cape Town.

The four, from the House of Representatives administration section, were among 83 suspended in Worcester and 50 around the country six weeks ago

They are refusing to leave the foyer of the consulate in Broadway Centre until their demands for a 20 percent wage rise and elimination of disparate salary adjustments are met

The group arrived in Cape Town yesterday to ask Consul-General Mr Charles Baquet to contact the American Embassy in Pretoria and President De Klerk to send a "senior official" to the consulate to address their grievances

Mr Baquet refused to contact President De Klerk but explained during a two-hour meeting that he was willing to convey their concerns to the US embassy in Pretoria.

"It was not our intention to occupy the offices," said sit-in member Mr Pedro George.

"We came here to ask them to address our grievances and they have not done that. We are going to stay here until our demands are met — it doesn't

matter how long it takes"

The four suspended workers — Mr George, Mr Andre Stryers, Ms Doreen Februarie and Mr Albert de Jager — were accompanied by two community members — the Rev Neville Swartz and Mr Ferdie Fourie.

They had no food or water and were not allowed to use the consulate's toilet facilities, Ms Februarie said.

The industrial action by House of Representatives' workers started on October 16 when scores of workers downed tools after talks between the Public Servants' League and the House of Representatives reached an impasse.

By CHIARA CARTER

THE crunch in annual wage negotiations in the Cape cotton industry is likely to occur within the next week.

According to Sactwu national organiser, Mr John Eagles, the union expects employers to table their final offers within the next week.

Sactwu itself is finalising activities to highlight living wage demands in the indus-

Wage crunch looms in cotton industry

try. ~~6/12/90~~
Already four disputes have been declared — two by employers and two by the union

"We anticipate tough sessions. Employers' offers have so far been in the R20 to R30-a-week range. This

is not near the bottom line demand of workers," Eagles said.

A key demand put forward by the union is the re-establishment of a central bargaining forum.

The Industrial Council for the Cotton Textile Manufacturing Industry (Cape Province) was formally dissolved earlier this year following the withdrawal of major employers, including Barlow Rand subsidiaries, from the employer forum.

This year's negotiations are being conducted at plant level at about 19 different companies in the Cape Peninsula and Boland.

According to Eagles, the union has formed a negotiating council to coordinate negotiations so that employers face uniform demands.

The union has adopted a hardline approach on non-union members and is demanding that employers implement lower increases for workers who do not belong to the union

"The industry is highly unionised, with more than 90 percent of workers union members. We are adopting an extreme view on freeriders. We hope that they will decide to enter the union," Eagle said.

Other demands include proclaiming Sharpville Day as a paid holiday and standardising benefits in the industry.

While the implementation date for the agreement is January 1, Eagles said Sactwu was prepared to continue negotiations in the new year if necessary

Civil servants code

A WIDE range of public sector employee organisations met with the Commission for Administration in Pretoria last week and agreed on an interim labour relations code for public servants who are excluded from the Labour Relations Act.

The historic meeting agreed existing labour legislation in the public service is "inadequate" and employees should be involved in drawing up a new system which would include the entire public sector.

The meeting set up a collective bargaining mechanism which will meet in January next year.

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6/12/90-12/12/90

W. M. ... 6/12-12/12/90

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Public servants must take stand - ANC

A COMMANDER of Umkhonto we Sizwe, Mr Collins Chavani, urged delegates attending the annual general meeting of the Gazankulu Public Servants' Association at the weekend to consider identifying with a political organisation.

Speaking on Gapsa's role in the new South Africa, Chavani said: "As public servants you must form democratic non-racial structures that are

in keeping with a new South Africa".

He added that public servants should not be deterred by acts that prohibited them from active political participation.

"It is only in a democratic country where people have a vote and can influence decisions

that we can expect public servants to abstain from politics," he said

The Gapsa general meeting that was attended by 300 delegates was due to reach a crucial stage yesterday when motions will be tabled before winding up

It is expected that one of the motions will question the association's

stance on the Ximoko Progressive Party led by Gazankulu chief minister, Prof Hudson Ntswanisi.

It is believed the motion could trigger controversy because although the majority of the membership is believed to be identifying with the ANC, there are those members who support Ximoko, the

PAC as well as those who maintain a neutral political stance.

It is the first time that Gapsa, whose theme during the meeting was "The place and role of a public servant in the present political scenario towards a new South Africa", has been called in its 11 years of existence to take a political stand. - Sapa

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Sowetan 10/12/90

R5bn fund mooted for social spending

18/01/90 12/12/90
250

THE Cabinet has appointed a committee of five Deputy Ministers headed by Deputy Finance Minister Org Marais to investigate the creation of a R5bn fund for social spending, a business source said yesterday.

Marais has sent confidential letters to private business asking for their views on the establishment, financing and use of such a proposed fund.

The source, who had read the letter, said figures mentioned were "in the region" of R5bn. He said the committee was looking at various sources of finance for the fund, including soccer pools, international aid or loans and government grants. It had also asked the private sector for suggestions.

It is understood the main focus of the fund would be on urban development.

Letters have been sent to industry associations including the life offices, banks and building societies, mining, and commerce and industry. Eskom is also said to have been asked to provide feedback.

Marais last night confirmed that Cabinet had appointed a task group to examine various financing options for social spending put forward by the private sector.

The group was co-ordinating existing information on social upliftment of the

GRETA STEYN

poor, including reports, memorandums and proposals from the private sector. He declined to confirm or deny that the creation of a R5bn fund was being considered.

"The task group will examine various financing options that have been proposed by the private sector. The task group will start investigations early next year and should submit a memorandum to the Cabinet fairly shortly," he said.

Marais also declined to comment on whether the ANC, the Development Bank and groups other than business would be consulted but said he had invited "different interest groups" to submit their recommendations to the task group.

The group would also draw information from government committees such as the Calitz committee on poverty and the Pretorius committee on housing.

A business source said there was some confusion as to whether a new fund would be created or whether it would fit into existing development structures such as the newly created Independent Development Trust and the Development Bank.

□ To Page 2

R5bn fund

18/01/90 12/12/90
250

Business people hoped the result of the investigation would be more co-ordination in spending on social backlogs, he said

If a new fund is created, it is not expected to form part of central government's Budget — a move which could elicit criticism if government funds are used to finance it. The announcement of the off-budget Independent Development Trust in

the last Budget drew criticism from economists — including the IMF — who said the fund should form part of the Budget as it was financed by government loan funds

Government was able to finance the fund to the tune of R2bn from borrowings it did not need because of a massive revenue overrun. Economists predict another overrun on revenue this fiscal year, leading to extra funds for development spending

□ From Page 1

Govt hints at rise in social spending

13/04/13/12/90
250

FINANCE director-general Gerhard Croeser hinted strongly yesterday that a higher proportion of the Budget would go to social spending and there would be huge real cuts in other areas to finance this.

"Some 40% of the national budget is already going to what broadly may be designated as welfare spending. With goodwill on all sides — and I assure you it exists on the government's side — this proportion will grow," he told a seminar organised by the Wits Centre for Policy Studies and the Konrad Adenauer Foundation in Johannesburg yesterday.

There would have to be a more drastic rearrangement of national budget priorities, with spending scaled down further in the "traditional" areas and raised in the socio-economic sphere.

"Here, I suggest, is the real 'redistribution' — and the only sustainable one."

Although he did not specify areas where cuts would occur, it is believed that substantial real cuts in aid to the homelands, as well as in spending on obsolete policies such as decentralisation, would help finance higher social spending.

Croeser said public sector functions were being scaled down or abolished; the remaining functions were being rigorously prioritised and subjected to cost-benefit analysis and the application of user charging was being extended.

GRETA STEYN

But he warned against expecting too much, since there were "severe financial constraints". A large portion of the "peace dividend" from less military spending had already been "gobbled up" by higher security expenditure because of unrest.



● CROESER

SA Chamber of Business economist Ben van Rensburg noted that the achievement of parity between races in per capita government spending on education, housing, pensions and health care would require spending of R52bn, 80% of the budget.

"Immediate equal treatment would simply not be affordable, nor physically possible, because of the lack of facilities and trained manpower to do the job," he said. Sacob was advocating a 10-year plan to eradicate these imbalances and hoped existing inequities would not lead to the choice of the "wrong" (centrally planned) economic system.

PUBLIC SECTOR - GOVT. - GENERAL

1991

MARCH - DEC.

Former astronaut Col Jim Erwin and the Apollo 15 spacecraft to the moon. flag that had been carried aboard the Apollo 15 spacecraft to the moon.

Increase in price of posting foreign mail announced

By 27/3/91

REACHING out and touching a foreigner by letter, parcel or postcard will cost South Africans between 10% and 20% more from April 1.

The Posts and Telecommunications department yesterday announced an increase in surface and airmail foreign postage rates.

The department said the adjustment was necessary because of escalating operating costs and increased payments to foreign postal services.

There will be a 20% increase in the cost of sending airmail letters to most countries, including Eastern and Western Europe and some Middle Eastern, African and South American countries.

Where it previously cost 50c for each 10g, from April 1 the price will be 60c.

The department said the basic airmail parcel tariff to Great Britain, for example, would now be R11,60 (previously R10,20) for the first 250g and R3,80 (R3,60) for every additional 250g.

Airmail rates for letters to the US have increased by 10c to 75c for each 10g.

The cost of sending letters of up to 10g

50g by surface mail to Botswana, Burundi, Lesotho, Malawi, Swaziland and Zimbabwe will increase by 5c to 40c an item — an increase of 14%.

Letters weighing up to 20g and destined for other foreign countries will cost 45c to send by surface mail instead of 40c.

Airmail letters sent to neighbouring African countries will now cost 40c (35c) for each 10g.

The postage on surface mail parcels will be R11,20 (up 16,6% from R9,60) for the first kilogramme.

The basic postage on airmail letters to Taiwan will be 65c (55c) and for airmail parcels R16,70 (R16,10) for the first 250g and R5,30 (R5,20) for every additional 250g. The surface mail tariff for parcels will be R13,90 (R13) for the first kilogram.

Public Enterprises Minister Dawie de Villiers announced in his Post Office budget last month that standard inland postage rates would go up by 4c to 25c a letter.

Postage on ordinary parcels of 1kg would increase by 40c to R2,50, De Villiers said.

Particulars of the new tariffs were available at all post offices, the department said.

Senior officials of three Spanish television channels were arrested by two SA Navy vessels on Monday, prosecutor-general Hans Heyman said in Windhoek.

He said the men were due to appear in the Keetmanshoop Magistrate's Court within 48 hours of their arrest on Monday afternoon.

They were apprehended last Thursday for fishing illegally inside Namibia's 200-mile exclusive economic zone.

SA Foreign Minister Pik Botha said yesterday he received a request from the Namibian government on Saturday for SA to assist in escorting the trawlers.

Meanwhile, a Windhoek news report said the trawlers' owners brought a successful application in Cape Town on Saturday prohibiting the authorities from interfering with the trawlers — Sapa

Public servants' boss speaks of anxieties

GERALD REILLY

PRETORIA — Government workers' rights and privileges would only remain entrenched in the Public Service Act as long as this pleased any new legislators, Public Servants Association GM Hans Olivier said in Pretoria yesterday.

Speaking at a conference on the public service in a new SA, Olivier outlined a number of workers' anxieties.

There was uncertainty about changes ahead and acceptance of workers by a future government.

President F W de Klerk's recent reassurance that careers and pensions would not be prejudiced in any future dispensation had been welcomed.

Olivier said only 27% of clerical posts in the service were held by blacks and in the rest of the service there were slightly more than two whites for every black.

There was, therefore, an imbalance favouring whites which could be unacceptable to a non-racial government.

This could force a move towards short-term efforts at a more realistic balance.

It could also be questioned whether a future government would feel bound by previous commitments to the employers' pension fund contributions and whether pensioners could rely on existing benefits being perpetuated.

It was an open question whether the funds should not be privatised, said Olivier.

THURSDAY, 28 MARCH 1991

THURSDAY, 28 MARCH 1991

of each such case, (1) what is the name of the relevant (aa) town and (bb) township, (ii) what services were discontinued and (iii) on what date was each of these services discontinued,

(2) whether these services were discontinued only in townships that were in arrears in respect of service payments, if so, (a) what total amount is owed by each of the Black local authorities concerned and (b) to whom is it owed, if not, (i) what procedure was followed in discontinuing services and (ii) why was this procedure followed,

(3) whether he is taking or plans to take any steps to restore the provision of services, if not, why not, if so, (a) what steps and (b) when?

B440E

The MINISTER OF PLANNING, PROVINCIAL AFFAIRS AND NATIONAL HOUSING

(1) (a) (i) 16

(ii) Period 1 September 1990 to 8 March 1991

(b) (i) (aa)

Morojaneng
Ha-Rasebei
Maokeng
Rammulotsi
Tumahole
Mokwallo
Phritona
Metumaholo
Kutlwanong
Masilo
Mmamahabane
Meloding
Thabong
Tshepong
Tswaraganang
Masjang

(bb)
Dewetsdorp
Edenburg
Kroonstad
Viljoenskroon
Parys
Vredefort
Heilbron
Oranjeville
Odendaalsrus
Theunissen
Ventersburg
Virginia
Welkom
Verkeerdelei
Dealesville
Foursburg

(2) Yes
(a)

Tshepong
Tswaraganang
Masjang
Night-soil
Garbage
Water
Electricity
Sewage

R 20 000
R 5 000
R 20 000
R1 178 000

Water
Electricity
Electricity
Water
Water
Electricity
Sewage
Water
Electricity
Garbage
Garbage
Water
Electricity

R 177 578

(ii) (ii)
Water
Electricity
Electricity
Water
Water
Electricity
Sewage
Water
Electricity
Garbage
Garbage
Water
Electricity

Mokwallo

R 30 000

Morojaneng
Ha-Rasebei
Water
Electricity
Electricity
and 19 February
1991

Phritona

R 59 634
R 4 000

Maokeng
Water
10 and 17 September 1990
31 October 1990

Metumaholo
Kutlwanong
Masilo

R 5 000
R 80 000
R 10 000

THURSDAY, 28 MARCH 1991

ANNEXURE
Posts were abolished/created at the following departments/institutions

Departments/Institutions	Posts abolished 1-1-90 to 31-12-90	Posts created 1-1-90 to 31-12-90
Administration House of Assembly	291	1 332
Administration House of Delegates	98	45
Administration House of Representatives	63	825
Agriculture	17	2
Development Aid	21	130
Education and Training	30	692
Environment Affairs	1 992	—
Finance	80	255
Foreign Affairs	5	63
Home Affairs	73	29
Justice	137	462
Manpower	135	36
Mineral and Energy Affairs	10	2
National Education	4	29
National Health and Population Development	322	96
Office of the Auditor-General	30	15
Office of the Commission for Administration	300	345
Planning, Provincial Affairs and National Housing Public Works and Land Affairs	15	9
State President's Office	413	376
Trade and Industry	52	38
Transport	—	3
Water Affairs and Forestry	25	131
Provincial Administration of Natal	—	1 745
Provincial Administration of the Cape	289	972
Provincial Administration of the Cape of Good Hope	729	484
Provincial Administration of the Orange Free State	225	316
Provincial Administration of the Transvaal	3 164	5 706
Bureau for Information	33	12
Constitutional Development Service	—	18
TOTAL	8 553	14 168

Mmamahabane Water R 10 000
Meloding Water R 50 000
Thabong Water R1 900 000
Tshepong Night-soil R 2 000
Tswaraganang Garbage R 1 400
Masjang Water R 15 000
Electricity R 15 000

(b)
Morojaneng — Dewetsdorp Municipality
Ha-Rasebei — Edenburg Municipality
Maokeng — Kroonstad Municipality
Rammulotsi — Viljoenskroon Municipality
Tumahole — Parys Municipality
Mokwallo — Vredefort Municipality
Phritona — Heilbron Municipality
Metumaholo — Oranjeville Municipality
Kutlwanong — Odendaalsrus Water Board
Masilo — Theunissen Municipality
Mmamahabane — Ventersburg Municipality
Meloding — Virginia Water Board
Thabong — Welkom Water Board
Tshepong — Verkeerdelei Municipality
Tswaraganang — Dealesville Municipality
Masjang — Foursburg Municipality

(1) Falls away *Hansford 28/3/91*
(ii) Falls away

(3) Yes
(a) Discussions with parties concerned Motivation campaigns for payment of service charges Communication actions by means of pamphlets, other written media, radio and television Consumers should pay for the electricity they use as the services cannot be rendered unconditionally without payment
(b) On a continuous basis

Public Service: posts abolished

203 Mr R M BURROWS asked the Minister for Administration and Economic Co-ordination

Whether any posts were abolished in the Public Service in 1990, if so, what number of posts in each department or organizational component? *250* *B534E*

The ACTING MINISTER FOR ADMINISTRATION *Hansford 28/3/91*

Yes See attached Annexure

Notes

1 33 Posts in respect of the Central Economic Advisory Service are reflected on the approved establishment of the Office of the Commission for Administration

230 Posts in respect of the Office for Regional Development are reflected on the approved establishments of the Departments of Planning, Provincial Affairs and National Housing, Trade and Industry and the Administration House of Assembly

2 In a number of cases the abolishment and creation of posts reflect a transfer of a function for example the transfer of the forestry function from the Department of Environment Affairs to the Department of Water Affairs and Forestry. In other cases the change in establishment figures is the result of reorganization where part of an organization was restructured by abolishing the existing organization and posts and replacing it with a new organization structure and recreated posts—for example the Office of the Commission for Administration

3 Posts created 14 168

Posts abolished 8 553

5 615

4 Establishment Public Service 241 692

as on 1-1-1990

Establishment Public Service 247 307

as on 31-12-1990

+ 5 615

(These figures reflect only posts created on the establishments of civil departments in accordance with section 7(1)(a)(i) of the Public Service Act, 1984. Figures in respect of the Services and Education posts are not readily available.)

5 The net increase in posts represents a growth of 2,32%

208 Mr P G SOAL asked the Minister of Development Aid *Hansard 28/3/91*

HOUSE OF ASSEMBLY

(1) (a) How many family housing units were built in 1990 in each self-governing territory by (i) the authority of the territory, (ii) private owners and (iii) the South African Government and (b) what was the total amount spent by each in respect of each territory,

(2) whether there is a shortage of housing units in any self-governing territory, if so, how many units are required in respect of each territory,

(3) whether any family housing units are being built in the self-governing territories at present by (a) the authority of the territory, (b) private owners and (c) the South African Government, if not, why not, if so, (i) how many units are being built by each in each territory and (ii) when are they due to be completed in each case?

THE MINISTER OF DEVELOPMENT AID

Hansard 28/3/91

B556E

(1)(a)	(i)	(ii)	(iii)
Lebowa	Unknown	Unknown	Nil
OwaOwa	Nil	110	Nil
KwaZulu	Unknown	Unknown	Nil
KaNgywane	Unknown	Unknown	1 014
KwaNdebele	Unknown	Unknown	Nil
Gazankulu	300	1 070	Nil

The houses which are being built in KaNgywane is the result of a promise made by the South African Government to the KaNgywane Government during the 1989/90 financial year

(b) (i) (ii) (iii)

Lebowa Unknown Unknown Nil

OwaOwa Nil Unknown Nil

KwaZulu Unknown Unknown Nil

KaNgywane Unknown Unknown R7 116 067

KwaNdebele Unknown Unknown Nil

Gazankulu R13 012 500 Unknown Nil

(2) Yes, there does exist a shortage but the self-governing territories could not furnish details of the shortage

(3) (a) (b) (c)

Lebowa Unknown Unknown No

OwaOwa No Yes No

KwaZulu Unknown Unknown No

KaNgywane No Unknown Yes

KwaNdebele Unknown Unknown No

Gazankulu Unknown Unknown No

(a)(i) (b)(i) (c)(i)

Lebowa Unknown Unknown None

OwaOwa None 20 None

KwaZulu Unknown Unknown None

KaNgywane None Unknown 131

KwaNdebele Unknown Unknown None

Gazankulu Unknown Unknown None

(a)(ii) (b)(ii) (c)(ii)

Lebowa Unknown Unknown Unknown

OwaOwa Unknown June 1991 Unknown

KwaZulu Unknown Unknown Unknown

KaNgywane Unknown Unknown 31 March 1992

KwaNdebele Unknown Unknown Unknown

Gazankulu Unknown Unknown Unknown

The South African Government does not build houses in the self-governing territories since 1984 but in the case of KaNgywane houses were promised in the towns Matsulu and Kamaghekeza for people who have been moved to the towns years ago in order to supply them with proper housing

The self-governing territories were requested to forward information but to date not all replies were received in all the cases

State budget: percentage spent on agriculture

226 Mr A GERBER asked the Minister of Agriculture +

What percentage of the total State budget was spent on agriculture in (a) 1950, (b) 1960, (c) 1970, (d) 1980 and (e) each specified financial year since the 1984-85 financial year for which figures are available?

Hansard 28/3/91 B598E

THE MINISTER OF AGRICULTURE

(a) 1950 Not available

1951 R 36 867 446 11,66

(b) 1960 R 49 926 088 8,35

(c) 1970 R 115 838 100 6,82

(d) 1980 R 354 952 287 3,05

Note

Above-mentioned figures include the expenditure of the then existing Departments of Agriculture

(e) 1984/85 R 962 120 764 3,73

1985/86 R 1 136 333 514 3,61

1986/87 R 940 410 550 2,46

1987/88 R 1 240 422 374 2,65

1988/89 R 1 173 813 948 2,18

1989/90 R 1 005 108 892 1,57

1990/91 Final figures not available

Note

Aforementioned figures are only in respect of the actual expenditure incurred by the Department of Agriculture and the Department of Agricultural Development and do not include—

(i) funds allocated to agriculture by the House of Representatives and the House of Delegates as these funds are not readily available; and

(ii) special concessions to agriculture by Departments such as Customs and Excise and Transport as these amounts cannot be identified

The total budget of the Department of Agricultural Development is not included in the total State budgets. It is due to the fact that only the net deficit in respect of the total budget of the Administration, House of Assembly is provided for in the main budget

Freehold land

273 Mr P G SOAL asked the Minister of Development Aid *Hansard 28/3/91*

Whether any freehold land is being held by the State or any of its agencies which was previously occupied by persons who have now been removed from such land, if not, what is the position in regard to such land, if so, what are the details of the land so held?

B701E

HOUSE OF ASSEMBLY

3 out of 10 whites work for the state

Cart Tracts 28/3/91 250

Political Staff

ALMOST 29% of the 2,1 million economically active whites are employed by the public sector including Transnet, the Minister of Home Affairs, Mr Gene Louw, has disclosed.

He said 593 864 whites were employed in the public sector, 519 354 if Transnet was excluded.

11% of blacks

Replying to a question tabled by Mr Peter Gastrow, DP Durban Central, Mr Louw said 1 662 355 people were employed in the public sector, including Transnet.

They included 200 629 coloureds, 42 925 Asians and 824 937 blacks

This meant that 16,1% of the 1,2 million economically active coloureds, 12,2% of the 351 500 economically active Asians and 11% of the 7,5 million economically active blacks were employed by the state.

Mr Louw said the public sector comprised the executive institutions for general and own affairs, civil services of the self-governing homelands, local authorities, parastatal institutions, universities and technikons, agricultural market boards and public corporations, including Iscor.

Number of public service posts increases

Political Staff

CAPE TOWN — The public service grew by 5 615 posts — a 2,32 per cent increase — last year, the Government has said.

Roger Burrows, DP spokesman on the Commission for Administration, tabled parliamentary questions on the num-

ber of posts abolished in the public service.

Minister of State Expenditure Amie Venter said while 8 553 posts were abolished in 29 departments, 14 168 posts had been created, leaving an increase of 5 615

On January 1 last year there were 241 692 posts in the public service and on December 31 247 307.

8tev 3/4/91
These figures exclude the correctional service, police and defence force

Despite the Government's intention to overcome fragmentation in government structures, the House of Assembly had a net increase of 1 041 posts in 1990 and the House of Representatives 762. The House of Delegates lost 53.

British Westminster-style

R1,9 billion for pay rises

250
12/25/91
NBA

CAF T&F's
3/4/91

By PETER DENNEHY

CIVIL servants — but not teachers — will get pay rises amounting to R1,9 billion from July 1 in terms of an agreement reached between their unions and the Commission for Administration in Pretoria last week.

The general secretary of the Health Workers' Union (HWU), Mr Dale Forbes, said yesterday that the union and 10 other unions at the negotiations represented 350 000 workers, but the total

number of employees affected by the agreement that was reached last week was 720 000.

"The total amount made available was R1,97 billion," Mr Forbes said "Of that, R312 million will be used to convert the 10% non-pensionable allowance that public servants received last year into an ordinary pensionable part of their salaries."

Another half-billion rand had been set aside to "partially eliminate structural disparities between certain classes of employees", Mr Forbes said. This affected mainly middle- and upper-income earners.

A "differentiated general salary adjustment" had also been negotiated in

terms of which lower-paid workers would get an increase "slightly above the rate of inflation" from July 1.

Mr Forbes said he was not allowed to disclose the overall pay increase figure. However, he was particularly pleased that his union, in conjunction with the National Education Health and Allied Workers' Union (Nehawu) and the Natal Provincial Administration's staff association, had managed to "shift the emphasis slightly" in favour of the lower-paid workers.

In previous years, he said, consultative meetings had been held with the unions, but the government itself had decided on the pay increases. This year the government had negotiated with the unions for the first time.

Mr Dame Vorster, a public relations officer for the Commission for Administration, said his organisation would not comment at this stage.

Mr A J Dippenaar, chief executive officer of Hospersa, a civil service association, confirmed that discussions had taken place between 11 staff associations and the Commission for Administration last week on the use of funds allocated for the improvement of conditions of service.

Recommendations had been made to the Commission "for consideration and approval. An implementation date of July 1 1991 "seemed to offer the most favourable dispensation for personnel he said.

CALL-Trans 3/4/91
250 861

Cape cuts posts but civil service keeps growing

Political Staff

THE Public Service grew by 5 615 employees last year in spite of government promises to trim bureaucracy

The acting Minister for Administration, Mr Ami Venter, disclosed yesterday that the service had grown from 241 692 to 247 307 employees — a 2.32% increase — during 1990

The Cape Provincial Administration cut its numbers by 245

Mr Venter was responding in writing to a question tabled in Parliament by Mr Roger Burrows, DP MP for Pinetown

The biggest increases were in the House of Assembly administration, which grew by 1 041 posts, and the Transvaal Provincial Administration, where an additional 2 542 people were employed

The only administration in the tri-cameral Parliament to register a decrease was the House of Delegates, where the number of employees dropped by 53

The House of Representatives' administration grew by 762 posts

Pay rise inadequate, say public servants

By SHARON SOROUR
Labour Reporter

ARGUS
3/4/91
PUBLIC servants — set to get pay increases amounting to R1,9 billion from July 1 — have slammed the budgetary allowance as “totally inadequate”.

Discussions were held at the end of March between the Commission for Administration and 11 public service associations and unions to determine how to allocate the R3,735 billion the government had set aside for improving their conditions of service.

The talks — described as “historic” because it was the first time in public service history that the negotiations on

250
how to “slice the cake” took place — excluded teaching staff who will thrash out their own package with the Minister of National Education.

In reports last week, Commission for Administration chairman Dr Piet van der Merwe said it was the first step towards establishing a formal negotiating forum between employees and the State as employer.

In a statement, Public Servants League (PSL) general manager Mr Bernard Wentzel said the amount was “totally inadequate”.

He said: “This amount will have to be divided between the

public sector and the education sector, which involves about 600 000 workers.

“It will not be able to eradicate the backlog and differences in salaries of 146 occupational groups who did not have salary adjustments for the last seven years.”

The MINISTER OF WATER AFFAIRS AND FORESTRY

	TRANSVAAL	NATAL	CAPE PROVINCE	ORANGE FREE STATE
(a)	133	257	127	Nil
(b)	89	251	126	Nil
(c)	25 211 ha	84 196 ha	29 812 ha	Nil
	44	6	1	Nil

(ii) The maximum permissible area for afforestation in the relevant catchment or sub-catchment had already been fully allocated

Public servants: retired on pension

266 Dr W J BOTHA asked the Acting Minister for Administration *Hansard 9/4/91*

In respect of each salary category and the latest specified period of five years for which information is available, (a) how many public servants retired on pension, (b) how many of these officials had bought back pension and (c) (i) how many of these officials who had been promoted only once during the above-mentioned period had received such promotion in the (aa) last year of service, (bb) second-last year of service and (cc) third-last to fifth-last years of service and (ii) in which years of service had officials who had been promoted more than once during the above-mentioned period received their very last promotion before retirement?

The ACTING MINISTER FOR ADMINISTRATION B717E

(a) and (b) The Department of Finance has indicated that the required information is not kept on a central system and that it will take several months, at great cost, to withdraw the information from individual files

(c) The relevant information is not available from any central record, as each department handles its own promotion matters and the Commission for Administration's recommendation is requested only in those cases that are not assigned or delegated. To obtain the information, each department will have to consult its archive records, which will be costly in terms of man-hours. If the information is still required, the question will have to be addressed to each department individually

Broad categories: persons employed

276 Mr P H P GASTROW asked the Acting Minister for Administration

(a) How many (i) Whites, (ii) Coloureds, (iii) Indians and (iv) Blacks were employed in the following broad categories in Departments viz Labourers, Educators, Nursing, Services and Other Personnel and (b) what total number of persons in each race group was employed in Departments as at 30 September 1990?

(250) B735E
The MINISTER OF STATE EXPENDITURE AND FOR REGIONAL DEVELOPMENT
Hansard 9/4/91

ANNEXURE

(a)	(b)			
	(i) Whites	(ii) Coloureds	(iii) Indians	(iv) Blacks
Labourers	1 140	33 428	1 453	132 143
Educators	68 437	39 188	13 139	58 624
Nursing	23 432	15 562	5 773	29 252
Services	87 466	13 685	3 871	51 428
Others	122 408	17 817	7 071	22 985
(b)	302 883	119 680	31 307	294 432

Administrator of Natal: overseas trip

279 Mr M J ELLIS asked the Minister of Planning, Provincial Affairs and National Housing

Whether the Administrator of Natal recently went on an overseas trip to Hong Kong, if so (a) who authorised the trip, (b) what was the purpose of it, (c) who accompanied him, (d) what was the (i) duration and (ii) cost of the trip and (e) who paid for it?

Hansard 9/4/91 B739E
The MINISTER OF PLANNING, PROVINCIAL AFFAIRS AND NATIONAL HOUSING

Yes

(a) The Minister of Planning, Provincial Affairs and National Housing

(b) The purpose of the overseas trip was two-fold—

(i) to encourage affluent businessmen and persons with competence and expertise in respect of labour intensive industries to resettle in Natal with a view to creating job opportunities in the region and the development of an infrastructure which will offer a high degree of training to a great number of the unskilled in Natal, and

(ii) to recruit engineers, medical personnel and persons trained in the technological field for the Natal Provincial Administration

(c) Dr N E Howes, Director-General of the Natal Provincial Administration as well as municipal councillors, town clerks and members of the private sector

(d) (i) 11 days

(ii) approximately R45 000

(e) The Natal Provincial Administration in respect of the Administrator and the Director-General *Hansard 9/4/91*.

Own Affairs

Natal Education Department posts

51 Mr R M BURROWS asked the Minister of Education and Culture

(1) Whether, at the meeting of the Natal Education Council held on 4 March 1991, the Executive Director of Education in Natal gave an indication of the number of posts which will be abolished or declared redundant in the Natal Education Department at the end of 1991, if so, (a) what number was so indicated and (b) in which education areas will cuts be made initially, *Hansard 9/4/91*

(2) whether any other executive directors have indicated, in quantifiable terms, the number of posts which will be abolished or declared redundant in the provinces concerned, if so, what number in each such province,

(3) whether he will make a statement on the matter? B667E

The MINISTER OF EDUCATION AND CULTURE

(1) Yes,

(a) ± 640,

(b) pre-primary and remedial education, extra-curricular music schools and teacher training,

(2) no,

(3) no

Education and Culture in the House of Representatives) was also consulted in each case—in accordance with section 20(5)(a) of the Act

(4) No *Hansard 10/4/91*

(a) The university was unwilling to bear the costs
(b) Administration House of Representatives

(5) No Arrangements for the recovery of the costs were concluded with the responsible Department
(a) and (b) Fall away

Aids education programme

169 Mr M J ELLIS asked the Minister of National Education

- (1) Whether his Department is involved in drawing up an Aids education programme for use in schools in South Africa, if not, why not, if so, (a) in which categories of education will this programme be used, (b) who will be expected to present it and (c) who is responsible for drawing up this programme, *Hansard 10/4/91*.
- (2) whether it will be compulsory to use this programme in the categories referred to above, if not, why not? B450E

The MINISTER OF NATIONAL EDUCATION

- (1) Existing general policy concerning norms and standards for syllabuses, examination and certification in pre-tertiary education is currently being revised. At this stage it is not foreseen that the policy will extend to the level of specific guidance programmes. In all possibility, only certain themes regarding guidance will be indicated. This means, therefore, that the development of specific programmes will be in the hands of the various Ministers of departments of State responsible for education and that the Department of National Education will not be involved

- (a) Falls away
(b) Falls away
(c) Falls away
(2) Falls away

HOUSE OF ASSEMBLY

Persons gainfully employed

200 Mr P H P GASTROW asked the Minister of Home Affairs *(250)*

What percentage of gainfully employed (a) Whites, (b) Coloureds, (c) Indians and (d) Blacks were (i) directly and (ii) indirectly in State employ in the Republic as at 31 December 1990? *Hansard 10/4/91* B521E

The MINISTER OF HOME AFFAIRS

	(a)	(b)	(c)	(d)
(i)*	23,6	13,0	10,6	6,3
(ii)**	9,2	4,8	3,5	6,2

* Represents — Central Government
— Provincial Administrations
— Government Trade Establishments

** Represents — Civil Services of the Self-governing Territories
— Local Authorities
— Parastatal Institutions
— Universities and Technikon
— Agricultural Marketing Boards
— Public Corporations

NOTE

- 1 The number of gainfully employed persons is estimated on basis of the midyear estimate of the economically active population, the number of unemployed persons and the ratio of self-employed persons according to the 1980 Population Census
- 2 The information furnished is as at 30 September 1990 as the results of the survey for the quarter ending 31 December 1990 are not yet available

Outstanding telephone applications

212 Mr R R HULLEY asked the Minister of Mineral and Energy Affairs and Public Enterprises

What was the total number of outstanding telephone applications in the area reserved for (a) White and (b) Black occupation in each specified major urban area of the Republic as at the latest specified date for which information is available?

B560E

HOUSE OF ASSEMBLY

The MINISTER OF PUBLIC ENTERPRISES AND ECONOMIC CO-ORDINATION

The position as at 28 February 1991 was as follows

	(a)	(b)
Cape Peninsula	682	1 982
Port Elizabeth	48	2 081
East London	70	70
Uitenhage/Despatch	13	751
Central Johannesburg	1 036	0
East Rand	2 715	12 132
North Rand	2 359	1 891
West Rand	406	2 444
Pretoria	1 925	3 299
Vaal Triangle	948	5 603
Bloemfontein	81	558
Welkom	164	942
Kimberley	120	349
Durban	1 071	4 829
Pietermaritzburg	125	1 637

PE area: technikon

225 Mr E W TRENT asked the Minister of National Education *Hansard 10/4/91*

- (1) (a) How many technikon for (i) Whites, (ii) Blacks, (iii) Coloureds and (iv) Indians are there in the Port Elizabeth area and (b) in respect of what date is this information furnished,
(2) what was the (a) capacity of and (b) enrolment at each such technikon as at the latest specified date in 1991 for which information is available,
(3) whether there are any plans to build further technikon in the area, if not, why not, if so, (a) when, (b) where and (c) who will be allowed to attend these technikon,

- (4) how many students were refused admission to technikon in the Port Elizabeth area in 1991 on the basis of a lack of adequate accommodation? B590E

The MINISTER OF NATIONAL EDUCATION

- (1) (a) The Port Elizabeth Technikon is the only technikon which serves the Port Elizabeth area. Students of all population groups are registered at this technikon which falls under the De-

HOUSE OF ASSEMBLY

HOUSE OF ASSEMBLY

partment of Education and Culture, Administration House of Assembly

(b) 1991 *Hansard 10/4/91*

(2) (a) 3 000
(b) 4 400

(3) The Department of National Education does not initiate the planning and building of technikon. The State Departments responsible for education should be approached in this regard

(4) This information is not available from the Department of National Education

Unemployment Insurance Fund

243 Mr P H P GASTROW asked the Minister of Manpower *Hansard 10/4/91*

- (1) What was the balance of the Unemployment Insurance Fund at the end of 1990,
(2) (a) what was the total amount (i) paid into the fund by State employers and employees and (ii) paid out in benefits in that year and (b) to how many applicants were benefits paid,
(3) (a) what is the present average rate of interest received by the Fund and (b) what amount was paid from the Fund in 1990 in respect of administration costs,
(4) (a) what total amount in unclaimed money is held in the Fund and (b) how many persons are involved in this amount,
(5) how many employers were registered with the Unemployment Insurance Fund as at 31 December 1990? B631E

The MINISTER OF MANPOWER

(1) R1 194 000 276 (reserves)

(2) (a) (i) R80 278 453
(ii) R854 820 705

(b) 570 102*

(3) (a) 14,78%

(b) R41 757 077 (depreciation excluded)

(4) (a) Not available

(b) Not available

(5) 167 856

HOUSE OF ASSEMBLY

What to do with R3,7-bn for SA public servants

Political Staff

PUBLIC SERVICE pay talks start in Pretoria tomorrow to decide how to spend the R3,735-billion government has set aside for improving public servants' deals.

Officials of the Commission for Administration will meet representatives of public service associations and unions to determine how the cake is sliced.

First step

It will be the first time that the government consults State employees on how to spend a fixed amount allocated to them. Previous announcements of public service increases, such as the 10 percent non-pensionable allowance of April 1 last year, were criticised.

This is the first step towards the establishment of a formal negotiating forum between employees and the State as an employer," the chairman

of the Commission for Administration, Dr Piet van der Merwe, said yesterday.

It was the start to meaningful negotiations between the two sides, he said, recognising the right of those in the public service to freedom of association and collective bargaining.

The talks are scheduled for tomorrow and Thursday. Early speculation of this year's deal centres on a fixed lump sum for everybody from July 1.

Paying everybody the same amount would narrow the gap between higher and lower ranks. It would constitute a bigger percentage increase for the lower echelons than for their seniors.

This principle was applied in an increase on April 1 last year for MPs. All were given R12 000 more, meaning 15,9 percent for ordinary MPs, and 7,6 percent for Cabinet ministers.

Further speculation is that the controversial 10 percent

non-pensionable allowance will be consolidated and become pensionable from July 1.

Dr van der Merwe said, in response to this speculation, that the negotiations would be open-ended. "Everything is negotiable. The only thing that is fixed at the moment is the amount of money allocated (R3,7-billion)," he said.

What emerged from the negotiations — how the cake was divided — depended on how strongly the associations and unions felt about the issues, he said.

If they felt very strongly, for instance, that the 10 percent non-pensionable allowance should be consolidated, then it would have to be taken into account," he said.

Last Wednesday's budget noted that part of the R3,7 billion would go towards the penultimate phase of eliminating disparities between males and females in education.

The Public Servants Association

tion of South Africa (PSA) has put the State on notice that it will be pushing for four things:

- Sufficient funds to cover occupational differentiation,
- Removing disparities between certain occupational family groups,
- Consolidation of the 10 percent non-pensionable allowance and,
- Key scales — modest salary adjustments to make an adjustment date later than April 1 acceptable to public servants.

"We're not really in favour of a later date," Mr Hans Olivier, General Manager of the PSA, said today. "We will only be in favour if it benefits public servants," he said.

780
11/26/91

Govt's subsidy loophole abused

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CAT 7475 26/3/91

250

By BARRY STREEK

A LOOPHOLE in the government's housing subsidy scheme for civil servants resulted in overpayments and abuses which varied between 37% and 100% per department.

The abuses of the loophole were discovered by the auditor-general's office and as a result, new rules for the lucrative subsidy were introduced on August 1 last year.

The level of the abuses emerged in the evidence given to the House of Assembly select committee on public accounts in May, 1988.

But the minutes of the evidence were tabled in Parliament only at the end of last week and, in terms of parliamentary rules, could not be re-

ported until they were tabled.

In the evidence, the Democratic Party's former finance spokesman and now South African ambassador in Washington, Mr Harry Schwarz, described the abuses and loophole as "dishonest" and "shocking".

The loophole enabled civil servants to use their housing subsidies for movables as well as immovables.

Yesterday, Mr Schwarz said from Washington that it would not be appropriate for him to make any further comment.

The auditor-general, Mr Peter Wronsley, and the senior assistant auditor-general, Mr Chris Engelbrecht, said it would be impossible to establish a real figure for the amount of money involved in the use of the loophole

However, they both said the new scheme would be monitored in an attempt to prevent errors and loopholes.

The former auditor-general, Dr Joep de Loor, told the committee that 70 000 civil servants participated in the housing subsidy scheme.

He did not think all the civil servants were being overpaid.

Asked by Mr Schwarz how many had been overpaid, Dr De Loor said: "That has not been determined but we have percentages here."

"In some cases, we have found incorrect payments varied between 37% and 100%, mainly in the form of overpayments."

Mr Schwarz: "Is that in a department?"

Dr De Loor: "Yes, that is in a department."

Mr Schwarz then said the public was very unhappy about these subsidies and there was a great amount of dissatisfaction for a variety of reasons.

"We are now going to have the situation where from a public image point of view for the public service, this volume of abuse will have an adverse public reaction."

Dr De Loor replied: "We all agree that the housing subsidy is a valuable and useful fringe benefit."

"The problem is how to deal with the complexity of rules and regulations that have to be complied with."

"The individual departments do not have the necessary qualified personnel to apply the rules properly."

Public servants want say in allocating increases

PRETORIA — The Public Servants' Association (PSA) will start negotiating next week with the Commission for Administration on how the R3,7bn Budget allocation for government workers' salaries and benefits will be spent.

PSA GM Hans Olivier said the association's main concern was how much of the money would be allocated to career differentiated pay hikes.

Finance Minister Barend du Plessis angered public servants by failing to give a detailed breakdown of the R3,735bn set aside in the Budget for public sector benefits.

There were more than 140 career groups in the service who had fallen far behind private sector pay levels, Olivier said.

The amount to be spent on across-the-board increases for all government workers would also be negotiated.

Olivier said a second

GERALD REILLY

major issue was whether last year's 10% non-pensionable allowance would be incorporated in basic pensionable earnings.

The benefits are not expected to come into operation from April 1 and will probably be introduced retrospectively later.

The announcement that MPs are to get increases of 27% has caused "unhappiness".

Last year MPs voted themselves a similar increase.

● Comment: Page 12

Pollution threat to river

A RIVER running through Sandton faces a major pollution threat from domestic garbage dumped by residents of nearby Alexandra township.

The Sandton Chronicle newspaper reported this week that the Jukskei River was threatened with pollution from household garbage being dumped on Alexandra's Far East Bank area.

The refuse should have been deposited at the Linbro Park dump.

The newspaper asked who would take responsibility for ensuring the refuse reached the dump as, it said, the Alexandra Town Council had to all intents and purposes been taken over by the Alexandra Civic Organisation (ACO).

Sandton councillor Jo Marais, through whose ward the river flows, said the problem was growing.

WILSON ZWANE

"Not only is there seepage from the tons of garbage, but effluent from the nightsoil along the spruit is also a problem," Marais said.

She said Far East Bank residents were also suffering "as they have to put up with the stench and the flies".

ACO general secretary Richard Mdakane said yesterday his organisation was aware of the seriousness of the problem but said it lacked the resources to address it.

"ACO is involved in the development of the township but we are not a development agent. A regional body comprising, among others, Sandton and Randburg should be set up to address these environmental issues," Mdakane said.



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Many in SA 'pitifully poor'

CAPE TOWN — Gloomy but frank acknowledgement of the extreme levels of poverty in SA were made yesterday by Finance Minister Barend du Plessis

In 1989, some 44% or about 16-million people of the population, including the independent homelands, were estimated to be on very low incomes

He said. "One of the most daunting socio-economic issues is the great gap in development and income between people and communities

"SA has one of the most unequal distributions of income in the world; but still more disturbing are the millions of South Africans who have to make do with pitifully low incomes

"And there are similar disparities in the ownership of assets," Du Plessis said

Government's goal was a new SA with justice for all and political, social and economic equality.

Political Staff

"It is the considered judgment of this government that the means to securing justice for all lies in the process of purposeful even-handed treatment, alike in the political, social and the economic fields"

The theme of the 1991/92 budget was therefore "equity through growth and stability", Du Plessis said

The Budget Review, prepared by the Finance Department, stated that the extent of poverty in SA was "still extremely great

"Poverty in SA has increased over the past decade and a half

"This is reflected in the fact that the real gross domestic product (GDP) per capita has fallen since 1981 at an average annual rate of 1,5%

Unemployment in SA had shown an upward trend since the mid-1970s

The decline in the labour absorp-

tion capacity of the economy had assumed daunting dimensions.

In 1965-1970, 73,6% of the increase in the labour force was absorbed by the formal sector, but this fell to 62,7% between 1970 and 1975, 35,4% between 1975 and 1980, 21,9% between 1980 and 1985, and "an exceptionally low level of 12,5%" between 1985 and 1990

"The implication is that only about 125 out of every 1 000 new entrants to the labour market in 1985 to 1989 were accommodated as fulltime employees in the formal sector.

"Unemployment, therefore, has largely become entrenched in the South African economy as a structural problem."

The review said evidence submitted to Vatcom showed some children younger than 12, the aged, social dependents, and certain categories of unemployed needed urgent direct aid

He said some of the resources released by the DADF had to be rerouted to the maintenance of law and order and a total of R4,63bn was now provided — an increase of 53%

Rising crime, the need for certain security steps and the mass action campaign required a larger visible police presence with the emphasis changing from "reactive" to "pro-active", he said

The Minister said in the light of the high priority given to efficient policing and the need for emergency police stations, R20m of the R950m which had been set aside for urgent capital requirements was earmarked for this purpose

MPS' salaries to rise by 27%
CAPE TOWN — Parliament's 308 MPs, who last year earned salaries worth R26,2m, will get a pay rise of 27,4% worth R5,6m.

The overall cost of parliamentary salaries, including pensions paid to MPs, administrators and members of the President's Council, will rise by 22,7% to R104,4m

The latest pay increases for parliamentarians follow a double pay rise last year which increased MPs' salaries by 25% and Cabinet Ministers' by 17%.

While no details of MPs increase were provided Ministers are to get R187 000 a year, including a reimbursive allowance of R40 278, and deputy ministers R135 000 a year, including a reimbursive allowance of R30 930

Education's slice up 27% to R16bn

CAPE TOWN — Government has earmarked R16,1bn for education in the next financial year, with R6,833bn going to blacks — a 27% increase on last year

The Labour Party's boycott action also bore fruit as they will receive a one-off R90m and the House of Delegates R75m to address pressing needs.

White education spending will total R5,950bn — an increase of 6% while the budget for coloureds totals R2,303bn (13,9%), and for Indians R977,3m (18,6%)

Finance Minister Barend du Plessis said that for years education had been the largest single component in the Budget, and in the 1991/92 tax year it would account for 19,2%. This was before accounting for the contingency reserves and transfers to the TBVC states

He said R1bn had been earmarked for capital projects last year in a special fund,

Political Staff

of which R750m had been set aside for black educational capital projects. Of this R188m had been spent and the balance would be used this year

It was proposed an extra R269m be added to the rest of the R1bn fund — with R212m for capex in black education.

Special steps would be taken to ensure buildings would be erected with the support and co-operation of local communities, and if possible they would involve work-creation projects

It was generally accepted that the massive backlogs in education demanded great cost effectiveness, with the emphasis on skills-orientated education, he added

A direct contribution by parents and local communities was likely to play a larger role in future educational financing.

Deficit above IMF recommendation

ANNOUNCING a generally expansionary Budget yesterday, Finance Minister Barend du Plessis forecast a deficit before borrowing above expected levels and the IMF's suggested ceiling. At 3,4% of GDP, the deficit exceeds the suggested IMF ceiling of 3% and 1990's 2,7%.

Du Plessis has drawn on a R950m bonanza "emerging from the diminishing need for strategic stockpiling" for financing the deficit and a R206m input from the 1990/91 surplus after borrowing.

The remainder, R8,962bn, constitutes 3% of GDP, "unfortunately above the level of capital spending", estimated at 1,8% of GDP. Moreover, loan redemptions will be about R5,4bn, bringing the net financing requirement to R14,4bn

The plan is to finance it chiefly from

ANDREW GILL

domestic stock sales to the amount of about R1,4bn, including investment by the Public Investment Commissioner (PIC).

"In the light of the relatively modest loan programmes of other public sector institutions, the state's financing requirement this year should reinforce the slightly downward trend that long-term interest rates have begun to display."

The R10,12bn requirement, said Du Plessis, was the result of "all the fiscal commitments and tax reform in particularly tight economic circumstances".

The tax concessions will result in a loss for government of R1,77bn in fiscal 1991/92, while supplementary spending proposals account for another R2,15bn of the R85bn budget.

star 11/3/91

Ministers can buy their own homes

Political Staff

CAPE TOWN — The Government has decided to allow Ministers and deputy Ministers the option of buying their own homes in a move that may see the sale of residences worth millions of rands, Minister of Public Works and Land Affairs George Bartlett has confirmed.

He said the need to unlock funds, and an improvement in the security climate, had led to the decision, which took effect recently.

Sixty-eight Ministers and deputy Ministers live in State-owned residences. Ministers living in their own homes would

receive allowances. This would mean a saving of about 40 per cent when compared with the costs of State residences.

Mr Bartlett said Minister of Law and Order Adriaan Vlok had been consulted on the security aspects. Security would be maintained at the private homes. "There is a feeling that we get better return in such cases because a police guard means a presence in the community," he said.

The new decision means the Government has dropped the policy of trying to herd all Ministers and deputy Ministers into contained villages for security purposes.

(250)

Freedom of association 'assured'

Associations representing public servants from a single ethnic group would not be prohibited in the new South Africa, the Minister of National Education, Dr Wim de Villiers, said in the House of Representatives yesterday

Replying to a question by Jac Rabie (UDP Reiger Park), he said to do so would infringe the internationally recognised right of employees to belong to organisations of their choice, as well as the right of freedom of association.

As far as he knew, no association in the public service was organised on an ethnic basis now

The right of freedom of association would unquestionably be guaranteed in a new constitution. — Sapa.

HOUSE OF REPRESENTATIVES

QUESTIONS

†Indicates translated version

For oral reply

General Affairs

Public servants: associations

*1 Mr J A RABIE asked the Minister for Administration and Economic Co-ordination †

(1) Whether associations representing public servants from a single ethnic group will be prohibited in the new South Africa,

(2) whether he will make a statement on the matter? 250 C7E

†The DEPUTY MINISTER OF TRADE AND INDUSTRY AND OF NATIONAL EDUCATION (for the Minister for Administration and Economic Co-ordination)

(1) No, because it would infringe on the internationally recognised right of staff members to organise themselves in employee organisations of their own choosing as well as the right of freedom of association,

(2) no

†Mr J A RABIE Mr Chairman, arising out of the hon the Deputy Minister's reply, I should like to put a supplementary question to him, even though he is not the responsible Minister I respect freedom of association, but all staff associations in this country are organised ethnically My question is whether it is going to be prohibited in future for an association to write into its constitution that only Whites or only Coloureds or only Indians may belong to the association

†The DEPUTY MINISTER OF TRADE AND INDUSTRY Mr Chairman, the hon member's question has bearing on the Public Service As far as I know up to a few years ago there were four staff associations in the Public Service namely the Public Servants' Association the Public Servants' League of South Africa the Public Servants Union and the Institute for Public Servants which, respectively, represented White, Coloured, Indian and Black public servants All four of those staff associations opened

HOUSE OF REPRESENTATIVES

New missions abroad

*3 Mr T ABRAHAM asked the Minister of Foreign Affairs 6/3/91 C15E

(1) How many new missions did his Department establish abroad during the latest special period of 12 months for which information is available,

(2) whether any South Africans of colour have been appointed to posts at such missions, if not, why not, if so, what are the relevant details? 6/3/91 C13E

The DEPUTY MINISTER OF PLANNING (for the Minister of Foreign Affairs)

(1) In the 12 months ending 28 February 1991 four new missions were established, namely

Lomé (Togo)
Abidjan (Côte d'Ivoire)
Port Louis (Mauritius)
Budapest (Hungary)

(2) Yes, Mr D Naidoo was appointed Assistant Trade Representative in Port Louis in Mauritius

Port Elizabeth/Uitenhage area hospital beds

*4 Mr W J DIETRICH asked the Minister of National Health 6/3/91 C16E

How many hospital beds were (a) available to and (b) needed for patients in provincial hospitals in the Port Elizabeth/Uitenhage area as at 31 December 1990? 6/3/91 C15E

†The MINISTER OF NATIONAL HEALTH

(a) Authorised beds 2 005

Actual beds 2 540 and

(b) based on a realistic bed occupancy rate of 80% in respect of provincial hospitals in the Port Elizabeth/Uitenhage area, a provision of 2 490 beds will be sufficient for this rea

Foreign funding investigation

*5 Mr L T LANDERS asked the Minister of Justice 6/3/91 C16E

Whether the foreign funding of any organisations has been scrutinised and/or investigated to date in terms of the Disclosure of Foreign Funding Act, No 26 of 1989, if not, why not, if so, (a) which organisations were affected and (b) what were the findings in respect of each of them?

The DEPUTY MINISTER OF JUSTICE

A report concerning the activities of the Registrar of Reporting Organisations and Persons will be Tabled in Parliament shortly It is therefore appropriate to await the report

State pensions must be invested

250
2

ASSETS in the State's pension funds should be invested for real growth

There should be regular published reports on the financial position of the funds, according to Old Mutual's employee benefits general manager, Mr Garth Griffin

Griffin also said it was an "open question" whether the State should pre-fund its pension fund liabilities

He was commenting on a reported statement by the Minister of Finance, Mr Barend du Plessis, in Parliament that the total state liability for pension fund actuarial shortfalls was R30.5 billion.

He said it was "not a foregone conclusion that pre-funding by the State is the appropriate thing to do"

He pointed out that there were few, if any, examples of fully pre-funded state pension funds, that is, funds for government employees, in the world.

Griffin said the publishing of a single figure "tells us little, and unfortunately leads to emotional rather than rational

responses. For example, is the deficit of R30.5 billion relative to a total liability of, say R40 billion or R70 billion?

"Is the deficit getting bigger or smaller, relatively speaking?"

He said there were three crucial issues which needed to be addressed if the future management of the State's pension funds was to be set on an appropriate footing

There should be regular and full reports on the amount of the State's liability, with particular reference to the impact of increases in pensionable salaries, increases in pension or changes in benefit structures.

"This type of disclosure is much more important, in my opinion, than the amount of the deficit, given that the State must be assumed to stand behind any benefits due to fund members, including pensioners"

Asked whether a future black government would be prepared to continue financing state pension funds, he said this was clearly a matter which would have to be raised as part of the transitional process.

28/2/91



State's pre-funding of its pension liabilities questioned

CAPE TOWN — Assets in the State's pension funds should be invested for real growth, and there should be regular published reports on the financial position of the funds, says Old Mutual's Employee Benefits general manager Garth Griffin.

Mr Griffin also said it was an open question whether the State should

pre-fund its pension fund liabilities.

He was commenting on a reported statement by the Minister of Finance, Barend du Plessis, in Parliament that the total State liability for pension fund actuarial shortfalls was R30,5 billion.

Mr Griffin said it was not a foregone conclusion that pre-funding by the state was the appropriate

thing to do. He pointed out that there were few, if any, examples of fully pre-funded state pension funds in the world.

The publishing of a single figure tells little, and unfortunately leads to emotional rather than rational responses.

"For example, is the deficit of R30,5 billion relative to a total liability of, say, R40 billion or R70 billion, and is the deficit getting bigger or smaller, relatively speaking?"

There were three crucial issues which needed to be addressed if the future management of the State's pension funds was to be set on an appropriate footing, Mr Griffin said.

"There should be regular and full reports on the amount of the State's liability, with particular reference to the impact of increases in pensionable salaries, increases in pensions or changes in benefit structures.

"This type of disclosure is much more important, in my opinion, than the amount of the deficit, given that the state must be assumed to stand behind any benefits due to fund members, including pensioners" — Sapa.

HOUSE OF ASSEMBLY

QUESTIONS

†Indicates translated version

For written reply

General Affairs

Mr Charles Sebe: report of death

26 Mr A E DE WET asked the Minister of Foreign Affairs

- (1) Whether he or any member of his Department requested a briefing or report from the Ciskei Government on the death of Mr Charles Sebe following an abortive coup on 27 January 1991, if not, why not, if so, (a) when and (b) with what result,
- (2) whether he or his Department registered any protest with the Ciskei Government following the death of Mr Sebe, if not, why not, if so, (a) when, (b) what was the nature of the protest and (c) with what result,
- (3) whether he or his Department has been in contact with any foreign governments or their representatives with regard to the abortive coup in Ciskei, if so, (a) with which governments, (b) when, (c) what specified issues related to the coup attempt were covered and (d) what was the outcome in each case?

B82E

The MINISTER OF FOREIGN AFFAIRS

- (1) No In cases of this nature the South African Ambassador reports fully to me and the Department about the facts and circumstances. Naturally, reports of this nature are confidential
- (2) No The incident occurred on Ciskei territory and the late Mr Charles Sebe was a citizen of Ciskei. In so far as South Africa's interests are affected by an event of this nature, the South African Government's point of view is of course conveyed. Such conversations are likewise of a confidential nature

- (3) No Except in general to provide background on enquiry during meetings with representatives of other countries I issued a statement in which I called upon leaders to commit themselves to a peaceful solution of disputes

Public Service: recruitment of other race groups

72 Mr R M BURROWS asked the Minister for Administration and Economic Co-ordination

- (1) Whether the Commission for Administration has considered or is considering a specific policy for the recruitment of qualified personnel of any South African race group other than White to the senior ranks of the Public Service, if not, why not, if so, what is this policy,
- (2) whether Public Service bursaries and/or loans are made available in general proportion to the racial composition of the South African population, if not, why not, if so, what was the distribution of such bursaries and/or loans amongst the four race groups as at the latest specified date for which figures are available, 250
- (3) whether he will make a statement on the matter?

Answer 25/2/91

B200E

The MINISTER FOR ADMINISTRATION AND ECONOMIC CO-ORDINATION

- (1) No The existing policy for the recruitment of qualified personnel is applicable to all South African population groups. The policy for the filling of vacant senior posts is embodied in Section 10 of the Public Service Act, 1984. It stipulates, inter alia, that in the filling of a post—
 - no person who qualifies for a post shall be favoured or prejudiced, and
 - only the qualifications, level of training, relative merit, efficiency and suitability of the persons who qualify for the appointment, transfer or promotion concerned shall be taken into account.
 Factors such as candidates' linguistic proficiency, liaison capability, experience as well as background are inevitably taken

(250) into account and measured against the requirements set for a certain post when their suitability for such a post is being considered

(2) No Public Service bursaries are awarded with academic merits as the main criterion to determine the relative merit of each case irrespective of race or colour,

(3) No

Own Affairs

Bed occupancy rate *Wansard 25/2/91*
10 Mr M J ELLIS asked the Minister of Health Services

What was the average bed occupancy rate in 1990 in each specified hospital falling under the control of his Department in (a) Natal, (b) the Orange Free State, (c) the Cape Province and (d) the Transvaal?

B103E

The MINISTER OF HEALTH SERVICES

(a) Natal

Grey's Hospital — 61,5%
Hillcrest Hospital — 93,75%
Greytown Hospital — 29,67%

(b) Orange Free State

Voortrekker Hospital — 59,9%
Bethlehem Hospital — 55,15%
Sasolburg Hospital — 51,0%
Jagersfontein Hospital — 43,58%
Zastron Hospital — 21,52%

(c) Cape Province

PE Hospital — 59,46%
Volks Hospital — 39,30%

William Slater Hospital — 30,71%
Walvisbay Hospital — 38,08%

(d) Transvaal

Andrew McColm Hospital — 40,6%
Bernice Samuel Hospital* — 38,6%
Bloemhof Hospital — 42,1%
Brits Hospital — 76,0%
Delareyville Hospital — 28,8%
Duiwelskloof Hospital — 50,6%
Edenvale Hospital — 48,2%
Elsie Ballot Hospital — 50,5%
Evander Hospital — 46,6%
F H Odendaal Hospital — 59,3%
Gen De la Rey Hospital — 40,1%
Groblersdal Hospital — 41,2%
H A Grove Hospital — 51,7%
Hendrik v d Bijl Hospital — 59,9%
J G Strijdom Hospital — 33,7%
Kempton Park Hospital — 56,0%
Louis Trichardt Memorial Hospital — 41,2%
Ontdekkers Memorial Hospital — 41,5%
Paardekraal Hospitaal — 54,0%
Phalaborwa Hospital — 51,4%
Pretoria West Hospital — 45,4%
Sannieshof Hospital — 19,7%
South-Rand Hospitaal — 40,2%
Sybrand van Niekerk Hospital — 47,6%
Van Velden Memorial Hospital — 53,8%
Ventersdorp Hospital — 38,1%
Vereeniging Hospital — 49,6%
Far East Hospital — 45,0%
Voortrekker Hospital — 51,9%
Warmbad Hospital — 39,1%
Waterval Boven Hospital — 44,9%
Willem Cruywagen Hospital — 47,7%

HOUSE OF ASSEMBLY

INTERPELLATIONS

The sign * indicates a translation. The sign †, used subsequently in the same interpellation, indicates the original language.

General Affairs

Aids: campaign

*1 Dr W J SNYMAN asked the Minister of National Health

Whether she envisages or is implementing an extensive plan of action in the campaign against the spread of Aids, if so, what are the relevant details?

B341E INT

*The MINISTER OF NATIONAL HEALTH Mr Speaker, I welcome the opportunity to furnish details of the Government's strategy on the Aids Program

Since the first two cases of Aids were reported in South Africa in 1982, Aids has been regarded as a high priority. Since then an on-going campaign has been conducted to combat its spread.

I want to point out, however, that the spread of the virus is a behavioural problem and not so much a medical problem. The Department of National Health and Population Development recently intensified its campaign. This includes *inter alia* the establishment of a subdirectoriate for the combating of Aids, which was completed in 1990. The Aids strategy was recomputed and accepted by the health family.

The most important element in this strategy is the following: The establishment of an interdepartmental committee on which 167 Government departments are represented to co-ordinate the actions of the public sector. The committee has already met. Arising out of the interdepartmental committee meeting, a workshop was arranged for 4 March 1991.

As hon members know, the emphasis in 1990 fell on the woman and Aids. In 1991 the theme for combating this problem is the youth. At the workshop emphasis will be placed on educating

the youth. Educational authorities and institutions, as well as parent and teachers' associations will be represented. The purpose is to devise an educational programme for use by schools.

Two educational videos for use in schools are also being produced this year. Aids information and training centres have already been established in 10 larger local authorities. Here people can receive applicable information, guidance and counselling. The project will be developed further during the course of the year.

Since 1985 blood and blood products have been safeguarded. South Africa was the first country in Africa to safeguard blood. South Africa even anticipated the initiatives of the World Health Organisation. The success of this programme is irrefutably demonstrated by the fact that since 1985 not a single case of Aids in South Africa has been the result of the infusion of contaminated blood.

At the end of 1990 a countrywide survey was made among pre-natal clinics as part of the on-going process of disease surveillance. The result will soon be available and will definitely be published.

The role of the private sector in the combating of Aids is realised. Later this year a forum for business leaders is being planned. [Time expired]

*Dr W J SNYMAN Mr Speaker, the sum total of what the hon the Minister said was that the issues were behavioural problems and information that had to be conveyed to the general public. Now that is precisely the problem I have with the hon the Minister's department.

The latest information pamphlet I saw was this one published by the Department of National Health. Below the caption is a colour photograph of babies varying from light green to dark green in the new South Africa, who could all possibly be Afrikaners in the words of the Nationalists. [Interjections]

*An HON MEMBER Like the hon member for Rissik on TV this morning.

*Dr W J SNYMAN The point is this: I maintain that this information pamphlet of the Government is not only incomplete but in reality it is

SADF: townships
30 Lt-Gen R H D ROGERS asked the Minister of Defence

the Republic, if so, how many?

B86E

Whether any national servicemen requested the South African Defence Force in 1990 not to require them to do duty in any townships in

The MINISTER OF DEFENCE
There is no record of any national serviceman who requested not to do duty in townships

HOUSE OF ASSEMBLY

QUESTIONS

†Indicates translated version

For written reply

General Affairs

Departments/organizational components

6 Mr R M BURROWS asked the Minister for Administration and Economic Co-ordination

(1) What was the total number of persons employed in each department and organizational component referred to in section 6(1) of the Public Service Act, No 111 of 1984 as at 30 September 1990,

(2) (a) how many such persons were employed in each of the following eight salary intervals in each such department and organizational component, viz (i) more than R165 000, (ii) R120 001 to R165 000, (iii) R110 001 to R120 000, (iv) R87 001 to R110 000, (v) R74 001 to R87 000, (vi) R49 001 to R74 000, (vii) R38 001 to R49 000 and (viii) R29 001 to R38 000 and (b) to which population group did each of these persons belong?

B35E

THE MINISTER FOR ADMINISTRATION AND ECONOMIC CO-ORDINATION

Reply bound in Annexures of House—see M/121-1991

Own Affairs

Model B opinion polls

6 Mr S S VAN DER MERWE asked the Minister of Education and Culture

(1) In respect of each province, (a) how many schools under the control of his Department conducted opinion polls to determine whether the parent body would support the introduction of the Model B admission policy for such schools and (b) how many of these schools obtained the required majority,

(2) whether any schools which failed to obtain the required majority applied to him for permission to introduce Model B, if so, with what results?

B27E

THE MINISTER OF EDUCATION AND CULTURE

	(a)	(b)
(1) Cape	112	107
Natal	62	59
OFS	1	0
Transvaal	42	35,

(2) 9 of which 5 were rejected and 4 were approved

New models: votes

8 Mr K M ANDREW asked the Minister of Education and Culture

(a) (i) Which schools voted on the new models in 1990 and (ii) on what model did each school vote and (b) what was the (i) percentage poll, and (ii) percentage of those voting in favour of a model, in each case?

B44E

THE MINISTER OF EDUCATION AND CULTURE

(a)(i)	(a)(ii)	(b)(i) %	(b)(ii) %
Aqua Vista Primary School	Model B	96,64	80,67
Balmoral Girls' Primary School	Model B	94,30	89,35
Barrydale Hoerskool	Model B	86,62	65,60
Bathurst Primary School	Model B	80,82	75,34
Bergvliet High School	Model B	92,76	88,67
Bergvliet Primary School	Model B	94,67	91,12
Blouberg Ridge Primary School	Model B	89,29	82,87
Cambridge Preparatory School	Model B	89,49	82,30
Camps Bay High School	Model B	96,28	89,70
Camps Bay Preparatory School	Model B	90,51	86,08
Camps Bay Primary School	Model B	91,87	88,55
Cape Town High School	Model B	96,55	89,53
Central Primary School	Model B	88,73	81,69
Chinese High School	Model B	99,56	99,12
Clarendon Primary School	Model B	88,26	82,20
Clarendon Girls' High School	Model B	92,84	87,50
Clarendon Girls' Primary School	Model B	94,37	90,14
Clarendon Park Primary School	Model B	83,65	79,83

Public pension 'shortfall' no cause for alarm **PSA**

PRETORIA — The announcement that government pension funds had a shortfall of R30bn was no cause for panic, Public Servants' Association (PSA) deputy GM Cas van Rensburg said yesterday.

The shortfall, he claimed, was of academic interest only and would not threaten the pensions of thousands of public servants.

It was an "unqualified" sweeping

14/2/91

GERALD REILLY

statement to claim the reason for the shortfall was excessive benefits unrelated to contributions and available funds.

The shortfall figure would be relevant only if funds were to be wound up and abolished.

Meanwhile, the PSA, in an editorial

in its journal, has called for a start to negotiations on the protection of government workers in a new dispensation.

It said only about 37% of posts associated with the Public Service Act were held by blacks, coloureds and Asians. But it said it was "far-fetched" to argue that a future government could insist on a racial balance in the service.

Vlok invites Coetzee back

LESLEY LAMBERT

CAPE TOWN — Law and Order Minister Adriaan Vlok has issued a public invitation to renegade police captain Dirk Coetzee to return to SA and give evidence against policemen he has linked to death squad activities.

Vlok's invitation, made in a speech to the Cape Town Press Club, follows Justice Minister Kobie Coetsee's request for Coetzee to return to SA voluntarily or face extradition. *b10am 12/2/91*

Coetsee reiterated in a statement last week that Coetzee would be guaranteed a fair trial on any charges against him if he returned voluntarily.

A spokesman from the Justice Department said yesterday Coetzee had not applied for indemnity, nor had negotiations for his extradition been implemented.

On crime, Vlok said the SAP's law enforcement "dared" not be based on colour and anyone breaking the law would be dealt with regardless of race or creed.

He said the SAP did not belong to any political party.

People of all political convictions had demanded that something be done about the high crime rate. Friday night's Operation Thunderbolt was part of a well-planned and consistent strategy which would be repeated.

The three Tourist Protection Units had achieved great success in giving Johannesburg's tourists better protection, he said.

And, taken to task by a female guest for referring to police as men, Vlok said the next commissioner of police "could well be a woman".

Vlok said about 8 000 members of the 70 000-strong force were women and nothing prohibited a woman from becoming police commissioner. — Sapa.

Legislators set to cost R38m

PRETORIA — SA's 308 legislators are expected to cost taxpayers more than R38m in the new financial year. *b10am 12/2/91*

Sources base this on the assumption that MPs will get the same 12% increase public servants expect. *(250)*

Salaries and allowances for the MPs will amount to almost R27m for this financial year. *(250)*

GERALD REILLY

The 32 Cabinet ministers — 18 in the House of Assembly, four own affairs ministers and five each in the House of Representatives and House of Delegates — will earn about R6m.

The administration of Parliament was expected to amount to about R35m this financial year.

Irregularities in govt sector 'widespread'

ent. 7.4.91 9/2/91 (250)

By BARRY STREEK

WIDESPREAD irregularities in government departments, official bodies and local government, including an "extensive" multi-million rand fraud with film subsidies, were disclosed yesterday by the auditor-general, Mr Peter Wronsley.

"Material deficiencies" had been found in a contract between the SADF and a film company. "Several further unsatisfactory aspects" were established in the Department of Education and Training stores as well as double payments to examiners in the same department.

Several administrative shortcomings by local authorities had come to light and "a disturbing failure" to comply with legal provisions by black authorities had become evident.

Mr Wronsley said he could not issue unqualified audits into the accounts of the South Africa Medical Research Council and the South African Development Trust.

He was also not able to express an audit opinion of the J L B Smith Institute of Ichthyology at Rhodes University and the National Housing Fund (Blacks)

In his report on general affairs for the 1989/90 financial year, which was tabled in Parliament yesterday, Mr Wronsley reported unauthorised expenditure totalling R33,8 million, including R17,2m by the Department of Education and Training, R14,9m by the Department of Transport and R1,5m by the Prisons Department.

He said a performance audit on the payment of film subsidies since April 1, 1988, had been completed.

Investigations by the police and the Department of Home Affairs resulted in significant savings and recoveries as well as prosecutions.

Mr Wronsley also commented unfavourably on various aspects of the South African Development Trust, particularly in regard to "inadequate" internal control measures and "unsatisfactory replying to audit queries".

Cape Town-based SA Library was also criticised by the auditor-general for poor financial administration.

A commission of inquiry was appointed yesterday to investigate the Department of Development Aid, including the SA Development Trust, after the Joint Committee on Public Accounts strongly criticised its administration.

C

Bureaucracy shrinks as job cutbacks bite

EMPLOYMENT cutbacks in the public sector are taking place in virtually every segment except central government, latest employment statistics show.

Overall public sector employment fell by 1% in the year to September 1990. Further evidence of the drive to trim the civil service comes from the 22% plunge in official public sector vacancies

In previous recessions, public sector employment has remained buoyant while other sectors, such as manufacturing, felt the pinch

31/1/91
GRETA STEYN

But latest figures suggest that government is pushing ahead with its pledge to trim the bureaucracy in spite of the hard times

An analysis of employment figures shows the largest decline was recorded by Transnet, whose employment numbers fell by 6% in the year to September

The civil services of the self-governing territories cut back dramatically in the September quarter to achieve a 4% decline for the year

Similar declines were recorded by local authorities while public corporations contracted slightly. There was virtually no growth in post and telecommunications employment.

But central government continues to expand, especially general affairs (up 4.5%). University and technician employment showed similar growth

On a longer-term perspective, public sector employment is still almost 20% up on its 1980 levels. This compares with virtual stagnation in important sectors like manufacturing and slight declines in mining.

Public service needs blacks to satisfy manpower needs

B. 1044
28/1/71

GERALD REILLY

250

270

PRETORIA — The only way SA's public service will be able to satisfy its future manpower needs is by employing and training more blacks, says Commission for Administration chairman Piet van der Merwe.

While most of the country's high-level manpower traditionally had been white, this was changing because whites were increasingly unable to supply all the economy's skilled labour needs, he said.

As the public service was subject to severe budget constraints, and personnel standstill measures were in force to curb its growth, the recruitment of black workers was limited. Of the total public sector's personnel corps, 38% were black. Excluding labourers, 25,8% of state workers were black.

Significant numbers of blacks were employed as department heads in self-governing states, Van der Merwe said. Senior public service posts were occupied by blacks.

Asked whether paternalism played any part in black appointments to senior posts, Van der Merwe said appointment principles were enshrined in the Public Service Act. "It is vital these be accepted by all and be preserved by an independent judiciary in the interests of efficient public services." As long as merit was the only test there would be no resentment among white officials at the advancement of blacks to senior posts.

THE public sector is one of the most bitterly contested of South Africa's labour relations fronts — but will hostilities cease under a friendly government?

Controlling lifeline infrastructural and welfare services — hospitals, transport, docks, power, telecommunications — state sector unions are uniquely placed to inflict damage on the economy and discomfort on the public. In the United Kingdom, public sector strikes during the "winter of discontent" sparked a voter backlash which helped bring Margaret Thatcher to power.

In South Africa more than a quarter of the man days lost through strikes last year involved central and local government workers — would the unions strike as readily against an African National Congress administration?

How would they view "commercialisation", public sector redundancies and calls for wage restraint in a democratic state? Would they push for rapid Africanisation, despite the political implications and even if services to the community were hit?

In a sense, the issue is a broader one: the possibility of a "social contract" — economy-wide trade-offs between unions, the state and capital — is being hotly debated with the Congress of South Africa Trade Unions.

But the snags and complexities are most vexing within the government sector. At present, public sector unions refuse to moderate their pay claims or limit strikes, arguing that they owe nothing to a government that does not represent them. Indeed, they see their activities as part of the wider push for liberation.

The pressure to scale down demands, and the risk of incorporation, would be far greater if they faced the ANC, their historic ally, across the negotiating table.

The question was thrown into sharp relief last week by a sea-change within the leadership of Cosatu's Post and Telecommunications Workers Association (Potwa), coupled with the announcement of a militant programme of action for this year, including demands for the virtual doubling of the minimum wage.

The new leadership has extraordinarily close ties with the ANC. The general secretary, assistant general secretary, treasurer and president have all been detained at some stage for activities linked to Umkhonto weSizwe, the ANC's armed wing. Two are branch officials of the ANC, others are active in ANC-linked civic bodies. Virtually

Will militant unions become government sweethearts?

Wilmel 25/11/91 250

Close ties between the newly elected leadership of Cosatu's postal union and the ANC pose an obvious question: will public sector unions become a mere adjunct of a post-apartheid state?

BY DREW FORREST

all are thought to belong to the South African Communist Party.

The picture is similar in Cosatu's other public sector unions, notably the South African Railway and Harbour Workers Union and the National Education, Health and Allied Workers Union, which tend to be more nationalist in orientation than the federation's industrial affiliates.

Some suggest these unions will simply roll over and die under majority rule. Others, including *Innes Labour Brief* editor Duncan Innes, insist the culture of independent unionism in Cosatu is too deep-rooted for this.

A key consideration is the different nationalist strains within the labour movement. Some labour nationalists might argue, as happened at Cosatu's last congress, that unions should refrain from striking under an ANC government, while others — particularly those with MK links — are more jealous of union autonomy.

Post-apartheid unions may not reflect quite the same militancy as "under the racist regime", predicts Mlungisi Hlongwane, Potwa's new general secretary. "But we have learnt from our counterparts in Africa, which have been neutralised and demobilised by too-close ties with their governments."

He adds: "Each member of the congress alliance must retain its independence. We accept that the ANC will represent various strata in our society — workers' interests will not be automatically respected. But we would expect an ANC government to have a working class bias."

As providers of vital services to business and the public, state sector unions are uniquely touched by the sharp debate in Cosatu over essential service strike rights.

Nehawu national organiser Monde Mditshwa says his union believes in the full right to strike under the present dispensation but would have to "look



Hospital staff demonstrate ... Will they protest under a majority government? Picture: WILLIAM MATLALA

at" compulsory arbitration in the health service come majority rule.

Hlongwane takes a different view. "Denial of the right to strike in any sector makes employers insensitive, and workers resentful of their comparative disadvantage," he comments.

Holding that statutory curbs simply do not work, he argues that restraint can only come through consultation between workers and the wider community.

What of the public sector wage bill, which Innes believes will be high on

bitterly resisting the current push for "commercialisation".

"At the moment, it's a move towards privatisation," Hlongwane argues. "And any profits would accrue to a minority government."

But he is adamant that any restructuring which entails job cuts "serves the interests of capital", insisting that through expansion — particularly into poorly served townships and rural areas — profitability can be squared with job creation.

The reality seems more complex. What of the homeland bureaucracies, where the unions are making giant recruiting strides? Can the railways, for example, realistically move into the black without major tariff hikes or manning cuts?

"Africanisation" of the public sector is another potential flashpoint. Potwa is already kicking against the white monopoly of technical and managerial jobs in the post offices, and Innes predicts intense union pressure on the ANC to correct historic imbalances.

But the ANC's task is a tougher one than in other post-colonial African states, where many white bureaucrats were expatriates under contract. The forced "greying" of the civil service, particularly if not seen to be on merit, could be politically explosive.

Both Hlongwane and Mditshwa believe the transition must be a gradual one, to ensure the maintenance of standards. "As long as they are not racist, whites should be able to stay on," Hlongwane said.

But they also insist that this must be coupled with a massive education and retraining programme to equip blacks for more skilled work.

Sky-high worker expectations of a democratic government hold special dangers for the unions. There is a distinct risk that leaders counselling patience on promotion and restraint on wages could find themselves out of kilter with their base.

One approach to this is an intensive programme of education, aimed at heightening workers' awareness of society's broader needs, including those of the unemployed and the unemployed.

Hlongwane hints that unions might be sympathetic to an ANC push to curb inflation and conserve hard-pressed resources for other social projects. But for this to happen, he stresses, workers will have to be involved at all stages of economic planning.

"It's no good coming to workers when problems arise. If they're approached at the initial stages, they'll be able to understand the state's problems."

Monday a vital date for unions

Public sector workers are to meet representatives of the Commission for Administration on Monday, reports BRENDAN TEMPLETON.

PUBLIC sector unions will be left out in the cold when the Cosatu-Saccolanactu accord is passed into legislation this year.

But unions in this sector are determined to have, at least, similar rights to those enjoyed by most workers, who will be covered by amendments to the Labour Relations Act.

Most important among these are grievance and disciplinary procedures, the right to strike, bargaining forums, access to members and stop-order facilities.

Arrayed against them are government departments which make it difficult to establish a relationship with the State at a national level.

Laws such as the Public Service Act and Post Office Services Act declare it illegal for state employees to strike.

Conservative staff associations which have worked within the old system of labour relations in the public sector

also frustrate union efforts

Yet unions, including the National Education, Health and Allied Workers Union (Nehawu) and the Post Office and Telecommunications Workers Association (Potwa) have succeeded in increasing their membership to the extent that the authorities have had to take notice.

Postwa was established in 1982 and has a membership of 22 000, while Nehawu has grown from 9 500 in 1987 to about 50 000 today.

Industrial action in the public sector reached unprecedented levels last year.

Now the Commission for Administration and the Post Office have recognised the necessity to deal with the unions.

Potwa general secretary Mlungisi Hlongwane and Nehawu national organiser Monde Mditshwa agree that a centralised bargaining structure has to be established where general grievances af-

fracted by the sudden open door policy.

He believes bargaining procedures could prevent situations arising where health staff feel they have no alternative but to strike.

The associations agreed with Nehawu representatives that the Public Service Act could not remain, but disagreed that the Labour Relations Act should be extended to them.

A big stumbling block with the Commission is its definition of "public service". Mr Mditshwa believes it is too narrow and should be broadened to include municipal, post office and railway workers.

A centralised bargaining forum on common public service matters should be established.

Mr Hlongwane agrees. Although negotiations are taking place on a national level with the post office, management's

new attitude has yet to trickle down to regional and local levels. Even agreements made at national level have to be approved higher up, creating delay and frustration.

Head-on confrontation with the Post Office will take place for at least the next six months, he says.

A massive campaign, which will include community organisations, is being planned against the proposed Post Office Amendment Bill which Potwa believes is paving the way towards privatisation.

Nehawu is planning a campaign to protect nurses, who participated in last year's strikes.

Despite an agreement after the strikes between hospital authorities and the union not to take disciplinary action, the Nursing Council says it was not party to the agreement and will go ahead with disciplinary procedures if it receives any complaints. □

Weekly Mail Reporter

THE first steps towards the "rationalisation" of apartheid's bloated bureaucratic structures are making civil servants jittery.

Whether it is called "rationalisation" or whether it is merely seen as one of the areas of reform in forging a "new South Africa", the civil service has to change drastically.

The public commitment by President FW de Klerk to the "serious need for fundamental rationalisation" and the need for "interim arrangements" for problems arising from the fragmentation of administration — particularly in education, housing, health and agriculture — have spurred the first hesitant, behind-the-doors moves towards reform of the civil service.

About a third of South Africa's economically active whites are in the public sector and whites form 44,8 per cent of the 521,263 civil servants employed by central government.

Last year, it was revealed that the number of people employed by central government and provincial administrations increased by 10 032 to 753 209, while employment in all other sectors, including the remainder of the public sector, declined.

Public sector gets wind up over the trim down

By Paul L. 212 - 281 291

Hans Olivier, senior manager of the Public Servants Association, says civil servants are concerned that their future and accumulated benefits could be threatened by constitutional reform.

Government spokesmen were quick to reassure them that there were "ways and means of rationalising without firing".

And the Minister of Administration and Economic Co-ordination, Dr Wim de Villiers, warned that talk of rationalising departments was "speculative and untimely" and was creating unnecessary uncertainty.

But it is accepted in official circles that the changes will eventually result in the demise of three "own" affairs administrations and the 10 homeland structures. With 19 education departments, 15 ministers of education, 13 ministers of health and 14 ministers of agriculture, the process is not a moment too soon.

Pretoria's "offer" to help Ciskei restructure its government is seen as the first step towards reintegrating the "independent" homeland into South Africa.

ca. De Klerk also said rationalisation could take place at local government level.

The Minister of Constitutional Development, Gerrit Viljoen, has said own affairs administrations would only be scrapped once the constitution was changed. The three Ministers' Councils would be kept in place for the time being. He also said De Klerk would not allow the constitution to be fragmented on an ad hoc basis.

But the rationalisation of government bodies in education, housing, health, agriculture and local government will see the end of separate government structures based on race.

The process was begun with the appointment of two committees, under the chairmanship of the former auditor-general, Dr Joop de Loor, to investigate the myriad development agencies and the government's role in the provision of housing.

The De Loor reports have not yet been released — and the cabinet has not taken a decision to do so — but they are understood to be a scathing attack on fragmentation, duplication and

conflict between different government bodies, as well as on inefficiency in government efforts to deal with social problems.

The De Loor report is being studied by a committee of ministers and senior officials, who will in turn make recommendations to the cabinet.

It is hoped that the first moves towards rationalisation will start on April 1.

The cabinet's decisions will, however, have to be implemented by civil servants, who have not demonstrated much enthusiasm for change. For instance, in parliament this week, the Minister of Provincial and Planning Affairs, Hennis Kriel, disclosed that 43 new group areas had been proclaimed after De Klerk had announced that the Group Areas Act was to be scrapped.

So, while the cabinet and everyone else accepted that the law would be scrapped this year, the bureaucracy ground on implementing it.

There will, of course, have to be a civil service during the process of transition, but its potential for dragging heels and frustrating decisions for change is enormous.

Indeed, the reform of the civil service, with its power in the white community, could be one of the biggest challenges the constitutional negotiators will have to face.

Plea on plight of civil servants

B. Daily 14/1/91

GERALD REILLY

PRETORIA — The Public Servants' Association (PSA) has warned government that unless it gives its workers a more equitable deal, nothing will come of the ideal of a dynamic, efficient public service as a sound foundation for changes in a new SA.

PSA GM Hans Olivier says retention and further recruitment of key professional personnel is vital. Personnel are still being lured to the private sector by better pay and service conditions.

Staff instability at other levels is also cause for concern, and a grave threat to a future stable administration, he says.

The PSA believes a prerequisite for likely fundamental changes that would have to be made in public administration in the transition to a new SA will hardly be possible with an underpaid and underskilled public service.

In an editorial in *The Public Servant* — the PSA's official journal — government is told bluntly that the way in which it is implementing a market-linked pay system in the service is making a mockery of an undertaking given to the PSA.

The editorial berates government and

cabinet ministers for their apparent indifference to the plight of PSA members.

The magazine says the PSA has written to Administration and Economic Co-ordination Minister Wim de Villiers about the backlog that has developed because of government's failure to adhere to its undertaking on market-related pay.

It says De Villiers's reply was unsatisfactory and that legal action is being studied to see whether government cannot be compelled to stick to its undertaking.

The editorial says the success of a government pay policy depends greatly on the influence and insights of the ministers involved. The PSA is convinced De Villiers has turned a deaf ear to the public servants' case.

The editorial says the Commission of Administration too often protects government on pay issues by requesting too small an allocation of funds.

A serious distrust of government has built up among workers, it says.

Minister and hon members correctly. Firstly, because it is dangerous and secondly, because doing so has an intimidatory effect on those attending such occasions and, more specifically, on those who are onlookers and who are not involved. This standpoint is confirmed in legislation, and regulations in that connection have already been made.

Consequently I find it difficult to accept that we should not adopt a similar standpoint in respect of other weapons which may also be dangerous and intimidatory, particularly to those who are observers. When all is said and done, how do we tell members of the AWB that they may not have certain kinds of firearms on their person as traditional weapons on certain occasions, while we accord that privilege to certain Black groups. It is a dilemma, and all of us must concede this.

We appreciate the traditional and emotional aspects of this issue, but the fact of the matter is that political leadership is necessary here. In this regard I want to make a specific appeal to Chief Buthelezi, because he is an important leader in this country and he may perhaps be able to provide personal guidance in this connection, to discourage that practice. However, we must also take steps on our part [Interjections] I want to express appreciation for the fact that the hon the Minister has already taken certain steps in this connection [Interjections].

*The ACTING SPEAKER Order'

*Mr S S VAN DER MERWE However, the hon the Minister must go further and make sure that the carrying and use of any form of dangerous weapon, or replica thereof, that can be intimidatory—I have a suspicion that in many cases this is intended to be intimidatory—and which is dangerous, should as far as possible be discouraged and prohibited in this country [Time expired]

Mr J H MOMBORG Mr Speaker, I am disappointed that the hon the Minister does not see his way clear to implementing a total ban on weapons, but if this interpellation will help to make people aware of the need to save lives, I think we will have achieved something.

I want to make an urgent appeal to the hon the State President to repeal Proclamation No R 164 of 1990, which will ban the carrying of traditional weapons by Zulus in Natal. While I respect his traditions and culture, I want to

longer being detained and why restrictions are no longer being imposed on people. That is why people are able to hold meetings freely. We who have to prohibit people from carrying weapons there, I must say this to hon members, have a practical problem, and this is the way I want to convey it to the hon member [Time expired] Debate concluded Hansard 16/4/91

QUESTIONS

†Indicates translated version.

For oral reply

General Affairs

State President

Ministerial representatives

*1 Mr F J LE ROUX asked the State President †

(a) What are the assignments and duties of Ministerial Representatives and (b) what are their total remuneration package and privileges? B756E

†The STATE PRESIDENT

(a) Ministerial Representatives were appointed by the State President for the respective ministers' councils and for certain provinces in terms of section 28(1) of the Republic of South Africa Constitution Act, 1983. In terms of the provisions of section 28(2) of the Constitution, ministers of the respective ministers' councils assigned certain powers, functions or duties entrusted to them in terms of a law or otherwise, to the Ministerial Representatives. These powers, functions or duties are exercised or performed on behalf of the minister concerned by such a ministerial representative.

(b) (i) Remuneration

Salary	R94 470
Allowance	R26 049
Total	R120 519

(ii) According to their position in the hierarchy of political office-bearers, which is comparable to that of mem-

bers of executive committees, ministerial representatives also enjoy benefits in respect of housing, motor car financing, travelling, accident insurance and participation in the PARMED medical aid scheme and the Pension Scheme for Members of Parliament and Political Office-bearers.

†Mr F J LE ROUX Mr Speaker, arising out of the hon the State President's reply, I would like to know whether these are *ad hoc* responsibilities with which such Ministerial Representatives are being entrusted. Is there a set of commitments which they have to comply with, or are they responsible for a package?

†The STATE PRESIDENT Mr Speaker, Ministerial Representatives work under the auspices of Ministers' Councils and Ministers who are members of Ministers' Councils. Speaking from experience I can tell the hon member that when I was Chairman of the Ministers' Council, all the Ministers in the Ministers' Council entrusted Ministerial Representatives with quite a few responsibilities.

When provincial councils ceased to exist, a vacuum was created in the functions that were administered by Ministers' Councils, because there no longer were MECs or members of provincial councils who were present in the respective provinces on a full-time basis and who served the public directly. When I was Chairman of the Ministers' Council in those days, it was our experience that Ministerial Representatives served a very useful purpose. Because they could be there all the time, unlike hon members of Parliament who have to be absent for long periods, they did very important work on behalf of communities. Furthermore, it was our experience that they rendered invaluable service in terms of the powers delegated to them.

Ministers

Questions standing over from Tuesday, 9 April 1991

Fiscal drag additional revenue

*10 Mr G C ENGEL asked the Minister of Finance Hansard 16/4/91

Whether, during the latest specified two tax years for which information is available, the

continued →

ANC to look at civil servant jobs

CAL 7/4/91 (VMA) 250

Own Correspondent

JOHANNESBURG. — The top 1500 jobs in the public service would have to come under scrutiny in the new South Africa, ANC manpower director Mr Mzwa Piliso said yesterday.

He told an Anglo American Corp conference on human resources management in Vereeniging the jobs would have to be looked at "in order to show the face of the new SA"

Mr Piliso said the ANC be-

lieved it was necessary to remove historical imbalances. He was aware this could lead "to the promotion of blacks for window-dressing purposes"

'Destructive legacy'

The ANC wanted to avoid this and would opt for training opportunities to be made available.

"Some contend that affirmative action is nothing short of reverse discrimination. We observe, however, that the colour of management does not augur well for the

new SA. Affirmative action should be aimed at bringing trained blacks into the mainstream of the economy"

Change would have to come to eradicate "the destructive legacy of apartheid labour policies and practices", he said

Public Servants' Association general manager Mr Hans Olivier said yesterday the PSA had no problem with blacks at all levels of the public service. The new SA would need qualified people and training was essential — Sapa

Top public servants' jobs 'under scrutiny'

THE top 1 500 jobs in the public service would have to come under scrutiny in the new SA, ANC manpower director Mzwai Pilliso said yesterday.

He told an Anglo American Corp conference on human resources management in Vereeniging the jobs would have to be looked at "in order to show the face of the new SA".

Pilliso said the ANC believed it was necessary to remove historical imbalances. He was aware this could lead "to the promotion of blacks for window-dressing purposes".

The ANC wanted to avoid this and would opt for training opportunities to be made available.

PATRICK BULGER

"Some contend that affirmative action is nothing short of reverse discrimination. We observe, however, that the colour of management does not auger well for the new SA. Affirmative action should be aimed at bringing trained blacks into the mainstream of the economy."

Reacting to Pilliso's statement Public Servants' Association (PSA) GM Hans Olivier said yesterday the PSA had no problem with blacks at all levels of the public service.

The new SA needed qualified people and training was essential.

1/13

1/11

250

16/11/77
B/10/19

esterday

Official: no race bars to top govt jobs

GERALD REILLY 130

PRETORIA — Nothing prevented any black becoming director-general of a government department, Commission for Administration chairman Piet van der Merwe said yesterday.

He was reacting to comments by ANC manpower director Mzwai Piliso that the top 1,500 public sector posts would have to come under scrutiny to "show the face of the new SA".

Van der Merwe said the Public Service Act explicitly forbade discrimination in appointments at all levels. *8/Day 18/4/71*

The Act stipulated that the only considerations for appointments should be qualifications, training background, relative merit and general suitability.

Van der Merwe said management training was available to all races at all universities and technikons and specialised training was also given in departments.

He said the individual was challenged to "get qualified".

Public Servants Association (PSA) GM Hans Olivier said the enforced Africanisation of the service should be avoided.

"But we need well-qualified blacks in the service. We want them and there is great scope for them at all levels."

Parliamentarians to get 11% salary rise

CAPE TOWN — Members of Parliament will get salary increases of 12% from July 1 this year, but President de Klerk and his Cabinet are restricted to just over 6%.

Economic Co-ordination and Public Enterprises Minister Dawie de Villiers announced yesterday that the increases would average 11%, but would be on a differentiated scale this year, with those earning the most receiving the smallest increases — "between 6% and 7%".

Political Staff

He said agreement had been reached after consultation with all parliamentary parties and "the total salary account for political office bearers will be 11%".

Last year MPs' salaries went up by more than 25%. At present Cabinet Ministers' annual salaries are R145 839, with a R40 278 reimbursive allowance.

● See Page 4

● Comment. Page 8

Teachers' salary disparities to go

Cape Times 19/4/91 (250) 1/2/1

Political Staff

THE elimination of disparities between men and women teachers' salaries is one step away, Minister of National Education Louis Pienaar announced yesterday.

He said the penultimate step in this process would be taken on July 1

Mr Pienaar confirmed that "improvement funds" had been allocated for maternity leave for teachers, which would take effect on April 1

It was also revealed yesterday that a "differentiated general salary adjustment" would be introduced for the public sector and teachers

Mr Amie Venter, the Minister of State Expenditure and Regional Development, and Mr Pienaar explained that the percentage adjustments at the highest salary level would be "significantly lower" than the percentage adjustments at the lowest levels

Details of the public service and teaching increases have yet to be revealed Mr Venter said yesterday the Commission for Administration was busy with the calculations, "particularly regarding the elimination of disparities in salary structures"

MPs get 11%

CABINET Ministers and Members of Parliament are to get average increases of 11% this year.

The Minister for Economic Co-ordination and Public Enterprises, Dr Dawie de Villiers, said yesterday the increases, effective from July 1, would be in terms of a differentiated scale.

"Those earning the highest salaries will receive the lowest increments ... between six and seven percent."

In a statement, Dr De Villiers said agreement had been reached after consultation with all parliamentary parties and "the total salary account for political office-bearers will be 11%".

This is less than the anticipated inflation rate.

Last year MPs' salaries went up by nearly 28%.

"The salary adjustments which individual officials and employees will receive, will be conveyed to them by departments through the normal channels at a later stage," said Mr Venter

He revealed that after discussions between the Commission

and various employee associations — excluding teachers — certain agreements had been reached on improvement of service benefits for 1991/92

They included use of available funds for "the incorporation of the 10% non-pensionable allowance in the basic salary", and "the partial elimination of disparities in the salary structure among certain occupational classes"

Mr Venter pointed out that the discussions took place against the background of a new system "where the funds available for improvement of service benefits are divided between educators and the remainder of the public sector according to a specific formula".

Mr Pienaar announced that the non-pensionable allowance would also be consolidated for teachers and that an additional promotion level — "namely management posts at post level eight (at the level of director)" — would be introduced

He said the elimination of disparities between male and female teachers "means that the salaries of female civil service educators in post level one in qualification categories A, B, C and D will be increased by one notch"

MPs to get 12,5 percent pay increase from July 1

250

MEMBERS of Parliament will get pay rises of about 12,5 percent from July 1.

This emerged from a statement yesterday by Dr Dawie de Villiers, leader of the House of Assembly, who said their 10 percent non-pensionable allowance since April 1 last year would, like those of public servants, be con-

Sowetan 19/4/91

Own Correspondent

solidated from that date.

Mr Amie Venter, Minister of State Expenditure, said yesterday the Commission for Administration was still calculating the packages for public servants from July 1

Details would be conveyed to officials and em-

ployees "through the normal channels at a later stage"

It is understood this will happen before the end of the month

De Villiers said the total salary account for political office bearers would not rise by more than 11 percent

He noted that this was

"less than evident in the civil service"

There would be a differentiated scale for increases - those earning the highest salaries (Cabinet Ministers, deputy Ministers, and the State President) would receive the lowest increments (between six and seven percent).

MPs to get 12,5 percent pay increase from July 1

~~300~~
250
~~250~~

Sowetan 19/4/91

Own Correspondent

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Concern over expected fall in govt capex

150/20/9
24/4/91
SHARON WOOD

GOVERNMENT's public sector capital expenditure is expected to rise strongly until 1993, but local authorities' capex will fall steadily, says a survey by the Central Statistical Service

Total capital expenditure by the public sector as a whole is expected to rise by only 0.9% year-on-year in 1991, and then fall by 8.8% in 1992

This fall in public sector capex is of some concern, economists say

Bankorp economist Emile van Zyl says SA has a good infrastructure and with slowing capex growth it is possible the maintenance of this infrastructure could be neglected

While it is not necessary to expand the infrastructure in urban areas, it is important that the existing structures are not degraded, he says

Capital expenditure by central government will rise by 2.1% in 1991 year-on-year, by 15.0% in 1992 and 32.3% in 1993. This contrasts with annual growth of 11.3% in 1991 and a fall of 5.5% in 1992 in capital expenditure by local authorities

Regional Services Councils' (RSCs') capital expenditure, it is predicted, will fall by 1.5% in 1991 and by 34.6% in 1992

The projected fall in RSCs' capex could be a result of a planned scaling down in their activities, Van Zyl says, with some of their functions taken over by the Independent Development Trust and the Development Bank.

The DEPUTY MINISTER OF LAW AND ORDER I think the hon the Leader of the Official Opposition can put these questions in writing and we can answer them at the soonest possible opportunity

Separate police districts

*4 Mr K CHETTY asked the Minister of Law and Order

- (1) Whether he intends creating separate police districts for Indians, Coloureds and Blacks, if not, why not, if so, when,
- (2) whether he will make a statement on the matter?

Hansard 30/4/91

The DEPUTY MINISTER OF LAW AND ORDER

- (1) and (2)

An investigation is at present being carried out into the institution of additional Police districts and an announcement in this regard will be made shortly

The LEADER OF THE OFFICIAL OPPOSITION Mr Chairman, arising from the answers given, is not the question of the establishment of separate Indian, Coloured and Black districts outdated in the light of the reform programme of the Government of the day?

The DEPUTY MINISTER OF LAW AND ORDER Mr Chairman, that question will be addressed in the announcement to be made shortly

New questions

Overvaal resorts. racial incidents

*1 Mr A S KAHN asked the Minister of Planning, Provincial Affairs and National Housing

- (1) Whether any racial incidents occurred at Overvaal resorts subsequent to the repeal of the Reservation of Separate Amenities Act, No 49 of 1953, if so, what are the details in this regard,

- (2) whether he intends transferring the control of these resorts to the Transvaal Provincial Administration, if not, why not, if so, when,

- (3) whether he intends appointing persons of colour to the board of the Overvaal resorts, if not, why not, if so, when,
- (4) whether he will make a statement on the matter?

D102E
The MINISTER OF PLANNING, PROVINCIAL AFFAIRS AND NATIONAL HOUSING

As Overvaal Resorts fall under the jurisdiction of the Minister of the Budget and of Welfare, Housing and Works, Administration House of Assembly, I therefore cannot reply to the question

New National sports policy
*2 Mr A S KAHN asked the Minister of National Education

- (1) Whether, in view of the possibility of South African sportsmen being readmitted to international sport, a new sports policy is being envisaged by the Government, if not, why not, if so, what are the relevant details,

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

D103E
The DEPUTY MINISTER OF NATIONAL EDUCATION

- (1) No The Government's standpoint remains that South African sport is autonomous. Autonomy in sport implies that the various types of sport themselves arrange participation in international sport, either individually or in association. The Government also wishes to confirm its point of view that free international participation in sport should not be constrained by the pursuit of political objectives and that positive steps should be taken to overcome such impediments. It is therefore not necessary to make any policy adjustments

- (2) No

Mr Y M MAKDA Mr Chairman, arising out of the answer furnished by the hon the Deputy Minister, would he agree that it was because of Government policy that many of our sportsmen actually lost out in the international field?

The DEPUTY MINISTER OF NATIONAL EDUCATION Mr Chairman, I really cannot see how this follow-up question relates to the main question

The LEADER OF THE OFFICIAL OPPOSITION It is a factor

The DEPUTY MINISTER It is history

ANC: prisoners held in foreign countries

*3 Mr M F CASSIM asked the Minister of Constitutional Development

- (1) Whether the Government has entered into negotiations with the ANC regarding the release of prisoners being held in foreign countries, if not, why not, if so, whether, during the course of such negotiations, the Government requested the ANC to assist in bringing about the release of prisoners in detention camps such as Mbarara in Uganda, if not, why not, if so, what has been the response to this request,
- (3) whether he will make a statement on the matter?

Hansard 30/4/91

D107E
The MINISTER OF CONSTITUTIONAL DEVELOPMENT

- (1), (2) and (3)

The Government and government agencies are continuously taking steps to procure the release of South Africans finding themselves in detention in foreign countries. In the process contact is often made with a variety of organisations and foreign governments. The success of such efforts is almost always dependent on confidentiality. The particulars asked therefore cannot be provided. From this cannot be deduced that contact was at any time made, or not made, with any particular organisation in this regard

Transnet: sport sponsorship policy

*4 Mr N SINGH asked the Minister for Economic Co-ordination and Public Enterprises

- (1) Whether it is the policy of Transnet to provide sponsorship for sport, if so, what criteria are applied and (b) procedure is followed in this regard,
- (2) whether Spoornet has announced that it

intends sponsoring rugby, if so, for what reasons?

D109E
The MINISTER OF TRANSPORT (for the Minister for Economic Co-ordination and Public Enterprises)

The Managing Director of Transnet Limited furnished the following reply to the hon member's question

- (1) Yes

- (a) The same as for Corporate Advertising i.e. the cost of the sponsorship is compared to the publicity value which will result from the exposure obtained
- (b) Normal budget and expenditure control procedures

- (2) Yes, for the publicity value that Spoornet would obtain from the exposure

The LEADER OF THE OFFICIAL OPPOSITION Mr Chairman, arising out of the hon the Minister's reply, would it not be a better policy if sponsorship was provided for those kinds of sports that need upliftment through sponsorship and not those kinds of sports that enjoy significant public patronage?

The MINISTER OF TRANSPORT Mr Chairman, I am of the opinion that each and every sports organisation can apply for sponsorship from the independent board of directors of Transnet. They will determine where they can get the best value for their money, and then they will sponsor that specific sport's council

RSA: size of bureaucracy

*5 Mr M F CASSIM asked the Minister of State Expenditure and for Regional Development

- (1) Whether a scientific assessment of the size of the bureaucracy in the Republic of South Africa has been undertaken recently, if so, (a) by whom, (b) when and (c) what were the findings, if not,

- (2) whether he intends having such an assessment undertaken, if not, why not, if so, what are the relevant details?

D110E
The MINISTER OF STATE EXPENDITURE AND FOR REGIONAL DEVELOPMENT

- (1) Yes, if the hon member means by bureaucracy the Public Service and the Public Sector,

- (a) the Central Statistical Service undertakes surveys of the total Public Sector, while the Office of the Commissioner for Administration gathers and maintains information on the RSA Public Service,
- (b) the surveys are done on a regular basis, the most recent survey on the size of the Public Sector being as at 30 September 1990 and
- (c) findings with regard to these surveys indicate that the personnel numbers as at 30 September 1990 were 748 302 for the RSA Public Service and 1 662 355 for the Public Sector
- (2) Falls away

INTERPELLATION

The sign * indicates a translation. The sign †, used subsequently in the same interpellation, indicates the original language.

Own Affairs

Education: steps to improve
1. Mr K PANDAY asked the Minister of Education and Culture

(1) Whether he or his Department plans to take steps to improve the education of children falling under his control so that they will be able to face the realities of the new democratic South Africa, if not, why not, if so, what steps,

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

Hansard 30/4/91
D90E INT
The MINISTER OF EDUCATION AND CULTURE Mr Chairman, the answer is yes. The department's policy is geared for fully integrated schools influenced by demographic patterns in the country, reflecting the new democratic South Africa in the microcosm of the school.

The following population statistics for 1990 clearly indicate the trend that the pupil population at schools in a new democratic South Africa will be predominantly Black, with ever increasing numbers of Black pupils at schools close to them. The figure for Blacks is 5,69 million, for

HOUSE OF DELEGATES

Indians, 0,29 million, for Whites, 1,3 million, and for Coloureds, 0,9 million. It is obvious that White, Indian and Coloured children will have to adapt to the changing scenario, rather than to expect Black children to assimilate naturally with the status quo situation. The need is paramount for children to become familiar with other cultures, languages and backgrounds and to accept these as normal.

My department has already opened its doors to pupils and teachers from other race groups. To date there are 10 686 Black, 4 880 Coloured and 29 White pupils in our schools, and I am proud to state that at present one Black, 16 Coloured and 108 White teachers are employed at our schools. In so doing we have impressed upon our Indian pupils that the transformation of the South African society into a non-racial, unitary nation is imminent and we have taken a firm step towards nation-building.

With regard to the inculcation of a positive attitude towards people of diverse cultural backgrounds, my department has introduced cultural studies into the curriculum for standards 2, 3, 4 and 5 pupils. One of the fundamental aims of this subject is to help the child discover that other cultural conceptions are normal and that there is a common humanism that pervades all cultures. The need for respect, tolerance and sharing is firmly entrenched in the programme of instruction in this subject as well as in customs, values and mores.

In addition, pupils are free to study any Black language as an examination subject in the junior and senior secondary phases as long as teachers and classroom accommodation are available. Attention is at present being given to the formulation of strategies for the introduction of Black languages in primary schools. Several Indian educators have already majored in Zulu for their BA degree.

My department is fully aware of the fact that the new South Africa will require major attitudinal changes among pupils and teachers. Therefore, it is wary of prescribing to schools how to change in order to merge into the new South Africa. We have faith in our teachers and we are convinced that as professionals they will focus on the needs of the changing South Africa in their daily teaching. New Right Living, guidance and counselling programmes which are being presented at

our schools are flexible enough to help inculcate positive attitudes towards change.

The school curriculum itself is undergoing change. There is a greater emphasis on technical, vocational and vocationally oriented education as opposed to the generally academic education of the past. It is worth mentioning here the good work done by the Job Placement Board and the Vocational Education Directorate of my department. This directorate will be playing an increasingly important role in the future South Africa in securing jobs for school-leavers. [Time expired]

Mr K PANDAY Mr Chairman, it appears that some very positive steps have been taken by the ministry in respect of the interpellation I have posed here. However, I should like to make some observations with regard to this.

The Indian children, through no fault of their own, by and large understand the culture and behaviour only of the children of Indian origin. The grouping of our children into Indian schools was not a choice of the Indian parent or child. It is really superfluous and irrelevant at this stage to address the issues of the past. The education of our children is of paramount importance. Much of what is being practised currently will be history in the not too distant future. Let us not look too critically at the past, but rather prepare our children for the changing South Africa.

Interaction is the key word. How do we get our children to communicate and interrelate with children of their own age group across the colour line? Briefly, I would suggest that firstly, Afrikaans as a compulsory subject must be scrapped. Let the main language of this country be English. Allow children to choose their own second language, whether it is Afrikaans, Hindi, Tamil, Telegu, Arabic, Zulu, Xhosa or any other language of their choice. By forcing Afrikaans as a compulsory second language down the throats of our students we are not only punishing them, but losing the very essence of education, namely that a child must feel comfortable with the subjects that he or she chooses.

That is why, in order to direct a child into a particular field, he or she has to choose the direction of his or her study at the beginning of his or her Std 8 year. After that the child is geared into a particular field. The Indian child has to learn to understand and speak Black languages in order to communicate with his

peers. In order to incorporate this into the curriculum without interfering too much with other subjects, our schools should take away about an hour or an hour and a half from the three to three and a half hours allotted to Afrikaans with immediate effect and next year remove all of it.

Hon members will remember my suggestion in respect of the option which I suggested much earlier. I am not suggesting that we teach Zulu or Xhosa using all the grammar rules and other paraphernalia that go with it. However, we must allow our children to communicate. Many of us from Natal in particular can speak Zulu without having had any formal lessons. [Time expired]

Mr M F CASSIM Mr Chairman, it pleases me to follow on the hon member for Reservoir Hills. He and I have an abiding interest in education and I am always interested in listening carefully to his ideas so that together we can put forward something that will be of interest to all of us.

I take note of one point. Whenever we try to exclude something, we make our education so much less important and significant. The policy should be all-inclusive rather than exclusive.

We can take Afrikaans as an example. For a long period, because of political connotations, there was a need or desire to protest against Afrikaans, but now that the new situation is evolving, Afrikaans must be seen as a language which has a place here. If people know that language, it gives them added mobility and added roads. The purpose of education should not be to deny but rather to provide the means, because this is what makes the best education possible.

HON MEMBERS Hear, hear!

Mr M F CASSIM If we are looking towards a new South Africa, yes, I buy the hon member's idea that we should try to have more Black languages as communication languages. Inasmuch as we can help the hon the Minister of Education and Culture, he should note that it is an idea we can support. It is an idea that is important.

Just this weekend, before I left, I saw this in practice. My wife, who is very fluent in Zulu, runs special classes outside school hours to help Black children become more familiar with other languages and, by way of the opposite process, to make Indian children more fluent in Zulu.

HOUSE OF DELEGATES

3/4-m in the public service ²⁵⁰

^{Star 115741}
There were 748 302 members of South Africa's public service and 1 662 355 members of the public sector as at September 30, according to reports by Central Statistical Services (CSS) and the Office of the Commission for Administration, Minister of State Expenditure Amie Venter said in the House of Del-

egates yesterday
Answering a question from Mahomed Cassim (Sol Nom), he said the CSS regularly undertook surveys of the total public sector while the commission kept and gathered information on the South African public service — Sapa



Govt preparing to hand over services

CAPE TOWN — Government is preparing to rationalise and decentralise some of the basic services it provides to ensure that the transfer of these services to a new government will be as smooth as possible

Speaking in the House of Assembly Budget debate yesterday, Justice Minister and Ministers' Council chairman Kobie Coetsee said the white own affairs' administration was preparing "policy positions and approaches" to deal with the transition of the management of services it provided.

Although the present constitutional structures would have to be maintained until new structures had been negotiated, the House of Assembly was prepared to relinquish some of its functions to other bodies

"The envisaged handing over of primary health care to local authorities is a case in point," Coetsee said.

The administration was also prepared to make its services and facilities

available to other population groups, he said.

"Although the administration has been constitutionally charged to look after the needs of a particular population group, it is more than willing to make its services and facilities available to all, where this is possible"

An additional measure, said Coetsee, was for the House of Assembly to prepare for the rationalisation of other services in order to ensure a quick and effective changeover to a new constitutional structure

The future of the white own affairs administration was limited. The cornerstone on which it stood — that of a statutorily prescribed race group — was expected to be omitted from the new constitution, Coetsee said.

But while it remained in existence, the administration would gladly cooperate with other own affairs administrations, the general affairs departments and the provincial administrations.

The specialised expertise it had in certain areas would be made available to all.

The administration was keen to be part of the reform process and welcomed every opportunity granted to it to make a contribution, he said.

LESLEY LAMBERT



● COETSEE

involved The normal periods of lease contracts are 12 months The total revenue derived from the leasing of the land concerned, amounted to R4 854 101

The provision of particulars in respect of each separate lease contract, can as a result of the large volume of work to be undertaken, not be justified

Norwood police station staff details

382 Mr A J LEON asked the Minister of Law and Order

(1) Whether he will furnish the (a) total allocated and (b) actual strength of each rank in the current establishment of the Norwood police station situate in the Johannesburg North Police District, if not, why not, if so, (i) what are the relevant details, (ii) how many temporary members are there on the current establishment of this police station and (iii) in respect of what date is this information furnished,

(2) whether any steps have been and/or are to be taken specifically to increase the strength of this police station, if not, why not, if so, (a) what steps and (b) when?

B1009E

The MINISTER OF LAW AND ORDER

(1) (a) and (b)

No, it is not in the interest of the members at the relevant police station, and policing in general, to furnish information of this nature I am, however, prepared to inform the hon member personally and confidentially in this regard

(2) (a) and (b)

The increase of manpower at police stations takes place on the basis of investigations by the Division Efficiency Services of the South African Police Such an investigation in respect of the Norwood police station has not yet been carried out The personnel at the police station in question is, however, not at full strength The available members nevertheless perform an outstanding task in maintaining law and order in the station area

I have requested the Commissioner of the South African Police to conduct an effi-

HOUSE OF ASSEMBLY

The MINISTER FOR ECONOMIC CO-ORDINATION AND PUBLIC ENTERPRISES

(a) (b)

1988/89 R9 138 221 R5 892 756

1989/90 R12 428 691 R7 460 889

1990/91 R14 191 206 R8 576 311

Self-governing territories: size

398 Mr P G SOAL asked the Minister of Development Aid

What was the size in hectares of each of the self-governing territories as at the latest specified date for which figures are available?

B1033E

The MINISTER OF DEVELOPMENT AID

The size in hectares (rounded off) of each of the self-governing territories as at 31 December 1990 are as follows

Gazankulu	—	774 000 hectares
Lebowa	—	2 251 000 hectares
KwaZulu	—	3 317 000 hectares
Qwaqwa	—	105 000 hectares
KwaNdebele	—	228 000 hectares
KaNgwane	—	438 000 hectares

Public Service officials: seconded

405 Mr P G SOAL asked the Minister of Development Aid

(1) (a) How many officials in the Public Service had been seconded to each self-governing territory, (b) what post was held by each such official, and (c) what was the cost of secondment of such officials, as at 31 December 1990,

(2) whether all posts in the self-governing territories in respect of which secondment is required were filled as at 31 December 1990, if not, how many remained vacant as at that date,

(3) whether any further secondments are envisaged, if so, how many?

B1070E

The MINISTER OF DEVELOPMENT AID

The member is kindly referred to the reply to Question 356 (see col 1405)

Limpopo Hospital: patient removed by SAP
409 Mr J VAN ECK asked the Minister of Law and Order

(1) Whether the South African Police removed an injured boy from the Limpopo Hospital in Messina on or about 7 February 1991, if so, (a) why and (b) what are the circumstances surrounding the matter,

(2) whether doctors (a) were consulted before, and/or (b) consented to, the removal of the boy from this hospital, if not, why not in each case,

(3) whether the boy was subsequently held overnight at the Pietersburg police station, if so, why,

(4) whether the boy was transferred to the Pietersburg Hospital the next day, if so, why,

(5) whether he will make a statement on the handling of this matter by the Police?

B1076E

The MINISTER OF LAW AND ORDER

(1) Yes

(a) On account of a written request which the Superintendent of the Limpopo Hospital addressed to the South African Police

(b) According to the Superintendent political interference from outside was prejudicial to the discipline in the hospital The Charge Office Commander, however, was not aware that the boy had to be transferred to the Pietersburg Hospital immediately The boy accordingly spent the night in the Police cells at the Pietersburg Police Station

(2) (a) and (b)

The removal was done at the request of the Superintendent The South African Police did not consult or ask the consent of other doctors

(3) Yes, I refer the hon member to paragraph (1)(b) above

(4) Yes, for further medical treatment and according to a request by a medical practitioner

HOUSE OF ASSEMBLY

Public service *Sowetan 6/6/91* workers to meet

250

THE National Union of Public Service Workers holds its first national congress from tomorrow

The theme of the conference, which will be held at the Roman Catholic Centre in Saratoga Street, Doornfontein in Johannesburg, is "NUPSW confronts challenges".

Azapo president Mr Pandelani Nefolovhodwe will be the guest speaker. Other guests will come from public sector unions in Africa.

The congress will look at making the NUPSW the biggest union in the public sector and to redouble the campaign against privatisation of the public sector, particularly health care.

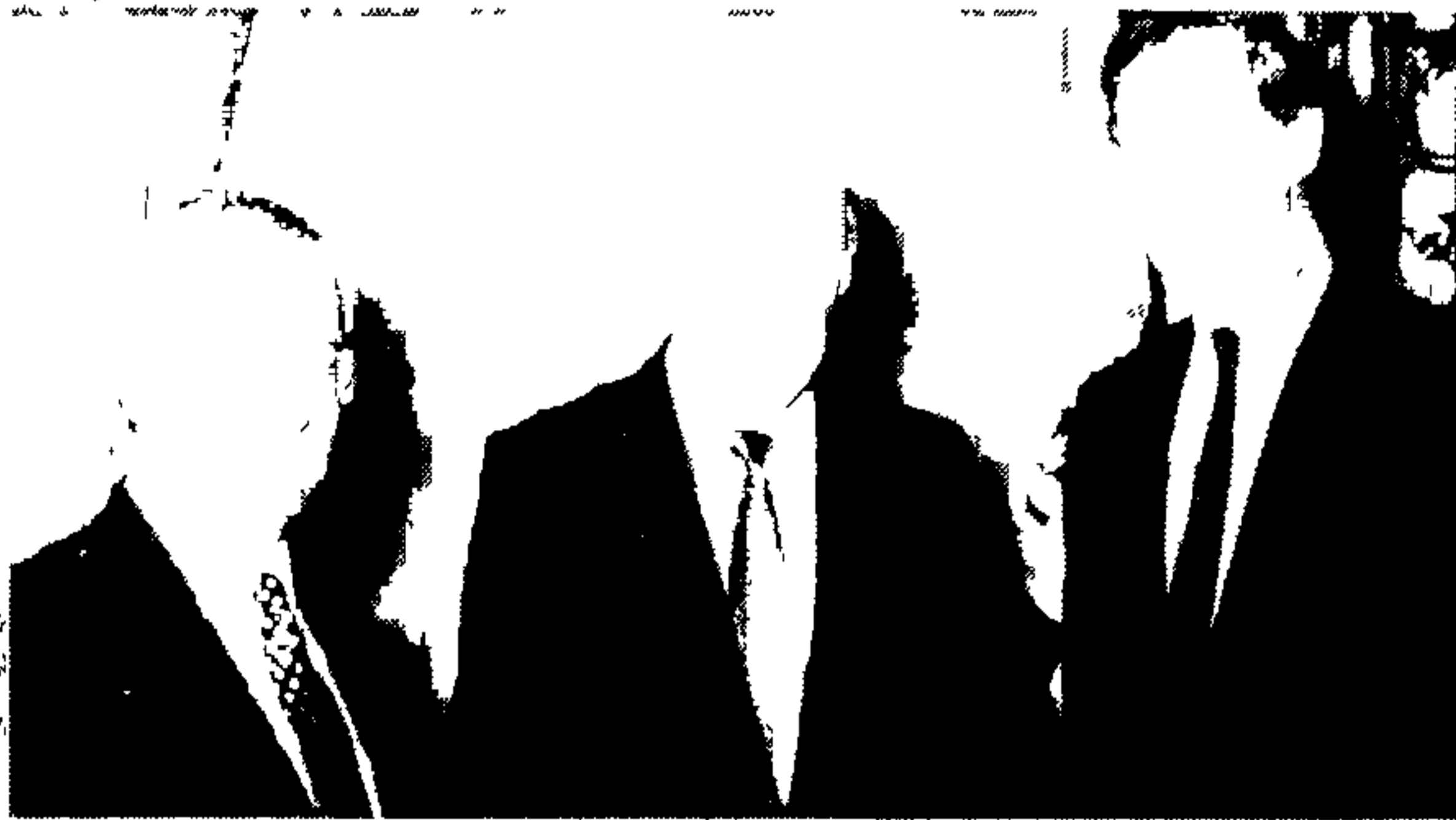
By MOKGADI PELA

NUPSW official Mr Mido Molala said the union would intensify its call for public sector industry to be covered by the Labour Relations Act.

The NUPSW has also called on sister unions in the country to join hands with it in forming one union in the public sector.

The congress will take place against the backdrop of looming retrenchments of 10 000 workers by the Transvaal Provincial Administration.

Worker representatives are expected from the Eastern Cape, Natal, Northern Transvaal and the Western Transvaal.



Picture WILLIE DE KLERK, The Argus

AWARDS: President De Klerk with Director-General of Trade and Industry Dr Steph Naude, left, and Director-General of Foreign Affairs Mr. Neil van Heerden at Tuynhuys yesterday.

Civil service 'must adapt'

ARG 13/6/91

250

By **MICHAEL MORRIS**
Political Correspondent

CIVIL servants would have to make adaptations in the present era of change in South Africa and help eliminate distrust and prejudice, President De Klerk said.

Only through "exemplary leadership" could this goal be achieved, he said.

He was speaking at a ceremony at Tuynhuys last night at which he awarded the President's Decoration for Exceptional Service to Director-General of Foreign Affairs Mr Neil van Heerden, and Director-General of Trade and Industry Dr Steph Naude.

Mr De Klerk acknowledged that "great demands" were being made on South Africans as the country underwent transition.

The public service would "play a fundamental role on the way to a new and just dispensation for all in South Africa".

He told the gathering of ministers and guests that in the era South Africa was entering, "a stable and competent civil service is indispensable".

He repeated his earlier assurance that "no civil servant worth his or

her salt need be concerned about career security".

However, he added: "There should be no illusions that difficulties will be experienced in the future.

"Adaptations will continually have to be made, attitudes must change and distrust and prejudice must be eliminated.

"Only by exemplary leadership can this goal be obtained and today's two recipients of the decoration comply pre-eminently with these requirements.

"With leaders such as these, every public servant can face the future with confidence."

In his reply, Mr Van Heerden said it would not have been possible for the Department of Foreign Affairs to have achieved its successes of the past year if Mr De Klerk had not taken bold steps towards reform.

This had enabled South Africa to normalise relations with the world.

Dr Naude told the gathering that it was a privilege to be involved in the task of building a new South Africa.

He assured Mr De Klerk that his department would do all it could to boost the country's economic growth to provide the driving force for political reforms.

Political Staff

HOUSE of Delegates Ministers, stung by disclosures that they get more than R8 000 a month if their private homes are leased as official residences by the state, have hit back at the man who exposed the perk.

Local Government and Agriculture Minister Mr Yunus Moolla also released full details of the perks enjoyed by ordinary MPs.

He disclosed that MPs get 36 air tickets a year and after that can travel the country at one-fifth of the normal fare.

They also get a tax deductible allowance of R100 a day in addition to

their salaries while Parliament is in session. This is to cover their accommodation expenses while away from home.

They get another R50 a day for attending standing committee meetings during the parliamentary recess.

Mr Moolla's revelations follow the reply given last week by the Minister of Public Works, Mr Jakob de

Villiers, to the question tabled by Mr Mahmoud Rajab, the Democratic Party MP for Springfield.

Mr De Villiers revealed that if office-bearers choose to live in their private residences the department, subject to certain conditions, compensates them.

He said Dr J N Reddy, chairman of the Minister's Council in the HoD, and Education and Culture Minister Dr Kisten

Ministers hit back on perks

Rajoo were paid R8 727,08 a month plus actual expenditure on municipal services, rates and taxes.

Mr Moolla and Health Services Minister Mr Baldeo Dookie both got R8 377,08 a month, he said.

"It must be noted that the allowance is taxable".

Mr Moolla lashed out at Mr Rajab for phrasing the question in an "ethnic" manner which only highlighted the House of Delegates.

"The question of housing allowances for ministers was a cabinet decision and not a decision of the Ministers' Council of the HoD," he said.

Achiever plan for top State officials

From DAVID CANNING
The Argus Correspondent

DURBAN — The country's top civil servants may be placed on an incentive scheme — with 40 percent of their salaries dependent on the achievement of pre-set goals.

Minister of Finance Barend du Plessis hinted last night that this was one possibility of an urgent investigation ordered by President De Klerk into top civil servants' pay.

Mr Du Plessis told a seminar in Durban that he had derived "immense personal satisfaction" from the State President's decision because he personally had been urging such a move for years.

He believed departmental directors-general could be placed on a commission scheme — with a basic salary of, perhaps, 60 percent and the other 40 percent dependent on achievement of objectives. Containment of spending within targets could be one such goal.

Mr Du Plessis said he did not believe all directors-general should be paid at the same rate — it should depend on the level of responsibility they bore.

Top civil servants to get less?

CT 26/6/91 (250)

DURBAN. — The Minister of Finance, Mr Barend du Plessis, said last night that the State President, Mr F W de Klerk, had ordered an urgent investigation into the payment of the top civil servants.

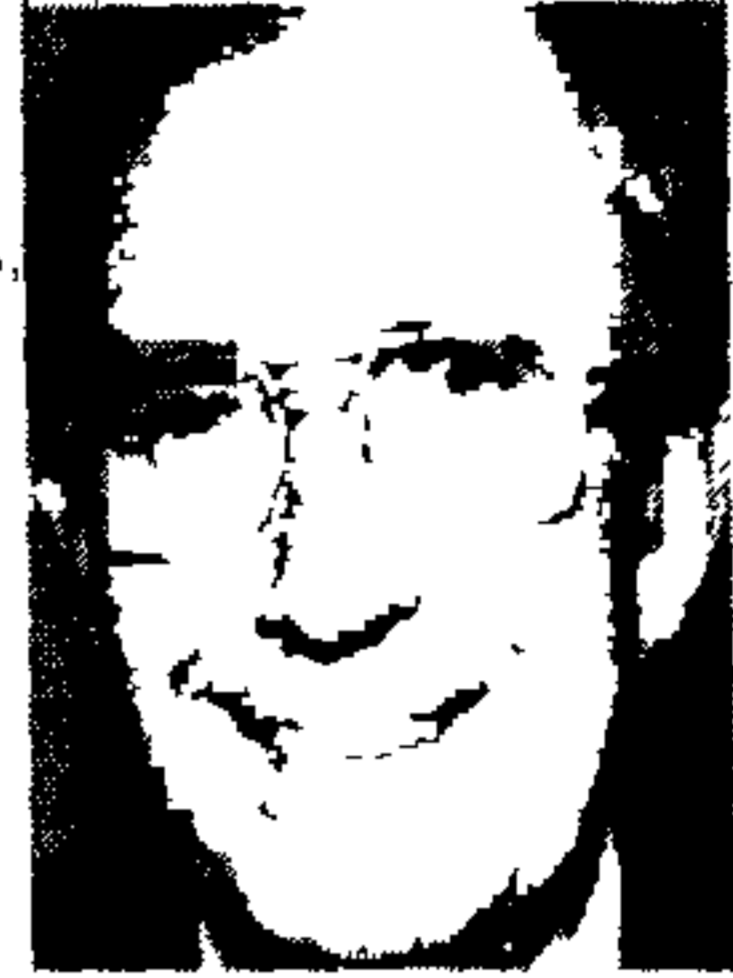
Mr Du Plessis said he had proposed that salaries should be on a "results" basis.

"They should be paid 60% of their

salary and the balance should be dependent on the results they achieved in their departments."

The structure of the civil service had changed with the number of bureaucrats sharply down, while there were a large number of workers who should never have been employed, he said.

● African markets opening, page 14



Cabinet pay probe demanded

250

CT 27/6/91

Own Correspondent

PRETORIA — Top public service officials yesterday claimed that if their salaries were to be investigated there should be a parallel investigation into the earnings of politicians and particularly those of cabinet ministers.

This week the Minister of Finance, Mr Barend du Plessis, said President F W de Klerk had ordered an investigation into the earnings of top bureaucrats.

He said he had proposed that they should be paid on a results basis. He said they should be paid 60% of their salaries and the balance on performance.

Public Servants' Association general manager Mr Hans Olivier said: "In the first place, before a statement of this nature is made affecting hard-working, loyal public servants, the staff associations should be consulted."

If such an investigation were made, the association would have to be involved. To change the remuneration policy would be a drastic move which could not go undefended. How, Mr Olivier asked, would performance be measured and who would do the measuring?

'No probe into public service salaries'

PRESIDENT De Klerk would not order a special investigation into whether public servants should be paid according to the results they achieved, Finance Minister Mr Barend du Plessis said.

Mr Du Plessis was reacting to media reports which quoted him as saying on Monday that President De Klerk had ordered an urgent investigation into the salaries of top public servants.

But what caused the greatest flurry was Mr Du Plessis's alleged proposal that top public servants be paid on a results basis — receiving 60 percent of their remuneration as basic salary with the remainder dependent on results.

In a statement yesterday Mr Du Plessis said his remarks had been "positively confidential and, on top of that, formulated more briefly than statements which are normally intended for publication"

The reason for this, he said, was that the publication of his suggestions had not been cleared, as etiquette required, with either the State President or the Minister involved.

"The unauthorised leakage of my answer could thus not be anything other than incomplete and misleading"

Mr Du Plessis then gave a fuller version of what he had apparently said:

There was nothing new in his proposals that management in the public service receive salaries connected, in part, to their reaching certain goals.

Although it was more difficult to set goals in the public service, "I believe that the principle can be applied at least in certain components to the public service"

He said he was aware of merit awards which already existed on certain levels in the public service — although they were managed according to another principle.

— Sapa.

Barend says his quotes on FW 'misleading'

250
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Mr Du Plessis said there had been nothing new in his proposals that management in the public service receive salaries connected, in part, to their reaching certain goals. Sapa

Phased end to discrimination urged

By David Canning

DURBAN — Immediate and complete removal of all discrimination in public spending will result in large-scale emigration and disinvestment, says Minister of Finance Barend du Plessis.

In a paper given for him in Durban by Director-General of Finance Dr Gerhard Croeser, Mr du Plessis said the Government accepted the principle of non-discrim-

ination

In practice, however, any sudden transition to totally non-discriminatory provision of social services was not practical politics or economics

His speech was read to the annual convention of the Association of Black Accountants

He said his comments should not be seen as representing "a biased or self-justifying view held by an uncaring government"

Various private economists with impeccable liberal credentials had made similar points.

In various quarters support was growing for a social accord that would serve to ensure success of the parity programme.

SA was unlike the US, where a majority was able to support equal spending on a minority

In SA, non-discrimination in social spending meant the minority

would have to support the majority.

Given the relative numbers, it could not be expected that the more privileged group would suddenly like to see its standards plummet

However, differences in social spending were shrinking, health care was becoming accessible to all, huge amounts were being channeled into black housing and education had become the largest element in the Budget

3/1/79

250

Civil service seeks more power to negotiate pay

250
Bldg 5/8/91
GERARD REILLY

PRETORIA — Dissatisfaction with the lack of "negotiating machinery" for public service staff associations has reached a crisis point, Public Servants' Association (PSA) general manager Hans Olivier said last week.

He said the dissatisfaction had first surfaced more than a decade ago "and we are no nearer a solution, in spite of repeated government assurances that the issue was regarded as urgent and had been given a high priority".

Olivier said the PSA would meet Commission for Administration chairman Piet van der Walt next week.

It would emphasise the unhappiness of the 11 public service staff associations, which represent more than 300 000 workers, about government's procedures for determining salary levels.

The PSA had made it clear that government workers wanted to be subject to the conditions which applied to private sector unions in terms of the Labour Relations Act.

"We want negotiating muscle and with it the right to contest any government decision we consider to be unreasonable," said Olivier

The present system called for staff associations to submit inputs to support salary claims before government prepared the Budget

"That's the last we hear of it until the Finance Minister announces in his Budget the global sum to be allocated to exchequer personnel — and that is what happened again this year," said Olivier

He said the system relegated government workers' salary increases to the lowest level of government's spending priorities

"We have put up with this 'take it or leave it' attitude for too long

"We want channels through which we can effectively negotiate, including arbitration if we reject the deal handed us by government"

Undisciplined public sector 'caricature'

JOHANNESBURG. — Undisciplined government spending does not support the strict monetary measures applied to the private sector in the fight against inflation, according to Sancorp strategic research chief Dr P Strydom.

He delivered a paper at the Afrikaanse Handelssinstituut motor congress in Johannesburg yesterday.

"The consumption propensity in the SA economy finds a caricature of itself in the public sector," he said.

As long as SA failed to institute guidelines for cost controls in the public sector, the country would not be able to claim it had a well-established anti-inflation policy.

● Meanwhile, Nissan SA director Andries du Toit noted that SA motor exports have risen from R50m a year in 1985 to R700m.

"Growth can be expected to accelerate further since manufacturers have been working for years on certain projects which will only come to fruition in the near future," he said.

Expectations in the motor industry were that in the long term more than just spare production capacity would be employed for the export markets.

"Purposeful investment for exports will become a prerequisite" — Sapa

Pay rise for MPs, city staff

W/Mail 16/8-22/89
Weekly Mail Reporter

CITY councillors and MPs may get a 75 percent salary increase

The proposed pay rises were contained in an annexure to minutes of the United Municipal Executive's last meeting and were expected to be ratified at a UME meeting in Natal next week.

The reports said the proposal, linked to increases to MPs, would be phased in over the next two years.

In terms of the proposals, which were leaked to the *Eastern Province Herald*, Port Elizabeth city councillors' allowances of R1 200 would increase to R2 000 a month calculated retrospectively from January.

"The mayor, who now receives R4 800 a month, will get R8 405," said the report.

Mayors' deputies and members of management committees would also see substantial pay increases. — Pen

Bloated bureaucracy 'pushes tax, inflation'

The Argus Correspondent 250 ARG 29/8/91

JOHANNESBURG. — The civil service has become more bloated than ever, in spite of government promises of cuts.

The Econometrix research unit warned yesterday that still heavier tax burdens and higher inflation looked inevitable unless trends were reversed.

Its studies showed employment in central government had climbed to a new peak at 560 505 by the first quarter of 1991 — almost 21 500 higher than a year ago, contrary to political assurances of a smaller and leaner bureaucracy.

The number of jobs in the four provincial administrations grew at an even steeper 25 000, boosting the combined total to more than 784 000.

Still worse, said Econometrix director Dr Azar Jamine, had been the scale of increases in the wage bill for civil servants, which rose far faster than the inflation rate.

With an overall 3,3 percent rise in employment, the wage bill for central government and provincial administrations soared to R4 445 million for the first quarter — 26,8 percent higher than 12 months earlier.

A breakdown showed the wage bill for central government alone rose by 28,4 percent to reach R3 440 million.

Allowing for a 4 percent increase in job numbers, that equalled average increases of 23,5 percent — about 9 percent more than inflation.

The fattest pay increases went to civil servants handling General Affairs departments.

Men from the ministry just keep multiplying

By Michael Chester

Despite Government promises of cutbacks in the size of its bureaucracy, the civil service has become more bloated than ever, it was revealed yesterday.

The Econometrix research unit warned that heavier tax burdens and higher inflation looked inevitable unless trends were reversed.

Its studies have revealed that employment in the central Government had climbed to a new peak of 560 505 by the first quarter of this year — almost 21 500 higher than a year ago, contrary to political assurances. The number of jobs in the four provincial administrations grew by 25 000, boosting the combined total to more than 784 000.

Still worse, says Econometrix director Dr Azar Jammine, has been the scale of increases in the wage bill for civil-service operations, which outpaced the inflation rate.

The wage bill for Government and provincial administrations soared to R4 445 million for the three-month first-quarter period — as much as 26.8 percent higher than 12 months earlier. The wage bill for central Government alone rose by 28.4 percent to reach R3 440 million.

Even allowing for a 4 percent increase in job numbers, that equalled average raises of 23.5 percent — about 9 percent more than the inflation rate.

Dr Jammine said that in the past decade employment in central Government had grown by a staggering 72 percent.

“Even if a significant proportion of the increase is attributable to an increase in the number of teachers and nurses rather than bureaucrats, one is still talking about an increase in civil-service employment which substantially exceeds the population growth rate.”

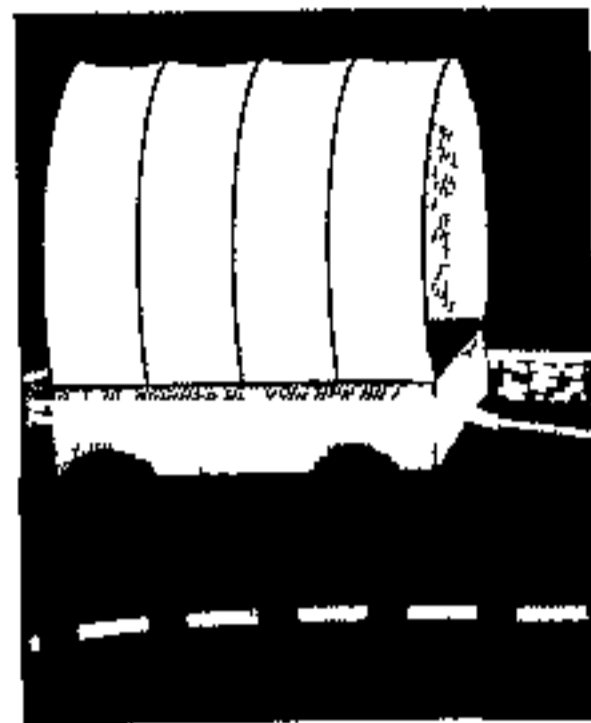
Undoubtedly, much of the sharp increase in wage rates went into efforts to raise the pay of low-income workers.

However, he said, the higher tax and inflation rates caused by a bigger State bureaucracy were bound to threaten a continued decline of the economy.

250 (234/1) (24) FM 30/8/91

Turbo-charging the ox-wagon

Recalcitrant whites in the civil service need to be disciplined



It's often argued that, without even trying, the bureaucracy is an obstacle to reform — so who knows what could be achieved if it applied its collective mind to being really obstructionist?

Admittedly, deregulation has undermined the monolith to some extent, but red tape and narrow minds still rule in many areas ranging from township proclamations to the payment of pensions. While in theory, public servants simply implement political policy, their influence over its formulation and ability to make or break it is common throughout the world.

SA's tradition of a centrally controlled and seemingly intransigent bureaucracy enforcing restrictive and repressive policies assured the economic and political decline of the country under Nat rule. However, it was government's bulwark against change and ticket to successive electoral victories.

But with the dawn of the FW de Klerk era, the emphasis changed dramatically. The bureaucracy was called on to spearhead the reform process, not block it. Problem is how do you turbo-charge an ox-wagon?

SA's broad public sector employs nearly 1,7m people of whom about 600 000 are white. The public service comprising the Own and General Affairs departments — the pillars of PW Botha's tripartite constitution — along with the provincial administrations, employ 750 000, including 300 000 whites.

In addition, whites dominate the administrative and clerical functions. Public Service Association general manager Hans Olivier says 75% of the administrative staff and 73% of clerical workers are white. And by far the majority of those white public servants are conservative Afrikaners. Until February 2 1989, most of them probably supported the National Party. But that may have changed.

With transition to democracy no longer an "if" but a "when," many bureaucrats justifiably fear for their futures.

Will the next government immediately purge the senior ranks and

replace them with officials loyal to the ruling party just as the Nats did soon after winning power in 1948?

And if this happens, how long will it take for the new government to emulate the Nats' systematic transformation of the entire public service into a politically and culturally acceptable corps?

The concern is valid, but what are its consequences and how can it be adequately addressed to ensure the public service becomes and remains a cog in the reform process rather than a spanner in the works?

Already the Conservative Party — never short on political opportunism — is planning strategies to use dissaffected public servants to block reform, says CP spokesman Fanie Jacobs. The CP has no doubt that a black government will immediately oust senior bureaucrats and replace them with political appointees. "We will have a public service that will be part and parcel of the governing party. Job security and pensions of existing public servants will be threatened," says Jacobs.

He counters the argument that the Nats did as much in 1948 with the claim that the Nat appointees were "sophisticated people who believed in democracy and the neutrality of the public service." That will raise a laugh among many of the ousted public servants, some of whom tripped over the language *toets* or were simply told that membership of the party was a prerequisite to further advancement.

An organisation like the ANC, he says, lacks not only the talent to replace senior personnel, but also the requisite commitment

to "Western democracy." That from the party of Andries Treurnicht!

Jacobs believes the majority of white bureaucrats support the CP and the party is currently looking at "a wide range of strategies to resist, in peaceful ways, the coming into being of the new SA."

At local government level, where the CP in many cases has political control of towns, integration will be resisted "even more vigorously" than elsewhere. "We are determined not to be forced into a system we don't accept," he says.

But what could public servants do to thwart reform? Apart from being generally inefficient (which for many would be nothing new), any illegal or subversive act could lead not only to dismissal, but also to prosecution.

Destroying records, deliberately delaying administrative processes or cutting off essential supplies to particular areas could raise tensions in communities and threaten the reform process.

But such actions are generally easy to trace (Ventersdorp's town engineer, who allegedly switched off the power supply shortly before police and rightwingers clashed in the town earlier this month, was arrested almost immediately and charged with subversion.)

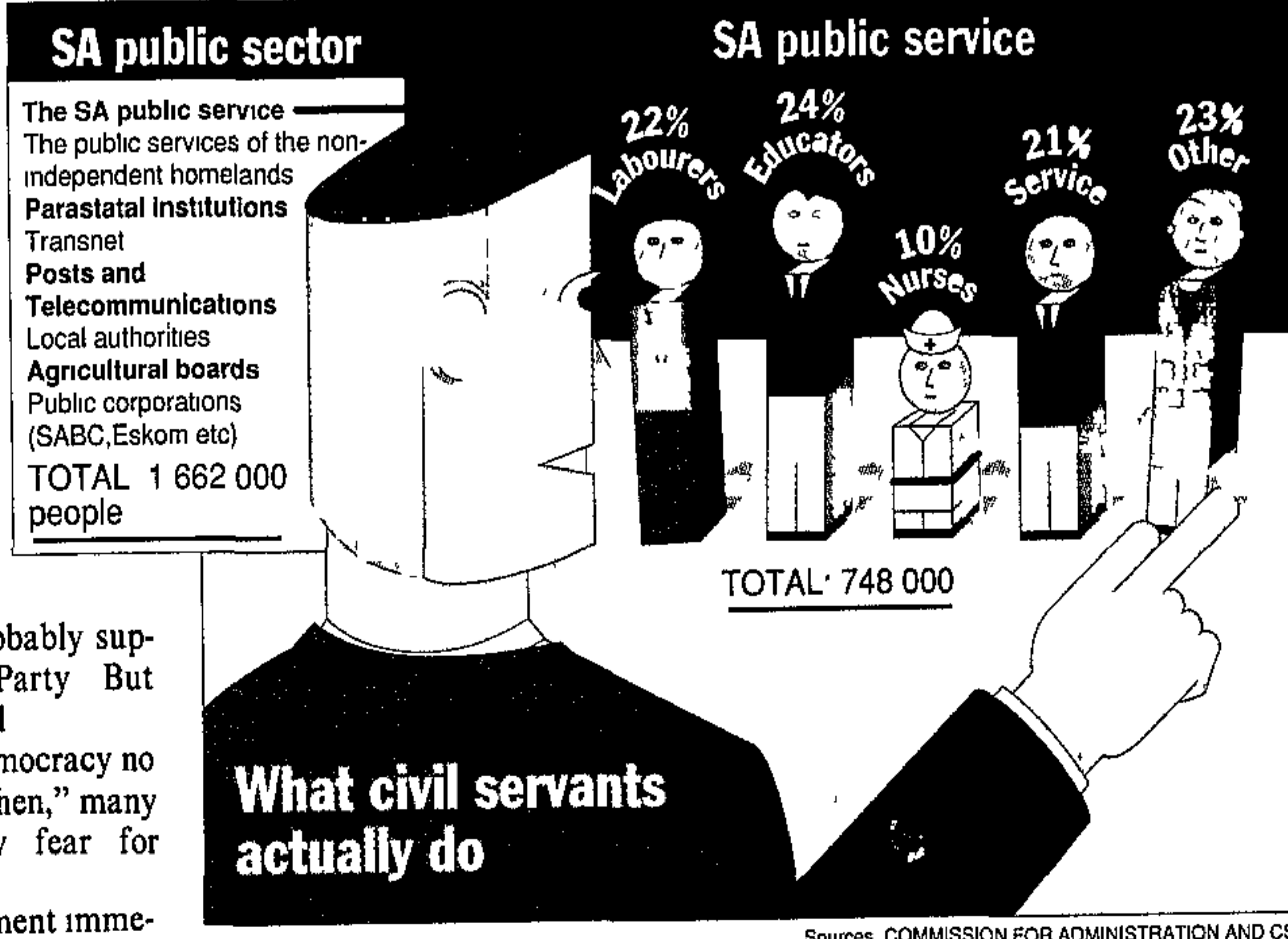
Commission for Administration chairman Piet van der Merwe believes public servants will remain loyal to the State regardless of their party affiliations. "I don't believe they will allow themselves to be influenced to block reform."

He says the public service has a crucial role to play and must give the lead in the

reform process. "I believe party allegiance ranks lower in the eyes of a public servant than duty to the service."

"The proper conduct of public business requires that public servants be expected and obliged to live up to certain standards of behaviour and to give practical expression to the values that underlie the whole concept of 'public service' — namely integrity, anonymity, non-partisanship, fairness, professionalism and loyalty."

They need to restore the trust of all South Africans in the



Continued

FM 30/8/91

ECONOMIC REFORM



The lessons for SA

The difficulties of pushing through major political reform during a period of economic retreat have often been commented on. It is arguable that there would never have been an attempted counter-revolution in the USSR if Mikhail Gorbachev's reforms had been accompanied by an improvement rather than a deterioration in living standards. That, in turn, tends to confirm that he was wrong to backtrack on moves towards a market economy, which could hardly have caused much more short-term distress and would at least have paved the way for longer-term recovery.

So recent events in the USSR underline the need for economic revival to accompany political reform in SA. This means that government must not surrender to philosophies of economic dirigisme that have been discredited everywhere else, but must press ahead with structural reforms.

Trouble is that, as we have remarked before, the National Party's conversion to a competitive free-market philosophy not only came at the eleventh hour, it lacks so much of the zeal normally found in a convert as to suggest that it is only skin-deep. However much they may differ on political issues, the NP and the ANC seem equally happy to shelve economic

reform and the onslaught on excessive bureaucracy; we no longer have the impression of debate on the shape of a post-apartheid economy, so much as a struggle to control the patronage a socialist economy is perceived to offer.

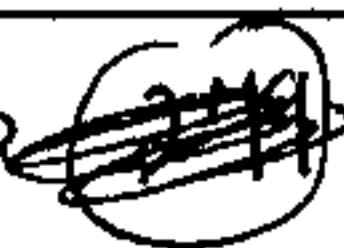
This alone, incidentally, is surely an adequate rebuttal to the simple souls who wonder if the DP still has a function.

Set in this context, Barend du Plessis' amendments to the VAT proposals last week are no more than reactive ad hocery. They may ameliorate some of the initial hardship of VAT (*see Leaders*), but it is difficult to see in them any coherent vision of the future. It is also regrettable that, by appearing to give in to "radical" pressure, they inevitably appear as confessions of error and weakness.

Sadly, it's too late to do much to build up a blackmiddle class with a real stake in the existing system. But socio-economic upliftment is essential if the new SA is not to become totally ungovernable — by any party.

In the long run, Dawie de Villiers' redeployment of R1bn from the oil stockpile may mean more than Du Plessis' VAT changes; if only it, too, was presented as part of a coherent strategy rather than just another knee-jerk reaction! ■

LESSONS FROM THE USSR



FM 30/8/91

The dangers of fission

The underlying economic and political instability of the Soviet Union — which the hardliners' attempted coup was designed to crush — has reasserted itself so powerfully that President Mikhail Gorbachev had no sooner returned to Moscow than he found himself increasingly marginalised. As we pointed out last week (when events were poised on the brink of uncertainty), the USSR "has undergone a sea change of thinking under Gorbachev" and the forces which he unleashed have a long way yet to run.

There are dangers and opportunities in this process which go far beyond any simple-minded rejoicing over the final downfall of communism in the Soviet Union. European nations, for example, are as uneasy over the prospect of border conflicts between the 15 republics as they were over the brush with returning totalitarianism. This is because of the economic destitution of the fragmenting union, the regressive tendencies of ethnic conflict (witness Yugoslavia) and the question of disposition of the Soviet nuclear arsenal.

With Britain in the lead, it seems the EC will readily accord diplomatic recognition — and aid beyond the technical facilitation proposed by the G7 in July — to the Baltic republics. Estonia, Latvia and Lithuania will be free after half a century of occupation. The situation of other independence-seeking republics — with Georgia, Byelorussia, Ukraine and Moldavia pre-eminent — is more complex,

with Russia's Boris Yeltsin himself appearing to contemplate something less than a full severing of links.

Yeltsin's office has said he does not wish to stand for presidency of the disintegrating union — and why should he? That could be to preside over a human disaster of enduring impact. But that the union should continue in abbreviated form seems equally accepted in Moscow, where Yeltsin's spokesman this week pointed out "If there's no union, who among the republics is in a position to keep strategic nuclear weapons?" At present, 80% of Soviet atomic bombs are in Russia under the authority of the Kremlin.

Another disrupting factor is the USSR's US\$60bn debt. Like the nuclear armoury, it is hard to see how it can be split on ethnic/national lines. Nationalistic tugging away from the Russian centre could disrupt the world financial system.

It is far too soon to think that democracy and the market will prevail in the collapsing USSR. As Yugoslavia again shows, the reversion to ethnicity and small nationalisms is easily subverted by ancient antagonisms and bloody conflict.

And will we yet see a reversion to anti-Semitism in the East? The question, alarming as it may seem, has to be faced when the West comes to decide the scale and direction of the assistance it will give towards the reconstruction of the former Soviet Union. ■

public service by maintaining high ethical standards at all times and under all conditions

Van der Merwe says there are obviously no absolute guarantees for public servants after transition, but efficiency, dedication and skill will go a long way to assuring job security under a future government

Olivier agrees. "In my experience, public servants put their duty above party loyalty. They serve the taxpayers and the electorate, not the government. If the CP succeeds in implementing its strategy, you can write 'condemned' all over the public service."

He says the acceptability of the public service to the next government is more of an issue than the adaptability of public servants to change. "In my opinion, today's public service is competent, big and loyal enough to face the challenges of the coming constitutional reform with loyalty, dedication and confidence."

The Democratic Party's Kobus Jordaan, a former senior official in the Department of Constitutional Development, believes the perception of the white bureaucracy being predominantly CP will abate when negotiations start and De Klerk and Nelson Mandela are heard to espouse common values. "At the moment, white fears are not being addressed and this is the CP's biggest 'asset'. Attitudes will change when they are (addressed)."

Jordaan says if the CP encourages the blocking of reform, it must be in a position to guarantee jobs to public servants who may be fired for their actions. He believes when it comes to the crunch, only a tiny percentage of CP supporters will be willing to risk their

positions in pursuing political ends

The ANC views the issue from a different perspective. Information chief Pallo Jordan says the reluctance to change goes beyond the public service and right up to government. "The incumbent government is an obstacle to change. While it has been compelled by a mix of national, regional and international pressure to change, it hasn't come to terms with the consequences. The public service, a large part of which has been government's constituency, reflects the same mood."

He agrees that the public service, which provides the input on which government bases policy decisions and then implements those policies, is in a position to sabotage the reform process. The threat can be overcome to the extent that government wants to overcome it.

The ANC believes an affirmative action programme is necessary to "Africanise" the public service. At a human resources management conference in April, the organisation's manpower director, Mzwai Piliso, said the ANC was looking at the top 1 500 jobs in the public service. He said it was necessary to remove the historical imbalance through affirmative action.

A possible interim step to ease the transition to a representative bureaucracy is being pursued by Constitutional Development Minister Gerrit Viljoen.

In essence it involves joint multiparty working groups specialising in particular fields of government. Part of their task would be to give guidance to an interim government during the transitional phase and to co-operate with existing bureaucratic structures

The groups may emerge as the leadership corps of a future public service.

The DP's Roger Burrows believes the working groups could also counter possible subversion in the public service by giving ordinary citizens more confidence to "squeal" about wrongdoing at lower levels and thereby keep public servants on their toes.

Jordaan says public servants' fears need to be allayed by politicians other than Nationalists — "It must come from the ANC and other people who will be part of the future. It is one of the most important issues to deal with at the multiparty conference."

The bureaucracy will always be with us. Chances are it will remain inefficient and overstuffed no matter who is in power or what face stares back from behind the counter. But it can't be allowed to block reform and must, in fact, be used by government to remove far more restrictions on the process of socio-economic and political change.

The problem is akin to making the police force responsible to the public at large, rather than to political masters. The best way to begin this process is to take legal steps against those individuals who use the public sector to work for the Conservatives. Their actions are clearly intended to sabotage public well-being and there can be no excuse for them.

The message needs to be implemented from ministerial level down and government had better resign itself to the fact that it will become very unpopular in the civil service. But it is already unpopular — it has little to gain by fudging the necessary actions on spurious political grounds. ■

Chorus grows for release of right-wingers

JONATHAN REES (253)

THE ANC yesterday joined the AWB, CP and DP in calling for the release of three critically ill right-wing prisoners after government rejected their appeal for indemnity. B (day) 30/8/71

AWB leader Eugene Terre Blanche said his organisation feared it would be unable to restrain right-wing "bitterness" and "rage" if mercy was not shown to Henry Martin, 49, Adrian Maritz, 43, and Lood van Schalkwyk, 53

The three are in Pretoria's H/F Verwoerd Hospital. They have refused to apply for bail or to stand trial on charges of murder and attempted murder, saying they would starve to death if not granted political prisoner status and indemnity.

Their lawyer Wim Cornelius said yesterday all legal channels had been exhausted and only political channels remained.

Cornelius said the right-wingers had the full support of the ANC and SA Council of Churches and that he had been inundated with calls of support from political organisations in SA, the UK and Europe.

The Justice Department said yesterday the Transvaal Attorney-General would support a bail application by the hunger strikers.

CP leader Andries Treunicht said they should be released on humanitarian grounds to avoid a possible tragedy.

DP law and order spokesman Peter Gastrow said his party supported their release on humanitarian grounds.

Martin has not eaten for 54 days. Maritz has refused food for 47 days and Van Schalkwyk for 40 days. They have all reportedly lost more than a third of their body weight.

All three are passing blood and need to take oxygen regularly. They are experiencing sight and hearing difficulties and need to be woken up regularly to prevent

□ To Page 2

Right-wingers

B (day) 30/8/71

(253)

□ From Page 1

the onset of comas

Cornelius said Maritz and Martin had left strict instructions that they should be left to die if they slipped into a coma.

Other right-wing sources said yesterday the three had started refusing to take water to protest against their families' visiting hours being restricted.

A hospital source expressed fears that Martin would die within 72 hours after refusing water.

Orde Boerevolk leader Nic Strydom said he was concerned the three would now

become martyrs, inspiring violence.

Sapa reports Boerestaat Party leader Robert van Tonder said there were fears the state would try force-feed the men.

GERALD REILLY reports Lawyers for Human Rights director Brian Currin said yesterday government had to keep the three hunger strikers alive. But if they were released it would lead to a culture of "hostage politics and blackmail".

● Picture Page 3
● Comment Page 10

DP outlines plan for public service

Sowetan 2/9/91 250
THE Democratic Party has proposed the integration of structures of the Pan Africanist Congress and African National Congress into the public service.

In proposals it presented at the weekend, the DP also proposed the appointment of a "council of leaders" to advise President FW de Klerk while negotiations are under way.

It suggested the "council of leaders", comprising leaders of major political parties, be appointed by an all-party conference.

To preserve constitutional and legal continuity of government, the president should continue to exercise all executive functions provided for in the constitution.

The president should act on the advice of the council in the manner that he does on the advice of the Cabinet.

The DP also proposes that each Minister acts on the advice of a multiparty Cabinet committee.

Political Correspondent.

Draft Bill covers public service

also

W/m and 6/9-12/9/91

THE Commission for Administration (CFA) has drafted a Bill which would radically alter labour law in the public service, bringing it substantially in line with the Labour Relations Act. The draft, distributed to employee bodies for comment, is styled the Pub-

lic Service Labour Relations Act of 1992 — clearly signalling the state's intention to push it through next year. At stake are the rights of more than 700 000 public servants, who under the current Public Service Act have no specific right to or procedures for bargaining or industrial action.

State employees' labour rights will be improved if a new draft Bill is passed, reports **DREW FORREST**

Public service unions and associations have been locked in talks with the CFA on a new labour dispensation

throughout this year.

The creation of the negotiating forum was the direct product of Cosatu pressure for the extension of the LRA to the public sector and the state's subsequent pledge, in the Labora Minute, to grant labour rights to all workers. The unions and associations party to

the forum, which include Cosatu's National Education, Health and Allied Workers Union and the Public Servants Association, are to comment on the draft Bill when the forum reconvenes at the end of this month. Modelled on the LRA, the draft vastly improves the current dispensation, but is likely to fall short of union demands.

A key advance is the provision for state workers to use the industrial court, the Labour Appeal Court and statutory conciliation mechanisms such as industrial councils and conciliation boards. Provision is made for a "public service bargaining council", which would apparently function as an industrial council.

The legislation also lays down much the same strike procedures as the LRA, giving state employees strike rights for the first time

essential services, para-
 medical personnel and court officials to
 the category
 subject to compulsory arbitration. Giv-
 en that the Cosatu conference defined
 essential service strikes as those risk-
 ing loss of life, the breadth of the defi-
 nition is bound to hit union flak.
 Objections will also centre on the ad-
 ministration of the law, which is left in
 the hands of the CFA. Employee bod-
 ies want the Manpower Department to
 take charge.
 However, sources point out that such
 a change would mean a National Man-
 power Commission investigation,
 which would delay the implementation
 of the law.
 That the CFA has based the legislation
 on the LRA is a victory for labour: the
 talks deadlocked last month over pre-
 cisely this issue.
 The draft expressly excludes the De-
 fence Force, police, office of the Audi-
 tor General, prisons and National Intel-
 ligence Service. As there are already
 links between Cosatu and the Police
 and Prisons Civil Rights Union (Pop-
 cru), the federation is unlikely to accept
 a blanket exclusion of these sectors

Public servants (250) 'feel insecure' CT9/9/91

Own Correspondent

PRETORIA. — Uncertainty about job security in the public service in a new South Africa was widespread among white government workers, Public Servants Association general manager Mr Hans Olivier said at the weekend.

The issue will be high on the agenda of the association's annual general meeting here later this month.

Mr Olivier said so-called assurances had been given by successive ministers in charge of the public service, and by President F W de Klerk himself, to quieten these fears of public servants.

"But will a new government take cognisance of these assurances?" he asked. "Will there be an Africanisation to the detriment of loyal white public servants?"

The PSA accepted the advancement of blacks in the service as inevitable, but asked that advancement be objectively assessed on merit.

Public servants jittery

B1 Day
9/9/91

GERALD REILLY

(250)

PRETORIA — Uncertainty about job security in the public service in a new SA was widespread among white government workers, Public Servants' Association (PSA) GM Hans Olivier said at the weekend.

The issue will be high on the agenda of the PSA's AGM in Pretoria later this month.

Olivier said so-called assurances had been given by successive Ministers in charge of the public service, and by President F W de Klerk himself, to quieten these fears of public servants.

"But will a new government take cognisance of these assurances?" he asked. "Will there be an Africanisation to the detriment of loyal white public servants?"

Olivier said the PSA had no problem with the advancement of blacks in the service. This was inevitable.

All the PSA asked for was that advancement be objectively assessed on merit.

The PSA wanted the issue to be high on the agenda when negotiations for a new constitution started.

Govt dragging feet

— Cosatu

250

By Shareen Singh

Cosatu yesterday accused the Government of dragging its feet in implementing the Laboria Minute and threatened to take mass action.

The minute has been agreed to by unions, employers and the State. It was signed a year ago by Cosatu/Nactu, the South African Coordinating Committee on Labour Affairs (Saccola) and the Government,

changing the Labour Relations Act.

The spirit of the Laboria Minute was being ignored, Cosatu charged. It said a number of issues had been agreed on but the Government had not yet moved to make these reality.

According to the minute, the Government had agreed to grant farm workers the same rights as those enjoyed by industrial workers.

But Minister of Manpower Eli Louw had refused to give any commitment about including

these workers in the Labour Relations Act and the Wage Act, Cosatu said.

Regarding domestic workers, a National Manpower Commission (NMC) investigation had been completed in June, but little progress had been made in transforming these recommendations into law.

Cosatu demanded that the Minister obtain a commitment from the Cabinet that domestic workers be included in the Basic Conditions of

Employment Act, the Wage Act, the Labour Relations Act, the Workmen's Compensation Act and the Unemployment Insurance Fund Act.

The Laboria Minute agreed to grant full rights to public-sector workers, but the Commission for Administration, which agreed to produce draft legislation to cover public-sector workers, had failed to meet three deadlines, Cosatu said.

A draft, which Cosatu was studying, was finally produced last month

The Government had agreed that the NMC would be dissolved by April this year and a restructured NMC would replace it.

But the Minister had extended the term of office of the NMC and refused to commit himself to a date when a restructured NMC would be appointed, Cosatu said.

The minute made provision for the discussion of economic issues among the parties who signed the minute.

Cosatu and the Department of Manpower held

discussions on July 1 on a range of issues, including retrenchments and job-creation programmes, but the department has refused to say when negotiations could start.

Workers' rights were a burning issue in Cosatu and if these were not implemented soon, workers would have no option but to resort to mass action.

The federation's central executive committee would meet at the end of the month to decide on action.

Public servants to register as a union

The Argus Correspondent (256) ARG 4/9/91

PRETORIA. — The Public Servants' Association (PSA) is to register as a trade union to protect members who move from the public to the private sector as a result of privatisation.

Addressing the PSA's annual meeting in Pretoria, PSA president Mr Johan van Wyk said other ways of improving collective bargaining power for public servants — including the right to strike in certain circumstances — were also been pursued.

He said the PSA, with certain trade unions and other staff associations, were involved in negotiations for a collective bargaining system including:

- Central bargaining structure for negotiations on central government and departmental level.
- Mechanisms for resolving disputes in cases where negotiations were unsuccessful, for instance arbitration and the right to strike
- And access to the industrial court for civil servants.

Mr Van Wyk said the PSA would not advocate strike by employees who provided essential services such as magistrates, medical personnel, and many others

The government and employees organisations were drafting legislation for a system of collective bargaining based on the Labour Relations Act

Mr Van Wyk said the PSA and the Hospital Personnel of South Africa had agreed to conclude a co-operation agreement which would result in an alliance with about 105 000 members with a single administration.

Mr Van Wyk called on the government to provide written assurances guaranteeing the provision and rights of public servants in a new constitutional dispensation.

PSA protest is planned

8/body 17/9/91 250
GERALD REILL

PRETORIA — A strong protest against the "unsatisfactory" labour relations machinery in the public service will be made at next week's AGM of the Public Servants' Association (PSA).

In a statement yesterday PSA GM Hans Olivier said private sector workers had the protection and machinery of the Labour Relations Act (LRA) in wage negotiations.

Public servants had no such machinery and were virtually, at the mercy of government. He said government had rejected a recommendation by the Wiehann commission that public servants be included in the LRA.

Another "burning" issue which Olivier said would be addressed was the uncertainty and anxiety about public servants' job security in a new constitutional dispensation.

PSA president Johan van Wyk would also refer to unsatisfactory salary levels, recent meagre increases and to differentiated retirement age. Some workers would retire at 60 and others at 65.

Employment in public service burgeoning

250
CT 18/9/91

By AUDREY D'ANGELO
Business Editor

EMPLOYMENT in the public service is growing rapidly while that in the private sector is falling, says Rob Lee, economist and senior portfolio manager at the Board of Executors (BOE)

And in the last two years public service pay has risen at a faster rate than in the private sector. It now accounts for 35% of Government spending.

Calling for a cutback in Government spending, Lee says in his Investment Outlook that it is legitimate and necessary for it to increase in areas such as education and the social services.

But savings must be made wherever possible to avoid punitive increases in taxation or ruinously inflationary budget deficits before borrowing.

"This issue is a complex one but, unless levels of employment and remuneration structures are tackled overall success is unlikely."

"Privatisation needs to be re-introduced as a policy option."

And — says Lee — the ideal solution is to achieve "a high and sustained growth path", boosted by exports. This would allow Government spending to stay at present levels or even increase while becoming a smaller proportion of gross domestic product (GDP).

He says BOE believes that SA has the potential to achieve the necessary growth.

Meanwhile the 13.7% increase in Government spending budgeted for in March has already moved up to 15.1% "and we estimate it will be closer to 16%."

Lee points out that SA's direct tax rates on individuals and companies are high by international standards. "It would be counterproductive to economic growth to initiate further significant increases."

"On the contrary, it would be preferable to reduce individual maximum marginal rates and the company tax rate along the lines of the authorities' stated targets in this direction."

"The furore over value added tax (VAT) illustrates how politically difficult it will

be to increase indirect tax rates in future, although an increased relative contribution from indirect taxes would be preferable from an economic and tax efficiency point of view."

Stressing that Government spending will have to increase in some areas, Lee points out. "If the political transition process is to succeed it is vital that the 'system' be seen to deliver visible benefits to the previously disadvantaged black community."

"While it is essential and desirable that the private sector play a large role in this process it is inevitable that some increases in Government spending will eventuate."

"Priorities will be low cost housing, free compulsory primary school education, health care, poverty relief and job training."

"Another area of priority will have to be the promotion of investment in manufacturing, and particularly manufactured exports."

"SA's manufacturing sector needs to become fully competitive in world markets if we are to achieve a high growth rate in the 1990s."

Unfortunately, he continues, "the budget deficit before borrowing has already

moved above the reasonably sustainable limit of 3% of GDP."

"The deficit is set to end this fiscal year above 4% of GDP compared with 2.7% last year and less than 2% the year before."

"There is, therefore, no scope for a significant further increase in borrowing to finance necessary higher expenditure."

Lee says total employment in the civil service grew by almost 20% between 1980 and 1990 while that in the private sector hardly grew at all.

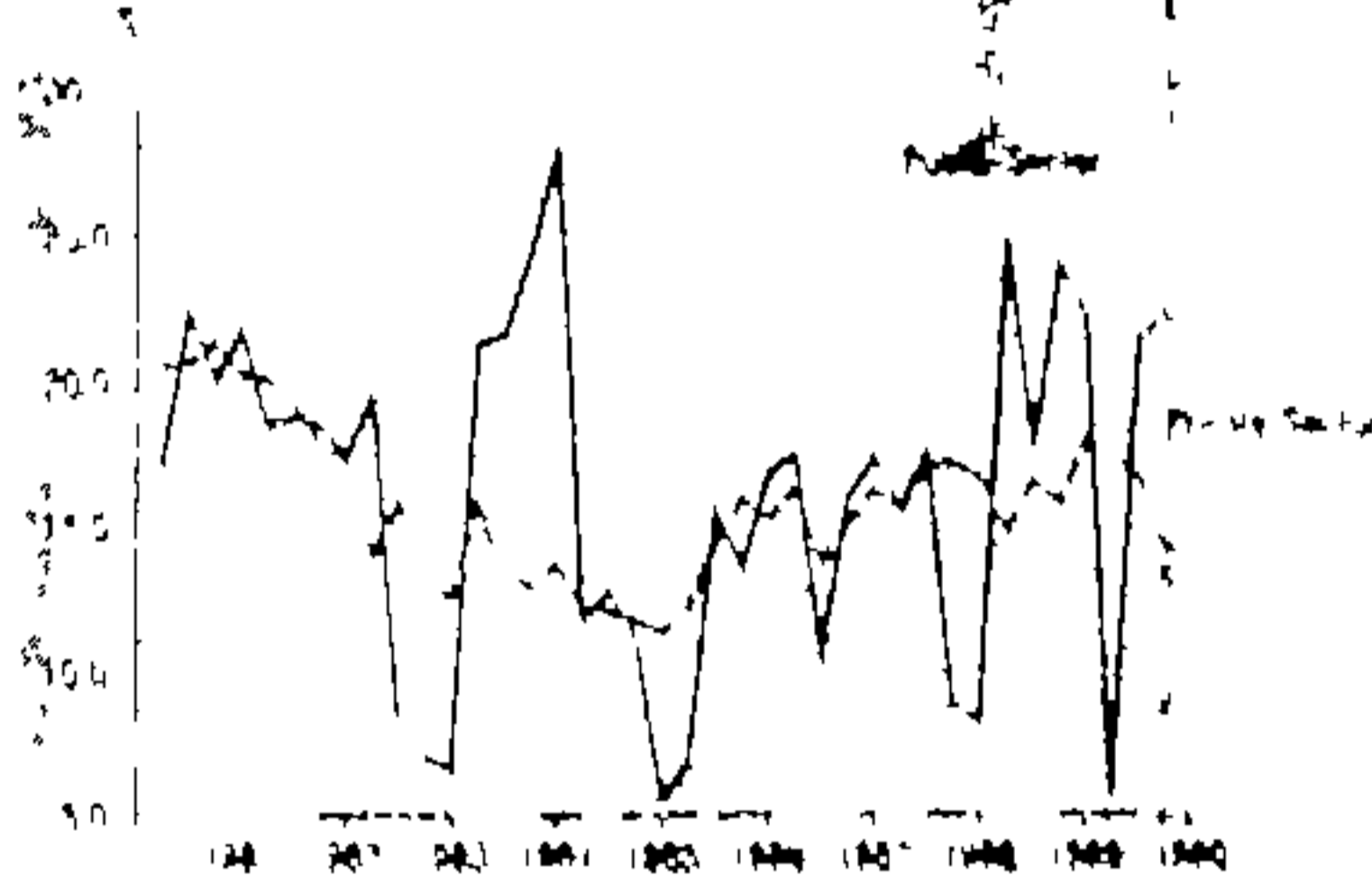
"Employment in the civil service is still growing while the private sector is again being forced to cut back."

However, the rise in the number of public servants is due mainly to the necessary employment of more black teachers, nurses and policemen.

And, because large numbers of civil servants are potential supporters of the Conservative Party it would be politically dangerous for the Government to impose strict discipline on the civil service wage bill.

"The most painless way out of these fiscal dilemmas would be if the economy moved on to a high and sustained economic growth path."

NOMINAL WAGES
(Annual % Change)



Rob Lee

Social workers call for 60% increases

CT18/9/91

Own Correspondent

256

JOHANNESBURG — Three social welfare groups yesterday announced a joint campaign for a 60% across-the-board salary increase to avert what they say is a crisis threatening the welfare sector

The SA Black Social Workers' Association, the Society for Social Workers and the Concerned Social Workers, together representing about 7 000 social workers, told a news briefing yesterday that high staff turnover in welfare agencies and difficulties in recruiting new staff had resulted in an inadequate social service

Between April 1990 and April this year 20 social workers of the Johannesburg Child Welfare Society left the profession

Members of the associations were increasingly frustrated at unsatisfactory salaries and working conditions in the sector, and were considering forms of protest which could include industrial action, which would be illegal in terms of social welfare legislation

250

Officials overpaid

Pay for the burgeoning civil service in SA is consuming 35 percent of the national budget, and salary increases have easily outstripped those in the private sector, according to a senior economist at the Board of Executors.

Star 19/9/97

Govt spending soars by 17,9%

JOHANNESBURG. — Government's spending soared 17,9% in the first five months of the fiscal year compared with last year and was well above the budgeted 13,7% for the year.

Exchequer figures show socio-economic and police spending largely behind a 29,7% year-on-year rise in spending in August. Revenue collections continued to lag behind the budgeted 11,1% for the fiscal year, rising only 4,1% year-on-year to August.

Economists said government was heading for a R1,5bn larger deficit before borrowing this fiscal year as a result of high socio-economic spending and low revenue collections. The deficit had risen substantially during the period, and could result in a government deficit of about R11,6bn for the year, compared with the budgeted R10,1bn.

Departments should have spent only 41% of their budgetary vote in the first five months of the fiscal year, but many departments had exceeded this. Planning, Provincial Affairs and Housing had spent 49,5% of their vote, Home Affairs 47,4%, and Education and Training 45,3%.

The SADF appeared to have been relatively successful in curbing expenditure. It spent 32,5% of its budgetary vote during the period.

The SAP had spent 48,6% of its vote.

Absa economist Pierre Morgenrood said revenue receipts were slightly below July's level, so the low level of revenue collections in the first quarter could safely be regarded largely as an aberration.

RIGHTISTS BURN TV IN SABC DEMO

STIMES By CHARIS PERKINS 22/9/91

A GROUP of 50 khaki-clad right-wingers yesterday set fire to a television set outside the SABC to protest against the corporation's "left-wing slant".

They also accused the SABC of defiling Afrikaans culture and demanded that it kept TV1 racially pure

"Moral standards are being undermined," said organiser Johannes van den Berg.

"We are sick and tired of racially integrated advertising Blacks have TV2, 3 and 4. We don't want to see them on our screens," he said.

The demonstration was organised by an obscure right-wing group called Quo Vadis, which was established in Pretoria in October 1990 to challenge the SABC's policies.

The general manager of the SABC's communication department, Mr Theo Vorster, said the protest was "lamentable".



A RIGHT-WINGER at the SABC protest Picture: GARTH LUMLEY

Public servants discuss the future

The Argus Correspondent

250 ARG 23/9/91

PRETORIA — One of the most keenly awaited discussions on the future of public servants gets underway here today at the annual meeting of the Public Servants' Association.

Among other issues to be discussed in the opening address by PSA president Mr Johan van Wyk are the "meagre" salary increases granted to public servants this year, the future of public servants in a new constitutional dispensation and the continued exclusion of public servants from the provisions of the Labour Relations Act.

"There is great interest in the presidential address," said Mr Hans Olivier, general manager of the PSA.

Discussion points include

● "Unsatisfactory" labour relations. While workers in the private sector have the benefit Labour Relations Act's bargaining procedures, public servants are excluded from the act

"This is a cause of great unhappiness," Mr Olivier said.

● Uncertainty about the future of public servants and their existing rights in a new constitutional dispensation.

● The differentiated retirement age for public servants. Some are allowed to retire at 60, while others have to work until they are 65.

● Salaries.

"Public servants are in general unhappy about the meagre increases introduced on July 1 this year," Mr Olivier said.

Public servants call for right to strike

250 GERALD NEILLY

PRETORIA — The Public Servants Association (PSA) signalled yesterday that it would campaign to have all rights contained in the Labour Relations Act, including the right to strike, extended to public service workers.

PSA president Johan van Wyk told the association's AGM the existing "toothless" negotiating mechanisms were obsolete and in need of urgent review.

Public sector workers needed a central negotiating structure and conciliation machinery and where these failed, they should have the right to compulsory arbitration, as well as the right to strike.

The PSA, he said, also wanted right of access to the Industrial Court.

Van Wyk urged government to commit itself to a three-year programme to restore the salaries of public servants to a "proper" level.

He said it had been formally agreed that collective bargaining legislation should be based on the Labour Relations Act.

Van Wyk appealed to government workers to be patient for a while longer while a breakthrough to legal collective bargaining was achieved.

He said public sector workers had lost faith in government's salary policy following the allocation of an unsatisfactory R1,9bn for public service increases.

He said the PSA was demanding government give it written guarantees that jobs and benefits would be retained in a new dispensation.

Public servants seek collective bargaining rights

By Helen Grange
Pretoria Bureau

The Public Servants Association (PSA) is to register as a trade union so that public servants can have a collective bargaining platform similar to private sector workers

This was announced yesterday by PSA president Johan van Wyk at the association's annual general meeting where concern over the plight of public servants in a new, increasingly privatised South Africa, was strongly highlighted

Mr van Wyk said representations had been made over the years by public servants for legal rights similar to those provided by the Labour Relations Act protecting private sector workers

However, the Government had denied its own employees the same benefits

Now, moves were afoot to find ways of improving collective bargaining power for public servants — including registering as a workers union and mooting the right to strike

However, the PSA would not advocate striking by employees providing essential services — like magistrates and medical personnel, among others

Mr van Wyk said the government and the various employees organisations were presently

drafting legislation for a system of collective bargaining within the Public Service based on the Labour Relations Act — either to be incorporated into the Act or falling under a separate Act

Public servants were becoming increasingly concerned about their career security and their acquired rights in the event of a new constitution, Mr van Wyk added

The issue had been further complicated by pronouncements from political quarters that various "adjustments" would have to be made and that up to 1500 top posts in the Public Service were in jeopardy

Mr van Wyk called on the Government to provide written assurances guaranteeing the protection of rights of public servants in the new dispensation — and appealed for a fixed programme over about three years "within which it must restore the salaries of public servants to a proper level"

Fringe benefits were also far better in the private sector than the public sector — and attractive benefits offered outside the Public Service was one of the main reasons for the resignation of competent officers from the service, Mr van Wyk said

"South Africa cannot afford to do without the services of competent, dedicated and trained staff," he said

Stew
24/9/91

250

Changes in civil service inevitable, says Minister

Pretoria Correspondent 24/9/49

Although the interest of public servants would be taken into account during negotiations for a new constitutional dispensation, the public service would have to change with the times to remain effective, Minister for Administration Piet Marais has said. Addressing the annual general meeting of the Public

servants' Association in Pretoria yesterday, Mr Marais acknowledged that the process of change currently under way caused uncertainties among many public servants.

"I can give you the assurance that the process of change will be managed with observance of all your interests and the interests of those you represent."

"A stable and effective pub-

lic service is a prerequisite for economic growth, orderly political processes and the welfare of the community.

"All sectors of the population have an interest in the promotion and maintenance of an effective public service," Mr Marais said.

However, changes in the public service were inevitable as the country moved towards

a new constitutional dispensation.

"To adapt to the changing circumstances, we will have to give serious attention to the very nature of public administration. We will have to look at aspects such as labour relations, personnel development and administrative reform, to name a few," Mr Marais said.

Personnel development was particularly important as the

Government would increasingly expect managers and institutions to become directly responsible and accountable for management efficiency.

"Public servants must realise that it is no longer good enough merely to carry out directives. They will have to learn to critically analyse their functions and to ensure that these provide value for money," Mr Marais said.

NEWS IN BRIEF

Labour unit exposed

250

BP 2/10/97

REPRESENTATIVES of 11 public sector staff associations and two unions will meet next week to discuss government using the services of an alleged member of a labour relations bureau whose links with the security police were recently exposed.

Public Servants' Association GM Hans Olivier said yesterday the associations and unions would meet in Cape Town to discuss various issues including the position of attorney Hugo Pienaar.

Pienaar, who was contracted by the Commission for Administration as an expert on labour law, allegedly joined the Liaison Bureau for Labour Relations shortly after its formation in March 1989.

The commission was formed to draft labour legislation for the public sector.

Transkei 'is part of SA'

THEO RAWANA — **TRANSKEIANS'** continued denunciation of Transkei as a separate political entity from SA had upset the vicious machinations of the authors of grand apartheid, Transkei military council head Major Gen Bantu Holomisa said in Umtata yesterday.

Delivering his foreign policy speech, Holomisa said Transkeians had consistently believed SA's "heterogeneous" population constituted one country, one nation with the right to owe allegiance to one leader. "This would promote and enhance one patriotism to the common country, SA, instead of elevating tribalism, sectionalism and racism above SA nationhood."

"The present Transkei government has gone out of its way to complement and reinforce the endeavours of the broad liberation movement in inculcating the spirit of oneness and belonging together into the minds of South Africans in a relentless effort to supplant decades of racial dividedness and ethnic fragmentation," he said.

Public sector seen as likely to expand

PRETORIA — The re-incorporation of the homelands into SA, a consolidated parliament and the disappearance of the own affairs policy could initially lead to a smaller public service, Commission for Administration chairman Plet van der Merwe said yesterday.

However, the service was likely to expand in the longer term to cope with dynamic new demands from a rapidly expanding population.

And blacks would play a greater role in public administration, Van der Merwe said. They already outnumbered whites there.

In the public services of SA and the homelands, blacks made up 60% of the work force and whites 28%.

In the SA public service alone, blacks constituted 41% of all workers, and whites 39%.

Van der Merwe said the demand for expanded public services against a background of the black population increase would continue to grow and with it the size of the service.

The decline in the white population growth and the demand for their labour in the private sector would mean an expanding public service would have to rely more heavily on the appointment of qualified blacks.

Asked if contingency planning was in

progress to provide for a consolidation of the SA and homelands services, Van der Merwe said the normal delivery of services would obviously have to continue whether constitutional changes took place or not. So consolidation would not necessarily lead to fewer civil servants.

On a possible Africanisation of the service in a new dispensation, Van der Merwe said it was the commission's firm policy, backed by the Public Service Act, to promote only on merit and qualifications. Hopefully that policy would continue in a new SA.

On the issue of a smaller more efficient public service Van der Merwe said rationalisation, privatisation and deregulation were aimed at this target.

The personnel standstill imposed two years ago was still in force.

Van der Merwe said the size of the public service in relation to population size and the size of the economy was smaller than in many Western countries.

Reliable international statistics showed the SA public service, including local authorities, employed 11.2% of the economically active population.

Comparable figures for other countries were: Australia 25.6%, France 23.2%, Britain 21.6%, Germany 16.1% and US 16.6%.

Paper criticises ANC

KIN BENTLEY

LONDON — The ANC was criticised by the Financial Times yesterday for failing to set out a clear economic policy.

The influential London business paper also warned that by clinging to "outmoded" policies like nationalisation it was frightening away potential investors.

In an editorial, the paper said: "Again and again, the ANC fails to think realistically beyond apartheid to the daunting economic problems which lie ahead for SA."

Over the past fortnight, it noted, ANC leaders had pledged allegiance to nationalisation, then withdrawn this pledge; threatened to renege on foreign loans, backtracked, and then threatened anew.

ANC officials, it said, had contradicted each other, "with scant regard for the damage done".

"Mr Nelson Mandela, the president, is among the worst offenders, reverting to the tired phrases of the 1955 Freedom Charter — promising to nationalise mines, banks and 'monopoly industries'."

Deep chord

In private meetings such as that with US businessmen yesterday in Indiana, the Financial Times said, ANC officials could be expected to downplay the rhetoric and assure investors that nationalisation would be used primarily to ensure supply of basic services such as health, transport, and electricity.

"But they (the investors) should remember that industrial nationalisation strikes a deep chord in the ANC. Afrikaner socialism made the folk rich, it is argued, and many ANC officials believe a post-apartheid state can do the same for blacks.

"It is time for ANC leaders to recognise the outmoded nature of this argument and set out a clear economic strategy.

"In so doing, they would dissipate some of the confusion which continues to frighten away potential investors."

UK to train civil servants Mandela

By Esmaré van der Merwe
Political Reporter

16/10/91

The British government would become the first of several Western governments to train South African civil servants in an effort to equip the public sector for its crucial role in the transition from apartheid to a nonracial democracy, ANC president Nelson Mandela announced yesterday.

Speaking at Jan Smuts Airport before leaving for the Commonwealth conference in Harare, Mr Mandela said the ANC would emerge from the conference with a "complete

plan of action" for the training of civil servants.

The first group of people — exiles or people in the country — would be trained in Britain, but the programme might be shifted to South Africa depending on the number of recruits.

Mr Mandela said the programme had not necessarily been initiated because of unhappiness with the public service but because it was important to have a civil service committed to a new dispensation.

Race would not be a factor in the selection process and "all democrats" would be eligible.

Mr Mandela said the ANC

delegation, which would not have official status at the Commonwealth conference, would meet the leaders of attending countries.

He said the ANC would insist that "those fuelling the violence" should be isolated. One way of doing that was through sanctions.

Star Africa Service reports that a Commonwealth task force on human resources and development has said in a report to the leaders attending the conference that there is an immediate need to train black South Africans for senior jobs in a post-apartheid government.

The group of experts recommends that £5 million (about R25 million) be set aside yearly for at least three years for this purpose.

The report says that of 3,000 top positions at central and local government level in South Africa, 600 must be filled by blacks as soon as possible.

Commonwealth countries are being asked to pledge assistance to a Commonwealth multilateral programme on human resources development.

The international community is also being asked to help and the report suggests a global donors' conference be convened

Govt spending 'on a dangerous trend'

GOVERNMENT spending was on a dangerous trend which could lead only to the complete sabotage of monetary policy, Pretoria Chamber of Commerce spokesman Les Page-Shipp said at the Sacob 1991 annual convention in Pretoria yesterday.

The chamber's motion to call on government to reprioritise and restructure all public expenditure was endorsed unanimously.

There had been a disturbing increase in government spending this year and a staggering hike in staff numbers, Page-Shipp said.

"There is no doubt that the duplication of departments contributes to this monster," he added.

A Cape Town delegate said there should be a commission, consisting of the National Productivity Institute, the private sector and government, to do a cost analysis to suggest an alternative handling of the system.

Finance Department chief director Viv Solomon said he "heartily sympathised" with the motion. But he said it would be living in a fool's paradise to believe government expenditure would come down.

State Expenditure director-general Henry Kleuver agreed saying the motion was on the right track and that government must try to limit expenditure. "But given the realities

SHARON WOOD

of where SA stands this is going to be very difficult".

Conference delegates criticised the split in the Finance Department six months ago when the State Expenditure Department was created.

Page-Shipp said: "Someone has to admit responsibility for the problem — but those responsible dither around ineffectively

He said State Expenditure Minister Amie Venter had not been able to carry out the task allotted to this new department.

"The Finance Department has not been able to control cash-flow. The situation is unacceptable."

Standard Bank Investment Corporation MD Conrad Strauss said the main danger ahead for SA would be the recent conduct of fiscal policy, which had caused jitters in the capital market.

"In a worst-case scenario the total year's deficit could rise to over 5% of GDP," he said.

However, at a Sacob banquet last night Minister of Economic Co-ordination and Public Enterprises Dawie de Villiers said redistribution of wealth would not address the disparities and inequalities of the past.

De Villiers said government had absolutely no intention of allowing this to happen.

NEWS IN BRIEF

Public servants angry

PUBLIC service employees' hopes of benefits from revised labour relations legislation have been dashed by negotiations with the state's Commission



for Administration. A spokesperson for the Public Servants Caucus Group (PSCG), representing 11 employee organisations, said negotiations had been marred by delays by the state. The staff associations and trade unions, invited by FW de Klerk, above, agreed to establish a new labour relations framework with the State's Commission for Administration in April.

Southern 17/10-23/10/91

Top State

jobs: 'fewer than 10' for blacks

David Breier

Political Correspondent

FEWER than 10 of the top 1 500 jobs in the South African public service are held by people of colour, the Democratic Party has disclosed.

DP spokesman on the public service Roger Burrows said, it was astounding that the Government had made so little effort to train blacks for top civil service jobs.

He was reacting to this week's attack by Minister of Administration Piet Marais on African National Congress president Nelson Mandela for supporting the training of public servants in the United Kingdom.

The Commonwealth plans to spend about R288 million on the training of 18 000 mainly black officials to help run the new South Africa. It envisages training blacks to occupy 600 of what it regards as the top 3 000 civil service and local authority jobs.

Mr Mandela said the present public service was not suited to the changing needs of South Africa.

But Mr Marais dismissed any suggestion that the ANC would in future have sole control of the public service.

"I appeal to all civil servants not to be upset by these statements. The Government will look after their present and future interests," he said.

Mr Marais said most civil servants were already black and that training was given irrespective of race or sex. "The Commission for Administration is already giving attention to a special training scheme which is aimed at training members of less-privileged communities in public administration, personnel and financial management."

He said there was no reason for other states to concern themselves with the training of South Africa's civil servants.

Mr Burrows said the Nats had little right to criticise the ANC as the NP had promoted its own supporters to top jobs.

"Mr Marais is in no position to criticise the Commonwealth offer to train people for a new SA State administration and the sooner the Government realises that the complexion of the public service is going to change and change quickly, the better for this country."

Public servants fear for job security

PRETORIA — Anxiety over job security is sweeping through the public service and senior government workers say an assurance by a government minister last week has not allayed fears

Public servants wanted "cast iron" assurances that their jobs would be safe under any new political dispensation, workers said at the weekend

Insecurity intensified last week after a statement by ANC president Nelson Mandela that the ANC planned to have a public servants corps trained in the UK for integration into the civil service

At the weekend Public Servants' Association (PSA) GM Hans Olivier said "We have had assurances that government workers' job security is a non-negotiable"

But Olivier questioned whether

GERALD REILLY

this assurance would be honoured by a new government

"We want a clear undertaking, a written guarantee from all the role players at the multiparty and constitutional talks that no public servant will lose his job in a new SA."

The PSA welcomed the statement last week from Administration Minister Piet Marais that civil servants should not be "upset" by Mandela's announcement as government would look after their future interests.

Olivier said: "We welcome this statement, but again we want something more than verbal assurances that the benefits and rights of serving public servants will be safeguarded and protected from interference by a

new government

Meanwhile Commission for Administration chairman Piet van der Merwe said the Public Service Act was a non-discriminatory piece of legislation which laid down merit and qualifications as the only criteria for advancement

Van der Merwe pointed out that blacks already outnumbered whites in the service. At the last count the central government General Affairs Department employed 150 000 whites and 180 000 blacks.

Other government sources said any effort to "Africanise" the service and to place workers in jobs they were unqualified to fill would result in costly inefficiency and ultimately, if the policy went on for long enough, in a public administration disaster.

Wider bargaining powers sought

PRETORIA — Public sector workers are pressing government to push through long-promised legislation next year to give them the same negotiating powers enjoyed by private sector workers

This is expected to include provision for conciliation, arbitration and finally the right to strike in support of salary and other demands

And in a statement yesterday the public service caucus group, representing 11 public sector staff associations and unions, asked government to speed up the drafting of legislation

There was good reason, a spokesman said, for grave concern at the limited progress made so far.

The caucus group objected to a legal adviser to the Commission for Administration, Hugo Pienaar "who, according to reports, was involved in security police activities to sway labour legislation in

GERALD REILLY

favour of government" being involved in the negotiations.

Against this background the group supported the commission's decision to terminate Pienaar's services.

His involvement in the negotiations for new bargaining legislation could have raised doubts about the legitimacy of the parties involved in the process and in the final form of the legislation.

The commission explained that it had been unaware of Pienaar's "other involvements".

Had it been it would not have employed him.

Negotiations, the group spokesman said, would continue and the aim was a draft of the legislation before the year end

REUTERS

A MONTH after the Separate Amenities Act was scrapped, the sign on the women's toilet door in a government department in Pretoria still proclaimed "Whites Only". The public servants were either blind to the political changes — or choose to ignore them.

A phone call to any central government department switchboard will usually be answered by an Afrikaans-speaking female. The same applies to the public servant in a senior position in a central government department. He is traditionally white and male.

Within a matter of months, political parties in South Africa will sit down to negotiate a new democratic constitution for the country. Within three years, a black-dominated government could be in power.

Merit

The public service of this country will no doubt undergo drastic change — but there seems little awareness of this among the men running the public service.

Commission for Administration chairman Piet van der Merwe contends the public service is fully integrated and already reflects the racial composition of SA. He says 41 percent of the public service in SA (excluding the TBVC states) are black while 39 percent are white.

Hansard statistics of 1990 paint a different picture. Of the 2 885 posts in the five top income categories in central state departments and the provinces, only 14 are occupied by blacks.

In the departments of finance and development planning, according to Unusa figures, not



EDYTH BULBRING

investigates South Africa's public service behemoth — and finds it strangely unprepared for the changes ahead

one black person occupies a job at a salary over R29 000.

Dr Van der Merwe insists race or sex are not a consideration for employment in the public service. In terms of the Public Service Act discrimination is forbidden — jobs are awarded on the basis of qualification and merit.

While blacks are free to apply for any position in the public service, Dr Van der Merwe says he is unsure why few, if any, blacks ever applied for positions such as director-general or deputy director-general.

Perhaps they do not feel they have the qualifications for, the job, he says.

As more blacks become qualified, their employment in senior positions in the public service will increase, but, concedes Dr Van der Merwe, it will be a slow process.

Is the public service doing anything to help speed it up? It does not seem so, there is no policy for targeting black applicants for departmental bursaries and no specialised black advancement training programmes. There is, in other words, no affirmative action policy.

Not only does the government not have such a programme — it gets distinctly tetchy when others propose one. This week, for example, Commission for Administration Minister Piet Marais attacked Commonwealth proposals for black bureaucrats to be trained abroad.

So how does the government intend to deal with the problem of a shortage of trained black public servants?

Different

Easy, suggests Dr Van der Merwe. Trained public servants in the homelands could be brought into central state departments after the homelands are reincorporated.

"Public services go on irrespective of what happens in the government. We are not going to retrain them," Dr van der Merwe says.

But while those in Pretoria insist it is business as usual, things are seen differently in the ANC's headquarters in downtown Johannesburg.

The ANC's human resources administrative secretary, Mr Papié Moloto, says a public service under a democratic govern-

Apartheid's old servants and SA's new public

ment would be different in three ways: it would ultimately have to reflect the racial composition of the population, it would have to be reoriented to serve the whole society, and it would have to be trained to handle developmental needs.

This does not mean a new public service would replace the old immediately after democratic elections. It would be a slow process. But the ANC has already made plans to ensure change can be implemented.

Where Dr Van der Merwe and Mr Moloto would agree, if on little else, is that public servants must have the skills and training to provide the service.

At present, Mr Moloto says, there are few blacks equipped to fill senior positions in a new public service.

However, a recommendation from a Commonwealth expert group for the provision of R300-million for skills training in SA was endorsed this week by the Commonwealth heads of government conference in Harare.

The Commonwealth report, of which Mr Moloto is one of the architects, says the massive state bureaucracy of the apartheid era is ill-equipped to play a positive role in the transformation and development of a new SA.

The authoritarian and racial mode of operation of the present civil service calls for personnel with the appropriate political orientation, which is reinforced in the work process, the report says. Rather than employing people in the civil service based on their merits, their skills are largely judged on their ability to serve apartheid and the status quo, Mr Moloto says.

The report says specific targets should be set for black advancement in public administration during the transition period, particularly for increasing the number of blacks in the top management positions.

Of the top 3 000 civil service positions, says the Commonwealth report, at least 600 should be filled by blacks as soon as possible. The cost of the crash programme would be R18-million.

The rest of the money, which will go towards bursaries, training courses and organisations, would be spent over a longer period.

local government. Not only would vice provision would lead to Mr Moloto action for two crucial to a new two applicant skills, the job applicant before says.

Regarding the sort of continuity says. However, are blacks equi these top jobs, t Besides the r new public ser direction is nd development, and service prc population, he s

To change the servants away privileged sector ing courses wou ed by a new gov the bureaucrats society.

Those at pe would be repli blacks and those to adapt to ser and the new go be asked to leav "The civil ser attuned to the n cratic society. It business as usual to be administ not apartheid Moloto

The Commission's office is in the ANC's headquarters in central government," he says. This pyramid should be flattened and personnel resources put into apart.

Civil service has job-security jitters

Own Correspondent

PRETORIA. — Anxiety over job security is sweeping through the public service, and senior government workers say an assurance by a government minister last week has not allayed fears.

Public servants wanted "cast-iron" assurances that their jobs would be safe under any new political dispensation, workers said at the weekend.

Insecurity intensified last week after a statement by ANC president Mr Nelson Mandela that the ANC planned to have a public servants corps trained in the UK for integration into the SA civil service.

At the weekend the Public Servants' Association (PSA) general manager Mr Hans Olivier said: "We have had assurances that government workers' job security is a non-negotiable."

But Mr Olivier questioned whether this assurance would be honoured by a new government.

"We want a clear undertaking, a written guarantee from all the role players at the multiparty and constitutional talks that no public servant will lose his job in a new SA."

The PSA welcomed the statement last week from administration minis-

ter Mr Piet Marais that civil servants should not be "upset" by Mr Mandela's announcement, as government would look after their future interests.

Mr Olivier said: "We welcome this statement, but again we want something more than verbal assurances that the benefits and rights of serving public servants will be safeguarded and protected from interference by a new government."

Meanwhile, the chairman of the Commission for Administration, Mr Piet van der Merwe, said the Public Service Act was a non-discriminatory piece of legislation that laid down merit and qualifications as the only criteria for advancement in the public service.

Mr Van der Merwe said blacks already outnumbered whites in the service. At the last count the central government's General Affairs Department employed 150 000 whites and 180 000 blacks.

Other government sources said any effort to "Africanise" the service and to place workers in jobs they were unqualified to fill would result in costly inefficiency and ultimately, if the policy went on for long enough, in a public administration disaster.

Wassenaar's last blast on State pension funds

S/Times (BUS) 24/10/91.

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THE death of former Sanlam chairman Andreas Wassenaar saved Finance Minister Barend du Plessis from further criticism of Government pension funds' deficits.

Dr Wassenaar died while drafting a second letter to Mr Du Plessis. Business Times has a copy of the half-completed letter which Mr Du Plessis did not receive.

In February this year, Dr Wassenaar wrote to Mr Du Plessis, asking him why the multibillion-rand actuarial deficits on the State pension funds were not included in published State debt.

He also asked for a list of the Members of Parliament and Office Bearers Fund set up under Act 112 of 1984, together with details of each member's salary and other particulars. He had been unable to obtain such a list from a former Health Minister or from G P C de Kock, secretary for Parliament.

Acceptable

The fund for MPs and office bearers is completely unfunded. Benefits are paid directly by taxpayers. Members qualify for pensions after only 12 years' service. The number of persons qualifying is thought to be expanding rapidly as homelands, provincial and city councils have launched similar schemes.

Mr Du Plessis replied on April 30 that the internationally acceptable definition of State debt did not include actuarial shortfalls on pension funds.

He said the State pension funds were being brought into line with those in the private sector and that a committee of experts would advise the Government.

Mr Du Plessis declined to give a list of members of the MPs pension fund, but said that article 3 of the Act defined members. He added that members of the executive commit-

Business Times Reporter

tees of the provinces were also included.

Mr Du Plessis said only the Speaker of Parliament had the prerogative of disclosing MPs' salaries.

The Government was investigating its pension funds with the consulting actuary and this would take some time.

In his second — unposted — letter Dr Wassenaar asked to be excused for his critical comments.

He wrote: "To publish the State debt and to omit the shortfall on pension funds gives a wrong impression of the State's financial position."

Useful

His question about members of the MPs pension fund had been misinterpreted. The definition of office-bearers did not help.

"My point is that somewhere a list must appear which gives the particulars about each member — his name, date of birth, date of election or appointment and present salary. The correspondence which I have already had implies that no such record exists."

Dr Wassenaar said self-governing states had passed legislation entitling their members of parliament and office-bearers to pension rights similar to those of the SA Parliament. In one state, tribal chiefs had successfully claimed inclusion.

"The financial obligations thus being built up will have to be met by future taxpayers."

Dr Wassenaar said the actuarial investigation proposed by Mr Du Plessis would be useful only if the consulting actuary was instructed to estimate the liabilities incurred under schemes set up under Act 112 of 1984 and similar legislation.

"Excuse my comments on the appointment of a committee of experts. A person who is not a qualified actuary cannot be regarded as an expert

on pension funds. In the committee there are only four experts and two should not have been appointed.

"One is a public servant with a personal interest and the other one is the consulting actuary. He works for the State in his advisory capacity. By his appointment on the committee, he compromises himself as consulting actuary.

"The other members of the committee are apparently experts in many areas in which I am ignorant, but are not trained to make authoritative decisions about pension funds."

Dr Wassenaar complained about the legacy of pensions for city councillors left by former minister Chris Heunis. He said that with the exception of mayors, councillors worked part time. Their pensions were calculated on income that was not taxable because it was intended to compensate councillors for costs. Councillors' pensions should also be subjected to actuarial evaluation.

Crusade

"To give you an idea of the possible financial implications of the schemes, I examined the city of Cape Town's pensions for existing councillors' past service. The council approved pensions for past service which, according to them, would cost the ratepayers of Cape Town R1,7-million.

"According to my calculations, the cost to the Cape Town ratepayer will be more than R20-million if their so-called non-taxable salaries and pensions rise at 15% a year."

Dr Wassenaar's death brought to an abrupt halt his one-man crusade to get the funds into line with those of the private sector.

Because of excessive benefits — notably public servants' ability to buy back notional service — and inadequate contributions and returns on their investments in gilt paper, the Government Service Pension Fund's actuarial liabilities exceeded its assets by R23-billion in 1988.

In addition, the Sats pension fund was R6,3-billion short of its liabilities and that of the Pension Fund for Associated Services R3-billion — a total R32,2-billion.

Dr Wassenaar estimated the deficits had grown to R42,6-billion by March this year in spite of two ad hoc contributions of R1-billion each in Mr Du Plessis' 1990 and 1991 Budgets.

Defence

Dr Wassenaar's strident criticism forced the Government to deal with the issue.

The State's major reform has been to increase amounts paid by taxpayers into the funds. Although most private-sector employers contribute 12% of an employee's salary, the State pays 21%. Taxpayers' contributions have risen by R2-billion to R8,5-billion annually in the past two years.

Contributions to State pension funds rank not far behind education, defence and interest as a cost to taxpayers.

The State has also reduced buy-back benefits and authorised trustees to buy shares and property to improve yields.

British public service training will benefit SA, writes Graham Linscott

Values of a subtle bureaucracy

THE British government has

undertaken to train South African blacks for a role in the civil service of a post-apartheid society

That is surely good news because a few years ago the thinking might have been that if blacks are to be trained to run a post-apartheid society, that training should be in Moscow

The traditions of Whitehall and the Kremlin are rather different and they have a vastly different impact on the lives of people

What is certain is that blacks will have to be taken into the civil service.

A bureaucracy suckled on apartheid is not equipped to address itself to the concerns of the

under-privileged majority.

Blacks will have to be taken into the civil service also to show that apartheid has really ended. But tokenism is surely the last thing we need, or possibly the second-last. Political patronage — jobs for pals — is the last

The best start is to ensure that significant numbers of blacks are absorbed, not primarily for their skin pigmentation or their political preference but for their skills in government

That is where Whitehall comes in. Black graduates of Britain's Civil Service College (where they will be trained) will have imbibed the values of one of the world's most powerful yet subtle bureaucracies — values which include

political impartiality and accountability

The British civil service has an often comic public image of clock watching, tea drinking and paper shovelling. The image is possibly self-cultivated in an attempt to conceal its enormous power.

The new South Africa is likely to require all kinds of checks and balances, informal and formal

South Africa's civil service is modelled on the British, but 40-odd years of sustained ideology have warped things. There could well be difficulties, especially if the newcomers should be themselves infected with a counter-ideology

Would a new government, possibly dominated by the ANC, not simply fire the existing civil ser-

vants and give their jobs to its political supporters?

Somehow, one guesses that Pretoria's present bureaucrats must be safe. Apart from their skills being needed to run a complex country, no government that wants to be taken seriously or ever again to raise an international loan will renege on its pension commitments

The Public Service Pension Fund is in deficit by tens of billions. Fire the existing civil servants and the national bankruptcy would be spectacular. Increase the numbers to give jobs to pals and it would be much the same

Far better in the short to medium term to integrate limited numbers of newcomers with the best available skills □

Star 28/10/91

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Public servants worried about their future role

(250)

The Argus Correspondent

JOHANNESBURG. — The Public Servants Association has decided to approach the government at a "very high level" to discuss its role in a new South Africa.

The decision was made by the PSA executive committee on Monday after criticism against the public service that it was dragging its feet on the

government's reform policies

Public servants are also anxious about their job security after ANC leader Nelson Mandela said that the ANC planned to have a public servants corps trained in Britain for integration into the civil service

General manager of the PSA Mr J C Olivier said discussions with the government would centre the importance of a competent Public Service, es-

pecially in the changing times ahead, as well as the way in which existing rights, benefits and interests of public servants could be protected

The importance of a programme for the restructuring of the Public Service to acquire and retain the services of competent officials would also be discussed Mr Olivier added that the PSA also wished to negotiate salary adjustments and

improved service benefits before the Budget is finalised

"We have always held the view that the financial cake is first cut and divided to satisfy the needs of others and the leftovers are then given to public servants.

"We understand that the Public Service cannot be priority number one every year, but surely it is also not fair that it never receives priority," said Mr Olivier.

Public service 'must be transformed'

THE transformation of SA's public service had to be high on the negotiating agenda because the service was inefficient and served only narrow sectarian interests, said Wits Business School head of public and development management Patrick Fitzgerald.

"The transformation and South Africanisation of the public service is a vast task that must begin now — not on day one of a new government," he said in an interview this week.

The public service had to be geared up now to implement new policies quickly.

The ANC and other political parties should already be allowed to comment on and influence appointments and structures of the public service and to work through policy feasibility with senior public servants, he said.

Although the SA bureaucracy described itself as neutral, it was woven into the apartheid power structure.

"At the heart of the matter is the continuing existence of a caste bureaucracy — white, male, generally Afrikaans-speaking, conservative, Calvinist and until recently NP-supporting," he said.

"Unless there is a total re-education of the present civil service and total education, in development terms, of new people coming into the service, as a society we are going to be dead in the water. We cannot be paying these people

If public servants closed ranks and dug in their heels against change, everybody would lose. The country's new policies would be difficult, if not impossible, to implement.

If there was to be an interim government, there would have to be interim

arrangements for senior civil servants so that there was some kind of good faith that they would wholeheartedly implement very different policies.

Fitzgerald said not the whole top echelon had to change, but it would not be a bad idea to start with affirmative action — the rapid advancement of people who were qualified and competent but who had been overlooked because of their race or politics.

"Put in place people who are already more competent managers. They do not have to be appointed from the existing civil service," he said.

A dual strategy could operate as soon as an interim government was installed. Qualified people with prov-

en track records as managers should be brought in immediately in high positions.

Other people who were not yet equipped for senior posts should be trained and put on career paths that would take them into top posts within a few years.

There were other ways of making the public service accountable and ensuring that it assisted during the transition. One was a ministerial cabinet or commission, as practised in France, where an incoming minister would appoint people to ensure his new policies were carried out.

The commission's members would have a foot in both camps — the public service and politics.

In the interim period they could be appointed

from the various political parties. They could be experts in specific fields or even be existing civil servants who knew the service intimately. The commission could include respected social notables who were not necessarily associated with a particular party but were useful because of their knowledge and commitment.

The commission would not stop the civil service's line managers from managing it would not interfere in a disruptive way.

Fitzgerald said change in the public service would have to be managed by a reconstituted Commission for Administration which, especially in the interim phase, would have to monitor the service carefully.

"The ministerial cabinets watch the specific policies but the Commission for Administration manages the civil service," he said.

"The cost of this would increase the Budget but if there were better services such as health care, education and policing, it would be an investment in developing a better quality of life. The net benefit is there," Fitzgerald said.

From taxpayers' money unless they are addressing themselves to the tasks of development.

The third thing wrong with the public service was management. "The civil service is wasteful. It has not examined its own structures and procedures. It is not in shape to use limited resources in the most productive way for delivering goods and services to the public."

The civil service had to come under public scrutiny now. "If we don't want one party-political service to replace another then the civil service has to come on to the negotiating agenda as a major item," Fitzgerald said. "There has to be a realisation and a willingness by the service that it has to transform."

Added to this, the type of training given to civil servants in public administration has not been impressive. The curriculum is driven by the dictates of apartheid and the courses are not in line with the needs of the new SA," he said.

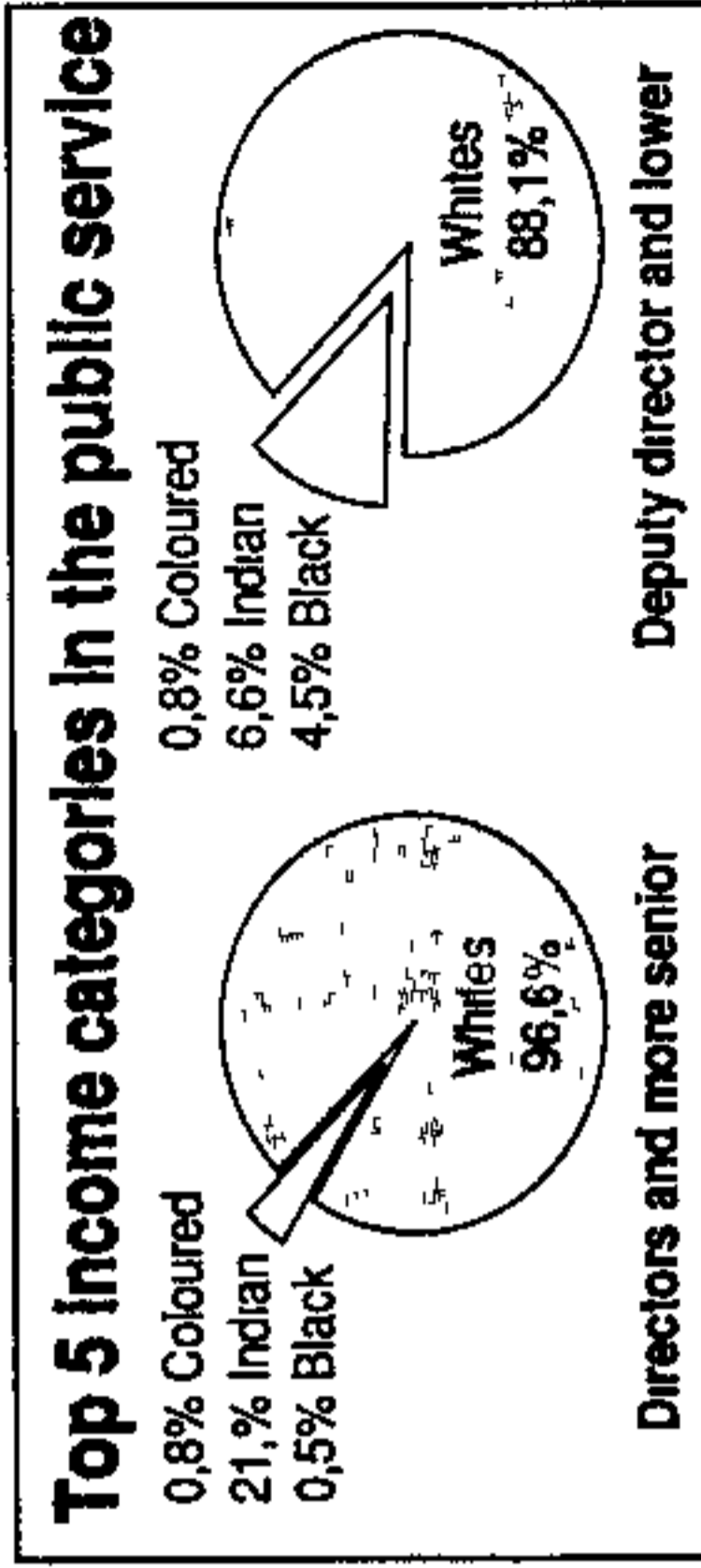
"The courses did not take a developmental approach, nor were they geared to produce active managers. They really are not public management courses — they are old-fashioned chalk-and-talk academic courses. One can see SA's academic isolation showing up especially in public management," Fitzgerald said.

For example, there were few public management courses that involved the use of computers.

What was needed was a fundamental transformation of three areas of the public service, its ethos and values, developmental orientation and management efficiency.

The service had "seen itself as serving a very narrow band of privileged citizens. In this sense there had

Source: HANSARD 14 MARCH 1990



Size of senior management of public sector

Category	White	Coloured	Indian	Black
Chairman	197	1	1	2
Deputy Chair	0	1	1	1
Director	197	1	1	3
Senior Manager	10	1	1	0
Manager	11	1	1	0
Supervisor	14	1	1	1
Other	11	1	1	0
TOTAL (11)	14	1	1	1
Chairman	0	0	0	0
Deputy Chair	0	0	0	0
Director	10	1	1	0
Senior Manager	11	1	1	0
Manager	14	1	1	1
Supervisor	11	1	1	0
Other	11	1	1	0
TOTAL (39)	10	1	1	1
Chairman	34	1	1	0
Deputy Chair	14	1	1	0
Director	33	1	1	0
Senior Manager	24	1	1	0
Manager	3	1	1	0
Supervisor	5	1	1	0
Other	5	1	1	0
TOTAL (4 657)	24	1	1	0
Chairman	21	1	1	0
Deputy Chair	21	1	1	0
Director	21	1	1	0
Senior Manager	21	1	1	0
Manager	21	1	1	0
Supervisor	21	1	1	0
Other	21	1	1	0
TOTAL (293)	21	1	1	0
Chairman	21	1	1	0
Deputy Chair	21	1	1	0
Director	21	1	1	0
Senior Manager	21	1	1	0
Manager	21	1	1	0
Supervisor	21	1	1	0
Other	21	1	1	0
TOTAL (741)	21	1	1	0
Chairman	14	1	1	0
Deputy Chair	14	1	1	0
Director	14	1	1	0
Senior Manager	14	1	1	0
Manager	14	1	1	0
Supervisor	14	1	1	0
Other	14	1	1	0
TOTAL (1 315)	14	1	1	0
GRAND TOTALS	684	47	32	195

Source: CSS 1989 MANPOWER SURVEY

Staff Reporter

THE Peninsula saw the lowest anti-VAT stayaway of all metropolitan areas, with a total wage loss of about R18 million, South African Chamber of Business (Sacob) economist Mr Keith Lockwood said yesterday

In the retail sector the Peninsula saw stayaways of 13% on Monday and 9% on Tuesday

Mr Lockwood estimated the national wage loss at R200m and contended that workers nationally would lose "more, or close to" this amount over a year through VAT and inflation

"If you consider that the basis of the strike was ostensibly to eliminate the additional cost burden imposed on workers by VAT you can see how counter-productive it was," he said

He warned that the stayaway would force business to re-evaluate labour needs and result in retrenchments.

His comments were described as "asinine" and "statistical propaganda" by Cosatu's information officer, Mr Neil Coleman

Mr Coleman said Cosatu was "not into statistical chess" and that Mr Lockwood had ignored issues such as

Stayaway scores lowest in Peninsula

258

CT 7/11/91

the legitimacy of VAT and its future effect on people

The two also locked horns on Cosatu's claim that 3.5 million people had supported the stayaway

Mr Lockwood said the figure ignored workers who had stayed away for fear of intimidation and Mr Coleman said many labourers had gone to work for fear of management retribution

Mr Coleman said he was sceptical of HSRC telephone surveys which showed that 15.8% of black males felt stayaways were an effective means of bringing about political change

"The biggest lie factor is whites believing workers when workers tell them what they want to hear," he said

Areas hardest hit by the stayaway were the Eastern Cape (95%), the Witwatersrand (85%) and Durban (80%)

Own Correspondent

LONDON — Support for the anti-VAT strike will strengthen the ANC's hand in forthcoming negotiations, two leading British newspapers predicted yesterday

"As a show of strength the strike has been impressive," The Times of London said

"There seems little doubt that the disruptive action led by the

Strike 'will help ANC at talks'

Congress of South African Trade Unions will strengthen the hand of the ANC and its allies when negotiations begin on a new constitution

The Financial Times said the stayaway "will

strengthen the hand of the ANC when talks begin on a post-apartheid constitution".

● Many Durban businesses were likely to adopt a "no work, no job" attitude towards unskilled labourers if there was another stayaway, general manager of the Durban Metropolitan Chamber of Commerce Mr Geoff Tyler said yesterday

Govt moves staff to new department

~~SHARON~~ SHARON WOOD (250)

GOVERNMENT has transferred about 1 000 people from Central Computer Services to its State Expenditure Department to get it up and running.

The move follows the recent announcement that the split between the State Expenditure and Finance departments had been finalised. *Blow 7/11/91*

The new State Expenditure Department is expected to clamp down on government spending, which has been well ahead of budget in the first six months of the year.

State Expenditure director-general Henri Kleuver said his department would not control individual departments' spending because they had their own budgets, but if a department was not keeping to budget State Expenditure would step in.

The system of monitoring departments' spending was in place again, he added. A senior Finance official said recently this had fallen into disuse and had contributed to the lack of control over state spending.

Kleuver said yesterday he would have to "wait and see" whether he was happy with the recent department split. There would have to be a lot of co-operation between the two departments and if this was successful the split would work, he said.

The split was intended to lighten the load of Finance Minister Barend du Plessis. It received strong objections from within government and from business because five months after being appointed, State Expenditure Minister Amie Venter said he was not able to do his job because the division of tasks had not been implemented.

Kleuver also criticised the split because he said Finance Department officials were not allowing him to do his job.

Last month government finalised the arrangement that revenue would remain within the ambit of the Finance Department and that the State Expenditure Department would be responsible for planning and controlling state expenditure.

Government spending and revenue figures would be drawn up by the State Expenditure Department and given to the Finance Department.

Cynical public servants must adapt to new order,

PRETORIA — Institutionalised cynicism among public servants had to be eradicated if the country was to adapt to a new order, a top government official has said.

Commission for Administration chairman Piet van der Merwe said at the weekend that barriers in the way of public servants adjusting to a rapidly changing political and socio-economic environment had to be removed or success would be out of reach.

He said institutionalised cynicism — a feeling among government workers that there was no need for change — was a stumbling block.

Speaking at the SA Quality Institute conference at the CSIR, Van der Merwe said it was not uncommon to find senior administrators committed to change which was resisted by lower-level public servants.

Too many South Africans had for too long been on the receiving end of negative aspects of public administration flowing from discriminatory policies and legislation. The hour had arrived for all public servants to rededicate themselves to rendering quality service to all South Africans.

GERALD REILLY

Government departments, like other organisations, developed cultural patterns and this militated against adjustment to change. These became entrenched if there was no change in government over a long period.

The public service needed more delegation and fewer controls. "Over-regulation and excessive prescription are also barriers to change."

Whirlwind

Deregulation was a major public service management challenge. New policy directions had resulted in the removal of many laws and regulations. "However, it is also true that too many laws, regulations and prescriptions that have become outdated or unnecessary still remain."

Van der Merwe stressed lack of communication between Ministers, administrators, line managers, lower-level public servants and the public was another barrier. "South Africans are in many respects reaping the whirlwind for failure to communi-

cate effectively across language, racial and cultural barriers for many decades."

Excessive fault-finding with public servants by politicians and public servants, the media and the general public also got in the way of change. Motivation and dedication were not strengthened by abuse and indiscriminate attacks being heaped on public servants.

An important consequence of change was uncertainty and fear among public servants, because of political or other external developments. These were often seen as a threat to job security, promotional opportunities and service benefits.

Attitudes towards particular groups or communities was another barrier. Influx control, for instance, gave rise to confrontation, hatred and bitterness on a wide scale.

Hurdles placed in the way of high quality people being attracted to government posts was now more than ever short-sighted, costly and dangerous. Yet there was evidence of this every day, in the form of criticism based on scantily supported evidence and broad generalisation.

Appeal for renewed investment in industry

GERALD REILLY

PRETORIA — High-level strategic decisions on productivity and quality were needed to snatch SA industry out of its pathetic performance syndrome, National Productivity Institute (NPI) executive director Jan Visser said at the weekend.

Speaking at the SA Quality Institute conference, Visser said industry suffered from capital starvation as the lion's share of savings was absorbed into erecting less productive assets — such as office blocks and shopping centres.

"As much as I resent government interference, mechanisms to redirect investment to industry are urgently needed," he said.

"Last year the physical output of SA factories was at the same level as in 1980 and 1984. Zero growth in manufacturing output over a period of 10 years in a country that has identified manufacturing as the means of economic development is unacceptable."

Visser said SA, and specifically its industry, deserved more support than it got.

In the East it was unthinkable for government policy decisions to remain unimplemented. It was essential for SA to be technologically competitive.

A technology policy was long overdue and action was needed to bring research and development into industry, said Visser. A full commitment to education and training was also needed.

"Wealth cannot be distributed unless it has been created and unproductive people do not create wealth."

SA was plagued by unemployment and high inflation. If these could be solved, many of SA's social and political problems would disappear.

Public service blacks

in new demand

By ADRIAN HERSCH

A COSATU union has made affirmative action demands in pay talks involving the public service.

The National Education Health and Allied Workers Union (Nehawu) first seeks to get an "in-principle" agreement on the need for affirmative action. The working details would be settled later.

Nehawu general secretary Sisa Njikelana says demands centre on skills upgrading, promotions and appointments.

He stresses that the union wants affirmative action not only in terms of race but gender. *S/ Times (15/4/88)*

The union also demands a minimum wage of R1 000 a month. *24/11/91*

Mr Njikelana says the affirmative action plan will not lower standards.

Issue

"The fact that we are seeking skills upgrading means that we do not want to see people promoted without the adequate qualifications."

The union wants the programme to be jointly run by labour and management.

The Commission for Administration (CFA) has not yet commented on the affirmative action demand.

However, CFA chairman Piet van der Merwe has previously said that blacks already outnumber whites in the public service.

The union's demands indicate that affirmative action will become a major industrial relations issue in years to come in all sectors.

The pay talks in the public service will begin at the end of January through an "interim national bargaining forum"

The forum includes 11 staff associations and trade unions and the CFA.

The parties have held discussions in the past year to consider new legislation for public servants to give them full labour rights.

250 Degree

A draft Bill, released recently, may become the Public Services Labour Relations Act in 1992.

It is similar to the Labour Relations Act and would allow State workers access to the Industrial Court and the Labour Appeal Court.

The head of the mostly white Public Servants Association (PSA), Hans Olivier, says the 11 associations and unions achieved a remarkable degree of agreement on the proposed legislation.

CFA spokesman Hannes du Preez says the drafting committee will meet again in December.

He says the proposed legislation will cover about 400 000 State employees.

New-look public service

Sowetan 3/12/91
A NEW body aimed at making the South African public service and its associated institutions truly nonracial and democratic has been launched.

The New Public Administration Initiative aims to provide public service and public management training for a new nonracial South Africa according to a statement issued by a group of public management educators who make up NPAI.

NPAI members were brought together because of their concern for the public and development management challenges facing post-apartheid South Africa. They are

(250)
also concerned with issues relating to transforming the civil service, local government reconstruction and the management of non-governmental organisations.

During a conference held at Mount Grace, Magaliesberg, the NPAI agreed that public administration as a discipline, profession and a practice, should decisively move away from apartheid. What was needed was a new democratic approach which valued nonracial, community accountability and consolidation of effective and equal delivery of services.

ST 9357

STRIKES IN THE MATHEMATICS

Call to ditch public service 'caste system'

Sowetan 3/12/91 250

South Africa's existing public service is inappropriate and has many problems.

Mr Patrick FitzGerald, head of the New Public and Development Management Programme at the Wits Graduate School of Busi-

ness Administration, said this at the recent launch of the Public Administrative Initiative in Johannesburg.

He said the public service was not representative of or accountable to the community and the media,

which they needed to be. FitzGerald said he wondered how the present public service would cope with a new government in the near future.

"If the public service is not disposed to implementing a new government's policies the whole system

will be in chaos."

During the negotiation process, people were only concerned with political issues to the detriment of public administration.

He said the South African public service resembled a caste system which discriminated in terms of

colour and gender.

Most public servants were black but top positions were held by white Afrikaner males. At present there was only one female deputy director-general among a staff of about 200 males.

Commenting on ANC

plans to send people to Britain for public service training, he said he wondered if they would be employed upon completion of their studies.

He called for affirmative action in public administration and the employment of new people

NOTICE 1191 OF 1991

SOUTH AFRICAN RESERVE BANK

Statement of assets and liabilities on the 30th day of November 1991

	1991-11-30	1991-10-31	Change
	R	R	R
Liabilities			
Share capital	2 000 000,00	2 000 000,00	—
Reserve fund	77 831 863,11	77 831 863,11	—
Notes in circulation	10 925 684 356,00	10 268 838 197,00	656 846 159 00
Deposits			
Government	6 765 135 429,38	6 600 757 857,20	164 377 572,18
Provincial administrations	433 306 335,69	561 519 061,00	(128 212 725,31)
Deposit-taking institutions	847 332 820,42	1 016 080 471,88	(168 747 651 46)
Other	84 180 161,48	94 290 593,31	(10 110 431,83)
Other liabilities	10 180 899 213,93	10 498 502 256,01	(317 603 042 08)
	R29 316 370 180,01	29 119 820 299,51	196 549 880,50
Assets			
Gold	5 897 504 829,05	5 888 313 431,62	9 191 397,43
Foreign assets	3 173 349 546,66	2 737 872 336,62	435 477 210,04
	9 070 854 375,71	8 626 185 768,24	444 668 607,47
Domestic assets			
Discounted bills	1 658 190 000,00	2 304 550 000,00	(646 360 000 00)
Loans and advances			
Government	—	—	—
Other	1 150 708 959,21	1 136 274 905,44	14 434 053 77
Securities			
Government	486 684 624,34	698 080 960,94	(211 396 336 60)
Other	1 134 985 045,00	1 122 985 044,00	12 000 001 00
Other assets	15 814 947 175,75	15 231 743 620,89	583 203 554,86
	R29 316 370 180,01	29 119 820 299,51	196 549 880,50
Rand per fine ounce	923,27	915 53	7 74
Gold holdings in fine ounces	6 387 627	6 431 590	(43 963)

C. J SWANEPOEL,
General Manager

Pretoria, 6 December 1991

(20 December 1991)

KENNISGEWING 1192 VAN 1991

SUID-AFRIKAANSE PADRAAD

**ERRATA VERKLARING VAN 'N TOLPAD
PROVINSIE NATAL**

Die Suid-Afrikaanse Padraad wysig hierby Goewermentskennisgewing No 51 van 1990 deur daarin die woord en syfers "84 van 1975" te vervang met die woord en syfers "84 van 1974"

(20 Desember 1991)

KENNISGEWING 1193 VAN 1991

ADMINISTRASIE VOLKSRAAD

**DEPARTEMENT VAN PLAASLIKE BESTUUR,
BEHUISING EN WERKE**

VERBETERINGSKENNISGEWING

Kennisgewing No 810 gepubliseer in *Staatskoerant* 12757 van 28 September 1990 word hierby verbeter deur in die Engelse teks die woorde "Minister of the Budget and Works" deur die woorde "Minister of the Budget and Local Government" te vervang

(20 Desember 1991)

NOTICE 1192 OF 1991

SOUTH AFRICAN ROADS BOARD

**ERRATA DECLARATION OF A TOLL ROAD
PROVINCE OF NATAL**

The South African Roads Board hereby amends Government Notice No 51 of 1990 by substituting therein the word and figures "84 of 1974" for the word and figures "84 of 1975"

(20 December 1991)

NOTICE 1193 OF 1991

**ADMINISTRATION: HOUSE OF ASSEMBLY
DEPARTMENT OF LOCAL GOVERNMENT,
HOUSING AND WORKS**

CORRECTION NOTICE

Notice No 810 published in *Government Gazette* 12757 of 28 September 1990 is hereby corrected by the substitution in the English text for the words "Minister of the Budget and Works" of the words "Minister of the Budget and Local Government"

(20 December 1991)